



Department for Planning and Infrastructure  
Government of Western Australia

# ANNUAL REPORT 2004-05



## > TO THE MINISTER

**Hon Alannah MacTiernan MLA**  
**Minister for Planning and Infrastructure**

I am pleased to submit for your information, and presentation to Parliament, the Department for Planning and Infrastructure's annual report for the financial year ended 30 June 2005.

The report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act* and fulfils the Department's reporting obligations under the *Public Sector Management Act*, the *Disability Services Act* and the *Electoral Act*.

I would also like to record my appreciation for your strong policy and community consultation leadership and support.

I commend the hard work and commitment of all my colleagues as we work together to achieve creative and sustainable solutions for land, transport and infrastructure planning and delivery, for the benefit of the community.



Greg Martin  
*Director General*

Department for Planning and Infrastructure

31 August 2005

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## > FROM THE DIRECTOR GENERAL

The Planning and Infrastructure portfolio has one simple aim - to create better places to live for all Western Australians.



By improving the coordination of land, transport and infrastructure services, the portfolio makes important contributions to the economic and commercial well-being of our state, and has a powerful impact on people's lives.

Ours is a portfolio that brings together the state's land, transport and infrastructure agencies to achieve vibrant, busy communities, connected within and to each other by quality transport services.

As the lead agency in the Planning and Infrastructure portfolio, it is critical that we deliver on the Government's priorities. Our focus during 2004-05 has been on streamlining our processes so we can deliver the very best results to the people of Western Australia.

The result is a fresh, new vision and a clear, common sense corporate plan to take us to the year 2009. Our new vision articulates what we are here to do and outlines exactly who we are working for – the Government and through them, the people of Western Australia.

Our new, fresh Departmental vision, the one we will be working with in the coming year, is:

***Enriching the quality of life for all Western Australians, by connecting and delivering economic and social networks.***

Our vision builds on the idea of community, and importantly, it goes a step further by focusing on how a community is made. A fully functioning, sustainable community is a collection of networks, and it is our job to make those networks work, to recognise the interconnectedness of all aspects of community – economic, social and environmental - and to plan wisely for it.

A critical part of our improved performance is the successful implementation of the recommendations of the independent functional review of the Department, which endorsed the model integrating land use and transport planning.

In January this year the restructure in accordance with the review recommendations was complete, and the last vestiges of two old departments - Transport and Planning - finally disappeared.

The Policy and Planning Unit has been refocused and strengthened into one Policy Group, and the outdated 'transport' and 'land use planning' silos have gone.

The formation of the Policy Group allows the Department to fulfil its objective of being a policy and strategic planning leader, and to respond to Government directions with robust and innovative policy direction.

The Policy Group is led by the Deputy Director General, a newly created leadership position directly accountable to me, to recognise the strategic importance of the role. We have dispensed with a cumbersome hierarchy and have instead established Policy Group program teams headed up by program leaders. The teams are flexible and multi-disciplinary, which means particular expertise from any area can be brought in on any project, for as long as is needed.

Stepping over branch boundaries is now part of life in the Policy Group, with great success. We are already seeing the benefits of this new approach. Projects such as the planning of the new Murdoch Health Precinct and the revitalisation of the Kenwick-Maddington communities have benefited from this multi-disciplinary process in which projects are considered in their entirety, rather than in isolation by different parts of the Department.

In the Operations area, five new business units have been established that will for the first time, with the full support of Treasury, run as semi-autonomous entities. The business

units are modernising and bringing in new processes of accountability and we have already seen significant improvements in a remarkably short time-frame.

The strengthened and refocused Department has given us an opportunity to focus on our performance.

We have moved quickly to implement the Business Excellence Framework to improve our processes, strengthen our leadership and management and improve our corporate governance.

The Business Excellence Framework is an internationally acclaimed approach that aligns all aspects of the business - people, standards, efficiency, business planning, goals and vision. It has helped us define the Department's direction and eliminate the 'silo' mentality and improve our leadership and management.

Our leadership team is expected to deliver.

I want our leadership team - and all our people - to be solutions-focused. To be fresh in our thinking and confident about the solutions we recommend. To take our portfolio leadership role seriously and provide the best possible strategic framework within which our partners can deliver their services.

Customers and markets are at the heart of our new vision - we can't connect and deliver economic and social solutions if we don't understand the people whose quality of life we seek to improve.

What do our customers want? How do they want it? How can we best match their requirements with our resources and the Government's priorities?

To do our job properly, we need to continue engaging our customers and stakeholders.

A critical part of our performance during the year has been the extensive stakeholder consultation we have undertaken across all business areas and in all our projects. We believe we have led the way in community consultation in Western Australia, and during the year we implemented a series of new initiatives that enhanced the strong foundation we have already established.

Dialogues in Port Hedland and Newman, the Albany and Reid Highway citizens' juries, and the Scarborough Deliberative Survey are some examples of the innovative community consultation processes we undertook during the year. Multi-Criteria Analysis Conferences and Consensus Forums have also increased the numbers of people participating in planning for the future. The Department received international recognition for *Dialogue with the city* from the Commonwealth Association of Public Administration and Management as one of 12 finalists worldwide to be recognised for best practice in public policy.

It has been an exciting and challenging year for all of us. We have made significant progress towards achieving our vision and our goals, and I am proud that this year's annual report is a showcase of Government initiatives that are making real improvements to the lives of Western Australians.

Many of our major highlights are good examples of how the Department is listening to its stakeholders and responding to changing lifestyles and trends that place Western Australia firmly on the contemporary world map.

In conclusion, we welcome the appointment of the Hon Fran Logan MLA as Minister Assisting in Planning and Infrastructure. Minister Logan has taken responsibility for the Department's Licensing Business Unit, and his appointment reflects the increasing importance of licensing to both Government and customers.

And we extend our thanks to the Minister for Planning and Infrastructure for her continued support throughout the year.



Greg Martin  
Director General

## > HOW WE OPERATE

Our vision and mission underpin and inspire all our activities. They provide a focus for every work unit and enable staff to understand how their work benefits the community.

### > Vision:

Enriched quality of life for all Western Australians through sustainable communities.

### > Mission:

To work with the community to deliver integrated land and transport infrastructure and services, for sustainable growth.

### Goals:

- A sustainable future for our land, transport and infrastructure resources
- Integrated land use and transport services that facilitate sustainable economic growth
- Vital towns and cities for our people
- Well informed and involved communities
- Balanced use and protection of our natural resources
- A practical and distinctive Western Australian contribution to global sustainability

### Values:

The Department's values underpin all our business practices and our interactions with others. These are:

Teamwork - We work together in the spirit of cooperation

Respect - We welcome and accept differences and commonalities

Passion - We embrace work with enthusiasm and energy

Learning and innovation - We grow and seek better solutions

Commitment and pride - We strive for excellence and doing our best

Honesty and integrity - We act ethically and fairly

Leadership - We inspire and guide others

Understanding - We listen and respond appropriately

### Outcomes:

The allocation and management of land, transport systems and infrastructure that facilitate social and economic development and reduce adverse impacts on the environment for Western Australia.



## > ABOUT THE DEPARTMENT

The Department for Planning and Infrastructure makes a significant impact on the quality of life of all Western Australians. In partnership with the Western Australian Planning Commission, the Department plans the cities and towns in which people live, and the transport networks that connect them to their friends, families and places of work and recreation.

It coordinates the complex interchange of utilities such as gas, electricity and roads to ensure that communities are adequately serviced. It manages the economically and culturally significant pastoral lands that produce valuable agricultural exports and which can be invested with meaning and significance for our Indigenous people. It regulates to keep people safe on our networks of road, rail and waterways and works to ensure that people can access and enjoy our world famous coastlines in sustainable ways.

### Our history

The creation of the Department for Planning and Infrastructure was the result of a recommendation of the Machinery of Government Taskforce, which aimed to overhaul the operation of the state's public sector to better reflect the key areas of government. It recommended the creation of a new Department for Planning and Infrastructure to *'isolat[e] policy and regulatory powers within a consolidated policy department, leaving service agencies with a clear service delivery role'*.

The Taskforce also considered that *'a combined land-use and transport planning department would foster better co-ordination than the current arrangement of having the two functions in different departments, with both represented on the WA Planning Commission'*.

Over the last three years, the task of integrating new and transferring former functions was a complex and resource-intensive task, requiring substantial work to acquit effectively. It required the accommodation of new staff, restructuring, addressing cultural issues, establishing new business management systems and articulating shared directions and outcomes.

That work was effectively completed by the beginning of 2004. At that time, it was determined that a functional review should be undertaken to ensure the new Department was on track to deliver what had been envisaged by the Machinery of Government Taskforce.

### Functional review

In 2004 the Government appointed Mr Stuart Hicks, the author of the Machinery of Government Taskforce review, to undertake a functional review of the Department for Planning and Infrastructure. The review's intent was threefold - to identify the most efficient and effective arrangement for delivery of services, to identify opportunities for cost savings at the program level, and to make recommendations about the most appropriate functional relationships and funding models to ensure effective delivery of services and outcomes.

The review endorsed the 'WA Model' of integration of land and transport planning and the distinction between policy work and service delivery. However, the review suggested ways in which the model's potential could be better managed.

During 2004-05 the Department has worked hard to implement the recommendations of the review.

## > ABOUT THE DEPARTMENT

### Restructure

In accordance with the Hicks Review's recommendations, a major restructure of the Department was undertaken. Where formerly there were six divisions, there are now three key areas - the Policy Group, the Operations Division and the Strategic Corporate Support Division.

### The Policy Group

All staff involved in land and transport planning and related services are now located within the Policy Group. They utilise an innovative matrix approach to planning and policy projects. This means that teams are formed across the group, drawing on appropriate multi-disciplinary skill sets and maximising available resources.

Matrix approaches in Policy will be further bolstered when policy staff move from a variety of locations to a single location following the completion of the strategic office accommodation plan by September 2005.

The appointment of an Acting Deputy Director General to oversee the structural and cultural changes in the Policy Group arising from the implementation of the functional review has strengthened focus. A permanent Deputy Director General will be appointed in 2005-06.

### Business units

The review recommended that some operational areas of the Department would benefit from the adoption of a 'business unit' model. These areas all provided discrete services to a clear set of clients and customers and derived all or part of their revenue from a fee or a charge imposed on the public or another Government agency.

The business units are intended to operate semi-autonomously, place customers and stakeholders at the heart of their business, adopt transparent costing and pricing and set clear performance targets. Principles for the operation of the business units were developed in consultation with the Department of Treasury and Finance.

The expectations of each of the business unit general managers have been articulated in individual performance agreements and business plans.

The implementation of business units was a cultural shift that required vision and planning. Marine Safety, Passenger Services, Licensing, Rail Safety, Pastoral Lands Management and Coastal Facilities now all operate according to the business unit principles. For each unit, a financial model is being prepared that clearly articulates the cost of services at particular levels of service delivery. The models demonstrate the impact of rising demand or greater service expectation and should result in more targeted and more flexible resource allocation, and greater understanding and clarity about performance standards.



## > OUR STRUCTURE

The timing of the Hicks Review and its implementation meant that during the 2004-05 year, the Department for Planning and Infrastructure operated under two quite different structures.

From 1 July 2004 to 5 January 2005 the organisation's structure was as follows:

Director General Greg Martin					
<b>Commercial and Asset Services</b> Executive Director Athol Jamieson	<b>Regulatory and Regional Services</b> Executive Director Dennis Forte	<b>Statutory Planning</b> Executive Director Ray Stokes	<b>Strategic Policy and Evaluation</b> Executive Director Mike Mouritz	<b>Integrated Planning</b> Executive Director Paul Frewer	<b>Corporate Services</b> Executive Director Helen Langley
<b>Financial Planning</b> Bill Ielati  <b>Accounting Services</b> K.P. Chan  <b>Financial Systems</b> Michael D'Souza  <b>Asset Planning and Services</b> Joy Johnston  <b>Asset Management</b> Peter McNally  <b>Western Australian Planning Commission Business Management</b> Neill Fernandes  <b>Business Manager</b> Ian Scullin	<b>Marine Safety</b> Brian Riches  <b>Passenger Services</b> Rob Leicester  <b>Licensing and Regional Services</b> Jenny Bunbury  <b>Regional Liaison</b> Roger Acacio  <b>Finance and Business Operations</b> John Rooke  <b>Rail Safety</b> Rob Burrows	<b>Reform</b> Vince McMullen  <b>Project Director</b> Robyn Barrow  <b>Planning Commission Services</b> Krisha Rowcroft  <b>Business Manager</b> William Wee  <b>Manager Metropolitan North</b> Neil Foley  <b>Manager Metropolitan South</b> Eugene Ferraro  <b>Manager South West</b> Larry Guise  <b>Manager Peel</b> Cameron Bulstrode  <b>Manager Geraldton</b> Jerom Hurley  <b>Manager Albany</b> Stephen Petersen	<b>Portfolio Policy and Strategies</b> Judith O'Keeffe  <b>Transport Freight and Logistics</b> Kim Stone  <b>Strategic Programs</b> Robert Campbell  <b>Sustainability</b> David Nunn  <b>Revitalisation and Urban Design Projects</b> Brian Curtis  <b>Business Manager</b> Paul Crew	<b>Strategic Planning and Infrastructure</b> Mike Allen  <b>Integrated Transport Planning</b> Paul Trichilo  <b>Environmental and Natural Resource Planning</b> Robert Griffiths  <b>Planning Information</b> Lindsay Preece  <b>Business Manager</b> Kerry Wilson	<b>Contracts and Central Services</b> Craig Shepherd  <b>Human Resources</b> John Mercadante  <b>Information Services</b> Paul Wilkins  <b>*Internal Audit</b> Colleen Kelly  <b>*Communications and Community Relations</b> Arabella Taylor  <b>*Ministerial and Parliamentary Services</b> Steve Imms  <b>*Legislative and Legal Services</b> Victoria van der Kuil (A)  <b>Business Manager</b> Karen Myles  *Reports to Director General

## > OUR STRUCTURE

From 5 January 2005, with the adoption of the Hicks Review recommendations, the Department's structure was reconfigured. The colour key tracks the functional change of the restructure.

Director General Greg Martin			
Deputy Director General, Policy Paul Frewer	Assistant Director General Strategic Corporate Support Helen Langley	Assistant Director General Operations Athol Jamieson	
<b>State and Regional Policy</b> Mike Allen  <b>Urban Policy</b> Mike Mouritz  <b>Transport Industry Policy</b> Nick Belyea  <b>Statutory Planning</b> Ray Stokes  <b>Ningaloo Sustainable Development Office</b> David Nunn	<b>Human Resources</b> John Mercadante  <b>Information Services</b> Paul Wilkins  <b>*Internal Audit</b> Colleen Kelly  <b>Communications and Community Relations</b> Steve Worner  <b>Ministerial and Parliamentary Services</b> Steve Imms  <b>Legislative and Legal Services</b> Victoria van der Kuil  <b>Finance</b> Bill Ielati  <b>Business Analysis and Planning</b> Sarah Jones  <b>Contracts and Central Services</b> Ed Browne   *Reports to Director General	<b>Director Operations</b> Peter McNally  <b>Land Asset Management Services</b> Wayne Winchester  <b>New Coastal Services</b> Cleve Flottmann  <b>Spatial Information</b> Rodney Hoath  <b>Regional Services</b> Dennis O'Reilly <ul style="list-style-type: none"> <li>• <b>Kimberley Regional Services</b> Peter Biber</li> <li>• <b>Pilbara Regional Services</b> Ray Buchholz</li> <li>• <b>Gascoyne Regional Services</b> Aiden Tansey</li> <li>• <b>Mid West Regional Services</b> Tony McCann</li> <li>• <b>Goldfields/Esperance Regional Services</b> Shelley Grice</li> <li>• <b>South West Regional Services</b> Peter Kiely</li> <li>• <b>Great Southern Regional Services</b> Geoff Findlay</li> </ul>	<b>General Manager Licensing</b> Neville Binning  <b>General Manager Passenger Services</b> Peter Ryan  <b>General Manager Marine Safety</b> Sandra Eckert  <b>General Manager Rail Safety</b> Rob Burrows  <b>General Manager Coastal Facilities</b> Steve Jenkins  <b>General Manager Pastoral Land Management</b> Sandra Van Vreeswyk  <b>WAPC Land Asset Management</b> Tim Hillyard  <b>WAPC Services</b> Neil Fernandes  <b>Whiteman Park</b> Paul Stenson

Refer to Appendix 1 for details of the qualifications and experience of the Director General, the Deputy Director General and Assistant Directors General.

