

Annual Report
2002-2003





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DISCLAIMER

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STATEMENT OF COMPLIANCE

JOHN KOBELKE, MLA
MINISTER FOR INDIGENOUS AFFAIRS

In accordance with Sections 62 and 66 of the Financial Administration and Audit Act 1985, I hereby submit to the Minister for Indigenous Affairs for information and presentation to Parliament, the Annual Reports for the Department of Indigenous Affairs and the Aboriginal Affairs Planning Authority for the period 1 July 2002 to 30 June 2003.

The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.

Richard Curry
Director General

29 August 2003

DIRECTOR GENERAL'S OVERVIEW



Richard Curry
Director General
Department of Indigenous Affairs

Indigenous issues attracted widespread attention throughout 2002-2003 with the media, governments and public demanding action to resolve issues stemming from racial tension, social and economic inequity and the protection of Aboriginal heritage and culture.

The Department of Indigenous Affairs (DIA) drove much of the interagency response and, while there is certainly much work to be done, significant progress has been made over the past 12 months toward redressing the extensive imbalance that exists in many communities between Indigenous and non-Indigenous Western Australians.

Much of this success can be attributed to the change in focus of DIA from coordinating the delivery of local services to one of strategic leadership on Indigenous issues in the core areas of land, heritage and culture and policy and coordination.

This approach demonstrates the State Government's strong commitment to working in partnership with local Aboriginal communities and families as well as Commonwealth and Local Government.

The Statement of Commitment to a new and just relationship between Indigenous Western Australians and the WA Government, signed by the Premier Geoff Gallop and the Aboriginal and Torres Strait Islander Commission (ATSIC) in October 2001, has provided the framework to implement this strategy.

Agreements with ATSIC regional councils, communities and Government agencies are being developed throughout the State to streamline administration, target Indigenous needs and improve use of public funds.

Priorities for DIA have included establishing and coordinating agreements such as the Albany Accord, the Kalgoorlie-Boulder Framework Agreement, the Tjurabalan Comprehensive Agreement, the Ngaanyatjarra Lands communities report, and the strategic management of heritage issues on the Burrup Peninsula.

Coordinating the Government's response to the Gordon Inquiry into Child Abuse and Family Violence has also been a key focus in 2002-2003.

DIA has also taken the lead administrative role in the closure of the Swan Valley Nyungar Community, a decision taken by the Government in June 2003 in response to concerns of continued family violence at the community.

DIA worked with the departments of Housing and Works, Community Development and Police to provide support and alternative accommodation to families.

While DIA's new strategic approach to Indigenous issues retains a strong regional focus, it does not rely on maintaining shop-front services, allowing the agency to be more flexible and effective in the use of its resources. This is allowing DIA to ensure its staffing and regional structure is responsive to local needs and meets the priorities set by Government.

As a result, DIA has reduced its regional offices from 26 to 10 at a budget saving of \$2 million, while providing new annual grant funding of \$300,000 including an additional \$65,000 for patrols, \$200,000 for heritage and reconciliation and \$25,000 for the Bringing Them Home Program.

Ensuring key stakeholders, including those in the Indigenous community and officials representing other Government agencies, were assisted to adjust to the change in focus has been a priority to minimise confusion over the role of the DIA.

Where some communities have raised concerns that inevitably arise from such a major change in the role of an agency, DIA staff have moved quickly to meet with community leaders and officials to reassure them that the strategic regional approach will enable DIA to more efficiently achieve its core business priority of coordinating Government services to local communities.

DIA is fortunate to have the support of a team of dedicated and passionate staff whose commitment to the State's Indigenous community is unquestionable.

I am confident that by continuing to work in partnership with Indigenous communities, and State, Local and Commonwealth Government agencies, we will achieve our goal of social and economic equity for Indigenous people, respect for the land, and value for the State's unique heritage and culture.

A handwritten signature in black ink, appearing to read 'Richard Curry', followed by a long horizontal line.

Richard Curry
Director General

29 August 2003



2002-2003 HIGHLIGHTS

- Developed a National Indigenous Indicator Framework that will drive and measure Government services to Indigenous people.
- In partnership with the Commonwealth and the East Kimberley communities of Tjurabalan, reached agreement on a scoping study and joint action plan to address immediate priorities.
- Developed 17 community layout plans in conjunction with ATSIC and the Department for Planning and Infrastructure. A further 13 plans are under way in town reserves.
- Provided a \$30,000 grant to the Shire of Ngaanyatjaraku to undertake community input into enhancement and coordination of services to the Ngaanyatjarra Lands communities and provide the basis for a comprehensive agreement.
- Developed a framework agreement with the City of Kalgoorlie-Boulder and ATSIC to address issues of community harmony in the region. The model has been replicated in Esperance.
- Developed an accord between the City of Albany and the Nyoongar community that recognises Aboriginal people as the traditional owners of the country and commits the city to ensuring that Aboriginal people share the economic and social prosperity of the region.
- Completed the transfer of five Aboriginal Lands Trust (ALT) properties to Indigenous organisations at Tambellup, Cranbrook and Brookton.
- Developed a project to improve the storage and collection of Aboriginal Heritage site information. The Improving Heritage Management Systems Project has been developed in partnership with industry, Native Title Representatives Bodies and Government agencies.
- Provided grants totalling \$1.7million to support projects including community patrols, land care, reconciliation and heritage and assisting members of the Stolen Generations reunite with family.
- Commenced reviews of the Aboriginal Heritage Act, the Aboriginal Affairs Planning Authority, Aboriginal Communities Act, and the Aboriginal Lands Trust.
- Progressed new bylaws for eight regional communities.
- Responded to nine applications lodged under the Federal Aboriginal and Torres Strait Islander Heritage Protection Act 1984.

The Department of Indigenous Affairs Overview



The Department of Indigenous Affairs (DIA) works in partnership with Government agencies and the community to promote social and economic equity for Indigenous people, respect for the land, and an appreciation of the State's unique heritage and culture.





OVERVIEW

The Department of Indigenous Affairs

The Department of Indigenous Affairs (DIA) works in partnership with Government agencies and the community to promote social and economic equity for Indigenous people, respect for the land, and an appreciation of the State's unique heritage and culture.

Its key objective is to improve the quality of life of the State's 58,496* Indigenous citizens – up to one third of whom live in the most isolated, and harsh physical environment in the country.

Understanding how to do business with Indigenous communities is an important ingredient in establishing these partnerships and is a major contribution made by the DIA.

The DIA has three core areas of business:

- The management and protection of Aboriginal heritage and culture;
- The management and transfer of Indigenous land;
- The coordination of a whole-of-Government approach to Indigenous issues.

These core functions are provided through regional offices strategically located throughout the State.

*Based on Australian Bureau of Statistics 2001 census

Heritage and Culture

Indigenous societies have existed in Western Australia for at least 50,000 years. Archaeological and ethnographic research proves that Indigenous people maintained a complex relationship with the land from prehistoric times.

For Indigenous people today, it is vital that their heritage is acknowledged and preserved because it provides them with emotional, spiritual and mythological links to the land. It also ensures the continuity of their culture by maintaining traditional practices and beliefs. It is equally important that Indigenous heritage and culture is properly acknowledged and preserved by the wider community, as well as Local, State and Commonwealth Government.

The key roles of DIA in Heritage and Culture are to:

- Administer the Aboriginal Heritage Act 1972 through processes such as the maintenance of the Register of Aboriginal Sites, support the Aboriginal Cultural Material Committee (ACMC), advise on heritage matters, and the protection and management of Indigenous heritage sites.
- Provide information and advice to assist Indigenous people obtain family history information from archival records, Native Welfare Files, DIA Personal History Cards, the Tindale Photographic and Genealogical Collection and other records.

OVERVIEW (continued)

Land

The DIA supports the Aboriginal Lands Trust (ALT) in the care, control, and management of nearly 350 properties across Western Australia. They represent about 27 million hectares, or 13 per cent of the State.

The majority of this land is in the form of reserves with some areas of freehold and leasehold land. Since 1999, the DIA has been involved in the transfer of the ALT land estate back to Indigenous people following a major review of the ALT, conducted by Australian Senator, the late Neville Bonner.

The DIA assists Indigenous people by informing them of their rights, obligations and the potential opportunities that ownership and management of the land will bring and by providing a link with specialist training providers and resourcing agencies.

It also assists Indigenous people to develop partnerships that will enable them to maximise the social, economic and cultural benefits that can be derived from the land.

The roles of the DIA in Land are to:

- Support the ALT in the effective and sustainable management of the land estate it holds in trust for Indigenous Western Australians;
- Facilitate the transfer of ALT land to Indigenous people; and
- Provide advice and support to the ALT, Indigenous people, the Government and other important stakeholders about the care, control and management of Indigenous land.

Policy and Coordination

DIA plays an important role in leading the Indigenous affairs portfolio. It seeks to ensure that government agencies are working together and in partnership with the community to achieve the State Government's goals in Indigenous affairs.

The policy and coordination role of DIA involves working at national, State, regional and local levels to encourage participation of Indigenous people in policy and program development and in providing advice about Indigenous needs, priorities and ways of working.

The DIA works to achieve:

- A clear vision and strategic direction for Indigenous affairs in Western Australia;
- Legislation, policies and practices that promote improved outcomes for Indigenous people;
- Services that are coordinated and appropriately target areas of need;
- The engagement and participation of Indigenous people in decisions that affect their lives.

DIA works in partnership with key agencies and the community to identify and address service deficiencies. It also works to help Indigenous people negotiate directly with Government and to gain greater control over their own lives.



STATEMENT OF CORPORATE INTENT

Vision

To improve outcomes and relationships with Indigenous people based on trust, respect, equity and inclusiveness.

Our vision is the long-term view we hold for the Indigenous Affairs portfolio and reflects our aspirations for influencing change through our business decisions and operations.

Mission

To close the gap between the social, cultural and economic well being of Indigenous and non-Indigenous people through strategic leadership of land, heritage and culture, and whole-of-Government coordination of Indigenous issues.

In order to fulfil this mission, the Department of Indigenous Affairs works in partnership with Commonwealth, State and Local Government agencies and the community to create social and economic equity for Indigenous people, respect for the land and value for the State's unique heritage and culture.

Strategic objectives:

The Department of Indigenous Affairs' strategic objectives are targeted to achieve the agency's outcome of "sustainable improvement in social, cultural and economic outcomes for Indigenous people".

DIA's strategic objectives are:

1. Government, community and industry effectively engaged in doing business.
2. Legislation, policies and practices that achieve service equity and justice for Indigenous people.
3. Well-planned and effective co-ordination of services to Indigenous people.
4. Agreements based on partnerships between the community, government and industry.

To achieve these objectives, DIA will:

- Foster relationships that promote the Government's Commitment to A New and Just Relationship with Indigenous people.
- Advise Government on integrated Indigenous Affairs goals.
- Work with key agencies to achieve reforms in legislative, policy, planning and budgeting systems.
- Promote awareness and appreciation of Indigenous tradition, history and contemporary issues.
- Deliver services in land, heritage and culture, community patrols and community engagement.
- Develop and promote agreement and partnerships that address service inequities.

STATEMENT OF CORPORATE INTENT (continued)

Key clients

Western Australia's 58,496 Indigenous people include approximately 25,000 in metropolitan Perth and another 17,000 are scattered among an estimated 300 regional and remote communities.

Key Business Partners

- State Government agencies
- Commonwealth Government agencies
- Local Government – Shires and councils
- Aboriginal Organisations and communities
- Industry, business and industry bodies
- Native Title Representative bodies
- Tertiary bodies

Key Services

- The management and protection of Aboriginal heritage and culture;
- The management and transfer of Indigenous land;
- The coordination of a whole-of-Government approach to Indigenous issues.



STATEMENT OF CORPORATE INTENT (continued)

Corporate values and principles

The Department of Indigenous Affairs and its staff are committed to:

- **Indigenous culture:** We will respect Indigenous cultural values and ways of working and promote an improved understanding in the wider community.
- **Our Staff:** Our staff are the key to achieving our mission and we will invest in organisation development strategies to build their skills
- **Integrity:** We value honesty, trust, respect and openness and we will act ethically in all business relationships and dealings.
- **Leadership:** We will achieve our business results through strategic leadership, teamwork and a commitment to our mission
- **Customer Focus:** We value and respect the needs of customers and will at all times endeavour to ensure their service needs are met.
- **Engagement:** We will actively engage with Indigenous people in issues and decisions that affect them.
- **Partnerships:** We will be proactive and work with all stakeholders to develop mutually beneficial partnerships to achieve improved outcomes for Indigenous people.
- **Corporate Governance:** We will manage our organisation in a way that maximises results and outcomes for Government and Indigenous people.

STATEMENT OF CORPORATE INTENT (continued)

Operational Base

The Department of Indigenous Affairs is a relatively small agency with 133 staff covering the vast geographical area of Western Australia. In addition to metropolitan Perth, offices are located in six major regional centres – Wheatbelt, Southern, Goldfields, Murchison/Gascoyne, Pilbara and Kimberley.

Over the past two years, the Department of Indigenous Affairs has changed its focus from the coordination of local services to the strategic management of key Indigenous issues in the areas of land, heritage and culture, and a cross-Government coordination.

To continue this strategy of targeting priority areas and issues throughout the State, DIA has begun relocating resources from its network of 26 local offices throughout the State, to establishing key regional centres.