Director General  
Greg Martin



Deputy Director  
General, Policy  
Paul Frewer



Assistant Director  
General Operations  
Athol Jamieson



Assistant Director  
General Strategic  
Corporate Support  
Helen Langley



## > FINANCIAL SUMMARY

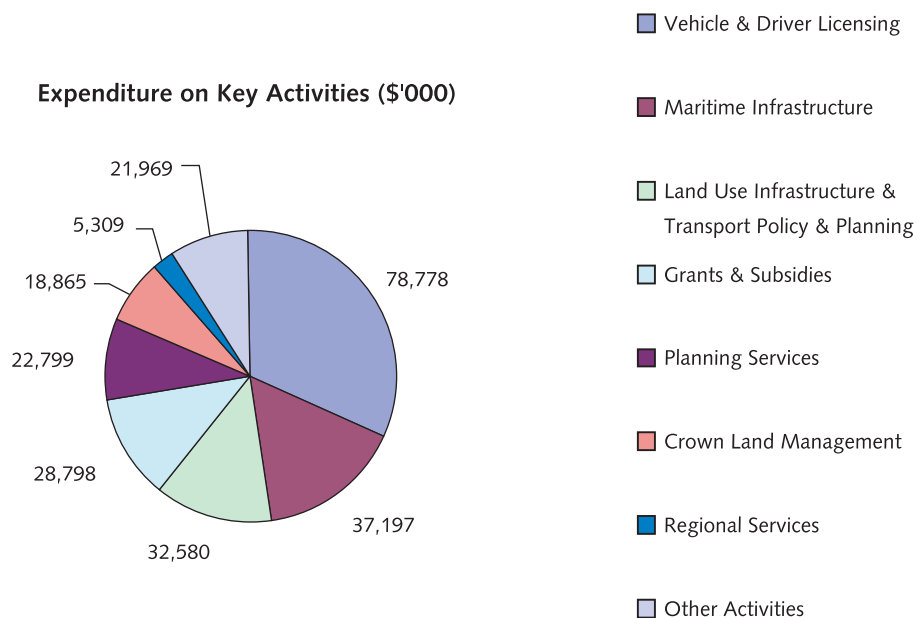
In 2004-05 the Department recorded a net cost of services of \$153.2million. Expenditure on ordinary activities totalled \$246.3 million for the year.

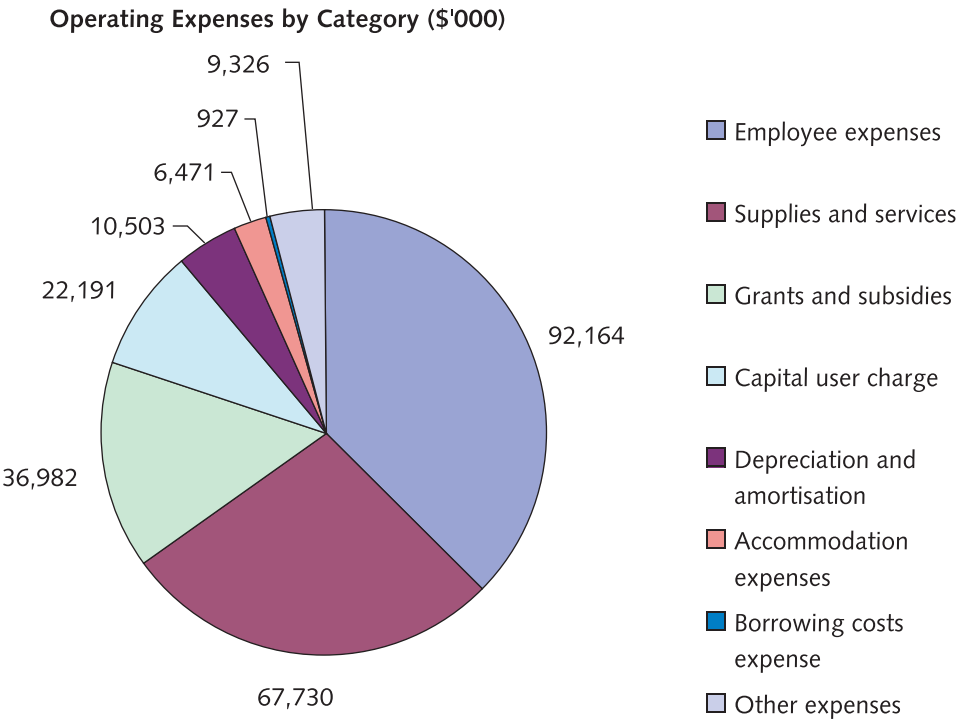
The Department provided a highly diverse range of products and services to its numerous stakeholders, clients and customers, including:

- Land use and transport infrastructure policy and planning and land use transport infrastructure service delivery;
- Land use policy and planning, transport policy and planning, environmental planning and infrastructure and development co-ordination on behalf of the WAPC and other clients;
- Management of crown and reserved lands;
- Regulation of transport related services to the public including vehicle and driver licensing, taxis, travel subsidies to those in remote and regional areas, maritime safety regulation and rail safety; and
- Development and management of key maritime transport infrastructure including harbours and some ports.

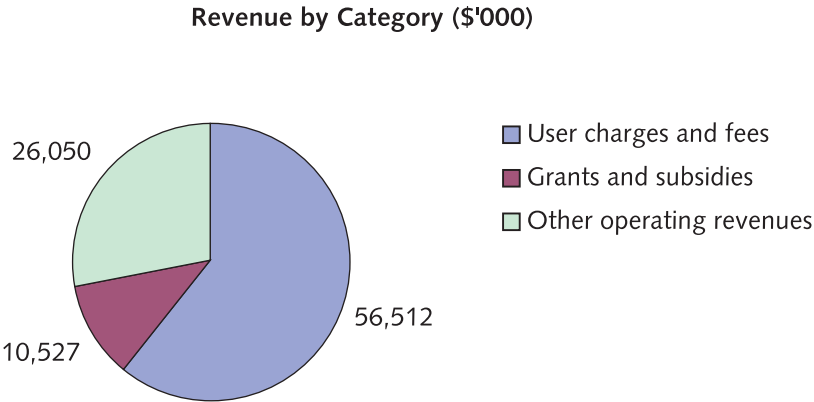
The bulk of the expenditure related to grants, employee expenses, depreciation and general operating and borrowing costs.

**Expenditure on Key Activities (\$'000)**





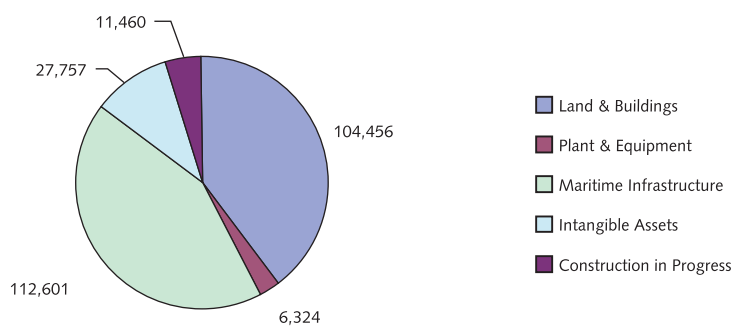
Revenues of \$93.1 million for the year were made up of the items displayed in the graph below.



## > FINANCIAL SUMMARY

The Department managed a diverse asset base in the provision of services.

**Assets under Management (\$'000)**

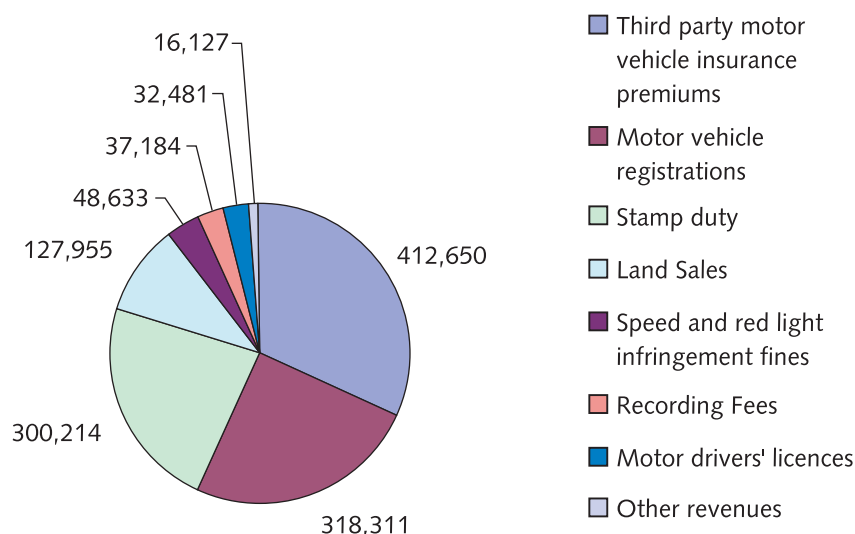


The Department's equity at 30 June 2005 was \$358.4 million, being an increase of \$27.3 million. The increase is linked primarily to contributions of \$16.0 million from the Government for funding capital expenditure during the year and a revaluation upwards of \$12.3 million in the value of land and buildings held.

Funding of the Department's operations was primarily by appropriation from the Consolidated Fund and borrowings. Appropriations provided to fund outputs amounted to \$149.2 million, including \$12.1 million which was retained by the Department for Treasury and Finance to be used to fund future employee leave entitlements and for asset replacement.

The Department also performed an important administration function on behalf of Treasury and other Government agencies. A total of \$1,294 million of revenue was collected for distribution to other parties.

**Administered Revenues (\$'000)**





## > OUR WORK IN 2004-05

The outcomes being pursued by the Department for Planning and Infrastructure is the allocation and management of land, transport systems and infrastructure that facilitate social and economic development and reduce adverse impacts on the environment for Western Australia.

During the year the Department undertook some major projects, and faced some major challenges. Those projects are outlined here. Other achievements are addressed in the Report on Operations beginning on page 31.

### TRELIS

The roll-out of the new Transport Executive Licensing System, or TRELIS, commenced in July 2004. The \$35 million computerised vehicle licensing and registration system was developed to replace the WA Police Service's 14-year-old mainframe system, which was not equipped to cope with the growing requirements of the licensing function.

The new system incorporates driver's licence details and registration records for cars, trucks, motorcycles and trailers in a single database, providing a "one-stop-shop" registration system and incorporating EFTPOS and limited credit card payment facilities. It is integral to the operations of the WA Police Service, the Department of Justice, the Department of Consumer Protection, the Insurance Commission of Western Australia and the Department for Planning and Infrastructure.

TRELIS is arguably the largest and most complex system in the WA public sector. It conducts more than 7.9 million cash and non-cash transactions per annum and collects approximately \$1.2 billion in revenue. The Department and a state-wide network of 90 on-line agents and 30 off-line agents were involved in the roll out.

The roll-out of the new system encountered significant initial difficulties, causing customers some confusion and concern.

Although those difficulties affected a relatively small number of transactions in the first two months of TRELIS, the impact was unacceptable and the Department moved quickly to resolve the issues and to ensure that any public concerns were allayed.

Some of the problems included delays in issuing drivers' licences, some drivers' licences and learner permits being

issued with an incorrect expiry date, delays in the processing of vehicle transfers, and difficulties with some financial transactions.

As soon as the problems became apparent, an additional 12 staff members were seconded to clear the backlog of licence transactions, another 10 information technology specialists were drafted to fix underlying problems with the system, an extra 24 staff were deployed at the Licensing Call Centre to help deal more quickly with customer queries, extra processing staff were posted to licensing centres around the state to improve customer service and reduce waiting times, and attendants were appointed to the busiest licensing centres to help motorists.

The delay in processing financial transactions consequently delayed the accurate transfer of revenues to the Office of State Revenue and the Insurance Commission of Western Australia. This issue was resolved early in March 2005 and financial transactions and revenue transfers are now proceeding smoothly.

By October 2004 the number of abandoned calls to the Licensing Call Centre had dropped to almost zero from a peak of more than 9000 per day in July and August.

Licensing has an application help desk that responds to calls from staff, agents and dealers. In September 2004, disconnected calls peaked at approximately 45,000 per month. This has now been reduced to very low numbers, typically less than 1000 per month.

The average waiting time at Licensing offices jumped from an average six minutes per customer before the introduction of TRELIS to as high as 15 minutes in July and August. Since March 2005, waiting times have returned to an average of six minutes.

The improvements in call rates and waiting times equal the best outcomes achieved prior to the implementation of the new system. The expectation is that planned system improvements over the next two years will deliver even more service gains.

## > OUR WORK IN 2004-05

### SPIRIT

The Statutory Planning Internal Review and Improvements Taskforce (SPIRIT) was established in 2003 to work with industry, other government agencies and the Department's statutory planning team to reform and refine the planning approvals processes. A key issue was the time taken to process applications, and the subsequent backlog of applications. This was a situation that was adversely affecting the development industry.

In 2004-05 the focus of the Taskforce was to implement recommended process improvements. Key milestones achieved by the SPIRIT team, working closely with the Department's Statutory Planning Division and other stakeholders, include:

- Continued successful implementation of workload management initiatives, with an overall improvement of six per cent in the proportion of planning approvals processed within the statutory timeframes compared to 2003-04;
- Implementation of the Application Conformance Standards Subproject - a major reform based on clarifying information requirements for subdivision applications and managing subdivision lodgement processes more efficiently;
- A comprehensive review of the 'Western Australian Planning Commission - Subdivision Booklet', including revision of 'model' conditions of approval and determination notices for greater clarity;
- Working with the Department of Land Information and industry stakeholders to implement a single plan process for endorsement of deposited plans, survey strata plans and strata plans;
- Development of a pilot 'short-track' assessment and referral project for simple urban infill subdivision applications (to be implemented in the first half of 2005-06); and
- Contribution to the 'Shared Land Information Platform' business case approved by State Government in November 2004.

### Implementing the Freight Network Strategy

In 2001-02 the Freight Network Review was undertaken to bring together the community, industry and Government to devise better ways of moving freight in the Perth metropolitan area. The priorities established by that review are now being implemented. A Freight Network Strategy Implementation Committee, chaired by the Department and including representatives of government agencies, industry and the community, has been formed to oversee the implementation.

During 2004-05 the following initiatives have been progressed:

- A new rail loop and terminal at Fremantle Port's North Quay to improve rail efficiency and allow rail to compete more effectively for regional container traffic. Completion is expected in late 2005.
- Finalisation of the Kewdale-Hazlemere Integrated Masterplan to address road/rail transport and land planning issues in the precinct for the next 30 years. The Department managed the project on behalf of the WA Planning Commission, which endorsed the masterplan in June 2005.
- A study by the Department and Fremantle Ports to determine alternative means for transporting, handling and storing containers. The study, which involved extensive consultation with industry, has now been finalised and work on implementation of its findings has commenced.
- Development of a strategy for managing traffic on major roads in the south west metropolitan corridor. This study is being undertaken by the Local Impacts Committee, which was formed by Ministerial appointment and is serviced by Department staff. The committee identified 20 'priority action locations' (locations with the worst problems) and potential solutions to these problems.

Other initiatives regarding the implementation of the Freight Network Strategy are detailed in the Report on Operations.

## Transport Security

Recent world events have reinforced the need to continually improve security arrangements in the surface transport sector. During the year the Department continued to develop and implement security arrangements in line with the Western Australian Transport Security Strategy developed in 2003-04.

The Department has a leadership role, operating as a lynchpin for transport security matters in close association with the Department of the Premier and Cabinet, other government agencies and industry. It is responsible for:

- Ensuring that State Government agencies and the transport industry of WA are addressing security issues and implementing appropriate measures to counter the threat from terrorism.
- Developing and managing the state's work plan for transport security and updating the WA Transport Security Strategy as required.
- Leading and overseeing transport security policy in other State Government agencies and the private sector through the identification of transport security issues and ensuring the implementation of appropriate counter measures for land, passenger, maritime transport and to a lesser extent for regional airports.
- Responding to and developing a State position with respect to transport security matters generated by the Standing Committee On Transport (SCOT) Transport Security Working Group and the National Transport Security Strategy.
- Liaising with the Department of Transport and Regional Services (DOTARS), Department of Prime Minister, Australian Security Intelligence Organisation (ASIO) and other Commonwealth agencies with regard to strategic security policy and programs.
- Liaising with the Department of the Premier and Cabinet, WA Police Service, Department of Industry and Resources, Public Transport Authority, Main Roads WA, Port Authorities, Fire and Emergency Services Authority and other State Government bodies.
- Developing and maintaining extensive networks across government and industry and disseminating information relating to best practice for security matters.
- Providing advice to the National Counter Terrorism Committee, the Department of the Premier and Cabinet and other agencies involved in matters associated with transport security including the movement and regulation of dangerous goods.
- Directing participation in the SCOT Transport Security Working Group and related committees.
- Convening the WA Whole of Government Transport Security Policy Committee.
- Participating in other committees on request such as the Department of the Premier and Cabinet's Critical Infrastructure Committee, the National Counter Terrorism Committee and the WA Ports Security Officers Committee.

## > OUR WORK IN 2004-05

### Transport Infrastructure Program

The State Transport Infrastructure Program (STIP) was developed to identify transport infrastructure needs in regional Western Australia over the short to medium term and to provide a consistent framework for project assessment, ensuring the state is well positioned to seek funding through the Commonwealth's AusLink program.

The program focuses on freight transport networks outside the metropolitan area, and only considers metropolitan freight movements if they are to and from regional areas.

The Department is a member of the Steering Group which guides the STIP project, with representatives from Treasury and Finance, the Department of Industry and Resources, Main Roads WA and the Chamber of Commerce and Industry.

The program's aims are to:

- Allow for a balanced transport network that invests in new roads and improves roads where needed, and to give a stronger commitment to rail freight (and passenger) services;
- Where feasible, transfer as much freight as possible from road and on to rail or sea; and
- Reduce road freight into the metropolitan area by increasing the proportion of freight carried into Fremantle Port by rail.

The Minister approved the STIP report in November 2004. Subsequently, a preliminary list of infrastructure projects has been developed, and will be refined as AusLink corridor strategies and the state corridor strategies are developed.

### Enhanced property management

The Department for Planning and Infrastructure is responsible for the administration of Crown Land, which represents approximately 93 per cent (or about 2.3 million square kilometres) of the state of Western Australia.

The Department is responsible for the collection of rent on Crown leases. During the year the Department upgraded its financial systems to the latest version available worldwide (Oracle E-Business suite). This provided an opportunity to implement Oracle Property Manager and Oracle Receivables to manage the Department's properties and billings. The system successfully 'went live' on 1 November 2004.

The two Oracle modules allow department-wide sharing of information and enhance decision-making ability and business planning processes. They also provide for open and accountable reporting, resulting in increased transparency and better reporting structures.

The 300,000 properties under the control of the Department are to be incorporated into Oracle Property Manager by November 2005.

## > OUR STRATEGIC CHALLENGES

To do its work well and deliver favourable outcomes to all Western Australians, the Department for Planning and Infrastructure undertakes long-term planning to predict and prepare for the demographic, economic and environmental shifts to come. The Department's challenging strategic environment includes:

- The state's population increased by 1.7 per cent from 1,949,948 to 1,982,204 during 2003-04. By 2021, half a million more people will call our state home, with an average annual growth rate of 1.5 per cent.
- While the Perth Metropolitan Region is expected to maintain its share of the state's population at 73 per cent, the Kimberley region is expected to increase its share with an above average annual growth of 2.9 per cent
- Older people continue to migrate from the metropolitan area to the South West and Peel regions. This 'shift to the coast' is being driven by demographic changes as the baby boomer generation retires and seeks coastal lifestyles.
- The 'shift to the coast' has the potential to cause greater congestion on our waterways as people pursue maritime centred leisure activities in the metropolitan area as well as in regional centres.
- The Department's role in regional planning occurs against the backdrop of an increasingly educated community that expects to be consulted on planning and to have their concerns reflected in the plans and policies that are ultimately implemented.
- In Western Australia, 19.5 per cent of the population has some form of disability, and the state also has an ageing population. The planning and development of safe, pedestrian-friendly and conveniently located communities with universal access to services and transport systems is vital.
- The bulk of the state's natural resources are located in regional areas. If the Department is to partner successfully with industry and the community to anticipate and resolve capacity constraints, it must understand industry requirements and coordinate highly complex infrastructure delivery in natural environments that are often fragile and sometimes invested with particular significance for Indigenous people.
- All pastoral leases will expire in 2015, from which point a new form of tenure will need to operate. There are clear shifts to multiple land use on our rangelands including tourism, horticulture and community living. The Department will continue to recommend amendments to legislation such as the *Land Administration Act 1997* to reflect changing community expectations about pastoral land management and rangelands management.
- Transport security has become a major issue worldwide as efforts are made to counter the threat of terrorism. Security issues are being addressed for urban passenger transit precincts and the movement of dangerous goods. New regulations are being put in place requiring that aircraft, airports, seaports and shipping operators introduce new security measures. The security focus will shift increasingly towards the complex task of ensuring the integrity of the overall supply chain.
- The Department's regulatory framework must constantly evolve to keep pace with technological shifts. The Department must work to ensure that regulations keep pace with technological realities and are appropriately communicated.

## > OUR STRATEGIC CHALLENGES

- Customers and stakeholders have high technological skills and expect to access the information they want quickly and easily. From statutory approvals to land asset management, we are investigating and introducing e-solutions to bring our customers closer to the information and services they require.
- Damage to the Western Australian coastline from erosion, due to severe winter storms, is a major issue and geographic data information such as oceanographic, bathymetric, cartographic and Geographic Information Systems support is becoming increasingly important in coastal protection strategies.
- National developments will grow in importance in shaping Western Australia's transport system. The Australian Transport Council and its related bodies, the National Transport Commission and the Commonwealth Government's AusLink initiatives, all have significant strategic implications for the state.
- The maritime sector is under increasing pressure to conform to national and international proposals for environmental management. The handling of ballast water, the management of marine pests and the response to marine emergencies are all becoming increasingly important.
- Natural resources such as water and native vegetation are becoming more important as their value to the community is recognised. The planning system, through regional plans and strategies, is a key part of the identification and protection of these environmental assets.
- The tightening labour market and anticipated increase in retirement means that the Department will have to be smarter about recruiting and retaining its most significant asset – its people. Succession planning and capacity development will be crucial.



## > SUSTAINABILITY PLAN

During the year the Department addressed the activities outlined in its Sustainability Action Plan, which consists of 80 actions.

Activities completed during the year were:

- Commencement of the Hydrogen Fuel Bus Trial – A trial of three hydrogen fuel buses on Perth bus routes.
- The Ningaloo Coast Regional Strategy – The creation of a strategic blueprint for managing development, conservation and tourism in a fragile environment through the use of planning and development controls.
- Network City – The development of a strategy to guide urban growth in Perth; this established a new standard in best practice planning.

A number of projects will continue through 2005-06, including:

- Improving the Department's energy efficiency through purchasing, contracts and operations (see page 62 for 2004-05 initiatives);
- The revitalisation of declining urban centres and suburbs through more efficient planning, design and recognition of economic opportunities, which is being undertaken in partnership with a number of local government partners; and
- Management of complex and contentious issues in transport infrastructure planning, which is being progressed using land use/transport modelling in association with techniques such as multi-criteria analysis and citizens jury to ensure that sustainable outcomes result.

New projects that are being developed include a template for assessing new resource proposals that require recurrent or capital funding. The template will ensure that sustainability elements are incorporated in the assessment of policies or programs.

In association with the Western Australian Planning Commission, the Department is developing Sustainability Scorecards, which will include sustainability assessment tools for various levels of development assessment. The Department is working with a range of government and private stakeholders to develop these tools. Priority will be given to the sustainability assessment of housing, development approvals and subdivision design.

## > CUSTOMER AND MARKET FOCUS

### Key customers

The Department places significant emphasis on understanding and managing the needs and expectations of its customers and stakeholders. To deliver on these it has adopted the Australian Business Excellence Framework (ABEF) as its management framework.

The Customer and Market Focus category of ABEF challenges organisations to engage with and respond to their customer and stakeholders. All the Department's business plans are required to identify the key deliverables targeted towards specific stakeholders and consider mechanisms through which customer feedback can be generated and complaints addressed properly.

This close attention to customers and markets is essential because of the extraordinary diversity and geographic spread of our customer base. From pastoralists and mining communities in the north of the state, wheatbelt farmers in the centre, and to mariners in Fremantle and along the south coast - indeed, wherever there are people who drive cars or use boats, trains and planes or have plans to subdivide their properties, the Department for Planning and Infrastructure has a role and a presence.

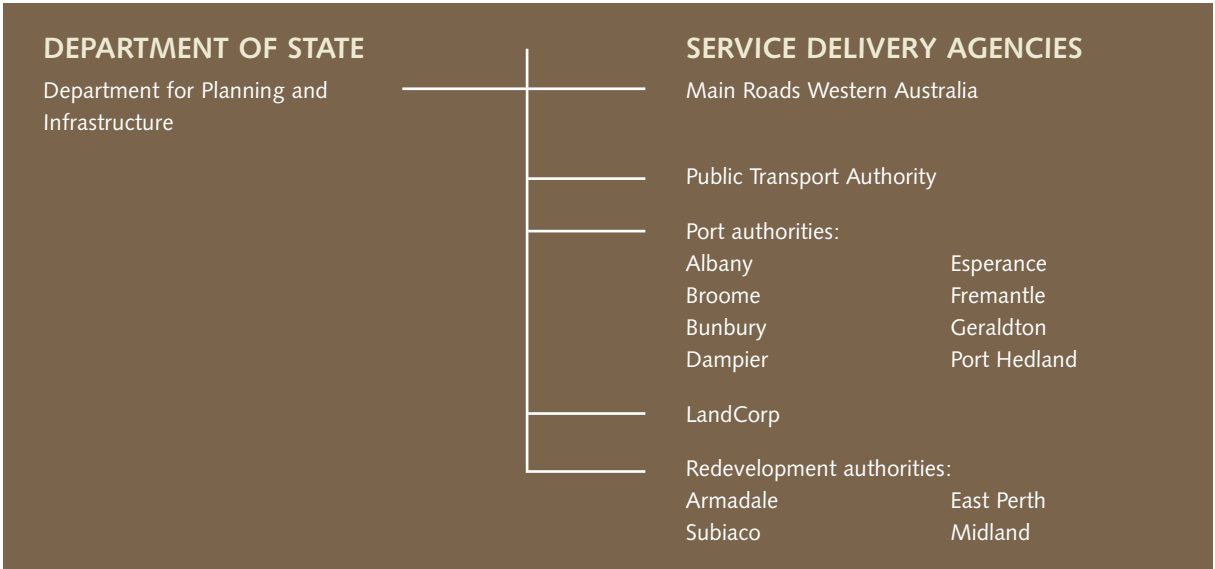
### Key stakeholders

During the year we focused on improving the state's land use and transport planning functions, and the delivery of seamless and holistic planning and policy. Our portfolio partners are integral to the success of the 'WA model' of planning and infrastructure, whereby policy functions are separate and distinct to service delivery.

The Planning and Infrastructure portfolio was created in July 2001 to draw planning and infrastructure together under the one Minister.

A Minister Assisting the Minister for Planning and Infrastructure was appointed in March 2005 to support the portfolio's expanding planning and infrastructure projects. The Minister Assisting, the Hon Fran Logan MLA, has assumed responsibility for the Department's driver and vehicle licensing services.

The Department for Planning and Infrastructure is the lead agency within the portfolio. It works in partnership with the Western Australian Planning Commission and is the policy body to the 'service' agencies of Main Roads Western Australia, the port authorities, the redevelopment authorities, LandCorp and the Public Transport Authority.



**STATUTORY AUTHORITY**

Western Australian  
Planning Commission

**Minister for Planning and Infrastructure**

The Minister for Planning and Infrastructure has responsibility for improving the coordination of land use and transport infrastructure planning and service delivery for better communities.

**Minister Assisting the Minister for Planning and Infrastructure**

The Minister Assisting the Minister for Planning and Infrastructure has responsibility for the driver licensing and vehicle registration functions of the Department.

## > ENHANCING PERFORMANCE THROUGH PARTNERSHIPS

Our work within the portfolio and our strong partnerships with other government agencies, with industry and with the community have resulted in important contributions to the economic and social well-being of the state.

### Our partners

One of the Department's important roles is to work with other agencies and with industry to create policies that benefit all members of the community. For example, during the year the Department undertook a review of the planning approvals process – an initiative undertaken in partnership with industry leaders, in particular the Property Council of Australia and the Urban Development Institute of Australia (see SPIRIT on page 16). The positive outcomes resulting from such collaborative partnerships are being adopted at all levels of the Department.

The Department also works with portfolio partners to develop and fund major infrastructure projects to benefit the community by providing the Minister with a portfolio perspective on the capital works proposals for the portfolio agencies.

### Within the portfolio

The Department for Planning and Infrastructure coordinates and integrates policy advice across the portfolio. This includes the state's participation in the management and work of national transport, land use and other relevant forums, as well as Western Australia's or the portfolio's response to national and state strategic, multi-dimensional issues and initiatives on transport, land use and other relevant matters.

In 2004-05, the Department took a collaborative and integrated approach to a number of national and state reviews, including:

- The State Transport Infrastructure Program (Freight), developed as a key component of an overall State Transport Strategy, in conjunction with Main Roads Western Australia, the Department of Treasury and Finance, Department of Industry and Resources and the Chamber of Commerce and Industry;
- The Productivity Commission's review of the National Competition Policy; and
- A Portfolio Plan, developed in conjunction with portfolio agencies to provide consistency and cohesion for the Planning and Infrastructure portfolio and to capture and provide coherence to the general direction of the portfolio, acting as a guide to the portfolio and the Minister as to the way in which the portfolio can deliver against the Government's sustainability agenda.

## Working with other agencies

The wide-ranging nature of our work means we liaise and cooperate with government agencies outside the portfolio to achieve our outcomes. We are working with:

- The Department of Industry and Resources in relation to major infrastructure projects;
- The Commonwealth Department of Transport and Regional Services (DOTARS) and industry to expand AusLink – a new approach to funding land transport infrastructure – to our key export ports;
- The Western Australia Police Service, the Department of the Premier and Cabinet, the Department of Industry and Resources, DOTARS, industry groups and counterparts in other states to improve transport security across the nation;
- The Department of Justice, the Insurance Commission of Western Australia, the State Revenue Office and the Western Australia Police Service in the extension of TRELIS functionality to meet their operational requirements;
- The Department for Community Development and the Western Australia Police Service on the Working with Children Card inter-agency initiative;
- The Fire and Emergency Services Authority, TAFE, the Department of Education and the Western Australia Police Service to develop the Kids at Risk Boatshed marine safety education program; and
- Main Roads WA and other agencies through Memorandums of Understanding.

## On the national stage

We are also closely involved with portfolio initiatives at a national level. The Department has been a significant driver of the National Transport Security Strategy currently being developed to assist with counter terrorism arrangements. The National Transport Commission and the Commonwealth Government AusLink initiatives have significant implications for the state and we provide leadership and representation on behalf of Western Australia.

The Department has helped implement the recommendations of the national road and rail transport reviews. We continue to influence the work program for the National Transport Commission and the agenda and work of a variety of national bodies by representing the state on the Standing Committee on Transport, the Transport Agency Chief Executives, the National Planning Officials Group and others, which respectively address transport and planning issues of national concern.

The Director General is the Chair of the Australian Maritime Group on behalf of the Standing Committee on Transport.

Other significant contributions made by the Department on a national level include:

- Implementing the national rail safety health standards and the Australian Design Rules Deletions Package.
- Chairing the Remote Areas Consultative Group, and, on behalf of that group, project managing the "Air Suspension Project". Subsequently, with the assistance of the National Transport Commission and its consultants, publishing the "Stability and On-road Performance of Multi-combination vehicles with Air Suspension Systems Project" reports on the commission's website.

## > ENHANCING PERFORMANCE THROUGH PARTNERSHIPS

- Conducting the review of the Australian Road Rules as they apply to scooters under 200 watts power output and published a report; preparing a number of publications suitable for national adoption that are now posted on relevant websites; and progressing the National Code of Practice for Light Vehicle Construction and Modification in readiness for publication.
- Substantial involvement in:
  - the Legislative Advisory Panel and the Transport Agencies Compliance Committee to progress the National Compliance and Enforcement Bill and develop drafting instructions for the Intelligent Access Program;
  - developing the policy and practices for the revised national fatigue management program;
  - maintenance arrangements for the Australian Road Rules and participation on a sub-group to examine further enhancements to national rules governing restraint use in Australia; and
  - the development of the Performance Based Standards safety and infrastructure performance measures.
- Continuing to contribute to the development of national reforms by participating in working groups on compliance and enforcement, accreditation, performance-based standards, the National Heavy Vehicle Safety Strategy and Action Plan, the Road Pricing Reference Group for Heavy Vehicle Charges, the Data Exchange Reference Group and the Rail Legislation Advisory Group and the SCOT Rail Group/NTC Steering Committee on Rail Safety Regulatory Reform.
- Participating in and contributing to the:
  - development of national competency units and training package for Transport Inspectors;
  - major fatigue studies on two-up driving and remote area livestock transport operations;
  - review and development of national rail safety risk management model and accreditation criteria; and
  - review and development of national rail safety requirements for fatigue and drug and alcohol management.
- Co-ordinating and supporting the Western Australian part of the National Transport Commission Driver and Your Health campaign and managing the Western Australian public consultation for the third heavy vehicle charges determination.
- Undertaking and evaluating a trial of 2.6 metre wide refrigerated pantechonicon trailers.
- Chairing the National Planning Officials Group, which supports the Local Government and Planning Ministers Council (part of the Council of Australian Governments). The Ministerial Council has recently addressed issues such as:
  - a national affordable housing strategy;
  - a major strategy on the future of Australian towns and cities;
  - a national disaster mitigation plan; and
  - planning for major airports.



## > STRIVING FOR EXCELLENCE

In the last 12 months, many of the Department's initiatives have been independently acknowledged for their excellence, innovation and leadership. These awards represent a significant achievement for staff and demonstrate to the community that the Department is delivering quality programs.

### **Banksia Award**

The Department's EcoBus hydrogen fuel cell bus trial won a major national environmental award in June 2005.

The project, in which three zero-emission hydrogen fuel cell buses travel on normal Perth bus routes, won the 2005 Banksia Award in the category Government Leading By Example for a Sustainable Future.

The EcoBus trial commenced in September 2004 and is the only one of its kind to be conducted in the southern hemisphere. In their first five months on Perth roads, the three EcoBuses have travelled 50,000 kilometres and carried 60,000 passengers.