Offices closed in 2002-2003

- Armadale
- Merredin
- Mandurah
- Fremantle
- Carnarvon
- Katanning
- Narrogin
- Laverton
- Newman

Additional office closures announced in 2002-2003

- Bunbury
- Halls Creek
- Meekatharra

STATEMENT OF CORPORATE INTENT (continued)

Remaining offices

Head Office	Regional Offices	Sub-regional Office	Local Offices
<div><ul style="list-style-type: none">Perth</div>	<div><ul style="list-style-type: none">MidlandAlbanyGeraldtonKalgoorlieBroomePort Hedland</div>	<div><ul style="list-style-type: none">Kununurra</div>	<div><ul style="list-style-type: none">NorthamDerby</div>

Legislation and Reporting

The Department of Indigenous Affairs, through its Director General, reports to the Minister for Indigenous Affairs. Alan Carpenter MLA was the Minister for Indigenous Affairs from 1 July 2002 to 27 June 2003. John Kobelke MLA was Minister for Indigenous Affairs from 27 June 2003 to 30 June 2003.

Mr Richard Curry was Director General for the period from 1 July 2002 to 30 June 2003.

DIA is responsible for administering legislation that affects the well-being of Indigenous people.

The **Aboriginal Affairs Planning Authority Act 1972** (AAPA) has principle functions related to consultation, planning and coordination of services to Indigenous people, and the adequacy of those services. The AAPA also establishes the Aboriginal Lands Trust (ALT), which has operational functions related to land.

The **Aboriginal Heritage Act 1972** (AHA), details specific responsibilities related to the management and protection of heritage sites.

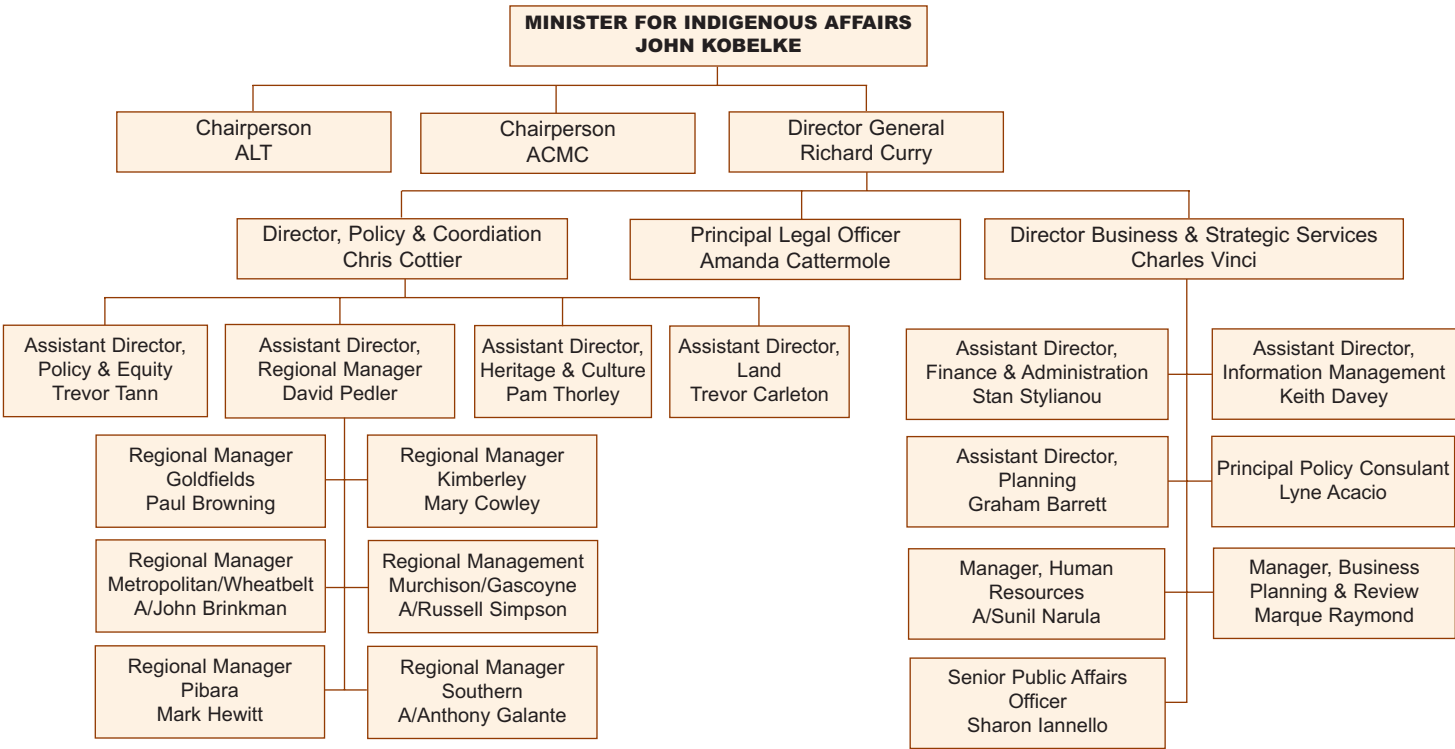
The **Aboriginal Communities Act 1979** (ACA) enables Indigenous people to establish by-laws that govern conduct and access on community lands.

Freedom of Information

The Department of Indigenous Affairs received nine applications for access to agency records under the Freedom of Information Act 1992 (FOI), 1/7/2002 - 30/6/2003.

STATEMENT OF CORPORATE INTENT (continued)

Corporate structure



Staffing

Staffing Indicators	2000-2001	2001-2002	2002-2003
Number of staff employed*	143	132	133
Number of staff on secondment from DIA	4	8	4
Number of staff on secondment to DIA	10	6	5
Percentage of staff of Aboriginal or Torres Strait Islander background	43%	40.9%	35.91%
Number of staff who have a disability	2	0	0
Number of staff from non-English speaking background	4	5	4

* As per Minimum Obligatory Information Requirements (MOIR)

NB: Base establishment of permanent employees is 129. Fluctuations relate to temporary contract positions for specific short term projects.

Review of operations



While the outlook for Indigenous Western Australia is improving, there remains a significant gap in the social and economic prosperity of Indigenous and non-Indigenous citizens.

About one third of Indigenous Western Australians live in discrete, remote and isolated communities in the North West and East of the State.



REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives

While the outlook for Indigenous Western Australia is improving, there remains a significant gap in the social and economic prosperity of Indigenous and non-Indigenous citizens.

About one third of Indigenous Western Australians live in discrete, remote and isolated communities in the North West and East of the State.

These communities often lack access to basic services such as fresh food, employment and income opportunities, sanitation, sewerage, town planning, roads, housing, transport and infrastructure, which contribute to premature death.

The remaining two thirds of Indigenous people live in cities, regional centres and rural towns, with one third in the Perth metropolitan area.

For many urban Indigenous people, lack of wealth, education, housing and employment, plus racism and prejudice, work with the effects of dispossession, separation from families and other impacts of colonisation, to perpetuate poor outcomes.

DIA is working in partnership with State, Commonwealth and Local Government agencies, industry and Indigenous communities to ultimately achieve equity for Indigenous people, respect for the land, and an appreciation of the unique heritage and culture of Indigenous people.

The Statement of Commitment to a new and just relationship between Indigenous Western Australians and the WA Government provides the framework to achieve this objective.

Land

Land Transfers and Land Management: In partnership with some Native Title Representative Bodies (NTRBs), DIA and the ALT has commenced the development of new guidelines and processes for the transfer of Aboriginal Lands Trust (ALT) properties to Indigenous communities.

At the heart of these new arrangements is an agreement to work together to speed up the Government's Land Transfer program and to realise land management opportunities. Introduced in 1999, the program is heavily reliant on developing strong partnerships with NTRBs, communities, Government agencies and funding bodies.

About 30 properties have been transferred to Aboriginal organisations including five in 2002-2003.

As part of the agreement, priority land transfers would be identified by NTRBs and the DIA, and a regional work plan developed.

Other steps in the transfer process would include:

- Researching technical issues relating to the property such as boundaries, heritage, legislative provisions, encroachments and easements.
- Preparation of a detailed land assessment report to be used as the basis for consultation and to assist in framing recommendations to the ALT Board. Board decisions would still require Ministerial approval.



REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives (continued)

Heritage and Culture

Improving Heritage Management Systems: State Government recognition of the importance of Indigenous culture to Western Australia is demonstrated in a new heritage management system, under development by the Department of Indigenous Affairs.

The \$1.6 million project, to be partly funded by private enterprise, will ensure that sites of Aboriginal cultural significance are recorded in a central register, accessible by Government, industry and educators.

For the first time standards would be applied to site surveys ensuring consistent, accurate information is collected throughout the State.

Changes to the collection and storage of information are supported by three separate Government reports (the Keating and Bowler Reviews and the Technical Taskforce).

The new system respects cultural sensitivities while ensuring that Government, through the DIA, has the necessary detail to prosecute individuals and/or companies guilty of destroying culturally significant sites.

Developers will also have the opportunity to negotiate a heritage agreement with native title claimants prior to commencing their activity. This agreement would set out the roles and responsibilities of each party and set conditions for protecting possible heritage sites, provision of information and access to land.

DIA is working with the Native Title Representative Bodies (NTRBs) to develop these heritage agreements for each region. A template agreement is also being developed which, when complete, can be offered to communities not represented by a Native Title body.

Under this system approval to develop land will be transferred with change of ownership.

DIA will have a team of officers working on processing tenement applications that will allow the current backlog of 12,000 to be cleared in five years.

This certainty of process will speed applications for future development, while ensuring the protection of documented and undiscovered heritage material.

The project is to be funded through the existing resources of DIA and the Department of Industry and Resources with a contribution sought from industry for additional work.

Heritage Management on the Burrup: A strategy to better manage heritage and industrial development on the Burrup Peninsula has been prepared by the Department of Indigenous Affairs.

The strategy is progressing through a consultative process involving Government, industry and the traditional custodians. The expectation is for commencement in October 2003 and full operation in early 2004.

The Strategy will set new standards of best practice for heritage protection while significantly reducing the risk for project development.

The Peninsula is currently the most strategic strip of industrial land in Australia and is also the location of one of the best rock art sites in the world.

Objectives of the strategy include:

- Sustainable development processes;
- Well-managed heritage assets;
- Stakeholder partnerships;
- Reduced public concerns about heritage at risk.

REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives (continued)

Aboriginal Interpretive Trail: DIA has partnered with the City of Perth and the Nyoongar community to develop a new Aboriginal interpretive trail in Perth linking the Swan River, the city's Cultural Centre, East Perth, and Crawley.

The five-year project would use historical plaques and public art to recognise important Aboriginal heritage sites in the metropolitan area.

The idea is to create a gateway to Indigenous heritage and culture in WA, with the aim of providing information on various locations in Perth - promoting the Aboriginal and non-Aboriginal significance of those sites.

Stage One will include Heirisson Island, Fraser Point, Barrack Square, the Convention Centre, the Swan Brewery and Kings Park. Other stages will include Perth's Cultural Centre, East Perth and Crawley.

In Stage Five, the trail will link in with the City of Perth's foreshore redevelopment plans offering Indigenous art and performances as part of the city's cultural repertoire.

Policy and Coordination

Gordon Inquiry: The DIA played a major role in developing and implementing the Government's response to the Gordon Inquiry. As a result, Government initiatives to counter child abuse are being implemented in partnership with the Indigenous community, based on shared responsibility.

DIA had a key role in developing the Indigenous Affairs Advisory Committee's Plan of Action to Prevent Child Abuse in Aboriginal Families and Communities.

The plan of action outlines four key areas of reform:

- Community and Government relationships;
- Services and programs;
- Public sector reform and resource flexibility; and
- Policy and legislation.

This plan formed the cornerstone of the Government's response to the Inquiry.

The first six-monthly report to Cabinet, presented in May 2003, indicated the Government's response to the Gordon Inquiry was on track.

Highlights included:

- Recruitment under way for 25 new child protection workers and 14 Aboriginal Support workers. Location, roles and support for these workers was agreed with the Aboriginal and Torres Strait Islander Commission (ATSIC) regional councils;
- Multifunction police facilities for remote communities were progressing with planning and community engagement under way. This included letting a place management contract at Warburton, progress toward agreement on multi-jurisdictional facilities at Kintore in the Northern Territory and reprioritising Balgo and Kalumburu facilities. An across-agency working group with ATSIC is managing the process;
- Refining partnership and consultation arrangements with Indigenous representatives in regional Western Australia to improve communication between Indigenous communities and Government agencies.

DIA is working on an evaluation framework, due for completion in November 2003, to assess the effectiveness of the State's response to the Gordon Inquiry.



REVIEW OF OPERATION **Output 1-** Support to partnerships, partnering initiatives
(continued)

Environmental health: DIA has continued to lead interagency efforts to improve living conditions for the 17,000 Aboriginal people living in remote regional communities in WA.

Key strategies have been coordinated through forums such as the Aboriginal Community Essential Services Steering Committee, the Local Government Interagency Indigenous Coordinating Group and the Environmental Health Needs Coordinating Committee.

Priorities include town reserves regularisation, resolution of water and power issues, Local Government service provision, community management, town planning, road and transport issues, energy efficiency, education and emergency service management.

A major initiative in which DIA has a lead role is development of the 2003 WA Indigenous Community Environmental Health Needs Survey (EHNS) due to be conducted in the first quarter of 2003-2004.

The 2003 EHNS, an initiative of the Environmental Health Needs Coordinating Committee (EHNCC), will capture information on environmental health conditions in Aboriginal communities.

Results will be used by Commonwealth, State and Local Government agencies to:

- Measure progress in addressing priority environmental health needs.
- Identify service delivery gaps;
- Target existing resources to priority communities;
- Lobby government for new resources, and;
- Improve across-government program and service delivery coordination.

Capacity building: Negotiations to establish a Remote Recruitment and Work Place Relations Service have been led by the Department of Indigenous Affairs (DIA) as part of the State's strategy to build capacity in Indigenous Communities.

DIA is also negotiating with training providers and policy makers about improving Indigenous governance support.

Developing an Aboriginal Justice Agreement: DIA is working with Police, Department of Justice and ATSIC to develop an Aboriginal Justice Agreement. The Agreement will provide the framework for Government and the Indigenous community to work together to make communities safer and ensure improved justice outcomes for Indigenous Western Australians. A draft Agreement is due to be tabled at the November meeting of the Indigenous Affairs Advisory Council.

The agreed framework will ensure regional and local plans for improved community safety are developed in partnership with the Indigenous community.

Regional

Community Harmony: The Department of Indigenous Affairs (DIA), in collaboration with the Aboriginal and Torres Strait Islander Commission (ATSIC) and the City of Kalgoorlie-Boulder, developed an innovative partnership model to address issues of violence, concerns for personal safety and growing racial tension and discrimination in the community.

The Kalgoorlie-Boulder project has created a model for interagency collaboration, which is working to address racial tension and reduce fragmentation in the delivery of services to Indigenous people and the broader community.

REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives
(continued)

The State Government's "Commitment to a new and just relationship between the Government of Western Australia and Indigenous Western Australians" provided the framework for this project to take place. There are several components:

- A meeting of WA heads of government, with ATSIC and the City of Kalgoorlie-Boulder at which three reports were considered;
 - ◇ a collaborative Mapping and Gap Analysis, which detailed available services, shortfalls, and recommendations on Indigenous services and programs in the community;
 - ◇ a Needs Analysis and community perception survey;
 - ◇ a youth Needs Analysis report;
- Development of a Framework agreement focussing on 11 key areas;
- Development of Indigenous Consultation Protocols;
- Appointment of a DIA officer to the City of Kalgoorlie-Boulder to progress the agreement.

The needs analysis reports were presented to the meeting of senior government officials and Indigenous and regional leaders, and led to the development of the Framework Agreement.

Albany Accord: The State's first City Council Aboriginal Accord was launched in Albany in March 2003.

The City of Albany Accord and Action plan promotes reconciliation and provides a process of negotiation and cooperation between the council and Indigenous and non-Indigenous communities.

It is the culmination of more than three year's work by the City, DIA, ATSIC and the Aboriginal community.

The Accord recognises the Nyoongar people as the traditional owners of the country and acknowledges the loss of culture and customs that they have suffered as a result of European settlement.

It also aims to ensure that Aboriginal people are included in city functions, that they are encouraged to take part in local government and that they share in the economic and social prosperity of the city.

Esperance: Employment strategies, improved coordination of Government services and the establishment of a Community Action Group were among key recommendations outlined in a review of services to the Indigenous community in Esperance.

The Mapping and Gap analysis was part of a longer-term plan by the Department of Indigenous Affairs (DIA) to address issues of community harmony in the town.

The report examined health, housing, education and employment as well as family issues. It looked at existing services and identified areas where there were gaps, shortfalls or duplication of services. It also recommended possible enhancements for some projects.

This report identifies the key issues and begins to develop solutions by looking at what community support programs are currently in place and where there are shortfalls.

Two recommendations that received strong support from the community included the establishment of a Community Action Group (CAG) and the development of a long-term employment strategy for Indigenous people.



REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives
(continued)

Port Hedland: A review of Government services is also underway in Port Hedland by the Department of Indigenous Affairs. The Mapping and Gap report is the first phase in a longer-term plan by DIA to address issues of community harmony in the town.

As part of the project DIA will:

- Identify existing and proposed services and resources allocated to Port Hedland for Indigenous people;
- Collate and present data on Indigenous
 - ◇ Population and demographics and trends
 - ◇ Health and community services
 - ◇ Housing and infrastructure
 - ◇ Justice, safety and security
 - ◇ Education
 - ◇ Income and employment

Halls Creek: The Kalgoorlie-Boulder pilot project addressing community harmony issues is also being implemented in the priority project area of Halls Creek.

Tjurabalan: Agreement has been reached for a scoping study and joint action plan to address immediate community priorities at the East Kimberley communities at Tjurabalan. DIA has been working in partnership with Commonwealth and Local Governments to coordinate the Tjurabalan project, identified by the Commonwealth Indigenous Communities Coordination Taskforce as one of 10 priorities areas Australia-wide.

Ngaanyatjarra: The Department of Indigenous Affairs is coordinating a whole-of-Government response to the report on services to Ngaanyatjarra Lands communities.

Community patrols: The Noongar Patrol System, a joint initiative of the Department of Indigenous Affairs (DIA), ATSIC, Local Government and the Community Development Employment Program, is a cost-effective mechanism for improving security and safety in the community. This view has been confirmed in an evaluation report completed in 2002-2003.

Savings to Government of up to \$2.1 million were estimated, above and beyond the \$1.15 million provided to a total of 21 patrols Statewide by DIA.

The report found the patrols had cost benefits in terms of police time and manpower and other criminal justice related costs, due to their diversionary role. This means fewer police patrols and reductions in the costs of detention.

They also resulted in health cost savings related to the minimisation of self-harm and harm to others, reduced hospital admissions, reductions in premature deaths, reduced ambulance call out, reduced hospital and emergency admission, reductions in emergency mental health admission, and reductions in problems associated with alcohol and illicit drug use.

Education related savings included the costs associated with truancy (which have knock-on effects in terms of crime and anti-social behaviour) and also the potential benefits of secure investment in human capital of the community.

Conservative estimates suggested the patrols resulted in savings of \$56,000 to \$100,000 for each of the 21 locations.

REVIEW OF OPERATIONS **Output 1-** Support to partnerships, partnering initiatives
(continued)

Community Action Groups: Aboriginal families in Western Australian towns are finding long-term solutions to major social and economic issues through Community Action Groups (CAG), set up with the help of the Department of Indigenous Affairs.

New CAGs were formed in Kojonup, Narrogin and Mt Barker in 2002-2003.

DIA staff work with local families to establish the CAG, which includes representation of all families in the town.

CAGs are based on traditional Nyoongar lines of dealing with community issues and as such are recognised as an effective way for Government to support Aboriginal people to find solutions to issues they consider important.

In many Nyoongar communities CAGs have become the cornerstone to effective coordination of services provided by local, State and Commonwealth Governments.

Ensuring that all family groups are represented on the CAG and that they all have equal say on community issues is important both for the success of the committee and for the empowerment of the Indigenous community.

The program was successfully piloted in Brookton and Katanning in 1999 in response to the need for a community development approach that would build stronger communities and foster Indigenous community governance based on culturally appropriate models.

CAGs have now been established in Moora, Kellerberrin, Wagin, Narrogin, Mount Barker, Quairading and Northam. Work has also begun on establishing a CAG in Gnowangerup and Collie with additional communities to follow in 2003-2004.



REPORT OF OPERATIONS **Output 2 - Information and Advice**

The Department of Indigenous Affairs sets a strategic focus for Government by clearly communicating the needs and priorities of the Indigenous community in Western Australia.

The aim is to steer Government effort and resource allocation, develop benchmarks and measures of progress and enable a whole-of-Government response.

Legislation

ALT Review: The machinery of Government “Review of Statutory Authorities” led to the completion of a review of the Aboriginal Affairs Planning Authority (AAPA) and the Aboriginal Lands Trust (ALT) in 2002-2003.

The review recommended abolishing the AAPA and transferring its landholdings to the ALT.

In addition, the Minister for Indigenous Affairs commissioned a review into the governance and structure of the ALT. The review was completed and forwarded to the Minister in April 2003.

Aboriginal Cultural Material Committee (ACMC): Development applications totalling 90 were considered during nine meetings of the ACMC in 2002 – 2003.

The ACMC, an appointed committee of Aboriginal Elders and Government representatives, reviews applications by individuals and industry where there is potential for sites of Aboriginal heritage significance to be disturbed.

Detailed archaeological and anthropological reports provide information to the committee from both Native Title holders and others with an interest or connection with the land. The final decision on the disturbance of Aboriginal heritage sites rests with the Minister for Indigenous Affairs.

Communities Act: Bylaws to help Aboriginal people in regional Western Australia maintain law and order have been developed in 22 communities throughout the State.

DIA and police visited another eight communities in 2002-2003 in the Goldfields, upper Gascoyne, eastern Pilbara and Kimberley, to discuss the bylaws process, available under the Aboriginal Communities Act.

Bylaws are one of several formal and informal mechanisms available to Aboriginal communities to keep the peace.

Community members, appointed as wardens, underpin the scheme and are responsible for logging breaches of bylaws. The offences are then passed over to police, who enforce the breaches on their next patrol.

Wardens are selected by the community and have no power to arrest or search and seize. They act as monitors for the community council and police.

DIA supports the warden scheme and bylaws as a means of enforcing community rules already in place, generally relating to alcohol, petrol and disrupting the peace.

REPORT OF OPERATIONS **Output 2 - Information and Advice (continued)**

Land

Entry Permits: Applications processed to visit or travel through specially protected Aboriginal Lands Trust properties totalled 2,266 in 2002-2003, 195 more than in the previous year.

Entry permits are necessary to protect the privacy of Aboriginal communities, preserve heritage and culture, safeguard the natural environment and protect visitor safety.

Heritage and Culture

Registrar of Aboriginal Sites: Ancient Aboriginal artefacts and skeletal remains were uncovered at a number of development sites in Western Australia in 2002-2003.

Department of Indigenous Affairs (DIA) officers worked with local Nyoongar Elders to remove and relocate the remains. Among the finds were an ancient Aboriginal skeleton and a skull, coated with ochre, at the Centrelink Call Centre, in Bunbury.

DIA manages over 20,000 locations across WA, listed on the Aboriginal Heritage Sites Register, to ensure they are protected under the Aboriginal Heritage Act.

Family History Service: From 1910 to 1970, thousands of Indigenous children were forcibly removed from their families and communities and raised in institutions or fostered out to non-Indigenous families.

In 2003, the DIA Family History Unit received 248 applications for family history information.

DIA officers work with Indigenous people and communities, other Government agencies and private organisations to trace their family links and cultural ties.

Personal history cards, personal files and privately donated photographic collections are among the records held by DIA.

Policy and Coordination

Indigenous Indicator Framework: Western Australia, through the Department of Indigenous Affairs (DIA), has led the development of a national Indigenous Indicator Framework which will provide the system to drive and measure the effectiveness of Government policies and the delivery of services to Indigenous Australians.

An initiative of the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA), the Indigenous Indicator Framework is extremely significant as it will drive changes that can make a real sustainable difference in the lives of Indigenous people.

The framework has been released for comment to key Indigenous peak bodies and government agencies.



REPORT OF OPERATIONS **Output 2** - Information and Advice (continued)

Information and Advice: DIA advice was also given to the Grants Commission Review, resulting in a better understanding of the impact of the removal and Indigenous Children and the dislocation from country caused by poor service provision to remote areas of Western Australia.

The **State Emergency Mitigation Strategy** was developed with the assistance of DIA, which provided advice on issues to address the emergency management in remote Indigenous communities.

Advice was also provided in relation to:

- Creating economic and development opportunities - A proposal for partnerships between communities, ATSIC, and the Government of Western Australia.
- Senior Officials Meeting (SOM) working group on child protection – using the Indigenous Indicators Framework to drive and measure results
- ATSIC review
- Statement of Commitment and Public Sector Reform
- Equal Opportunity Commission's Investigation into Public Sector Reform
- Drug and Alcohol Office

Sponsorship, grants and advertising

Heritage Protection Grants: Recording and preserving Aboriginal histories and language projects featured strongly among applications for a new Heritage Grants scheme offered in 2002-2003.

Grants of up to \$5,000 each were approved for 23 projects worth more than \$102,000 under the Aboriginal Heritage Grants Program.

The grants are a new initiative of the Government of Western Australia and are administered by the Department of Indigenous Affairs (DIA).

An annual budget of \$100,000 is allocated for the overall program with grants available for local, community-based projects that assist in promoting, protecting and recording Indigenous heritage and culture.

The program recognises that Indigenous culture and customs are a valued part of Western Australian society, and provides an opportunity for communities to express themselves through heritage and arts projects.

Indigenous methods of passing down stories and language, from generation to generation, have traditionally been through art, song, dance and story-telling. But it was evident from the range of heritage grants applications that Indigenous communities recognise the benefits of passing down and preserving cultural practices through contemporary methods and modern technology.

REPORT OF OPERATIONS **Output 2** - Information and Advice (continued)

Reconciliation grants: More than \$100,000 was approved for 26 community reconciliation projects under the State Government initiated Reconciliation Grants Scheme.

The scheme provides funding to local reconciliation projects up to an amount of \$5,000 each that recognise the relationship between the original inhabitants of the State and the people who have made this country their home over the past 200 years.

These grants are aimed at small community-based projects driven by local groups in Western Australia.

Schools figured prominently among the groups to receive funding.

Funding of \$51,898 was allocated in the first round in 2002-03 from a total of 91 applications received. In the second round, \$56,984 was allocated to 14 projects in communities from Albany to Broome.

Land Care Grants: Grants of up to \$20,000 were offered to Indigenous land managers as part of a pilot project offered by DIA, on behalf of the ALT.