The Department is working in partnership with major international companies DaimlerChrysler, BP and Ballard Power Systems, along with Western Australia's Public Transport Authority, Path Transit and Murdoch University. The Australian Government is also a partner in the initiative.

### **Planning Institute Awards**

At the 2005 National Awards for Planning Excellence, the Department for Planning and Infrastructure and the Western Australian Planning Commission were given a merit award in the Community Based Planning category for Dialogue with the city - Community Planning Strategy for Perth and Peel. The Department's Ningaloo Coast Regional Strategy Carnarvon to Exmouth shared the honours in the Rural and Regional Planning category with the Western Australian Planning Commission's Planning for Aboriginal Communities project.

Project officer Rhiannon Russell was the winner of the Planning Minister's Award and the Planning Institute of Australia's Student Project Award for her thesis "Getting on Track - the Perth to Mandurah rail line". She was also awarded the Engineers Australia Student Paper prize for a paper on transit-oriented development.

### **Other awards**

The Sustainable Transport Energy Program, which represents a major response to the recognition that fossil fuel supplies are diminishing and that the Government needs to take the lead in demonstrating how to economise on fuel use, won the Sustainable Transport Coalition's inaugural State Government Innovation Award, presented in December 2004.

The TravelSmart Workplace program was highly commended at the awards, which have been established to highlight the dedicated work of individuals, community groups and local and state government to put our transport system on a sustainable path.

The Planning for Aboriginal Communities project, developed by the Department for the Western Australian Planning Commission, also won a Premier's Award for Excellence in 2004.

The Freight Network Review was highly commended in the same awards.

The Department's cartographic section won an award in the International Map Trade Association awards, and the Fuel Cell Bus Project won the Chartered Institute of Logistics and Transport's Outstanding Achievement award for 2004.

In the 2004 Accessible Communities Award, the Perth Central City Access and Mobility e-map was commended.

Creating Communities Within: Our Workforce Plan, was a finalist in the 2004 Premier's Awards and in the Australian Human Resources Institute awards for excellence.

The Department's marine safety education trailer won a national award for Best Small Display at the Perth Boat Dive and Fishing Show in August 2004. The trailer reflects the Department's commitment to improving safety on the water. It was created to generate awareness of safe boating practices and has been used at boat shows and community events throughout the state. It contains display materials on marine safety, the use of equipment and the purpose of markers, beacons and buoys for safe navigation.

## > ENGAGING WITH THE COMMUNITY

The Department for Planning and Infrastructure has been at the forefront of community engagement, pioneering the way with a range of innovative approaches to involve the community in decision-making.

Following the highly successful *Dialogue with the city* held in September 2003 to develop a vision for Perth and to develop new ways to create better places to live, a number of community engagement forums have been held. Over the past 12 months these have included the *Scarborough Deliberative Survey*, *Dialogue with the Pilbara: Newman Tomorrow*, *Port Hedland Enquiry by Design*, *Dialogue with Greater Bunbury*, and the *Cockburn Vision Dialogue*. These forums have brought together a wide cross section of the community, representing a range of interests and viewpoints, to actively engage in decision-making and help shape the future of their towns.

**Scarborough Deliberative Survey**, held in September 2004, was the first community consultation of its kind in Western Australia. It aimed to determine the views of the community about development of the Scarborough beachfront precinct. A random sample of 460 people completed an initial survey, and 200 of them took part in the deliberative forum to learn more about the issues from all perspectives. At the end of the forum, participants were asked to complete the survey again. The results of this deliberative survey were passed to the Minister for use as one of the many inputs to her decision-making about the development guidelines and zoning for the precinct.

**Dialogue with the Pilbara: Newman Tomorrow**. In September 2004, more than 150 community members took part in this '21st Century Dialogue' to examine the issues confronting Newman, identify their hopes for the future of the town and set priorities to ensure a sustainable future. The report was given to the community and stakeholders, with the Pilbara Development Commission taking the lead in implementing the priorities.

**Port Hedland Enquiry by Design**. With the current resources boom, Port Hedland faces both challenges and opportunities if it is to balance economic growth and an expanding population with improved liveability. To deal holistically with these issues, a comprehensive community engagement process was developed. It included a community survey of 350 respondents and an Enquiry by Design workshop that enabled about 30 technical experts to work together with about 150 community members over three days in October 2004, to develop plans for the future growth of the town.

A report detailing the outcomes of the workshops was released for public comment on the issues and recommendations. Comments received are being used to develop plans for Port Hedland, and further consultation will occur as the work program for individual projects is developed.

**Dialogue with Greater Bunbury**. A survey of a random sample of 3000 people in the Greater Bunbury Region was conducted prior to this one-day Dialogue held in April 2005. The interactive community Dialogue, attended by 190 people, was successful in fostering a robust and informed debate, enabled the sharing of views and broadened awareness of the issues. It aimed to get an informed community view about proposed Regional Open Space as part of the draft Greater Bunbury Region Scheme. The Minister is considering results from the dialogue.

**Cockburn Vision Dialogue.** This one-day Dialogue engaged the Cockburn community, through interactive, informed debate, in developing an overall vision for the future of the Cockburn Coast and transforming the Robb Jetty industrial area into a mixed residential use area. It began with a survey of a random sample of Cockburn residents. Of those who completed the survey, 140 volunteered to take part in the Dialogue, which was held in May 2005. The input from the Dialogue will provide the basis for the next level of planning.

**Network city.** The *Network city: community planning* strategy for Perth and Peel, was the culmination of the *Dialogue with the city* forum. Prepared for the Western Australian Planning Commission, the strategy was released in September 2004 for public comment. The comment period formally closed in January 2005, but submissions were accepted into March. Analysis of submissions is underway.

The Network city strategy outlines a change in direction for Perth - not only in how the city develops, but also in how planning is carried out. As one of the portfolio's core programs that delivers on the goal of creating communities, the strategy identifies ways to focus the city's growth around activity centres and activity corridors over the next 30 years.

The strategy will be implemented through a variety of mechanisms including partnerships with local councils, industry and the residents of Perth and Peel. During 2004-05 the Western Australian Planning Commission sponsored local community engagement initiatives through its Network city: Communities program, which is administered by the Department.

**Community engagement conference.** In May 2005 the Department hosted Australia's first 'interactive' community education event, bringing 25 international community engagement experts to Western Australia to work with local government, interest groups and community members. The three-day Innovation in Community Engagement Conference involved 300 participants from state government departments, local government, industry, community representatives and planning practitioners.

## > REPORT ON OPERATIONS

The Government's strategic plan, *Better Planning: Better Services*, establishes its high-level strategic objectives. The Department for Planning and Infrastructure contributes to the Government's strategic objective 'to develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth'.

The organisationally specific outcome for which the Department is funded by Government is the 'allocation and management of land, transport systems and infrastructure that facilitates social and economic development, and reduces the adverse impacts on the environment of Western Australia'. The section on effectiveness indicators (see page 78) explains in detail how the Department performed against its agreed outcome.

The outcome is delivered through two separate outputs:

**Output 1 - Land use and transport infrastructure policy and planning**

**Output 2 - Land use and transport infrastructure service delivery**

This report on operations outlines the Department's achievements and milestones in 2004-05 against these outputs.

### **Keating review - an integrated project development approvals system**

In 2003, the State Government endorsed the recommendations of the independent review of the project development approvals system (known as the 'Keating Review') concerning major resource projects of State significance. The recommendations of the review continue to be a key policy within the State Development portfolio.

The Keating Review recognises that screening and scoping of issues at an early stage of major project consideration helps to provide a clear definition and understanding of a project's complexity, potential fatal flaws, its impacts, issues to be addressed and the required approvals.

A ministerial steering committee and the standing interagency committee of chief executive officers, is overseeing the implementation of the Keating Review recommendations. An interagency implementation group is currently developing ways in which screening and scoping of projects will be conducted in order to achieve the most efficient approval pathway.

The Department for Planning and Infrastructure plays an active role in the formulation, implementation and management of policies, procedures and resources necessary to achieve the Keating Review findings and recommendations, which are especially relevant to regional areas of the State.

### **State agreement steering committee**

In May 2004, the State Government resolved to undertake a study into State agreements and local government revenue, planning and building issues. Support for the study was obtained from the Chamber of Minerals and Energy and the Western Australian Local Government Association.

The study aims to provide government with verifiable data on limitations on local government's capacity to rate projects that are the subject of State agreements. Another important aspect of the study is the appraisal of legal issues associated with State Agreement Act proponents having to obtain local government building licence and planning approvals for their specific project developments.

This study is overseen by a steering committee comprised of representatives from relevant State agencies (including the Department for Planning and Infrastructure), the Western Australian Local Government Association, and the Chamber of Minerals and Energy. The study is expected to be completed by 2005-06.

## > POLICY AND PLANNING

### Metropolitan Development Program

A major priority for the Department is to ensure Perth has an adequate supply of land with a choice of housing types, location and affordability to meet the demands of an increasing population. Working closely with the land development industry, the Department each year prepares the Metropolitan Development Program - Urban Land Release Plan, for the Western Australian Planning Commission.

The 2004 edition identified almost 79,000 residential lots that could be developed in the Perth and Peel regions from 2004-05 to 2008-09. Preliminary subdivision approvals increased as developers submitted a greater number of subdivision applications in 2003-04 in response to increased lot sales the previous year. The result is approximately four years' land supply at the preliminary approval stage, eliminating any potential residential land shortages.

### Streamlined planning legislation

During the year, priority was given to consolidating the planning legislation set out in the *Town Planning and Development Act 1928*, the *Metropolitan Region Town Planning Scheme Act 1959* and the *Western Australian Planning Commission Act 1985*.

The new consolidated Planning and Development Bill 2005 is a simple, easy to read act that will streamline and improve planning processes and provide a clear, certain and workable planning system that delivers economic, social and environmental benefits. The bill is expected to receive Royal Assent in late 2005.

### Improved planning for the Swan Valley

In September 2004, the Department completed a review of the *Swan Valley Planning Act*. The Swan Valley Planning Legislation Amendment Bill 2005, which was introduced into the Legislative Council in May 2005, implements the recommendations from the review.

The most significant changes are the removal of the category of 'rural villages' at Herne Hill, Middle Swan and Caversham. The existing Herne Hill and Middle Swan Area D precincts will be re-classified to Area C, retaining a rural character with a minimum 4-hectare lot size. The Caversham Area D precinct will largely be excised from the Act and included in the Urban zoning under the Metropolitan Region Scheme.

### Statutory planning process improvements

During the year the Department made a number of significant and complementary improvements to the efficiency and effectiveness of the statutory planning system to improve the timeliness of decision making while ensuring planning outcomes meet community expectations.

The program of improvements included:

- The Planning Process Review Study undertaken by the Department jointly with the Property Council of Australia and the Urban Development Institute, which set out a range of measures for simplifying and streamlining planning processes;
- The work of the Statutory Planning Internal Review and Implementation Taskforce (SPIRIT) to achieve better delivery of planning services (see page 16); and
- The Development Assessment Forum, a national partnership of state and local government, the professions and the development industry working together towards reforming and harmonising Australia's development assessment systems.

Improvements completed in 2004-05 include:

- Revisions to subdivision and survey-strata application forms and improvements in business processes;
- New model standard conditions for subdivision and survey-strata approvals; and
- Improvements to the process for the lodgement of deposited plans, survey-strata plans and strata plans for endorsement.

### Shared Land Information Platform

The Department has been designated as the lead agency for the Electronic Land Development Process (ELDP) component of the Shared Land Information Platform, a multi-agency government initiative being coordinated by the Department for Land Information.

The ELDP program seeks to deliver a fully integrated land development process including the electronic lodgement and processing of subdivision applications.

A fully costed implementation plan and business case is being developed, with a business case for process reform in late 2005.

## > POLICY AND PLANNING

### Geraldton heritage landmarks

Three heritage-listed buildings – the Railway Station, the Residency and Rosella House – will continue to be used by the Geraldton community following the Department's successful negotiation regarding their future use.

In December 2004, the Department commenced negotiations to lease the railway station to the City of Geraldton, which now has responsibility for maintaining, tenancing and restoring the building. New lease agreements were also negotiated for the Residency and Rosella House. The agreements will ensure the historic buildings are maintained to provide important services to the local community.

### Freight Network Strategy

Implementation of the Freight Network Strategy has continued during the year (see page 16 for some of the major projects). Other initiatives undertaken in 2004-05 include:

- Examination of methods to boost rail's competitiveness and market share;
- Progressing the planning and approvals process for the development of the Outer Harbour to handle future trade beyond the capacity of Fremantle Ports Inner Harbour (which is expected to be reached in 2017);
- Continued planning for redevelopment of the Kewdale Terminal (the Master Plan is complete and a development application was submitted in November 2004);
- Planning concepts and reservation plans completed for the future extension of Rowley Road west from Kwinana Freeway; and
- Completion of an assessment of the demand for an east-west freight route linking Brookton Highway, Albany Highway and South West Highway.

### Grains logistics

During the year a Grains Infrastructure Group was formed and a study completed on Western Australia's strategic grains infrastructure. This will enable Government to develop a suite of mechanisms through which ongoing storage, handling and transport infrastructure can be managed with least cost to the community.

### Broome development

Development of prime residential land near Cable Beach in Broome will go ahead following the signing of an historic agreement with the State Government, the Rubibi community and the Kimberley Land Council in October 2004. The agreement provides a mix of cultural, economic and social benefits for the Rubibi community in recognition of their status as traditional owners and registered native title claimants of the area. The Department for Planning and Infrastructure, LandCorp, the Kimberley Land Council and the Shire of Broome are working together to progress the planning and development of the subdivision. The development is expected to yield between 250 and 280 lots and will address the demand for residential land in the fast-growing tourist centre.

### New access for the Port of Bunbury

A new access road for the Port of Bunbury will be built as part of an overall strategy to facilitate the economic growth of Bunbury and the south west region. The new road was recommended in the Bunbury Region Freight Transport Study completed in October 2004. The study was overseen by a Steering Committee chaired by the Department for Planning and Infrastructure, with representatives from the Department, the South West Development Commission, Bunbury Port Authority, Main Roads WA and the City of Bunbury.

The new link will provide a direct route for a large proportion of the port's freight traffic and will alleviate community concerns related to the mixing of freight and general traffic. The project is estimated to cost \$20 million and Main Roads WA plans to begin construction in 2006-07.



## The Ningaloo coast

During the year the Department made significant progress on planning development at Ningaloo with the adoption of the Ningaloo Coast Regional Strategy Carnarvon to Exmouth, gazettal of the Ningaloo Coast Regional Interim Development Order and the Ningaloo Coast Statement of Planning Policy 6.3, and the establishment of the Ningaloo Sustainable Development Committee.

The Department established the Ningaloo Sustainable Development Office in Carnarvon to drive and coordinate the implementation of the strategy and service the committee.

The following key studies and priorities were initiated during the year to explore and resolve better sustainable solutions for the community:

- Preparation of an Outline Development Plan for Vlamingh Head, Exmouth;
- Contribution to the preparation of a flood study for Exmouth;
- Review of storm surge inundation and risks for Coral Bay and the Blowholes;
- Preparation of a comprehensive plan for the provision of workers' accommodation at Coral Bay;
- Preparation of a Waste Management Strategy for Coral Bay;
- Undertaking of a boat usage survey for Coral Bay;
- Preparation of an inventory of accommodation and review of compliance in Coral Bay;
- Preparation of a commercial strategy for Coral Bay;
- Preparation of a detailed Structure Plan for Coral Bay;
- Initiation of the development of an approach for the assessment of cumulative impacts and staging of development for Coral Bay and the Ningaloo coast;
- Initiation of the development of a comprehensive recreational boating and fishing study for the Ningaloo coast;
- Establishment of a government agency advisory committee to ensure that coordinated and integrated advice and action is achieved for priority implementation requirements from the strategy; and
- Processing of statutory planning applications.

## State Infrastructure Study

The Department is working with state and local government and service agencies to develop a State Infrastructure Study (SIS) as part of a wider State Development Coordination Program to support and encourage continued investment and economic growth in Western Australia. The SIS supports this objective by providing up-to-date information to government, particularly service providers, to assist service planning and capital works programming.

During the year the Department developed a database of projects to monitor proposals that may place additional demands on existing service networks and facilities. A framework for assessing projects, to determine potential impact for government, is now being developed.

A number of significant milestones achieved in 2004-05 included completion of an investigation into infrastructure planning processes to determine opportunities for coordination between agencies, digital capture of the state's budget data, development of a database of projects, and ongoing work to make this information available to stakeholders using the Internet.

## Health Reform

The Department worked closely with the Health Reform Implementation Taskforce to ensure land use and transport issues were addressed at the planning stage of several major hospital developments. Proposals for the new tertiary hospital at Murdoch and expanded facilities in Swan, Rockingham and Princess Margaret Hospital will be developed to include adequate transport facilities and linkages to surrounding communities.

The largest project is the Murdoch site, where a community "hub" including health facilities, transport and residential areas is envisaged. The Murdoch Hospital Master Plan is expected to be completed by the end of 2005.