The Indigenous Start Up and Incentive Land Care Grants Program was administered by DIA and jointly funded by the ALT, the Indigenous Land Corporation (ILC) and the Natural Heritage Trust (NHT) to a total of \$286,323.92.

Successful projects included:

- Goombaragin caring for country
- Nioka landcare initiative
- Gunnado Farm land care
- Fencing for control of feral animals, salt control and replanting
- Desert gold rehabilitation program
- Fortescue River conservation project
- Tammar Farm land care initiative
- Hope River feral animal control
- Beagle Bay greening
- Paraku 'fencing for conservation'
- Learning through land - Ngaanyatjarra Council
- Walitj Corporation revegetation
- Mingullathardo land rehabilitation

A grant of \$20,350 was provided through the ALT to Juluwarlu Aboriginal Corporation for the compilation of a field guide for the traditional use of plants in the central, western Pilbara. This book encompasses plants used for artifacts, ceremony, medicine and food. It is titled Wanggalili - Yindjibarndi and Ngarluma Plants.

Wanggalili is full of great photographs and simple guides to plant use and preparation.



REPORT OF OPERATIONS **Output 2** - Information and Advice (continued)

Bringing Them Home: A Nyoongar woman reunited with her Western Australian family after more than 30 years in the UK was the first member of the Stolen Generations to benefit from a new DIA funding program, Bringing Them Home.

Neila Penny, 36, was one of thousands of Aboriginal children placed with non-Indigenous families during the 1960s and 1970s.

A total \$50,000 was available in 2002-2004.

The Pennys used funding from the scheme to create a family story book with drawings, photographs, information and a home video showing some of Neila's family and their life in the south-west of Western Australia.

Thanks to the pack and a personal visit from one of her cousins, Neila made the decision to come to Perth and meet the rest of the family in person.

DIA has assisted five members of the Stolen Generations to organise family gatherings with funding through the Bringing Them Home Reunion Program.

The initiative was a key recommendation of the Bringing Them Home Report and the National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from their families.

Funding is available to all members of the stolen generations through DIA's Family History unit.

Cultural Sponsorship: Funding totalling \$40,000 a year is available to raise awareness of Indigenous heritage and culture through DIA's Public Affairs unit. Among the sponsorship granted was \$20,000 to ensure a strong Indigenous content at the 2002-2003 Perth International Arts Festival.

Public Affairs

Indigenous issues attracted increased media attention in 2002-2003 as part of a new community awareness strategy developed by the Department of Indigenous Affairs (DIA).

DIA's Public Affairs unit managed an average of 30 media inquiries a month on issues including Aboriginal Cultural Material Committee (ACMC) recommendations, general heritage issues, the discovery of skeletal remains, DIA initiatives such as Mapping and Gap analysis work in regional centres, and the Government's response to the Gordon Inquiry.

The closure of the Swan Valley Nyungar Camp, in Lockridge, a decision by the State Government to ensure the protection of women and children at the camp, attracted widespread coverage and community debate.

Other initiatives covered in WA media were:

- The Neila Penny Bringing them Home story
- Land transfers at Brookton and Cranbrook
- Reconciliation grants
- Heritage grants
- NAIDOC Week
- NAIDOC Aboriginal Heritage Tours, hosted by DIA

REPORT OF OPERATIONS **Output 2** - Information and Advice (continued)

- NAIDOC Family Fun Day, sponsored by DIA
- Launch of the new Aboriginal Interpretive Trail Project
- Kalgoorlie Mapping and Gap analysis work and the development of a Framework Agreement
- Skeletal remains discoveries at Capel, near Bunbury and Busselton.
- Esperance Mapping and Gap work
- Port Hedland Mapping and Gap project
- Community Action Groups
- The Albany Accord
- Kalgoorlie-Boulder mediators and the development of an Indigenous Consultation protocol
- Development of Community bylaws for 22 remote Indigenous communities

Schools Project: DIA's Our Future Together schools competition has been rescheduled to coincide with Reconciliation Week celebrations, as part of a major revamp of the educational campaign.

Competition details will be announced in February 2004 with winners awarded their prize during Reconciliation Week in May. No competition was held in 2003.

The new-look competition will challenge students to improve their knowledge and understanding of the issues of reconciliation and provide an opportunity to make a real difference to reconciliation.

The Education Department is a partner in the initiative, which will be developed to complement the Indigenous studies curriculum.

Publications

The Department of Indigenous Affairs produced the following publications during 2002-2003:

- Communities News (external magazine): Production of Communities News has been stopped while DIA reviews its public awareness strategies. Three editions were produced in the 2002-2003 financial year with the final edition published in January 2003.
- Nadja Yira staff newsletter: Three editions of this bi-monthly electronic publication were produced and published on the DIA intranet.
- Tarwangin – Talking to me (internal): Nadja Yira has been re-designed and launched as Tarwangin – Talking to me. Tarwangin is produced fortnightly and emailed to staff fortnightly. It is also posted on the DIA intranet. Eleven editions have been produced since it was launched on 18 March 2003.
- Tarwangin – Talking to me (external): An external version of Tarwangin is produced fortnightly and published electronically to a mailing list of 1400 subscribers. Nine editions have been produced in 2002-2003.

Public Sector Standards Compliance



The Department of Indigenous Affairs (DIA) is committed to maintaining high standards in human resource management. The DIA has policies, guidelines and processes in place that support compliance with the Public Sector Standards in Human Resource Management (The Standards), Code of Conduct and the WA Public Sector Code of Ethics.

PUBLIC SECTOR STANDARDS COMPLIANCE

The Department of Indigenous Affairs (DIA) is committed to maintaining high standards in human resource management. The DIA has policies, guidelines and processes in place that support compliance with the Public Sector Standards in Human Resource Management (The Standards), Code of Conduct and the WA Public Sector Code of Ethics.

In line with the DIA's commitment to continuous improvement, the DIA engaged Nexus Strategic Solutions to undertake a Self-Assessment Review of the Department's Compliance with The Standards and Ethical Codes. The auditor found that the DIA has sufficient internal controls and checks to provide a reasonable assurance of compliance with all nine of The Standards.

The audit findings on Ethical Codes identified that risks of non-compliance existed and recommended that an awareness raising program is carried out and decisive action taken in relation to proven non-compliance.

For the period 1 July 2002 to 30 June 2003 no requests for a review of Public Sector Standards in Human Resource Management were received.

Equity, access and compliance

Industrial Relations

All Department of Indigenous Affairs staff are covered by the centrally negotiated Public Service General Agreement 2002 (PSGA 2002). The PSGA will expire on 31 December 2003 and negotiations for a replacement agreement are to commence six months prior. All staff are kept informed of their entitlements via human resource policies on the DIA intranet, regular staff awareness sessions and individual advice from the Human Resources Branch.

Equal Employment Opportunity

The Department of Indigenous Affairs (DIA) has devised a strategy to attract, retain and develop Indigenous staff. The DIA Indigenous Employment and Diversity Plan (the Plan) supersedes the DIA Equity in Employment Plan.

DIA seeks to establish key strategies for the following objectives:

- 1. Cultural Security** - including Aboriginal Cultural Awareness Training for all DIA employees and a Reward and Recognition policy.
- 2. Recruitment and Retention** - including simplifying all job description forms, and recruitment of Indigenous trainees and graduates.
- 3. Career Development** - including Succession Planning, and continuation of the Mentor Program.
- 4. Leadership and Management** - including the development of the Indigenous Leadership Program.

The Plan has been developed following extensive consultation with staff, initially through focus groups and confidential staff questionnaires, conducted by an external consultant.

Following the report from the external consultant, the Equity Group was established from (predominantly Indigenous) staff within DIA to progress the Plan. Staff will have the opportunity to comment on the Plan before it is presented to senior management for endorsement.

The Department is committed to meeting the desired outcomes of the Plan to ensure the sustained improvement in equity and diversity.



PUBLIC SECTOR STANDARDS COMPLIANCE (continued)

Code of Ethics and Code of Conduct

In undertaking our responsibilities to achieve the mission and objectives of DIA, staff will be required to comply with the Code of Ethics that govern the public sector.

The code requires staff to observe the principles of justice, respect for persons and responsible care.

In addition, DIA's Code of Conduct requires all staff to comply with all rules and regulations in relation to ethical behaviour; and ensure all actions advance the services of DIA.

Indigenous Culture

We will respect traditional and contemporary Indigenous culture and will promote an improved understanding in the wider community.

DIA will observe Indigenous cultural practices and community protocols and respect these when dealing with Indigenous people.

Cultural Diversity and Language Services

As part of the Government's commitment to improving customer service and implementing the Government's Language Services Policy, the DIA continues to plan for language services by incorporating and interpreting multilingual information needs into agency budgeting, and human resource and client service program management.

Youth

The DIA's Indigenous Employment and Diversity Plan, which is closely linked to the Government's youth employment emphasis, encompasses the Traineeship, Graduate and Cadetship programs. DIA engaged four Indigenous trainees, including two school-based trainees and an Indigenous University Graduate, during the past 12 months.

The DIA will continue to provide opportunities to young Indigenous Australians through Traineeship and the Graduate programs.

Occupational Safety and Health

The Department's Occupational Safety and Health, Policy and Advisory Group (OSHPAG) continued to progress improvements in the 2002-2003 work plan.

OSHPAG has an enthusiastic and proactive committee base, which is committed to ensure that DIA employees have a safe and healthy work environment.

Achievements in the area of Occupational Safety and Health in 2002-2003 include:

- Quarterly inspections of all DIA worksites
- Ongoing success of DIA's Wellness Program
- Annual review and updating of all OSH policies
- Review and updating of the 2002-2003 Work plan
- Statutory training and ongoing development of all OSH representatives.

PUBLIC SECTOR STANDARDS COMPLIANCE (continued)

DIA's Wellness Program continues to provide employees with access to wellness related activities including:

- Neck and shoulder massages
- Participation in Corporate Challenge
- Health seminars
- Group participation for blood donation
- Access to ergonomic assessments.

The Department had six new workers compensation claims lodged within the financial year, of which five were accepted. All claims have been investigated and where appropriate corrective action has been taken.

The Department continues to monitor sick leave. The Department's average of 7.14 days per employee is comparable with other Public Sector agencies, however continued monitoring and management is imperative.

Disability Service Plan

The DIA continues to maintain and provide an ongoing commitment to ensure that all products, services, buildings and facilities are safe and accessible to meet the needs of people with disabilities.

The Department recently reviewed and updated the Disability Service Plan and will be implementing further initiatives, as detailed in the plan, in the near future.

Advertising and Sponsorship

A total of \$81,635 was spent on advertising by the Department of Indigenous Affairs in 2002-2003.

Waste Paper Recycling

Most DIA waste paper is recycled by the provision of confidential and general waste paper bins in all offices throughout the State where waste management contractors provide such a facility.



PUBLIC SECTOR STANDARDS COMPLIANCE (continued)

Energy Smart Government policy

In accordance with the Energy Smart Government policy, the Department of Indigenous Affairs has committed to achieving a 12 per cent reduction in non-transport related energy use by 2006-07 with a 5 per cent reduction targeted for 2002-03. Relevant reporting data is provided in the table below:

Energy Smart Government program	Baseline Data	2002-03 Actuals	Variation %
Energy Consumption (MJ)	1,846,571	1,732,997	- 6.15
Energy Cost (\$)	85,139	80,118	
Greenhouse Gas Emissions (tonnes of CO2)	472	443	
Performance indicators			
• MJ/sqm	363	414	
• MJ/FTE	13,989	13,113	
• MJ/Occupancy	13,989	13,942	
• Electricity cost/kWh	\$16.60	\$16.64	

During the year the following energy saving initiatives were undertaken:

- Energy Executive appointed;
- Management advised of new policy and requirements;
- Selected procurement staff advised of new policy;
- Following a request by the Department, a review was undertaken of the energy data for our largest office (Perth) to ensure costs and consumption information was accurate. Action is progressing on rectification of the issues raised;
- Equipment set to “power save” where available; and
- New equipment purchases now include criteria for energy efficiency and ability to power-save.

CUSTOMER SERVICE 2002-2003

In the past year, DIA has placed an emphasis on developing its Customer Service program with the production of a new customer service charter brochure Our Customers Are Our Partners. This went on display in all DIA offices alongside a reply postage-paid customer feedback form Have We Served You Well?

The Have We Served You Well? feedback form is also available to customers online through a link on the DIA website, allowing customers to provide feedback on DIA services, either positive or negative, and suggestions on how those services can be improved. Only three or four people a month have taken up this opportunity via the internet or by reply paid post but it is rewarding that so far nearly all comments or suggestions have been positive.

Of course customers with a negative experience in relation to its dealings with the Department can also make a formal complaint. DIA recorded one serious complaint this year that was handled in a satisfactory manner when the client was asked for feedback after the resolution of the complaint.

A number of lessons were learnt from this, such as the need for customers to be assured that DIA would record their complaint as well as request them to submit their complaint in writing if they so wished. A further lesson was the need for staff to understand how to handle complaints in a standard and regular way.

With this in mind a Customer Complaints Handling Policy was launched during the year, and DIA staff throughout WA attended a “Customer complaints handling” training course using both direct and videoconference meetings.

Complaints Handling Guidelines were distributed to staff, and it is intended that further complaints handling training, along with general customer service courses will be delivered to DIA staff during the coming year.