## > POLICY AND PLANNING

### Country land development

The Department undertakes the Country Land Development Program on behalf of the Western Australian Planning Commission. The program investigates past and projected land development activity and outlines future infrastructure requirements in regional areas through detailed data analysis and consultation with the land development industry and state and local government.

In 2004 the program's format was changed so that the 13 centres or subregions that had been reported on were reviewed and the updated information was compiled into a single report, which will be updated annually. The first annual review, which focuses on the period 2003-04 to 2008-09, was completed in December 2004. This review showed that there had been, and will continue to be, a strong correlation across the state between coastal location and higher levels of development activity.

In 2005, the annual review will continue to identify and monitor land development activity and associated services and infrastructure requirements and provision. This process occurs within the context of current issues influencing land development in specific areas and across the State as a whole. Determination of projected development is based on extensive consultation with a wide range of stakeholders. This will be augmented by the development of new, innovative methods to improve the availability of the program's data via the Internet and through timely release of information as soon as it becomes available.

### New plans for Peel Regional Park

Planning for the next stage of the Peel Regional Park continued during the year, with community and environmental groups, landowners and residents taking part in workshops to determine the future use of land and waterways.

The Peel Regional Park will comprise the Peel-Harvey Estuary and the Murray, Serpentine and Harvey rivers and 6375 hectares of land surrounding the waterways. The plan will be developed to guide the use of the land and waterways in the park for conservation, wildlife habitat, landscape protection and recreation. It will also include proposals for the implementation of the plan, its long-term management and land tenure.

### Ocean-Preston River Regional Park

Following planning undertaken by the Department and extensive community consultation, the Ocean-Preston River Regional Park plan was extended by 1300 hectares to 12,665 hectares with the passage of the legislation through Parliament in the spring session in 2004. The park is located south of Bunbury and stretches east from the coast through a valuable tuart forest and inland bush to the Preston River, and provides a green belt in the fast-growing suburbs of Bunbury.

### Greenhouse Strategy

The Greenhouse Strategy was launched in September 2004 as part of a campaign to protect the state's environment for future generations. The Department for Planning and Infrastructure's role is to establish new research programs to manage the risks associated with climate change. Twenty-nine of the Greenhouse Strategy's activities have been allocated to the Department. Among them are several applied research programs with the objective of reducing greenhouse gas emissions. They include:

- The trial of hydrogen fuel cell buses and the feasibility of wider application of this program;
- Investigation of opportunities to introduce a Green Vehicle licensing fee;
- A review of the Perth Metropolitan Transport Strategy with a focus on greenhouse aspects; and
- The development of sustainability scorecards for planning assessment, with greenhouse criteria reflected in energy and water conservation objectives.

### Hydrogen fuel cell buses on trial in Perth

Three state-of-the-art hydrogen fuel cell buses were introduced on to Perth roads in September 2004 as part of an international two-year trial into hydrogen fuel cell technology. The three buses have been in service on Transperth bus routes, operating on hydrogen gas and emitting water vapour rather than carbon dioxide.

Perth is the only city in the southern hemisphere to take part in the trial. The Government is contributing \$8 million to the project as part of its commitment to creating a cleaner, greener public transport system that is fuelled by renewable energy.

Coinciding with the launch of the buses, the Department hosted the Hydrogen and Fuel Cell Futures conference, which explored current research and international trends in sustainable transport energy.

## Getting people out of cars

**Encouraging people to ride their bike, walk or catch public transport on short trips or to work and back – instead of using a car – formed an important part of our blueprint for an environmentally friendly transport future.**

### Local government bicycle funding

A total of 74 grants worth \$400,000 were provided to 17 local government authorities in 2004-05 as part of the Perth Bicycle Network Local Government Grants Program.

Funds were used to construct new bicycle routes, minor works and end-of-trip facilities, safe access paths to schools and sports facilities, and improvements in safety for cyclists, pedestrians and other path users.

Recipients included the local government authorities of Armadale, Stirling, Fremantle, Melville, Nedlands, South Perth and Swan. For example, in the Swan Valley the funds will be used to add 6.9 kilometres to the local bike network to improve safety for cyclists and provide easier access to wineries, cafes and community facilities.

### Communities travel smarter

TravelSmart Household Stage Two was completed, with projects involving 28,000 residents in the City of Gosnells. The Stage Two program reached a total of 151,000 residents and achieved a 10 per cent reduction in car use in these communities.

TravelSmart Household Stage Three has been planned, commencing in the local government areas of Wanneroo and Victoria Park, with projects to follow in Nedlands, Rockingham, Melville, Claremont and Cottesloe. The Department's investment in this program was \$1 million for 2004-05.

The TravelSmart program encourages the community to reduce car use to prevent traffic congestion and reduce air pollution, and to take up a healthier lifestyle. The Department's investment in TravelSmart totals \$8.4 million for the last seven years.

### Making workplaces TravelSmart

Reducing car commuting to work reduces peak hour traffic and emissions. The Workplace TravelSmart program has assisted 14 employers to develop a "green transport plan" to promote travel alternatives. As a result, the participating workplaces have provided information, improved facilities and reviewed policies to boost sustainable travel options for their staff and clients.

Employers completing plans in 2004-05 include the City of Perth, the Department for Industry and Resources, Department of Agriculture, Fremantle Hospital, Hollywood Private Hospital and engineering and construction firm, Technip.

There is growing interest in the scheme from government agencies, which are working on transport commitments under the State Sustainability Strategy.

TravelSmart Workplace is delivered jointly with the Department of Environment.

### Bikeweek

The Department coordinated the annual *Cycle Instead* Bikeweek held in March 2005. Major events across the state included Bike to Work breakfasts, Cycle to School day, the *Cycle Instead* Bike to Work Challenge, the Town of Vincent's Tour de Music Summer Concert, an over-55s 'Ride by the River' event and the inaugural Freeway Bike Hike.

More than 80 activities were held during Bikeweek to encourage people to ride their bicycles to get fit, create a cleaner environment and reduce traffic congestion. The events attracted around 16,600 people.

## > POLICY AND PLANNING

### Perth Bicycle Network

The State Government allocated \$8 million in 2004-05 for creating shared-use paths and other facilities to extend the Perth Bicycle Network. Major projects included:

- Albany Highway to Fremantle Road path - a 1.5 kilometre link that provides a convenient and accessible transport route between Gosnells and Maddington;
- Construction of the City to Sea path, a 12-kilometre recreational bicycle and shared path from the central business district to City Beach; and
- Kenwick to Maddington stations - a 2.1 kilometre link between Kenwick and Maddington stations to provide users with a safer travel option. The path will run along the east side of the railway line to connect with an existing path that crosses over Roe Highway.

Also, design work was undertaken for the \$2.7 million Banks Reserve to Bardon Park regional recreation path. Expected to be completed in January 2006, this path will provide a continuous route from Maylands to the Perth CBD.

### Country pathways

The Country Pathways Grants Scheme provides funding assistance to local government authorities and community groups to help with the planning, development and promotion of shared use paths and cycling facilities in regional Western Australia. The pathways are designed to encourage more cyclists and pedestrians to be more active and subsequently improve the health of regional Western Australians.

In 2004-05 the scheme provided \$776,000 on a matching dollar for dollar basis to 29 local government authorities, which will result in an additional 21 kilometres of new safe and accessible pathways in country centres.

### Timber transport boost

A partnership between WA Plantation Resources, Westnet Rail and the Australian Railroad Group, which was announced in December 2004, is expected to double the quantity of plantation timber transported by rail in the state's south-west.

As part of the agreement, a new intermodal facility will be constructed at North Greenbushes to receive woodchips from Manjimup and plantation logs from Boyup Brook for transfer to rail and transport to Bunbury Port.

The State Government has allocated \$10.93 million towards the project for works including an upgrade of a rail line between North Greenbushes and Picton and feeder roads to the new depot.

It is estimated that more than 7 million tonnes of timber will be transported by rail from North Greenbushes to the Bunbury port over the next 10 years.

### Review of shipping and pilotage

The Shipping and Pilotage Amendment Bill 2005 is the first step towards the creation of a fully regulated regime in relation to pilotage and marine safety in the Department's ports. A discussion paper was distributed for public comment in January 2005. The Bill is being drafted by the Parliamentary Counsel's Office and is expected to be introduced into Parliament by the end of 2005.

## Regional airports funding

Regional airports received \$2 million in funding in 2004-05 to upgrade infrastructure.

Funds from the Regional Airports Development Scheme will go towards airport construction and improvements such as the installation of runway lighting, airstrip upgrades or better storage facilities for fuels and equipment.

In 2004-05, 28 communities, local councils and owners of airstrips accessed the scheme to upgrade airport infrastructure. These included:

- The Shire of Ashburton - \$174,240 towards the extension and sealing of Onslow Airport runway;
- The Shire of East Pilbara - \$219,400 towards the upgrade of Newman Airport;
- The Department of Conservation and Land Management - \$123,760 towards the upgrade of the airstrip at Bellburn in the Bungle Bungle;
- The Department of Housing and Works - \$131,150 to upgrade the airstrip at Kadjina to Royal Flying Doctor Service requirements; \$106,000 for the upgrading of the Tjuntuntjara airstrip; and \$171,940 to widen the airstrip and upgrade lighting at Jigalong.

## Opening of Ravensthorpe airport

The new Ravensthorpe Airport opened in February 2005. The airport is a \$5 million joint venture between BHP Billiton, the Shire of Ravensthorpe and the Department for Planning and Infrastructure to support BHP Billiton's \$1.4 billion Ravensthorpe nickel project. The Department contributed \$350,000 to the airport construction through the Regional Airports Development Scheme.

A regular passenger service operates three times a week and is available for members of the community as well as BHP Billiton staff.

## Regional air route network

The regional air route network for intrastate flights in Western Australia was finalised in January 2005.

To meet national competition standards and to improve air services, the Department issued tenders for the regulated networks of two routes: the Coastal Network and the Northern Goldfields network.

The tender process began in February 2005 with services expected to commence in December 2005.

## North-west air services

Air services between Perth and Meekatharra and Wiluna continued with the Department awarding Skippers Aviation with 'sole-operator' rights to the route in November 2004.

The Shires of Meekatharra and Wiluna worked with the Department in assessing tender submissions. Skippers Aviation operates three services a week and has the rights to the route until 30 November 2005.

## Revitalising communities

### Pinjarra-Brunswick Sustainability Strategy

In an effort to revitalise the communities of Pinjarra-Brunswick, a draft sustainability strategy was released for public comment in May 2005. The strategy addresses issues such as static population growth, high levels of unemployment, lower incomes and environmental pressures.

Proposed actions included revitalising town centres, enhancing key services such as health and aged care, and maintaining investment from government and business in the Pinjarra and Brunswick region.

The Department is project managing the preparation of this strategy for the Ministerial Council on Health, Environment and Industry Sustainability. The submissions will be summarised and handed over to the Ministerial Council.

## > POLICY AND PLANNING

### **The Maddington Kenwick Action Implementation Plan**

The release of the Maddington Kenwick Action Implementation Plan in May 2005 represents more than two years' work by the Maddington and Kenwick communities, the City of Gosnells and the Department. It outlines the community's vision for the future, and identifies the actions that will bring this vision to life over the period 2005 to 2008.

The plan is a key milestone for the Sustainable Communities Initiative, with a number of working groups established to address the actions outlined. The Department is actively involved in planning for the revitalisation of these communities, with projects such as the Maddington Town Centre, Kenwick Central Precinct and the Strategic Employment Area.

### **Wanneroo enhancement**

An \$8 million Wanneroo Revitalisation Fund was established in December 2004 to transform the city's town centre into a vibrant community and business centre.

The refurbishment will include a redevelopment of the shopping centre, a new library, regional museum and exhibition centre, enhancements to the Aquamotion Aquatic Centre, the relocation of the war memorial and the development of a memorial park.

The Department will administer funds for the refurbishment, which is expected to take four years. A working group for the Wanneroo Road Enhancement Project has been established, with this being the first to receive financial support from the Fund.

### **Mirrabooka facelift**

The Government has committed \$2 million to implement the Mirrabooka Regional Improvement Strategy, with specific focus on a bus station upgrade. The Government committed funding for the project in late 2004.

Plans for the bus station design and location are nearing the final stages and these are being considered in the context of the wider revitalisation to ensure the most appropriate mix of uses and design layout.

### **Koondoola revamp**

The Government has invested \$1 million for the redevelopment and revitalisation of the Koondoola Plaza Shopping Centre. The project includes a new look for the shopping centre with improved landscaping, better lighting, new paving and seating, and installation of shade structures. Community art projects will also be encouraged.

The current design fails to meet modern local shopping needs and the poor design of the centre has contributed to problems of antisocial behaviour and crime. The project is expected to be completed in 2006-07.

### **Barrack Square revitalised**

A \$580,000 upgrade of the Barrack Square precinct, which included the installation of information booths, an extra 20 parking bays and a safer central crossing point for pedestrians, was completed in late 2004.

Other improvements included new paving, lighting and seating, a drinking fountain, bicycle-parking facilities, bins and improved access to grassed areas by the river. The benefits to all users, including tourists, of improved access and circulation for a larger number of visitors has been welcomed.

### **Mandurah makeover**

The Government has contributed \$3.2 million towards a project to revitalise Mandurah's central business district, announced in December 2004.

Major plans for the revitalisation include improving access to the Mandurah waterfront, redesigning roads to improve accessibility, increasing parking, and improving beach and recreation areas.

The \$16 million project also has federal and local government funding and will be undertaken over a 10-year period. The Department's involvement includes membership of the Mandurah Redevelopment Taskforce and the technical reference group.



## > SERVICE DELIVERY

### Pastoral industry review

A Rangelands Council will be established to ensure sustainable use of the rangelands by providing coordination and policy advice for the use of the rangelands, incorporating conservation, Aboriginal, pastoralism and other current and potential uses. The legislation to establish the council was developed during the year.

The rangelands make up 87 per cent of Western Australia's landmass and include all but the south west part of the state. The establishment of the council was one of the initiatives that resulted from a review of the pastoral industry instigated by the Minister in 2002.

A second initiative during the year was the development of a rolling lease tenure system for pastoral purposes. Rolling pastoral tenure will ensure sustainable resource use because renewal will be subject to environmental performance standards, while providing improved security of tenure for the pastoral industry.

### Pastoral lease exclusions

In late 2002 lessees of 97 pastoral leases were notified of land that was proposed to be excluded from the renewed lease in 2015. These exclusions were for a range of public purposes and the proposed areas ranged from a few hectares to protect a heritage site, to much larger areas required to consolidate national parks and conservation areas. Overall, exclusion proposals affected about 1.6 million hectares (or two per cent of the state's pastoral land).

The statutory negotiation period ended in December 2004 and the total notified area to be excluded has been reduced to just over 1.0 million hectares. This includes approximately 970,000 hectares for addition into the conservation estate, 26,507 hectares for recreation and tourism, 14,438 hectares for Aboriginal uses and 13,258 hectares for townsite expansion.

### 'Europlates' released

In November 2004 the Department released a new European-style customised number plate. It is estimated that sales of right to display these plates represent 30 per cent of the new car market and three per cent of the currently-registered vehicle market. The Department anticipates immediate revenue returns in the vicinity of \$2 million in year one. A smaller version of the plate - the "Baby Euro" - will be launched in July 2005.

Funds raised from the plates will be used to improve services at licensing centres and for community safety programs.

### Upgrading boating facilities

Under Round 10 of the Recreational Boating Facilities Scheme, \$800,000 was committed to local government authorities to boost the standard of boating facilities for the state's recreational sector.

The funding has been used to construct a small craft launching facility, upgrade boat ramps and jetties, improve lighting at existing facilities and undertake both feasibility and planning studies for future facilities.

The program is funded by revenue from recreational boat registration fees and is administered by the Department.

### Drink Driving Strategy

The Department participated in the Road Safety Council's Drink Driving Strategy Working Group to facilitate the implementation of the proposed Drink Driving Strategy (which was endorsed by the Road Safety Council in December 2003 and approved by Cabinet in November 2004). Cabinet has also approved the drafting of legislative amendments to the *Road Traffic Act 1974* to implement the strategy.

The strategy, which is based on the work of the Road Safety Council's Repeat Drink Driving Working Group, entails a comprehensive program for drink drivers based on research evidence and international experience. The overall aim of the proposed measures is to reduce repeat drink driving and the associated harm caused by drink driving offenders to the community.

The proposal is consistent with Government policy as outlined in *Arriving Safely*, the road safety strategy for 2003-2007. It acts to reduce the rate of fatalities over the next five years by countering alcohol impaired driving and associated unsafe road user behaviour.



## > SERVICE DELIVERY

### Licensing - a growing business

On 1 January 2005, as a consequence of the Hicks Review (see page 8) a new Licensing Business Unit was established. The unit has developed a new vision for the future shape of Licensing, with plans to lift performance in a number of key result areas over the next five years, provide better services for the community of Western Australia, make it easier for the public to transact licensing business and achieve cost-neutrality in its day-to-day operations. The plan addresses:

- Strengthening and stabilising business systems;
- Improving the breadth and quality of Customer Services;
- Focussed attention to stakeholders' views and interests;
- Widening the Licensing Business Unit's role as a provider of services to other government agencies; and
- A more commercial approach to costing and pricing services provided on behalf of other agencies.