CUSTOMER SURVEY RESULTS 2002-2003 (continued)

During 2003 an extensive survey of DIA customers was carried out to determine the quality of service to our customers¹. The results of the survey questions put to customers are part of the DIA Customer Service Program but they are also designed to add value to the DIA Performance Indicators².

¹ The conduct of the survey and other details are described in the section dealing with DIA Performance Indicators which are externally audited by the Office of the Auditor General.
² Elsewhere in this Annual Report

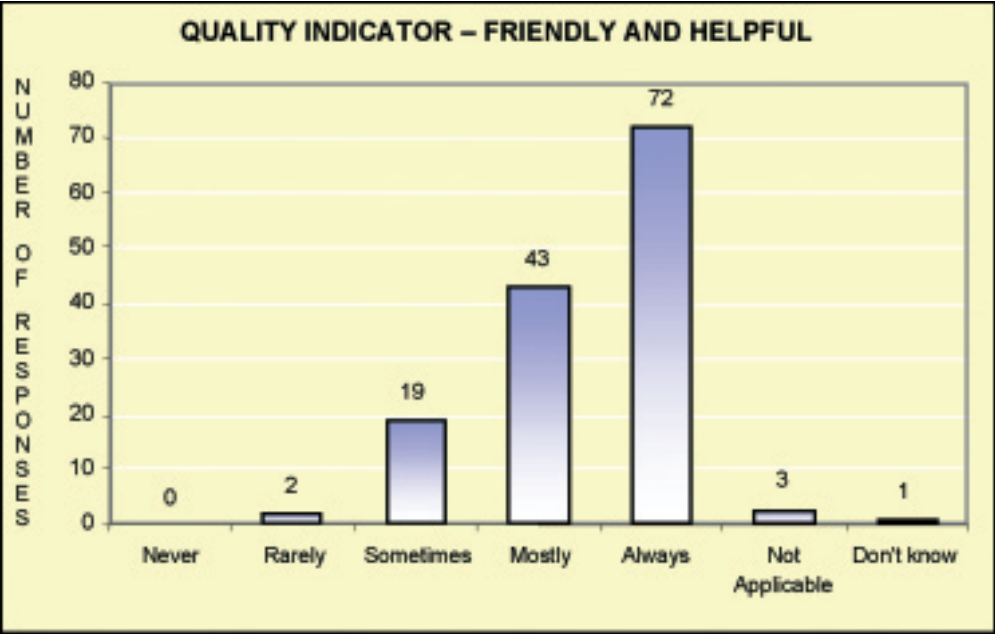
CUSTOMER SURVEY RESULTS 2002-2003 (continued)

THE EXTENT TO WHICH DIA STAFF ARE FRIENDLY AND HELPFUL

Customers are always appreciative of the fact that DIA staff members are very friendly and helpful people. This year is no exception, as the figures and table below indicate.

	2000-2001 (Don't know/Not applicables removed)	2001-2002 (Don't know/Not applicables removed)	2002-2003 (Don't know/Not applicables removed)
Average rating	3.8	4	4.4
Median	4	4	5
Confidence interval at 95%	0.2	0.18	0.24
% of responses between 1 and 5 rating service at 3 or higher	82.4%	93%	82.1%*

*rating 4 or 5 only on the revised scale



CUSTOMER SURVEY RESULTS 2002-2003 (continued)

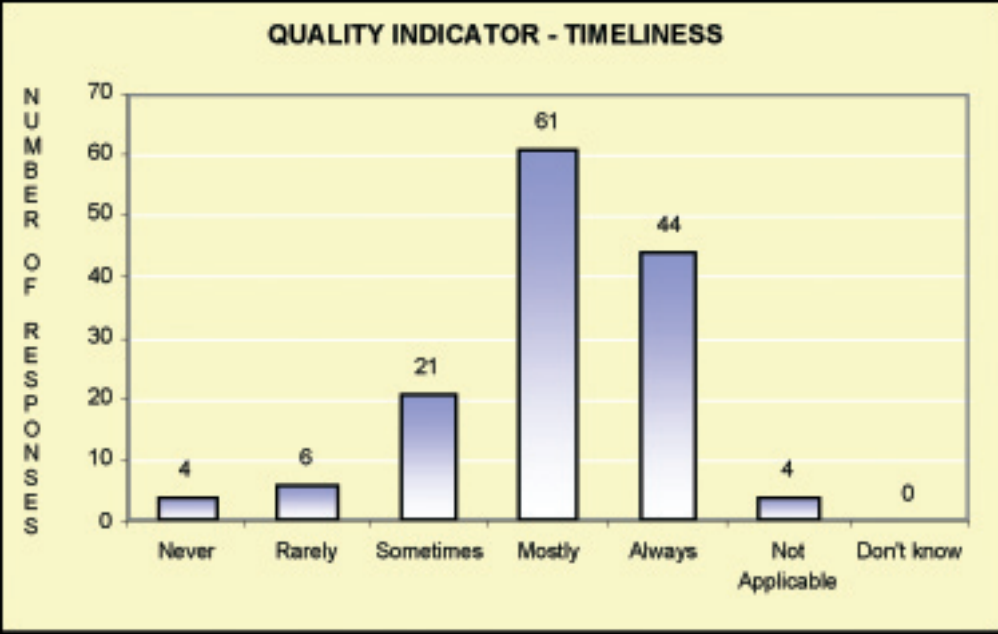
THE EXTENT TO WHICH HELP, INFORMATION AND ADVICE IS PROVIDED IN A TIMELY MANNER

Part of the DIA customer service charter is that requests for information and advice from customers should be dealt with as quickly and efficiently as possible.

While it takes longer to handle some requests, the table and graph below show that most customers are pleased with the response times.

	2000-2001 (Don't know/Not applicables removed)	2001-2002 (Don't know/Not applicables removed)	2002-2003 (Don't know/Not applicables removed)
Average rating	3.6	3.4	4.0
Median	4	4	4
Confidence interval at 95%	0.2	0.18	0.17
% of responses between 1 and 5 rating service at 3 or higher	82.4%	93%	75%*

* rating 4 or 5 only on the revised scale



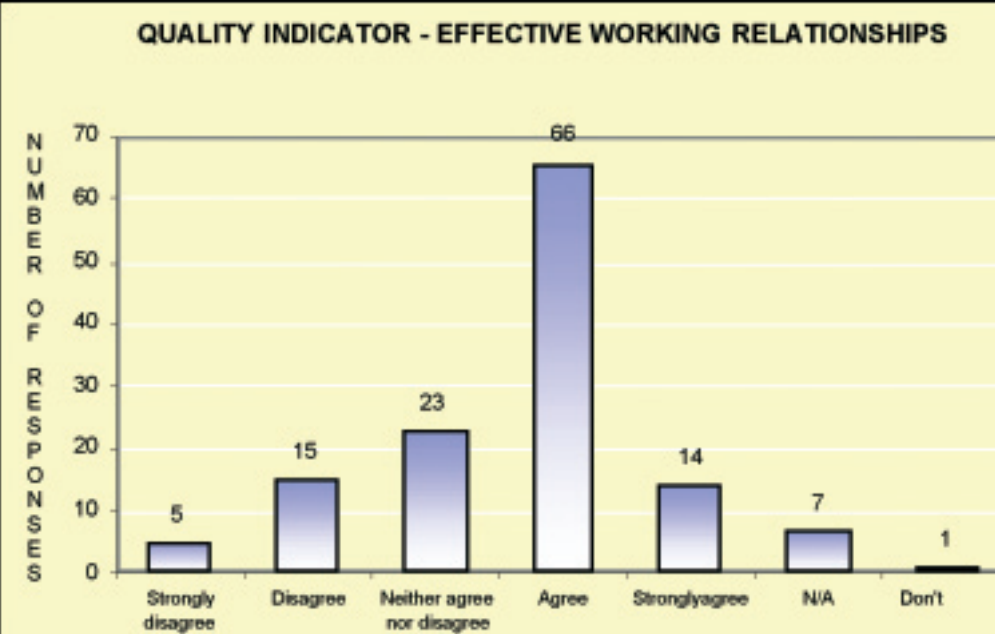
CUSTOMER SURVEY RESULTS 2002-2003 (continued)

THE EXTENT DIA HAS HELPED STAKEHOLDERS DEVELOP EFFECTIVE WORKING RELATIONSHIPS

DIA provides an intermediary role between its various stakeholders, through which it develops working relationships that satisfy the requirements of all parties.

This was a newly identified role for the Department in 2002-2003 and it got off to a good start, with the most of customers approving of DIA efforts.

	2002-2003 (Don't know/Not applicables removed)
Average rating	3.6
Median	4
Confidence interval at 95%	0.30
% of responses between 1 and 5 rating service at 4 or 5	61.1%*



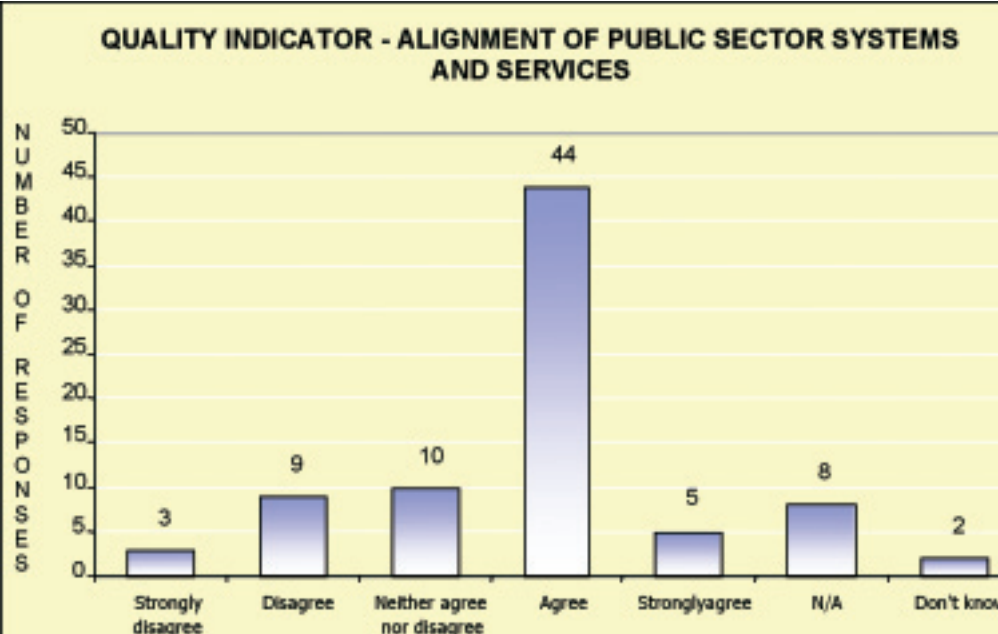
CUSTOMER SURVEY RESULTS 2002-2003 (continued)

THE EXTENT TO WHICH DIA PROMOTES THE ALIGNMENT OF PUBLIC SECTOR SYSTEMS AND SERVICES FOR INDIGENOUS PEOPLE

By liaising with other Government agencies, DIA attempts to ensure that the public sector and services provided by its agencies meet the needs of the Indigenous people of Western Australia.

This is a new area of attention for DIA and the survey indicates that most customers are pleased with initial efforts made in this regard.

	2002-2003 (Don't know/Not applicables removed)
Average rating	3.5
Median	4
Confidence interval at 95%	0.57
% of responses between 1 and 5 rating service at 4 or higher	60.5%*



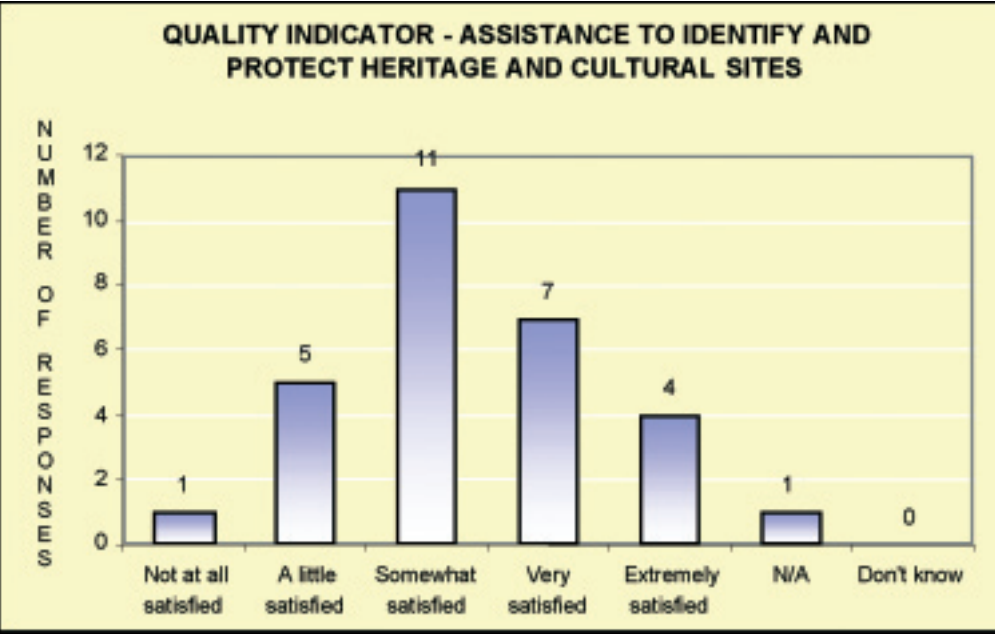
CUSTOMER SURVEY RESULTS 2002-2003 (continued)

SATISFACTION WITH HELP PROVIDED TO IDENTIFY AND PROTECT ABORIGINAL HERITAGE AND CULTURAL SITES

One of the major tasks entrusted to DIA is the registration of Aboriginal heritage and cultural sites, and the protection of those sites against desecration or damage, under the terms of the Aboriginal Heritage Act 1972.

The table and graph below show that the Department is continuing to fulfil its charter in 2002-2003 and actually improve on previous years.

	2000-2001 (Don't know/Not applicables removed)	2001-2002 (Don't know/Not applicables removed)	2002-2003 (Don't know/Not applicables removed)
Average rating		3.1	3.3
Median		4	3
Confidence interval at 95%		0.26	_0.39
% of responses between 1 and 5 rating service at 3 or higher	68%	61%	78.6%



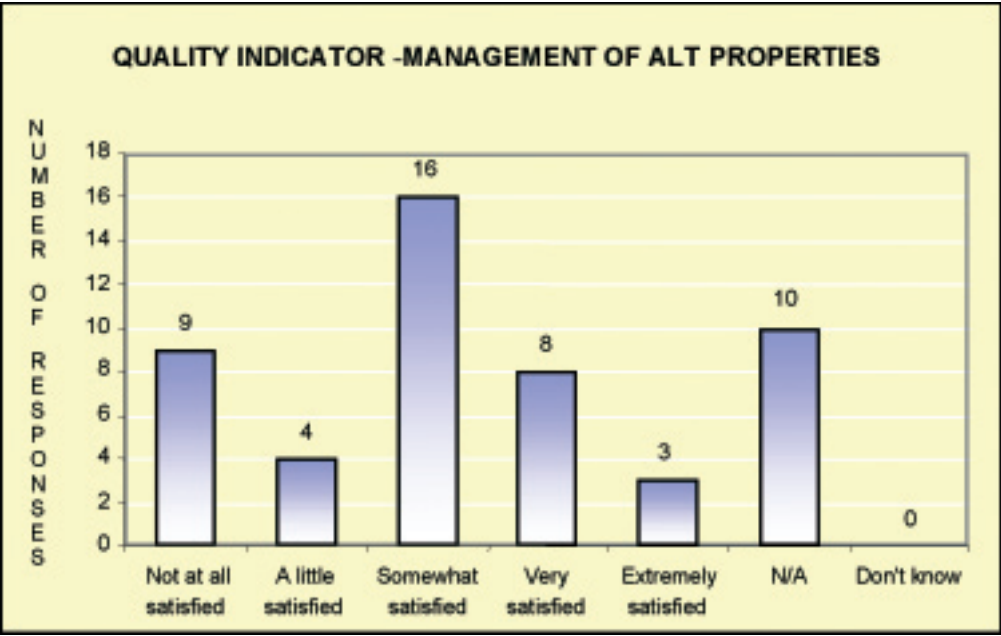
CUSTOMER SURVEY RESULTS 2002-2003 (continued)

SATISFACTION WITH DIA ASSISTANCE WITH THE ONGOING MANAGEMENT OF ALT PROPERTIES

One of the main DIA roles is the management of the Aboriginal Lands Trust (ALT) property portfolio.

This is a contentious area, with the involved and time-consuming process of handing back land often causing frustration among Indigenous people. The fact that 67.5 per cent of the customers contacted were pleased with the DIA management of the land indicates that considerable progress is being made.

	2000-2001 (Don't know/Not applicables removed)	2001-2002 (Don't know/Not applicables removed)	2002-2003 (Don't know/Not applicables removed)
Average rating		2.3	2.8
Median		3	3
Confidence interval at 95%		0.24	0.38
% of responses between 1 and 5 rating service at 3 or higher	54%	40%	67.5%



CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2003

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Indigenous Affairs' performance, and fairly represent the performance of the Department for the financial year ended 30 June 2003.

Richard Curry
Accountable Officer

29 August 2003

INDEPENDENT AUDIT'S OPINION



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT OF INDIGENOUS AFFAIRS

PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Department of Indigenous Affairs are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended

June 30, 2003.

Scope

The Director General's Role

The Director General is responsible for developing and maintaining proper records and systems for preparing performance indicators.

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

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON

AUDITOR GENERAL

October 17, 2003

PERFORMANCE INDICATORS

The desired outcome of the Department of Indigenous Affairs (DIA) for 2002-2003 was to **improve social, cultural and economic outcomes for Indigenous people.**

DIA is obliged to report how well it achieved this desired outcome, using auditable indicators of performance. DIA has chosen to focus this report on what DIA can hope to directly influence: assisting the Indigenous, public and private sectors to deliver improved social, cultural and economic outcomes for Indigenous people. DIA is also required to measure and report on the organisations efficiency.

DIA reduced the number of indicators from six to two as foreshadowed in last year's annual report. This was done for two reasons. First, to allow a transition from earlier indicators of business that DIA is no longer engaged in, Local Area Co-Ordination, toward the current business of partnerships and strategic projects. Second, the key indicators of DIA effectiveness are those which best align our current business with our outcome statement and stated budget imperatives of delivering effective partnerships between Indigenous and Non-Indigenous parties, and delivering information and advice on Indigenous issues and affairs to Non-Indigenous parties.

Indicator 2 relates to the stated outcome of improving social, cultural, and economic outcomes for Indigenous people through the crucial support to partnerships that the provision of information and advice provides. All DIA major partnerships are based on three elements requiring information and advice about how to manage emerging issues and trends, capture strategic opportunities, and apply legislation and regulations.

Method used to determine outcome effectiveness

Over a three-week period in July and August 2003, 229 Indigenous, Government and business clients were telephoned, faxed and emailed by interviewers from an independent research consultancy. One response was sought from each agency. These results were used for Indicator 1. For Indicator 2 the relevant client population was not as large, only 110; this population overlapped the Indicator 1 population but did not include Indigenous persons or communities.

This latter aspect was especially important for DIA in light of criticism that DIA was not a representative Indigenous body but rather a vehicle to get Indigenous views and positions communicated to government and others in the business and community sectors¹.

Note of caution when comparing results between last year and this year

A direct comparison between 2001-2 and 2002-3 results is not possible. While they are presented on the following pages alongside each other a number of qualifications need to be made. First, the scale for both Indicator 1 and 2 went from three out of five points being interpreted as positive to only two out of five points². Second, the question for Indicator 1 changed from measuring the degree of client satisfaction to the level of agreement by clients about a proposition. Finally, all clients relevant to each population were approached for this survey. No sampling errors are associated with these results as all clients were surveyed, forming a census not a sample. DIA will endeavour to provide more consistent comparisons between years over the next few years in line with this view.



PERFORMANCE INDICATORS (continued)

Effectiveness indicator 1

This indicator measures the extent to which Indigenous client groups, Government and business, have moved from satisfaction with, to agreement that, DIA partnerships are effectiveⁱⁱⁱ. This is a direct measure of the effectiveness of DIA in coordinating and **assisting the Indigenous, public and private sectors to deliver improved social, cultural and economic outcomes for Indigenous people**. Noting the previous point that comparison between years is difficult given changes in methodology, the change from 67 percent to 65 percent is not necessarily a drop in effectiveness, given the reduction from three out of five to only two out of five positive points on the response scaleⁱⁱ.

THROUGH PARTNERSHIPS DIA ADVANCES THE CULTURAL, SOCIAL AND ECONOMIC NEEDS OF INDIGENOUS PEOPLE

	2001-2002	Revised scale for 2002-2003	2002-2003
Question asked in 2002-03: Satisfaction with partnerships of Indigenous representatives, government agencies, the private sector, community groups and others in advancing the cultural, social and economic needs of indigenous people?		Question asked in 2002-03: Agreement that through partnerships ^{iv} DIA advances the cultural, social and economic needs of Indigenous people?	
Per cent of sample reporting “Usually”, “Mostly” or “Always sample reporting “Agree” or helped (average responses)		Per cent of sample reporting “Agree” or “Strongly Agree” (average responses)	
Number of respondents (including “don’t know” “not relevant”)	67%		65%
Relevant client population for Indicator	234		140
Response rate	350		229
	67%		61%

PERFORMANCE INDICATORS (continued)

Effectiveness indicator 2

This indicator measures the extent to which Indigenous client groups and Government agencies are satisfied with DIA information and advice in dealing with Indigenous concerns. This is another role DIA plays in **assisting the Indigenous, public and private sectors deliver improved social, cultural and economic outcomes for Indigenous people**. Noting the earlier point that comparison between years is difficult given changes in methodology, the change from 66 per cent to 72 per cent is very positive given the reduction from 3 out of 5 to only 2 out of 5 positive points on the response scaleⁱⁱ.

DIA’S INFORMATION AND ADVICE ON ABORIGINAL ISSUES ASSISTS GOVERNMENTS AND OTHERS TO DEAL MORE EFFECTIVELY WITH INDIGENOUS CONCERNS?

	2001/2002	Revised scale for 2002/2003	2002/2003
Question asked in 2001/02: DIA information and policy advice on Aboriginal issues assists governments and others to deal more effectively with Indigenous concerns?		Questions asked in 2002/03: DIA information and advice on Indigenous issues assists governments and others to deal more effectively with Indigenous concerns?	
Percent of sample reporting “Usually”, “Mostly” or “Always” helped (average responses)	66%	Percent of sample reporting “Agree” 72% or “Strongly Agree” (average responses)	
Number of respondents (including “don’t know” “not relevant”)	235		81
Relevant client population for Indicator	350		110
Response rate	67%		74%

Method used to determine outcome efficiency

These indicators were introduced in 2001-2002, focusing the roles of DIA as providing information and advice to agencies and promoting the formation of partnerships between agencies and Indigenous communities. The cost efficiency indicators reported here relate to the relative cost of producing quantifiable units of each output and relevant sub-output level for:

- Output 1: Support to Partnerships, Partnering Initiatives; and
- Output 2: Information and advice

All figures below are based on accrual costings. In 2002-03, the Department placed greater emphasis on Output One partnerships and projects in general and land, heritage and culture, capacity building and social policy partnerships and projects in particular.



PERFORMANCE INDICATORS (continued)

Efficiency indicators 1 to 6

OUTPUTS OF THE DEPARTMENT OF INDIGENOUS AFFAIRS	2001-02 Actual	2002-03 Actual	Budget target 2002-03
• Output 1. Support to Partnerships, Partnering Initiatives			
• Output 1.1 ALT and other Indigenous land partnering and project initiatives			
Average cost per land partnering and project initiative	\$10,471	\$17,566	\$13,257
Variation in average costs resulting from decreased number of outputs due to increasing complexity of projects and additional funds allocated to Land			
• Output 1.2 Heritage and Culture partnerships and project initiatives			
Average cost per heritage and culture partnership and project initiative	\$14,719	\$16,247	\$10,282
Variation in average costs resulting from decreased number of outputs due to increasing complexity of projects and additional funds allocated to heritage and culture			
• Output 1.3 Coordinating, cooperating collaborating partnership and project initiatives			
Average cost per coordinating, cooperating and collaborating partnership and project initiative	\$13,750	\$20,711	\$19,663
Minor variation in average costs due to marginally lower number of outputs			
• Output 2. Information and Advice			
• Output 2.1 Strategic and Tactical Policy advice			
Average cost per unit of advice offered	\$7,662	\$8,588	\$8,275
Variation in average costs resulting from lower than budgeted number of outputs			
• Output 2.2 Formal requests from government, Cabinet and Minister for information and policy advice, including resolutions of statutory land and sites committees (ALT, APMC)			
Average cost per request answered/ recommendation made	\$922	\$1,055	\$1,035
Minor variation in average costs resulting from marginally lower outputs than budget			
• Output 2.3 Requests for information met through data systems			
Average cost per unit of information supplied	\$69	\$150	\$231
Variation in average costs resulting from significant increase in number of units of information provided particularly through Internet systems & information provided by the DIA regional offices together with decreased costs			

PERFORMANCE INDICATORS (continued)

- i) Different offices of the same agency were counted as individual agencies. In an attempt to conduct a census rather than a sample, at least four attempts were made to contact each client agency. Any small sampling error that may have arisen is due to response rate rather than deliberate sampling error. The surveys were piloted to improve reliability and all interviewers were briefed about the aims and purpose of the survey, and asked to report back any difficulties or ambiguities regarding the content of the survey. No ambiguities were reported. The consultants' extensive experience in evaluation and survey design, coupled with DIA staff's knowledge of their organisation, ensured that the survey had face validity.
- ii) Where previously "Usually, Mostly, or Always" were used as points which showed a positive result for DIA in relation to client satisfaction, this was changed to only "Agree or Strongly Agree" with the mid-point "Neither Agree nor disagree" not being considered a positive response.
- iii) The change from "satisfaction with partnerships" to "agreement that partnerships are effective" is a deliberate move to increase the relevance of this question. With the change of wording the indicator is more closely aligned with the outcome statement of DIA. In the past the question allowed for some ambiguity in answering the two parts of the one question used in 2001-2 viz. "Are you satisfied with the partnership?" and "Is the partnership effective?" The question used in 2002-3 focuses on this latter part of the 2001-2 question, increasing the direct relevance of the question to measuring DIA effectiveness.
- iv) Partnerships can be in two forms:
Between DIA and a client; or
Between and Indigenous group and a DIA client, facilitated by DIA.

CERTIFICATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

The accompanying financial statements of the Department of Indigenous Affairs have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2003 and the financial position as at 30 June 2003.

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.