Licensing is a growing business with significant demand and cost pressures being applied throughout its entire operation. The Western Australian economy is leading the nation, with growth forecast to continue at high rate for the next 10 years. That means:

- A growing population, supplemented by interstate and overseas immigration;
- A booming resource sector;
- Increased manufacturing and export;
- High employment; and
- More use of the road network.

That has implications for Licensing. There will be a continual growth in motor vehicles to register and examine; more innovative and heavy vehicles to support mining, manufacturing and transport logistics; and continued growth in the number of practical driver license assessments resulting in more licenses to issue and renew.

As a result there will be increasing growth in the revenue that is collected and distributed to partner agencies, an increase number of fines and infringements, and a greater need to educate road users about sharing the road with more vehicles.

### Meeting demand for licensing services

In 2004-05 the number of registered vehicles increased by 5.5 per cent to 1,958,000. The number of new issued licences in the same period increased by 5.82 per cent - the total number of registered drivers in Western Australia at 30 June 2005 was 1,419,000.

Revenue collections, including revenue collected for partner agencies, continued to climb, with an additional \$75 million (an increase of 6.65 per cent) collected in 2004-05.

During the year the accommodation needs for the licensing business centres and the vehicle inspection facilities were reviewed with a view to ensuring modern, strategically located licensing centres that meet customer, staff and Government's expectations.

The Licensing Accommodation strategy was completed in June 2005. Subject to Government approval and adequate funding, the recommendations embedded in the strategy will be progressively introduced.

### Recruitment of permanent driver assessors

A 22 per cent increase in volume over the past four years and shortage of driver assessors has caused a five-week backlog in waiting times for driver licence assessment. To ensure waiting times are reduced, the Department has engaged four contract assessors, and has secured funding for four permanent positions.

### Driving assessments for older drivers

The WA population is ageing. Forecasts suggest that the percentage of the population over 65 will increase from 12 per cent in 2006 to 16 per cent in 2016. These trends are expected to continue at a similar rate until 2026. The issue of driver assessment for older drivers presents a challenge to the Department.

Currently, older drivers must have a medical assessment at age 75, 78 and 80 years, and every year from then on. After the age of 85, licence holders must also pass a practical driving assessment before their licence is renewed.

A 12-month trial to screen older drivers was started in Albany during the year.

The Albany trial involves an off-road screening test that will be evaluated to determine whether it can be used to identify safe drivers. Department staff are administering the screening test and collecting all the data and results of the on-road driving assessment.

### Streamlined process for pensioners

The Department streamlined its licensing system in July 2004 to make it easier for pensioners to renew their driver or vehicle licence.

Pensioners no longer have to show their pension card to renew their licence at the concessional rate and can now pay online or by phone and mail. Pensioners only need to show proof of their status the first time they seek the concession. The changes also apply to Seniors Card holders.

### Remote community driver training

Because Aboriginal people are considerably over represented in both unlicensed driving offences and road crash deaths and injuries, it is important that the driver training needs of remote communities are addressed. During the year a pilot program was developed to address equity and access issues as they apply to the delivery of driver training in remote Aboriginal communities. The program adapts the Graduated Driver Training system to suit the geographical and cultural identity of remote communities while maintaining the high standard of competence that must be demonstrated before a driver licence is issued. To provide the high level of local input

necessary to identify practical solutions, key local stakeholders were invited to form an implementation group. The Department is represented on the group, which also includes representatives from the:

- Western Desert Puntukurnuparna Aboriginal Corporation,
- Department of Indigenous Affairs,
- Western Australia Police Service,
- Department of Education and Training, and
- Department of Justice.

The pilot was introduced into the Shire of Ngaanyatjaraku in Warburton in December 2004. The Shire has also become an agent of the Department and provides a range of licensing services on its behalf.

### Services boost for Mandurah and Murray

Additional staff and extended service options have improved licensing facilities for residents in the City of Mandurah and the Shire of Murray.

Two extra staff were appointed in Mandurah to provide a more efficient licensing service. Australia Post in Pinjarra now offers customers further access to licensing services during the week, on Saturday mornings and online licensing services an extra day a week.

### Marine safety research

The Marine Safety Research Program is a joint venture between the Department, the Planning and Transport Research Centre and the Injury Research Centre. The Program covers a range of marine safety issues including examination of the causes, costs and contributing factors into all marine incidents, data collection and data sets.

The results will provide robust data for strategy development and provides an appropriate response to the Auditor General's concerns on the lack of formative research in the delivery of marine safety strategies. The program's first major report, "Quantifying boating-related fatalities, injuries and incidents in Western Australia", was presented at the National Marine Safety Conference in Hobart in April 2005.

## > SERVICE DELIVERY

### Marine Operations Centre

Construction of a \$4.3 million State Marine Operations Centre at Fremantle commenced in December 2004 and is due for completion in August 2005.

The centre is a joint facility for use by the Department for Planning and Infrastructure and Fisheries staff to allow greater integration between the "on water" operations of the two organisations. The centre will also provide limited space for Challenger TAFE and South Fremantle Senior High School for water-based activities.

### Whiteman Park

Whiteman Park, one of the largest metropolitan parks in the world, recorded a 98 per cent growth in visitor numbers during the year. The increase is primarily due to an effective branding and marketing campaign, the introduction of Caversham Wildlife Park into Whiteman Park, and free entry.

The Department manages Whiteman Park for the Western Australian Planning Commission.

### Mandurah soil erosion plan

The Department and the City of Mandurah worked together to solve long-standing coastal erosion problems north of the city.

The \$1.15 million Mandurah Coastal Stabilisation Program, completed in March 2005, included the extension of the current groyne system at Silver Sands to protect the beach at San Remo. The Department provided technical support and 50 per cent of the funding for the project.

### Port Beach erosion

The Department will undertake further analysis of long-term erosion management options for Port Beach at Fremantle following the release of a comprehensive technical report which examined options for stabilising the beach.

Long-term erosion has affected the recreation use of Port Beach, as well as threatening built infrastructure behind the beach.

The six options outlined in the report would limit further damage to development close to the beach, and ensure future generations have continued access to the beach. The report, released in July 2004, looked at a range of options including sand replenishment, upgrading and extending the existing seawalls, construction of a spur groyne and offshore breakwaters.

### New designs for boat launch facility at Coral Bay

After extensive public consultation, design concepts were released in October 2004 for a new boat launching facility in Coral Bay. The design concepts address safety issues created by an increase in boating activity via beach launching at Coral Bay's main swimming beach.

The facility will include double lane launching ramps with finger jetties, and onshore facilities including 100 car and trailer parking bays, toilets and a fish cleaning and bus parking set-down area. The facility will also include a commercial jetty with a fuel supply for charter and fishing vessels.

The design phase included:

- A study of the wave climate to allow facility design to be completed;
- A boating demand study;
- An independent review of the environmental assessment of the preferred site (Monck Head) and alternative site (North Bills Bay); and
- Engineering design and documentation for the calling of tenders.

Construction is due to commence early in 2006 and be completed within 12 months.

### Hillarys Boat Harbour upgrade

A four-year, \$9 million project to improve facilities at Hillarys Boat Harbour started in July 2004.

The Hillarys Boat Harbour Enhancement Program will improve parking and lighting, upgrade marine facilities and redevelop landscaping at the harbour. The western breakwater will also be extended and E-Jetty will be replaced.

The southern car park has been redesigned to improve traffic flow and create better access for pedestrians, cyclists and people with disabilities. Signage has also been installed to give visitors clearer directions, better information on attractions and emergency service locations, and the tower at the main entrance to the precinct was upgraded.

Extensive stakeholder consultation was undertaken with the WA Planning Commission, the City of Joondalup, tenants, fishing and charter boat operators, harbour users, nearby residents and adjacent landowners.

## Better taxi services

### Reflecting a commitment to providing a safer and more efficient taxi service, an additional 89 plates were released as part of a gradual restructure of Perth's taxi industry.

The release of 42 conventional plates, 39 peak-period plates and eight multi-purpose plates is expected to address problems with the availability of taxis.

Eight new 'area-restricted' taxi plates were introduced during the year to benefit people living in outer suburbs where fewer taxis are available and long wait times are common during peak periods.

The taxis will operate in the local government areas of Armadale, Gosnells, Rockingham and Kwinana, Wanneroo, Kalamunda, Mundaring and parts of Joondalup and Swan. Restricted area taxi trips must start within the designated zone.

During the year an extra eight multi-purpose taxi plates were issued to increase availability and services for people with disabilities.

An additional 12 plates will be offered annually for the next four years. The Department has also made provision for people currently working with people with disabilities to become taxi drivers and take up a lease on a multi-purpose taxi plate.

The Department spent \$60,000 on the installation of security cameras and additional security guards at the night taxi rank in Fremantle.

The extra security will reduce congestion and anti-social behaviour that occurs during busy periods at the rank late at night. Funding for the additional security measures was provided by the Taxi Industry Development Fund.

A \$12,000 shelter was constructed at a taxi rank in Armadale's town centre in March 2005. The shelter has reduced the distance local shoppers and residents travel to access taxis and is located next to the mall entrance, near the new Armadale train station.

During the year the Department trialed a new system – 'Fare Share' – that allows passengers to share taxis.

'Fare Share' will see the introduction of fixed price taxi fares to common destinations. The new system will allow more people to share taxis to get to their destination more efficiently. Drivers will also benefit with increased returns from higher passenger numbers.

The new system was trailed on Friday and Saturday nights between January and March at Fremantle's supervised taxi rank. A report on the trial will be finalised in October 2005.

### MPT cadetship scheme

A new scheme to train more Multi Purpose Taxi (MPT) drivers was introduced during the year. The MPT Driver Cadetship will fund 10 trainees with all the necessary training to become a taxi driver, as well as the additional training and qualifications needed to obtain an MPT driver's licence.

MPTs are a dedicated fleet of taxis that give priority to the transport of elderly customers with mobility problems and people travelling in wheelchairs, and this new grant scheme means drivers will benefit from both the standard and specialised training, throughout the program.

Under the scheme, taxi driver application and training fees will be paid for by the Department, allowing trainees to overcome some of the financial barriers faced when applying to obtain their taxi driver accreditation.

### Country taxi services

A statewide review of country taxi services in August 2004 found that 83 per cent of customers were satisfied or very satisfied with their last trip.

The review of the regional taxi industry included eight half-day taxi forums in Broome, Karratha, Carnarvon, Geraldton, Kalgoorlie, Mandurah, Bunbury and Albany.

The review contained 26 recommendations, including a process to review taxi numbers in country towns every three years, minimum standards for drivers of wheelchair taxis, the right of taxi drivers to ask for a pre-travel deposit and the introduction of taxi cameras for driver security.

## > SERVICE DELIVERY

Recommendations that requires change to practice and procedure were implemented during the year and regulations were drafted to clearly define the rights and responsibilities of drivers and passengers. New legislation is being drafted to deal with the policy changes set out in the review recommendations.

### Lake Argyle Tourist Village

Tourism in the Kimberly will be boosted by the redevelopment of the Lake Argyle Tourist Village as a world-class attraction on a 10-hectare site overlooking the lake.

In October 2004 the Department appointed Lake Argyle Pty Ltd as the preferred provider to redevelop the village. The redevelopment will include deluxe accommodation chalets and units and an upgrade of the existing caravan park. The redevelopment project started in January 2005.

### Bassendean parkland reserved

Parkland in Bassendean that was included in a road reserve was preserved for the enjoyment of the community following the Department's intervention.

The Department asked the Town of Bassendean to rezone the land from urban to recreational use to ensure the land could continue to be utilised by the local community as parkland and not sold.

### Solidarity Park preserved

The future of heritage-listed Solidarity Park was made secure following a decision to create a single A class reserve over the site and introduce appropriate management processes.

The park – situated across the road from Parliament House – previously sat on land that overlapped two separate A Class reserves. An A class reserve ensures the highest level of protection for Solidarity Park and any future changes can only be made with the agreement of Parliament.

### Navigation aids database

The development of the Department's database of navigation aids in Western Australia was completed during the year and, with the inclusion of significant amounts of new information, has become a valuable resource at both a state and national level. An initiative by the Australian Maritime Safety Authority and the Royal Australian Navy to coordinate this information nationally has recognised Western Australia's efforts in establishing this valuable register and recommended the Department's system as a model for others to follow.

### Carnarvon wharf construction

Construction of Carnarvon's new \$4.25 million land-backed wharf started in February 2005 to improve efficiency and safety and meet the commercial and safety needs of local fishing and charter industries.

New fuel facilities will also be installed on the nine-berth harbour to improve efficiencies during busy periods. It is expected that the new facility will be in operation by September 2005.

### Community Connections

The Department's Community Connections Strategy is focussed on reconnecting with the boating community at a grass roots level, including organisations that have a role in communicating marine safety messages.

During the year Boating Community Groups were established in the north metropolitan locations and in each major regional areas. Their role is to identify local safe boating issues, address them through coordinated community education strategies and provide a forum for the exchange of ideas and knowledge for the benefit of the boating community throughout Western Australia.

Other means of communicating with boaters is through use of the Marine Safety Trailer, the direct mail Boating Communities Newsletter, a suite of Boating Guides and the iMarine internet site. During the year Boating Guides were produced for the Mid West, Goldfields and Esperance regions.



### Kununurra light industry facility

A proposal to develop land north of Kununurra for light industry and a training facility for Aboriginal people was finalised during the year. Subject to appropriate planning and environmental approvals, the Department agreed to offer the Bell Springs Aboriginal Corporation a 21-year lease with an option to purchase a 65-hectare parcel of Crown land known as Dumas Lookout.

The development plan will identify areas of land to be preserved as cultural and wildlife corridors.

### Peel bus trial

To improve transport services for the communities of Pinjarra and Waroona, a new public bus service linking the two towns with Mandurah was introduced for a six-month trial period, ending in June 2005. Interim results indicated that levels of use of the service would not justify a service with the trial schedule, but a subsequent survey led to a decision to extend the trial with a different schedule and including Yarloop. This trial will run until October 2005.

### East Pilbara bus services

A new bus service was introduced for the East Pilbara region in March 2004 to provide better transport options between Port Hedland and Newman.

The new service follows the completion of a trial and a review of existing transport services. A second coach service between Perth and Port Hedland was also trialed between August 2004 and March 2005. More than 600 people used the service during the trial period, and a decision about the future of the service will be made in 2005-06.

The Public Transport Authority managed the trial bus service and the Department for Planning and Infrastructure evaluated its success.

### Kununurra student hostel

The Department has allocated the freehold tenure of a 6.9 hectare site near Lily Creek – three kilometres south-east of Kununurra – for the development of a \$3 million student hostel. The hostel will improve educational opportunities for Aboriginal students from remote areas.

The 40-bed facility will be predominantly used by Aboriginal students from the East Kimberley region. It is a joint initiative involving the Aboriginal Hostels Limited and the Country High Schools Authority.

### New chart for Albany waters

A new nautical chart for Albany was launched in March 2005. The chart, which details navigation hazards and important safety information for commercial and recreational vessels using the area, focuses on Princess Royal Harbour, King George Sound, the Albany Inner Harbour, Oyster Harbour and Emu Point Harbour.

### Licence agreement for charts

In March 2005 the Department signed a licence agreement with Italian-based company Navionics for access to the Department's nautical charts.

The agreement means Navionics – experts in electronic navigation systems – have access to hydrographic data that details hazards off the state's coastline. Royalties from the agreement will be used to expand the Department's series of nautical charts.

### Improved data on ocean conditions

In September 2004 the Department deployed its first 'directional' wave buoy off Rottnest, which has the capability to provide detailed information on wave height, period and direction.

The buoy has benefits for maritime users including the commercial and recreational boating communities, and scientific, environmental and coastal engineering professions. Information from the buoy is displayed in near real time on the Department's website safety. The enhanced data collected will provide improved information for the future design of harbours, jetties and other coastal facilities. Detailed information on the direction of swell and waves will also help in the understanding of beach erosion and sand build up along the metropolitan coastline.