Richard Curry
Accountable Officer

29 August 2003



Stan Stylianou
Accounting Officer

29 August 2003

INDEPENDENT AUDIT OPINION



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT OF INDIGENOUS AFFAIRS

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion,

- (i) the controls exercised by the Department of Indigenous Affairs provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Department at June 30, 2003 and its financial performance and cash flows for the year ended on that date.

Scope

The Director General's Role

The Director General is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Output Schedule of Expenses and Revenues, Summary of Consolidated Fund Appropriations and Revenue Estimates, and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

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



D D R PEARSON

AUDITOR GENERAL

October 17, 2003

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2002/03 (\$'000)	2001/02 (\$'000)
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	4	10,451	9,060
Depreciation expense	5	384	395
Administration expenses	6	4,452	4,185
Accommodation expenses	7	1,454	1,654
Grants and subsidies	8	1,757	1,470
Capital user charge	9	84	36
Carrying amount of non-current assets disposed of	10	13	22
Other expenses from ordinary activities	10(a)	39	4
Total cost of services		18,634	16,826
Revenues from ordinary activities			
Revenues from operating activities			
Commonwealth grants		101	90
Other grants and contributions		43	29
Other revenue		58	23
		202	142
Revenues from non-operating activities			
Proceeds from disposal of non-current assets	10	7	-
Other revenue from ordinary activities	11	77	99
Total revenues from ordinary activities		286	241
NET COST OF SERVICES		18,348	16,585
REVENUES FROM STATE GOVERNMENT			
Output appropriations	12	17,314	17,259
Liabilities assumed by the Treasurer		302	63
Resources received free of charge		100	95
Total revenues from State Government		17,716	17,417
CHANGE IN NET ASSETS		(632)	832
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM			
TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS			
		(632)	832

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	Note	2002/03 (\$'000)	2001/02 (\$'000)
Current Assets			
Cash assets	13	352	927
Receivables	14	426	304
Amounts receivable for outputs	15	308	274
Other assets	16	1,090	558
Total Current Assets		2,176	2,063
Non-Current Assets			
Plant, equipment and vehicles	17	676	848
Works of art	18	205	203
Total Non-Current Assets		881	1,051
TOTAL ASSETS		3,057	3,114
Current Liabilities			
Payables	19	516	442
Provisions	20	992	627
Other liabilities	21	23	22
Total Current Liabilities		1,531	1,091
Non-Current Liabilities			
Provisions	20	753	718
Total Liabilities		2,284	1,809
Equity			
Contributed equity	22	730	630
Reserves		76	76
Accumulated surplus / (deficiency)		(33)	599
Total Equity		773	1,305
TOTAL LIABILITIES AND EQUITY		3,057	3,114

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

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 30 JUNE 2003

	Note	2002/03 (\$'000) Inflows (Outflows)	2001/02 (\$'000) Inflows (Outflows)
CASH FLOWS FROM STATE GOVERNMENT			
Output appropriations		17,280	16,985
Capital contributions	22	100	630
Net cash provided by State Government		17,380	17,615
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employees costs		(9,851)	(8,950)
Administration		(4,423)	(4,159)
Grants		(2,254)	(1,813)
Accommodation		(1,443)	(1,642)
GST payments on purchases		(824)	(813)
Receipts			
Revenues from services		215	271
Leave liability receipts		16	17
GST receipts		816	672
Net cash provided by/(used in) operating activities	23(c)	(17,749)	(16,417)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		6	1
Purchase of non-current physical assets		(212)	(507)
Net cash provided by/(used in) investing activities		(206)	(506)
Net increase / (decrease) in cash held		(575)	692
Cash assets at the beginning of the financial year		927	235
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	23(a), 13	352	927

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

OUTPUT SCHEDULE OF EXPENSES AND REVENUE

FOR THE YEAR ENDED 30 JUNE 2003

	Support to Partnerships, Partnering Initiatives \$'000	Information and Advice \$'000	Total \$'000
2002/03			
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	7,339	3,112	10,451
Depreciation expenses	270	114	384
Administration expenses	3,126	1,326	4,452
Accommodation expenses	1,021	433	1,454
Grants and subsidies	1,234	523	1,757
Capital user charge	59	25	84
Carrying amount of non-current assets disposed of	9	4	13
Other expenses from ordinary activities	27	12	39
Total cost of services	13,085	5,549	18,634
Revenues from ordinary activities			
NET COST OF SERVICES	201	85	286
	12,884	5,464	18,348
REVENUES FROM STATE GOVERNMENT			
Output appropriations	12,158	5,156	17,314
Liabilities assumed by the Treasurer	212	90	302
Resources received free of charge	70	30	100
Total Revenues from State Government	12,440	5,276	17,716
Change in Net Assets Resulting from Operations	(444)	(188)	(632)

OUTPUT SCHEDULE OF EXPENSES AND REVENUE

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

2001/02

COST OF SERVICES

Expenses from ordinary activities

	Support to Partnerships, Partnering Initiatives	Information and Advice	Total
	\$'000	\$'000	\$'000
Employee expenses	6,813	2,247	9,060
Depreciation expenses	297	98	395
Administration expenses	3,147	1,038	4,185
Accommodation expenses	1,244	410	1,654
Grants and subsidies	1,105	365	1,470
Capital user charge	27	9	36
Net loss on disposal of non-current assets	17	5	22
Other expenses from ordinary activities	3	1	4
Total Cost of Services	12,653	4,173	16,826

Revenues from ordinary activities

	181	60	241
NET COST OF SERVICES	12,472	4,113	16,585

REVENUES FROM STATE GOVERNMENT

Output appropriations	12,979	4,280	17,259
Liabilities assumed by the Treasurer	47	16	63
Resources received free of charge	71	24	95

TOTAL REVENUES FROM STATE GOVERNMENT

	13,097	4,320	17,417
Change in Net Assets Resulting from Operations	625	207	832

SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS & REVENUE ESTIMATES

FOR THE YEAR ENDED 30 JUNE 2003

PURCHASE OF OUTPUTS

	2003 Estimate (\$,000)	2003 Actual (\$,000)	Variation (\$,000)	2003 Actual (\$,000)	2002 Actual (\$,000)	Variation (\$,000)
Item 104 Net amount appropriated to purchase outputs	17,154	17,154	0	17,154	17,099	55
Amount Authorised by Other Statutes						
Salaries and Allowances Act 1975	160	160	0	160	160	0
Total appropriations provided to purchase outputs	17,314	17,314	0	17,314	17,259	55

CAPITAL

Item 171 Capital Contribution	100	100	0	100	630	(530)
GRAND TOTAL OF APPROPRIATIONS	17,414	17,414	0	17,414	17,889	(475)

• Details of Expenses by Outputs

Output 1

Support to Partnerships, Partnering Initiatives	11,641	13,085	1,444	13,085	12,653	432
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Output 2

Information and Advice	5,857	5,549	(308)	5,549	4,173	1,376
Total Cost of Outputs	17,498	18,634	1,136	18,634	16,826	1,808
Less total revenue from ordinary activities	(190)	(286)	(96)	(286)	(241)	(45)
Net Cost of Outputs	17,308	18,348	1,040	18,348	16,585	1,763
Adjustment for movement in cash balances & other accrual items (1)	6	(1,034)	(1,040)	(1,034)	674	(1,708)
Total appropriations provided to purchase outputs	17,314	17,314	0	17,314	17,259	55

• Capital Expenditure

Purchase of non-current physical assets Adjustments for other funding sources	100	100	0	100	630	(530)
Capital Contribution (appropriation)	100	100	0	100	630	(530)

DETAILS OF REVENUE ESTIMATES

Revenues disclosed as Operating Revenue	190	202	12	202	142	60
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SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS & REVENUE ESTIMATES

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

(1) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.
The amounts reported for 2002/03 and 2001/02 are on an accrual basis.

The Summary of Consolidated Fund Appropriations and Revenue Estimates should be read in conjunction with the accompanying notes.

This summary provides the basis for the Explanatory Statement information requirements of TI 945, set out in Note 28.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003

1. Departmental mission and funding

A society where Indigenous Australians have greater ability to determine their own lives, where there is social and economic equity, respect and value for land, and Aboriginal heritage and culture.

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

In line with Government direction following the "Machinery of Government" review, the Department changed its name on 1st July 2001 to the Department of Indigenous Affairs. It was previously known as the Aboriginal Affairs Department.

2. Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

General statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements. If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Basis of accounting

The financial statements have been prepared in accordance with Accounting Standard AAS 29.

The statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

(a) Output Appropriations

Output appropriations are recognised as revenues in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited into the Department's bank account or credited to the holding account held at the Department of Treasury and Finance (Refer Note 12).

(b) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities", transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position. Refer to Note 22 for further commentary in relation to this issue.



NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

(c) Net Appropriation Determination

Pursuant to section 23A of the Financial Administration and Audit Act, the net appropriation determination by the Treasurer provides for retention of the following moneys by the Department :

- proceeds from fees and charges;
- Commonwealth specific purpose grants and contributions;
- revenues derived from the sale of real property;
- one-off revenues with a value of less than \$10,000 derived from the sale of property other than real property; and
- other departmental revenue.

In accordance with the determination, the Department retained \$286,000 in 02/03 (\$241,000 in 01/02). Retained revenue may only be applied to the outputs specified in the 2002/03 Budget Statements.

(d) Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be readily determined and the services would be purchased if not donated.

(e) Non-current Assets and Depreciation

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition, plus incidental costs directly attributable to the acquisition. Items have been included as non-current assets if the purchase cost is \$1,000 or more or the written down value is more than \$1,000 and the economic life is expected to be two (2) years or more (except for works of art).

All non-current assets, with the exception of works of art, having a limited useful life are systematically depreciated to reflect the consumption of the their future economic benefits. Depreciation has been charged on a straight line basis using the following average lives:

- Information Technology Equipment = 3 years
- Other Equipment = 8 years
- Motor Vehicles = 8 years

Works of art controlled by the Department are classified as heritage assets. They are anticipated to have very long and indeterminate useful lives. The service potential has not, in any material sense, been consumed during the reporting period. As such no amount for depreciation has been recognised in respect of them.

(f) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

(g) Employee Benefits

Annual leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using the market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Superannuation

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

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

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Department is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses (see Notes 4 & 20).



NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

(h) Leases

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

(i) Support Provided to AAPA/Aboriginal Lands Trust

Decision making authority in respect of the Aboriginal land estate effectively resides with the Aboriginal Lands Trust (ALT), a body established under the auspices of the Aboriginal Affairs Planning Authority Act 1972.

When the Aboriginal Affairs Department (AAD - now titled the Department of Indigenous Affairs) was established on 1 November 1994 it effectively took over the operations of its originating agencies, including the Aboriginal Affairs Planning Authority (AAPA). Staff previously employed by the AAPA at that time were transferred to the AAD. As a consequence, administrative support for the AAPA and the ALT was provided by staff employed by the AAD. During 2002/03, this support, on an output basis, has been estimated at approximately \$854,0.00.

(j) Receivables, Payables and Accrued Salaries

Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists and in any event where the debt is more than 60 days overdue.

Payables

Payables, including accruals not yet billed, are recognised when the Department becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

Accrued Salaries

The accrued salaries suspense account (refer Note 13) consists of amounts paid annually into a suspense account held at Treasury, over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of thenormal 26. No interest is received on this account.

Accrued salaries (refer Note 19) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to the net fair value.

(k) Resources Received Free of Charge or for Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

(l) Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services, is recognised when the Department has passed control of the goods or other assets or delivery of the service to the customer.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

(m) Comparative Figures

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

(n) Rounding

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in some cases, to the nearest dollar. This may result in the addition of individual amounts not agreeing to totals.

3. Outputs of the Department

Information about the Department's outputs, and the expenses and revenues which are reliably attributable to those outputs is set out in the Outputs Schedule. The Department has no administered expenses and revenues.

The Department's outcome and outputs are :

OUTCOME: Better social, cultural and economic outcomes for Indigenous people.

Output 1: Support to Partnerships, Partnering Initiatives

The provision of support to current partnering or new partnerships which involves Indigenous individuals, families, communities and representatives participating with government, the private sector, community groups and others to achieve agreed priorities.

Output 2: Information and Advice

State, Commonwealth and relevant local governments and others involved in Aboriginal issues are provided with information and advice on policy, legislation and the planning, coordination, history, delivery and effectiveness of services.

	2002/03 (\$'000)	2001/02 (\$'000)
4. Employee expenses		
Salaries	7,987	7,327
Superannuation (Refer Notes 2(g) & 12)	934	709
Other staff expenses	1,191	984
Change in long service leave entitlements	(42)	207
Change in annual leave entitlements	195	(167)
Leave liability on-costs (1)	187	-
	10,451	9,060

(1) These expenses include superannuation, worker's compensation premiums and other on-costs related to the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 20. No allowance was made for such costs in 01/02.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

5. Depreciation expenses

Plant, equipment and vehicles

2002/03 (\$'000)	2001/02 (\$'000)
384	395

6. Administration expenses

Expenses incurred during the year

Services and contracts
Operating leases
Communication
Consumables
Electricity and water
Other

Resources received free of charge

2,227	2,056
629	740
409	360
287	210
144	188
674	555
82	76
4,452	4,185

7. Accommodation expenses

Expenses incurred during the year

Office rent
Outgoings
Repairs and maintenance
Other

Resources received free of charge

1,041	1,087
324	367
7	112
63	69
19	20
1,454	1,654

8. Grants and subsidies

Grants to non-government agencies
Transfers/contributions to other agencies

1,566	1,272
191	198
1,757	1,470

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

9. Capital User Charge

A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Department used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.