## > THE FUTURE

In 2005-06, in line with its strategic plan, the Department plans to:

- Provide a Public Transport Promotion Program to reduce private vehicle dependency by encouraging patronage on the Government's expanded metropolitan rail network.
- Develop a State Rail Freight Policy to ensure sustainable use of the state's rail network
- Promote Western Australia as a premier location for international air services and international commercial pilot training, particularly for airlines from China to increase tourism and trade.
- Facilitate the establishment of an intermodal facility at North Greenbushes, including a significant upgrade of the railway line and construction of an intermodal terminal to increase overall mode efficiency.
- Develop a new ten-year plan for public transport in Perth to clarify planning priorities for extension of the network, measures to improve the efficiency of services, major infrastructure investment priorities and the funding needed to sustain the system.
- Undertake a review of omnibus operations in Western Australia to determine the adequacy of the existing regulatory framework and vehicle standards and associated impact on service delivery.
- Implement revised coordination arrangements for multi-purpose taxi services with the aim of improving the level of service received by multi-purpose taxi customers.
- Introduce a regulated regime for Department-managed ports to ensure that marine pilotage and port marine safety meet national standards.
- Audit Registered Training Organisations to establish consistency with marine safety legislation.
- Assess the next phase of TRELIS development as a shared service provider.
- Draft a new 10 Year Capital Investment Plan outlining the agency's intended eBusiness directions.
- Develop an implementation plan for the introduction of an agency-wide electronic document and record managing system to improve hard and soft copy record keeping.
- Recruit additional permanent driver assessors to meet increased demand for driver assessments within an acceptable time frame.
- Implement a communication strategy to educate retirees and seniors regarding licensing issues associated with ageing including concessional licences, aged/medical retests, and towing caravans and boats.
- Implement a communication strategy targeted at school students that aims to raise awareness of vehicle safety, driver training and licensing issues to support the Office of Road Safety and Education Department's Keys for Life Program.
- Review and plan the licensing and vehicle inspections facilities required to meet current and future demand for licensing services.
- Undertake a review of motor vehicle and driver licence concessions and develop a proposal for government consideration.
- Acquire land for the expanded Dampier to Bunbury natural gas pipeline corridor between Kwinana and Kemerton.
- Provide land management support for major looping of the Dampier to Bunbury natural gas pipeline to meet the requirements of industry.



- As part of the State Infrastructure Study, complete an online infrastructure database, matched to the requirements of major projects proposed around the state to assist planning and decision making.
- Finalise the 'Network city: community planning strategy for Perth and Peel' to reflect the results of submissions and, if approved, prepare an implementation plan to give Network City practical effect as the new metropolitan planning strategy for Perth and Peel.
- Develop a comprehensive transport strategy for Perth and Peel, enabling major transport corridors to function effectively and influencing travel patterns and behaviour consistent with the Network City model.
- Develop a 10-year strategy to guide statutory and strategic planning in Perth.
- Review the structure plan for Perth's North West Corridor to enable a staged approach to development.
- Review the State Planning Strategy to ensure it reflects contemporary planning practice and government priorities.
- Finalise the Perth Coastal Planning Strategy to guide decision making on possible future land use, conservation and development of the Perth metropolitan coastline.
- Develop a regional strategy for the Central Midlands sub-region.
- As part of the implementation of the Kununurra-Wyndham Area Development Strategy, finalise the local planning strategy for the Shire of Wyndham-East Kimberley, which sets out the strategic planning direction for the next 10-15 years.
- Complete a strategic review of land use and key infrastructure needs for Broome to accommodate growth.
- Provide a strategic framework for the future expansion and redevelopment of Onslow in light of major strategic industrial proposals currently being evaluated.
- Finalise a strategic framework to guide land use, land zoning, subdivision and water management strategies in the east Wanneroo area, providing future direction and certainty for land owners and the local horticulture industry.
- Ongoing implementation of the Hillarys Boat Harbour Enhancement Program to include public precinct upgrade, toilets, dual use pathways, breakwater extension and boat pen replacements.

## > CREATING A CULTURE OF LEADERSHIP

Just as the Department for Planning and Infrastructure leads its portfolio, the agency's people are expected to be leaders in their workplace.

To this end, a series of initiatives were put in place in 2004-05 that developed, reinforced and encouraged leadership in the organisation.

### Leading the agency

#### New leadership committee

One of the benefits arising from the Department's restructure following the Hicks Review is a more targeted and effective Executive Management Committee (EMC) that replaced the Corporate Executive Committee. The EMC is the peak decision-making body in the Department's corporate governance structure with overall responsibility for the management and administration of the Department and for integrating the varied functional aspects across the Department and the portfolio.

EMC members also chair three important governance committees:

- The Audit Committee
- The Information Management Committee
- The Tenders Committee

These committees focus on establishing corporate directions and policies, monitoring performance, determining priorities and allocating resources. In many cases, Governance Committees use their expertise to finalise business without referring decisions to the EMC. This frees the EMC to deal with the broader issues and still be appraised of the more specialised decisions made by the committees.

### Leading in management

#### Business excellence

In 2004 the Department adopted the Australian Business Excellence Framework (ABEF) as its management framework. The model is designed to promote alignment between corporate systems and processes and to focus management attention on the seven core categories required to ensure success.

During the year four workshops were held to explain and embed the framework within the Department. The Framework categories have now been embedded in the Department's business planning process, enabling branches to develop improvement strategies.

#### Outcome based management

Under the terms of the State Government's *Outcome Based Management Policy* and the Treasurer's Instruction 904, all State Government agencies are required to develop an 'Outcome/Service Structure'. The structure should:

- Link agency outcomes to those of the State Government as outlined in *Better Planning, Better Services*;
- Delineate the high level services through which those outcomes are secured; and
- Provide robust indicators that measure the agency's effectiveness and efficiency.

The Department has extensively reviewed its outcome/service structure consistent with these objectives. Key staff provided input and representatives from the Office of the Auditor General and the Department of Treasury and Finance were consulted.

Following more than four months of research and consultation, the Department's new outcome/service structure was endorsed by the Outcome Structure Review Group in March 2005. The new structure will be operational for the 2005-06 financial year.

## Corporate planning

The Department for Planning and Infrastructure's Corporate Plan *Creating Communities* – Corporate Directions 2003-2005 set out the Department's broad direction and highlighted the strategies used.

In 2004-05 a new plan was developed. The new *Building Networks* corporate plan is available on the Department's website at [www.dpi.wa.gov.au/about](http://www.dpi.wa.gov.au/about). Its key themes are achieving business objectives by building and utilising networks, and 'thinking systems'.

## Performance agreement

A performance agreement was developed between the Director General and the Minister for Planning and Infrastructure for the 2004-05 year. The agreement set out the Director General's agreed deliverables and priorities against the Government's goals articulated in *Better Planning, Better Services*, the Department's goals and cross sector initiatives.

## Business planning and reporting

Our business planning and reporting process was overhauled in 2004-05, with new process and supporting tools designed to be workable and user friendly, and to eliminate duplication. A Facilitation Pack was developed to guide conversation about vision, goals, deliverables, performance targets, business risks and opportunities for improvement. The Facilitation Pack is supported by a business planning template to record agreed deliverables, and a Corporate Context document that provides a 'one stop' reference point for agreed corporate priorities gathered from sources such as the CEO's Performance Agreement and New Resource Proposals.

Quarterly reporting is being instituted to check progress against the business plan, highlight and explain divergence, articulate strategies to rectify significant variance and explain new courses of action prompted by environmental shifts.

## Risk management

The Executive Management Committee, supported by Directors and Managers, manages risk through an enterprise-wide program centred on business planning and the audit program. This integrates risk management assessment in March of each year into business planning process preceding each financial year.

## > BUILDING LEADERSHIP

### Leadership accountability

A Leadership Accountability Model has been developed that articulates the leadership attributes and competencies expected of all the Department's senior managers.

This model provides consistent and clear expectations of those in positions of leadership. It is aimed at enhancing our leadership capability, clarifying accountability in all areas of management and ensuring a consistent approach to leading our organisation.

The framework forms the basis of all positions with management responsibility and clearly describes what is expected of our leaders. All senior positions created as part of the structure reflect the new model and all leadership positions created in the future will be based on the new model.

We further encouraged a culture of leadership in 2004-05 through several complementary strategies:

### Frontline management

The Frontline Management initiative is a nationally recognised and accredited training framework to develop and enhance managerial competencies through a focus on practical application and demonstration of competencies within the workplace. Participants receive intensive support from a registered training organisation throughout a six to 12-month program.

Completion of all modules of competence results in attainment of a nationally recognised qualification that can articulate towards tertiary qualifications. The modules covered in the program are aligned with the Management Accountability Model. Thirty staff participated in the Frontline Management Program in 2004-05, with another 30 scheduled to commence in 2005-06.

### Policy Group leadership

The Policy Group consists of working groups drawn from what were previously activities dispersed through the Department, and under separate management. Leadership development and change resilience were identified as being necessary prerequisites for its successful implementation.

The Facilitated Leadership Program was designed to rapidly build leadership skills and facilitate the formation of effective and quickly productive working groups.

Consultants were engaged in February 2005 to develop and run a range of interactive group workshops and conduct one-on-one sessions over a six-month period.

### Performance development review

Capacity building and succession planning have been supported through the Performance Development Review (PDR) process. The PDR process involves management and staff in a dialogue intended to promote clarity of expectations, establish links between corporate and business planning and individual performance, support continuous improvement and develop plans to encourage staff development, stretch and job satisfaction.

### 360-degree feedback

The 360-degree process conducted during 2004 was a valuable tool that provided individuals with an awareness of their leadership style and its impact on their teams. It enabled leaders to hear feedback from peers and managers in a supportive environment and to identify leadership capabilities that required further development. Forty-one senior managers participated in the process, which will be conducted again during 2005-06.

### Leadership coaching

Following the 360-degree feedback process, a coaching system was developed to allow individuals to focus on growing their capacity. Leaders at middle and senior management were provided, in agreement with their manager, with the opportunity to access coaching services as required.

### Women in leadership

The Women in Leadership initiative is designed to support our female employees and engage them in continuing to use their skills and knowledge to contribute to the development of the Department as an equal opportunity employer. While the representation of women within our organisation is not significantly different from that of men, women are not equally distributed throughout the Department. For example, less than 30 per cent of women are employed above Level 2.

A formal mentoring program is being implemented to assist and support our women staff members and engage them in continuing to use their skills and knowledge in the growth of the Department as an employer of choice. A range of awareness raising activities related to diversity in the workforce are being made available to staff. To mark International Women's Day, a presentation entitled "Leadership in DPI – Getting the Right Balance" was held where three women in different roles at the Department gave engaging presentations on the leadership challenges for women within the organisation.

### Future leaders

In 2004-05 we overhauled our graduate recruitment program to ensure it provided the best possible experience for graduates and targeted identified competencies and skills. Like many government agencies, we have an aging workforce and recognise that graduate recruitment is an important element in succession planning and capacity building. The graduate program commenced in 2002 and since then 40 graduates have participated.

Thirteen graduates were recruited in 2004-05. They were selected on the basis of academic strength and their potential to advance to key management and leadership roles. Some graduates completed rotation programs, giving them a broad range of experience throughout the Department, while others worked successfully in specialist areas relevant to their studies. All of the graduates have now joined the Department as permanent recruits.

### Dynamic Resourcing Research project

The capacity to embrace and thrive on change requires a higher order of organisational resilience and adaptability. To support the cultural shift implied by the Functional Review, the Department partnered with Edith Cowan University School of Management to assess the impact of organisational change management and human resource strategies on the Department's values and culture. The project will analyse how the various components of these strategies have contributed to positive change and make recommendations about how cultural change could be better supported in the future.

## > LEADING WITH INTEGRITY

### Accountability

The framework of accountability in government requires that the Director General is primarily accountable to the Minister for the Department's activities and, through the Minister, to the Parliament.

The Director General:

- Advises the Minister on portfolio issues, operating and financial performance, and any development which is likely to seriously affect the Department's operations;
- Sets, monitors and reviews the directions of the Department;
- Ensures that the Department's objectives and goals are achieved;
- Works collaboratively with other portfolio agencies and the private sector;
- Monitors the performance of the organisation; and
- Adopts sound management practice and consistency with Public Sector requirements.

The Director General is responsible for the governance of the Department under a number of Acts. The most significant of these are:

- *Financial Administration and Audit Act*
- *Public Sector Management Act*
- *Equal Opportunity Act*
- *Freedom of Information Act*
- *Library Board of WA Act*
- *State Trading Concerns Act*
- *State Records Act*

The Executive Management Committee is made up of the Director General, the Deputy Director General and two Assistant Directors General.

This committee:

- Sets, monitors and reviews the direction of the Department;
- Works collaboratively with portfolio agencies;
- Determines priorities for funding;
- Establishes and implements corporate policies;
- Monitors performance;
- Models desired values and behaviours; and
- Complies with relevant government directives, guidelines and legislation.

Deliberations of meetings are recorded permanently and the content of meeting proceedings is communicated effectively to all staff on a regular basis via staff meetings.

### Code of Conduct

Our Code of Conduct was reviewed and extensively revised during the year. The Code offers practical and ethical guidance for employees and others who represent the Department. It provides direction to help people deal with ethical issues as they arise and ensures staff maintain a consistent and appropriate level of behaviour toward one another and toward the community we serve.

The Code of Conduct also ensures that all staff are aware of their legal and ethical responsibilities in discharging their official duties, and that they understand the values, principles and standards determined by the Department and accept them as an integral part of their employment. A copy of the code was posted to all of the Department's employees.

### Office of the Auditor General audits

We participated in a number of control and compliance audits initiated by the Office of the Auditor General during the year, including one on unlicensed drivers and unregistered vehicles.

### Internal Audit

The Internal Audit branch provides advice to management and conducts reviews in accordance with an approved audit plan. These services assist in the maintenance of effective corporate governance and contribute towards the improvement of business practices in the Department.

Twenty-nine audits were conducted across the Department in 2004-05. No major deficiencies of high risk/consequence/probability were identified and a significant number of improvements were recommended and implemented.

### Corruption and misconduct

The Department has initiated a series of measures to address corruption and misconduct within the organisation. They include a revised Code of Conduct (see above), a new focus on corruption and fraud prevention in internal audit (see page above) and a revised Statement of Compliance with Public Sector Standards and Ethical Codes (see page 73).

Corporate induction provides new employees with an overview of the Department's business and their responsibilities as public servants. It promotes discussion of appropriate workplace behaviours in line with the Department's Values, as well as issues of corruption and fraud. Employees also discuss case studies regarding ethical decision-making.



## > LEADING IN INFORMATION SERVICES

### Improving systems and processes

The Department made a number of improvements to its systems and processes during the year, including:

- Incorporating all of the Western Australian Planning Commission's properties into Oracle Property Manager;
- Overhauling business planning tools to minimise duplication and better align with corporate direction;
- Redrafting the Service Level Agreement between the Marine Safety Business unit and the Department of Fisheries to better reflect accountabilities and set performance targets;
- Developing a Strategic Office Accommodation Plan to ensure that the Department's employees are colocated where possible and to maximise functional synergies;
- Developing a business case for upgrades to the Department's information and communications technology infrastructure and securing funding of \$10.5 million over the next five years to enable the upgrades; and
- Developing a streamlined procurement process in the Licensing Business Unit to better manage risk within a complex environment.

Key technical staff were accredited in the ITIL (Information Technology Infrastructure Library) standard to improve the support and development of IT systems. Departmental processes are now being changed to align practice with ITIL standards concerning Incident, Problem, Configuration, Change and Release Management.

Accreditation of key business and technical staff in the PRINCE2 Project Management methodology also commenced. This methodology has been adopted as a standard by major areas of the Department and will form the basis of future project management and reporting.

An extensive bandwidth upgrade was completed for the Department's non-CBD sites and the agency's first VOIP (Voice Over Internet Protocol) installation was completed at Albert Facey House. VOIP is a technology which allows ordinary telephone calls to be transmitted over the Internet and is an important component of providing improved public access to departmental information.

In November 2004 the Expenditure Review Committee approved \$15.9 million in additional 2004-05 capital and operating funds for TRELIS and associated licensing business processes. This has allowed construction of a back-up site to protect licensing business in the event of a major system failure.

At the direction of Government, a TRELIS oversight group met through 2004-05 to review the future funding requirements of TRELIS. Recommendations are expected to be considered by the Expenditure Review Committee in August 2005.

## > LEADING IN DOING BUSINESS

### Leasing

Our lease management team provides a finance tendering service with a panel of financiers for the provision of predominantly Operating Leases. The value of leased items for the Department total \$5.9 million (excluding GST). Outstanding Lease financial commitments are reported in the Financial Statements.

Leased items are primarily computing equipment, but other items such as telephone answering systems (PABXs) and specialised marine seabed surveying equipment have also been leased. All new leases are assessed against Australian Accounting tests and must ensure a positive cost benefit to Government.

The leasing facility provides competitive leasing arrangements that have realised savings for the Department. New leases entered into this financial year have realised, on average, a 10.43 per cent saving against the amount financed.

### Contracting

The number of contracts awarded this year was 211 with customer satisfaction levels rated at 99 per cent.

Details of major contracts awarded are listed below:

DESCRIPTION	CONTRACTOR	AWARD VALUE (\$)
Carnarvon Boat Harbour Land Backed Wharf Construction	Austral Construction Pty Ltd	3,046,626.00
Bandy Creek Boat Harbour – Esperance, Maintenance Dredging 2005-2009	CGC Dredging	3,027,865.50
Printing and Forms Management Services	Corporate Express Aust Pty Ltd	1,282,542.36
Supply, Installation and Maintenance of Network Hardware and Software (inc upgrading and maintenance of existing equipment) for Metropolitan and Regional Offices	Alpha West Pty Ltd	960,000.00
Provision of Cash Collection and Change Delivery Services for Metropolitan and Regional Sites	Linfox Armaguard	800,000.00
75m Extension to the Western Breakwater at Hillarys Boat Harbour to Reduce Wave Penetration into the Harbour	CGC Dredging	755,398.80
Replacement Of Telephony System at AFH	Kayano Nominees Pty Ltd t/a Rocktec Contracting	595,168.20
Automated Suite of Test Tools and Implementation Services for TRELIS	Alphawest Services Pty Ltd	490,000.00
Consultancy to Provide Assistance with Whiteman Park Sponsorship Initiative	IBM Australia Ltd	485,766.17
Maintenance Services of ESRI Software Licenses	Xponential Pty Ltd	428,670.00
Maintenance Services of ESRI Software Licenses	ESRI Aust	422,356.00

## > LEADING IN DOING BUSINESS

### Contracts and Central Services

In November 2004 the Contract and Central Services directorate was successfully recertified to the internationally-recognised Quality Assurance standard AS/NZS ISO 9001:2000 for a further three years. The certification covers the procurement, leasing, facilities management and vehicle management services provided by the directorate.