10. Net loss on disposal of non-current assets

Disposal of IT equipment
IT equipment written down value
Proceeds from sale/disposal
(Loss)/gain on disposal of IT equipment

Disposal of plant & equipment
Plant & equipment written down value
Proceeds from sale/disposal
(Loss)/gain on disposal of office equipment

Disposal of works of art
Works of art - at fair value
Proceeds from sale/disposal
(Loss)/gain on disposal of works of art
Net loss on disposal of non-current assets

2002/03 (\$'000)	2001/02 (\$'000)
4	7
6	-
2	(7)
8	15
1	-
(7)	(15)
1	-
-	-
(1)	-
(6)	(22)

10(a) Other expenses from ordinary activities

These consist of:

Act of grace payment
Bad and doubtful debts expense
Abnormal expense

38	-
1	-
-	4
39	4

11. Revenues from ordinary activities

Revenues from operating activities
Commonwealth grants
Grants / contributions from State
Other revenue

Revenues from non-operating activities
Other revenue from ordinary activities
Government Vehicle Scheme
Staff housing contributions

101	90
43	29
58	23
202	142
20	26
57	73
77	99

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

	2002/03 (\$'000)	2001/02 (\$'000)
12. Revenues from State Government		
Appropriation revenue received during the year :		
Output appropriations (i)	17,314	17,259
The following liabilities have been assumed by the Treasurer :		
Superannuation (ii)	302	63
Resources received free of charge (iii)		
Determined on the basis of the following estimates provide by agencies :		
Office of the Auditor General		
• external audit services	35	35
Crown Solicitor's Office		
• various legal advice	46	40
Government Property Office		
• property management services	19	20
	100	95
	17,716	17,417

- (i)** Output appropriations are accrual amounts reflecting the full cost of outputs 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 (refer note 15).
- (ii)** The assumption of the superannuation liability by the Treasurer is only a notional revenue to offset the notional superannuation expense reported in respect of current employees who are members of the pension scheme and current employees who have transfer benefit entitlement under the Gold State scheme.
- (iii)** Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Department shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

13. Cash assets

Operating account (see also note 33)	18	645
Accrued salaries suspense account	310	280
Cash on hand	24	2
	352	927

14. Receivables

Trade debtors	159	33
Provision for doubtful debts	(3)	(2)
GST receivable	270	273
	426	304

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

	2002/03 (\$'000)	2001/02 (\$'000)
15. Amounts receivable for outputs		
Current	308	274
	308	274

This asset represents the non-cash component of output appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

16. Other assets

Amounts prepaid in respect of accommodation	114	94
Amounts prepaid in respect of administrative costs	56	42
Amounts prepaid in respect of grants	920	422
	1,090	558

17. Plant, equipment and vehicles

Vehicles		
At cost	64	66
less Accumulated depreciation	(56)	(54)
	8	12
Plant and equipment		
At cost	249	345
At valuation	94	-
less Accumulated depreciation	(172)	(162)
	171	183
Information technology equipment		
At cost	1,569	1,965
At valuation	74	-
less Accumulated depreciation	(1,146)	(1,312)
	497	653
Total plant, equipment and vehicles	676	848

Land and building values in respect of Aboriginal land have been reported on by the Aboriginal Affairs Planning Authority in their annual report. Reconciliations of the carrying amounts of plant, equipment and vehicles at the beginning and end of the current financial year are set out below:

	Vehicles \$000	Plant & Equipment \$000	Information Technology Equipment \$000	Total \$000
2002/03				
Carrying amount at start of year	12	183	652	847
Additions	-	38	188	226
Disposals	(1)	(8)	(4)	(13)
Revaluation increments	-	-	-	-
Depreciation	(3)	(42)	(339)	(384)
Carrying amount at end of year	8	171	497	676

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

	2002/03 (\$'000)	2001/02 (\$'000)
18. Works of art		
At fair value	205	203
	<u>205</u>	<u>203</u>
Works of art were revalued in accordance with an independent valuation which was undertaken by Gregsons Flanagan on the basis of current market value as at 30 June 2000.		
19. Payables		
Accrued expenses	88	56
Amounts payable for goods and services received	221	223
Accrued salaries	208	163
	<u>516</u>	<u>442</u>
20. Provisions		
Current:		
Liability for annual leave	433	222
Liability for long service leave	453	405
Leave liability on costs (1)	106	-
	<u>992</u>	<u>627</u>
Non-current:		
Liability for long service leave	672	718
Leave liability on costs (1)	81	-
	<u>753</u>	<u>718</u>
Total of employee benefit liabilities	<u>1,745</u>	<u>1,345</u>
(1) The settlement of annual and long service leave liabilities gives rise to the payment of employmenton-costs including superannuation and worker's compensation premiums. The liability for such on-costs is included here. The associated expense is included at Note 4. No allowance was made for such costs in 01/02.		
21. Other liabilities		
Unclaimed monies	20	20
Other	3	2
	<u>23</u>	<u>22</u>

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

	2002/03 (\$'000)	2001/02 (\$'000)
22. Equity		
Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.		
<u>Contributed Equity</u>		
Opening balance	630	-
Capital contributions	100	630
Closing balance	<u>730</u>	<u>630</u>
From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position.		
<u>Reserves</u>		
Asset revaluation reserve		
Opening balance	76	76
Net revaluation increments:		
Works of art	-	-
Closing balance	<u>76</u>	<u>76</u>
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, namely works of art (refer note 18).		
<u>Accumulated surplus/(deficiency)</u>		
Opening balance	599	(233)
Change in net assets resulting from operations	(632)	832
Closing balance	<u>(33)</u>	<u>599</u>
23. Notes to the Statement of Cash Flows		
<u>(a) Reconciliation of cash</u>		
Cash at the end of the financial year, as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:		
Cash assets (see also Note 13)	<u>352</u>	<u>927</u>
<u>(b) Non cash financing and investing activities</u>		
During the financial year, there were no assets/liabilities transferred/assumed from other government agencies not reflected in the Statement of Cash Flows.		

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

	2002/03 (\$'000)	2001/02 (\$'000)
<u>(c) Reconciliation of net cost of services to net cash flows</u> provided by/(used in) operating activities		
Net cost of services	(18,348)	(16,585)
Non-cash items:		
Depreciation	384	395
Liability assumed by Treasurer	302	63
Resources received free of charge	100	95
Net (gain)/loss on sale of assets	6	22
Bad debts & doubtful debts	1	2
Employee entitlement on-costs	(26)	-
Other accrual adjustments	4	-
(Increase)/decrease in assets:		
Current receivables (excluding GST)	(126)	55
Other current assets	(532)	(318)
Increase/(decrease) in liabilities:		
Current payables	74	(10)
Current and non-current provisions	400	29
Other current liabilities	1	(18)
Net GST (payments)	9	(146)
Change in GST receivables	3	-
Net cash used in operating activities	(17,749)	(16,417)

24. Lease commitments

The Department does not have any finance lease commitments.

At the reporting date, the Department had the following obligations under non-cancellable operating leases (these leases are not recognised as liabilities):

Within one year	1,670	1,848
Later than one year and not later than two years	1,369	1,392
Later than two years and not later than five years	2,456	1,276
Later than five years	369	2,903

25. Other commitments

There were no other material commitments as at 30 June 2003.

26. Contingent liabilities

The Department had no contingent liabilities as at 30 June 2003.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

27. Events occurring after reporting date

No information has become apparent since balance date which materially affect the Financial Statements.

28. Explanatory statement

The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimates, the actual expenditures made and revenue estimates and payments into Consolidated Fund. Appropriations are now on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945. Significant variations are considered to be those greater than 10% or \$200,000.

(i) Significant variances between estimate and actual - total appropriation to purchase outputs

Although there was no significant variation in the total appropriation, there were offsetting variations in total expenditure by outputs and the movement in cash balances and accrual items, as follows:

Output 1 - Support to Partnerships, Partnering Initiatives

(Estimate 02/03 \$11,641,000, Actual 02/03 \$13,085,000) Variance \$1,444,000

The additional expenditure for this output relates to higher than expected expenditure, particularly in relation to land management & property management projects; a greater concentration of regional resources to partnerships engaged in service provision to Indigenous communities; and expenditure on strategic projects such as community management and capacity building.

Output 2 - Information and Advice

(Estimate 02/03 \$5,857,000, Actual 02/03 \$5,549,000) Variance \$308,000

The expenditure for this output was less than expected due to a greater reallocation of resources to output one; see above Note on Output 1.

(ii) Significant variances between actual and prior year actual - total appropriation to purchase outputs

Output Expenditure

Output 1 - (2002 \$12,653,000, 2003 \$13,085,000) Variance \$432,000

The increase in the expenditure relates to greater allocation of resources than originally planned; see Note(i) above.

Output 2 - (2002 \$4,173,000, 2003 \$5,549,000) Variance \$1,376,000

The increase in the expenditure relates to the expected higher outputs for policy advice to Government, statutory committees and information provided to the public through the Internet and regional offices.

(iii) Significant variances between estimate and actual - Capital Contribution

No significant variances.

(iv) Significant variances between actual and prior year actual - Capital Contribution

Contribution (2002 \$630,000, 2003 \$100,000) Variance \$530,000

The reduction in capital contribution reflects the Capital Works program for 2002/03.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

29. Financial Instruments

(a) Interest rate risk exposure

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

	Weighted average effective interest rate	Variable interest rate	Fixed interest rate maturities			Non interest bearing	Total
			Less than 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000		
2002/03	%	\$'000				\$'000	\$'000
Financial Assets							
Cash assets						352	352
Restricted cash assets							
Receivables						426	426
						778	778
Financial Liabilities							
Payables						308	308
Accrued salaries						208	208
Employee entitlements						1,745	1,745
						2,260	2,260
2001/02							
Financial Assets						1,231	1,231
Financial Liabilities						1,787	1,787

(b) Credit Risk Exposure

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets, the carrying amounts represent the Department's maximum exposure to credit risk in relation to those assets.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 2 to the financial statements.

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

30. Remuneration of senior officers

The number of Senior Officers whose total of fees, salaries, superannuation and other benefits received for the financial year, fall within the following bands are:

	2002/03	2001/02
	3	3
\$		
100,001 to 110,000	-	1
110,001 to 120,000	1	1
120,001 to 130,000	1	-
130,001 to 140,000	-	1
170,001 to 180,000	1	-

The total remuneration of senior officers is: \$ 406,882 \$ 356,585

The superannuation included here represents the superannuation expense incurred by the Department in respect of senior officers. No senior officers are members of the Pension Scheme.

31. Affiliated Bodies

During the course of the year the Department provided funding to various Government and non-Government agencies. Of the non-government organisations, it may have occurred during the financial year, that some of them would be defined affiliated bodies under the terms of Treasurer's Instruction 951. Due to regulations imposed on grant recipients, financial acquittals are by the provision of a financial statement detailing expenditure of that particular grant only. The statement provided does not always disclose other income sources, and therefore the Department is not in a position to accurately determine which of the grant recipients are classified as an affiliated body.

32. Supplementary Information

Write-offs

Approved by Director General

Bad debts
Public property

	2002/03 (\$'000)	2001/02 (\$'000)
	1	2
	8	7
	9	9



NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2003 (continued)

33. RCIADIC Family Counselling Grants - Walley Trust Fund

Purpose

To receive and hold funds in trust for the remaining 2 minor children of Graham Trevor Walley (deceased) as part of Royal Commission into Aboriginal Deaths in Custody (RCIADIC) Family Counselling Grants.

Statement of Receipts and Payments for the year ended 30 June 2003

	2002/03 (\$'000)	2001/02 (\$'000)
Opening balance	-	-
Receipts	4	-
Less payments	-	-
Closing balance	4	-

The funds are held in the Departments Operating Account with the Commonwealth Bank.

ABORIGINAL AFFAIRS PLANNING AUTHORITY

Annual Report
For the year ended
30 June 2003

The Aboriginal Affairs Planning Authority was abolished on 31 October 1994 to make way for the then new Aboriginal Affairs Department. The department was renamed Department of Indigenous Affairs (DIA), effective on 1 July 2001.

The operation of the Aboriginal Affairs Planning Authority Act 1972 provides for the continued existence of the Aboriginal Affairs Planning Authority as a body corporate, which the Minister alone constitutes, and which is required to produce an annual report.

The Aboriginal Affairs Planning Authority ceased to employ staff with effect from 1 November 1994. Tasks and activities relevant to the charter of APPA are performed by staff of the DIA.

In view of the above, a report on operations and performance indicators have not been produced for the Aboriginal Affairs Planning Authority. For information in relation to these aspects, reference should be made to the Annual Report of the Department of Indigenous Affairs.

Financial transactions through the Aboriginal Affairs Planning Authority's accounts are appended.

CERTIFICATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

The accompanying financial statements of the Department of Indigenous Affairs have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2003 and the financial position as at 30 June 2003.

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.



Richard Curry
Accountable Officer

29 August 2003



Stan Stylianou
Principal Accounting Officer

29 August 2003

INDEPENDENT AUDIT OPINION



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE ABORIGINAL AFFAIRS PLANNING AUTHORITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion,

- (i) the controls exercised by The Aboriginal Affairs Planning Authority provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Authority at June 30, 2003 and its financial performance and cash flows for the year ended on that date.

Scope

The Commissioner's Role

The Commissioner is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

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



D D R PEARSON

AUDITOR GENERAL

October 21, 2003