### Better record keeping

The Department's Information Services Division completed the Department's Record Keeping Plan (RKP), which was approved by the State Records Office subject to completion of a Retention and Disposal schedule. The schedule has now been completed and is ready for approval by the State Records Advisory Committee.

During the year the Department rolled out an online records training course to ensure that staff understand their role and responsibilities in creating, managing and maintaining government records in a manner that is compliant with the requirements of the *Western Australian State Records Act 2000* and the State Records Principles and Standards. Currently 560 (41.2 per cent) of the 1360 staff enrolled have completed the course

Other projects that address issues identified in the RKP and which were undertaken during the year include:

- A new classification scheme for file titling of records more relevant to current functions and relationships has been developed and will be implemented in 2005-2006
- An introduction to record keeping, which addresses employees' roles and responsibilities in regard to their compliance with the RKP, continues to be part of the agency induction programme

In 2005-06 to meet our compliance obligations the Department will develop performance indicators for record keeping; introduce a Vital Records program; develop a Disaster Management Plan for records and a contract compliance system; and ensure contracts are compliant with the *State Records Act*.

## > LEADING IN SUSTAINABLE BUSINESS

In accordance with the Energy Smart Government Policy the Department has committed to achieving an eight per cent reduction in consumption in non-transport related energy consumption for 2004-05, with a target of 12 per cent by 2006-07.

During the year the following energy saving initiatives were undertaken:

- a lighting upgrade at Albert Facey House, which resulted in a 53 per cent reduction in lighting consumption. This contributed to overall energy savings of 30 per cent for the tenancy.
- completion of the energy audit of the Department's premises at Marine House in Fremantle with recommendations to be implemented in 2005-06.
- Upgraded the air conditioning in the Department's premises at 441 Murray Street Perth to a more energy efficient Direct Digital Control.
- Planning to identify the Department's future strategic office accommodation needs continued with the view to ensuring sustainability issues are addressed.
- Continued to integrate Energy Smart requirements into the building management and procurement function.
- Sample reviews of Energy Smart management issues such as the shut down of personal computers have shown a 98 per cent conformity rating.
- Actively promoted the purchase of energy efficient office equipment, such as the replacement of CRT computer monitors with the more energy efficient LCD screens. Approximately 70 per cent have now been replaced.

ENERGY SMART GOVERNMENT PROGRAM	BASELINE	2003-04	VARIATION %
Energy Consumption (GJ)	24,676	26,301	6.58% Increase
Energy Cost (\$)	696,534	659,086	5.38% Decrease
Greenhouse Gas Emissions (tonnes of CO <sub>2</sub> )	6,307	6,575	4.25% Increase
Performance Indicators			
Office – Tenant Light & Power MJ/sqm	319	276	13.48% Decrease
MJ/per person	6,886	5,483	20.37% Decrease
Office – Combined Services MJ/sqm	931	883	5.16% Decrease
MJ/Occupancy (People)/annum	21,254	17,213	19.01% Decrease

(1) The increase in energy consumption, cost and greenhouse gas emissions is mainly due to the increase in energy consumption at the Department's Boat Harbours. A discrepancy of approximately 300,000kWh has been identified at one of the harbours and is currently under investigation. Rectification of this discrepancy may result in a significant reduction to the Department's total energy consumption, cost and greenhouse gas emissions.

### Waste paper recycling

The Department recycled 15.4 tonnes of paper in 2004-05.

## > LEADING IN PUBLIC INTEREST

In line with its obligations for public disclosure, the Department designated the position of Director, Human Resources as the Departmental Public Interest Disclosure Officer.

Internal procedures on receiving and dealing with disclosures of public interest information were drafted for publication on the Department's Intranet and staff were advised. There were no public interest disclosures received during the year.

### **Intellectual Property**

Intellectual property is considered a valuable asset to the Department. We have reviewed our Intellectual Property Policy following the recent introduction of new government guidelines, and have evaluated best practices and projects to manage and commercialise the assets.

## > OUR PEOPLE

### HR Overview

The Department for Planning and Infrastructure is a dynamic and effective organisation that values its staff and seeks to be an employer of choice.

This makes the 'People' category of the Business Excellence Framework one of our most influential.

The Department had a staffing level of 1527 people at 30 June 2005.

	At 30 June 2005	At 30 June 2004
Permanent full time	1189	1107
Permanent part time	159	135
Contract full time	216	206
Contract part time	32	33
Casual	9	13
Other		45
Total people	1605	1539
Total FTEs	1527	1394

### FTE by Output (at 30 June 2005)

Land Use and Transport Infrastructure Policy and Planning	212
Land Use and Transport Infrastructure Service Delivery	1071

The number of staff working under a Public Service General Agreement as of 30 June 2005 is 1565 (or 99.6% of all permanent and fixed term contract employees).

### Workers' compensation and rehabilitation

UNIT	2004-05	2003-04	2002-03	2001-02	2000-01
Numbers of lost time injuries	12	6	6	6	7
Frequency rate (number of lost-time injuries per million hours worked)	4.4	2.6	2.9	2.7	4.4
Incident rate (number of lost-time injuries per 100 workers)	0.7	0.3	0.4	0.4	0.6
Premium	\$398,637	\$373,891	\$443,867	\$498,750	\$465,689
Cost of claims incurred per \$100 of payroll	\$0.49	\$0.18	\$0.39	\$0.39	\$0.83

Note: The 2000-01 figures represent the Department of Transport. 2001-02 figures represent the (then) newly-formed Department for Planning and Infrastructure and the Department for Transport, as the figures for each could not be separated out. Figures for 2002-03, 2003-04 and 2004-05 represent the Department for Planning and Infrastructure.

## > OUR PEOPLE

### Occupational safety and health

The Department has continued to promote the role of occupational safety and health representatives to assist management liaise with staff in hazard identification and risk management. During the year, in line with the Department's accommodation strategy, a further review of workstation design was implemented for licensing staff to determine maximum ergonomic benefits.

Safety training also continued during the year, with staff at various locations trained in first aid, and refresher courses for building fire wardens.

### Valuing our employees

During the year our focus has been on developing a positive corporate culture where leadership expectations are clear, communication is open and performance is rewarded.

### Equal employment

The Department's equal employment opportunity plan, the Equity and Diversity Management Plan, was implemented during the year to assist in meeting our responsibilities in relation to equity and diversity targets set by Government, and in particular as they relate to:

- women
- indigenous Australians
- people with disabilities
- people from culturally diverse backgrounds
- youth (aged under 25 years)

The Department benefits from a diverse workforce that is representative of our customer base and raises staff awareness of issues related to equity and diversity.

### Women's development

Twenty-three women from the Department are taking part in a three-month Springboard Women's Development program to build skills and confidence in women with the potential and aspiration to progress to managerial and leadership roles. Due to a high level of interest, a second program commenced late in 2004-05.

### Peer support

In our Peer Support Program, trained fellow workers provide support and information to their colleagues about the Department's programs and initiatives. Peer Support Officers provide a confidential service by listening, providing practical support, and offering information and referral on the availability of services. They can help by identifying options and assisting staff to develop their own solutions.



## > EQUITY AND DIVERSITY

All policies and projects undertaken by the Department are formulated on the basis that no person should be disadvantaged by disability, age, location or income. Under the Business Excellence Framework of customer and market focus, we set out to improve in a number of areas during the year.

The Department's Equity and Diversity plan ensures that we meet our responsibilities in relation to equity and diversity targets set by Government, that the Department benefits from a diverse workforce that is representative of our customer base, and that we raise staff awareness of issues related to equity and diversity.

The Department has implemented, or is in the process of planning, a number of strategies to ensure that it is able to meet the targets set by Government.

- Leadership Forums (including the proposed Leadership Development Program) and the Frontline Management Program contain affirmative action strategies to involving women and youth to contribute towards the achievement of equity indexes.
- Targeted selection using executive search services will be undertaken for executive positions, to help the Department increase the number of women at senior levels within the organisation.
- The Women in Leadership initiative is designed to support our female staff members and engage them in continuing to use their skills and knowledge to contribute to the development of the Department as an employer of choice.
- Participation in the Aboriginal and Torres Strait Islander Employment Strategy (Public Sector Management Division), particularly in regional areas, is contributing towards equity targets for diversity.
- Both traineeships and the Graduate Program assist in meeting youth employment targets.
- Implemented Disability Awareness training procedures.
- Diversity awareness information sessions have been offered to staff.

### Disability Services Plan

State and Commonwealth legislation recognises that people with disabilities should have the same opportunities as others to join all aspects of community life, including access to premises, employment and service delivery. This also has implications for the provision of infrastructure and services to cater for an ageing population.

Following changes to the Disability Services Act in December 2004, the Department is reviewing its Access and Inclusion Plan (previously named Disability Service Plan). Initiatives undertaken during the year to assist people with disabilities included issuing an additional seven multi-purpose taxi plates to increase availability and services for people with disabilities, and the introduction of multi-purpose taxi driver cadetships to increase the number of available drivers.

### Going Out and Getting There

The Government has a long-term commitment to "Going Out and Getting There: Action Plan for Accessible Public Transport for People with Disabilities in Perth". The plan was developed in 1996 as a result of a complaint made under the *Disability Discrimination Act*.

In 2004-05 an internal review of the plan was completed and the results reported to the Consumer Advisory Council (CAC) which oversees implementation of the plan. The review found:

- A high level of completion of action items;
- Opportunities and strategies for continuing items; and
- Opportunities to improve the operation of the CAC and management of the plan.

## > EQUITY AND DIVERSITY

Recommendations for improvement include the development of a database of actions, revised web site materials, and modification of agency roles and responsibilities (in consultation with the Public Transport Authority) to bring the service provider closer to people with disabilities.

Members of the CAC completed their term in June 2005 and a new committee has been appointed to oversight the implementation of the plan. The Public Transport Authority will manage consultation regarding day-to-day transport service matters.

### Disability awareness for employees

In 2004-05 the Department conducted three courses in both universal design and disability awareness, which provided an opportunity for staff to obtain independent and credible advice and training on accessibility and universal design issues.

A total of 88 staff attended the courses, which led to a greater understanding of disability in the work place and disability issues in service provision, so they are able to make more-informed decisions affecting their customers.

### Electronic access map

During the year the Department created an innovative electronic access map for Perth city.

The map, available free from the Department's website, provides access information for seniors and for people with disabilities. The state-of-the-art digital map can be updated quickly to reflect changes to city streets brought about by ongoing construction.

Sections of the map can be enlarged and printed off at A4 size for easy reference.

The web page also allows key text-based information on the map to be accessed by people who are blind or vision-impaired using screen reading technology.

A 'business card' promoting the online map's web address has been produced, and a Braille version of the card has been distributed through Blind Citizens Australia and the Association for the Blind WA.

### Cultural diversity and language services

The Department makes arrangements to accommodate people who speak a language other than English to ensure their views are listened to.

Within the Department, a key feature of our diversity focus is Talent Bank, which identifies staff who have particular skills, such as speaking more than one language or a particular knowledge of cultural diversity protocols. These staff are called upon to offer assistance if required when dealing with customers. All publications can be provided in other formats, including other languages.

Flexible working hours are offered to staff to cater for issues such as family commitments or religious ceremonies, and a peer support group operates throughout the Department so any employees who are having difficulty or feeling isolated have someone to turn to.

### Youth Outcomes

Trainees are an investment for the Department. They are productive while training and form a pool of potential employees for contract and permanent positions. Increasing the number of traineeships also helps the Department meet its equity responsibilities for the employment of youth. All divisions are encouraged to take on trainees when the opportunity arises.

In 2004-05 the Department recruited 25 trainees. Trainees learn through on-the-job and in-class training delivered by a Registered Training Organisation in conjunction with the employer.

Thirteen graduates were appointed during the year, who also act as informal mentors to the trainees.

The Aboriginal and Torres Strait Islander Employment Strategy provides opportunities for indigenous Australians to gain traineeships. In 2004-05 two indigenous trainees were employed throughout the state.

A cross-public sector workshop was conducted during the year to assist with cultural issues.

## > KEEPING PEOPLE INFORMED

The Department for Planning and Infrastructure continued to keep its customers and stakeholders informed about the agency, its products and its services through a range of modes in 2004-05, with an emphasis on ease of availability and access.

A wide array of communications methods was utilised to keep the Department for Planning and Infrastructure's customers and stakeholders informed and advised of its products and services as well as our work and achievements.

Following the success of 2003's Dialogue with the city, similar events were held in three regional Western Australian centres. Dialogue with the Pilbara was held in Newman on 30 September 2004, an 'Enquiry By Design' event was held in Port Hedland over two days in October 2004 and nearly 200 people took part in Dialogue With Greater Bunbury in April 2005. Other community engagement initiatives are outlined on page 29.

These events underlined the Department's commitment to community involvement and public engagement as key modes of two-way communication.

Special events held in 2004-05 included a Planning and Infrastructure portfolio display at 'WA On Show', a showcase event marking the opening of the Perth Exhibition and Convention Centre, the launch of the Fuel Cell Bus trial program and the launch of the 'Europlate' custom number plate.

Marine safety information was distributed to recreational boaters at marine safety displays at boat shows in Perth and regional centres and a new Licensing Centre was officially opened at Morley. Information on sustainable travel alternatives was made available to people in the form of area-specific TravelSmart maps and cycling guides.

### Easy access to information

A full list of publications is available in the Freedom of Information Statement available at any of our offices and on the Internet at [www.dpi.wa.gov.au](http://www.dpi.wa.gov.au). Publications and technical reports are also available from our library and through the Library and Information Service of Western Australia.

To maximise readability, clear, uncluttered fonts are selected and all our documents are available in alternative formats such as Braille, large print, audio tape and computer disk.

## > KEEPING PEOPLE INFORMED

### Advertising and sponsorship

The following statement relates to advertising, direct mail and market research, as required under Section 175ZE of the *Electorate Act*.

Category	Expenditure 2004-05	Expenditure 2003-03	Persons, Agencies and Organisations	
Advertising agencies	\$239,378	\$469,266.44	Core Marketing Marketforce Productions	\$17,326 \$222,052
Market research organisations	\$1,044,441.37	\$1,655,699.47	Data Analysis Market Equity Colmar Brunton Social Data Aust	\$403,254.67 \$43,340.00 \$85,181.80 \$512,664.90
Direct mail organisations	\$803,293.57	\$988,083.07	Northside Logistics Zipform	\$6,050.00 \$797,243.57
Media advertising organisations	\$219,315.55	\$266,843.65	Dillinger Group Media Decisions	\$88,673.75 \$130,641.80
TOTAL	\$2,306,428.49	\$3,379,892.63		
Percentage increase/decrease				

Note: Expenses under "advertising agencies" and "media advertising organisations" include the printing of information leaflets and brochures, production of Internet information, public display material, information signage and posters, and instructional manuals. It also includes job vacancy advertising, the calling of tenders and the preparation and communication of public information.

## > LEGISLATIVE RESPONSIBILITIES

The Department for Planning and Infrastructure was created under the *Public Sector Management Act (1994)* to assist the Minister for Planning and Infrastructure to administer those statutes that provide the legislative framework for integrated transport and planning for Western Australia. We also administer the following statutes:

*Air Navigation Act (1937)*

*Carriers Act (1920)*

*Civil Aviation (Carriers Liability) Act (1961)*

*Damage by Aircraft Act (1964)*

*Fines Penalties & Infringement Notices Enforcement Act (1994)*

*Harbours and Jetties Act (1928)*

*Hope Valley-Wattleup Redevelopment Act (2000)*

*Jetties Act (1926)*

*Land Administration Act (1997)*

*Lights (Navigation Protection) Act (1938)*

*Marine Navigation Aids Act (1973)*

*Metropolitan Region Town Planning Scheme Act (1959)*

*Metropolitan Region Scheme (Fremantle) Act 1994*

*Metropolitan Region Improvement Tax Act (1959)*

*Pilots Limitation of Liability Act (1962)*

*Perth Parking Management Act (1999)*

*Planning Legislation Amendment Act (1999)*

*Pollution of Waters by Oil and Noxious (Amendment and Validations Act) 1990*

*Substances Act (1987)*

*Port Authorities Act (1999)*

*Rail Safety Act (1998)*

*Road Traffic Act (1974)*

*Sea Carriage of Goods Act (1997)*

*Shipping and Pilotage Act (1967)*

*Strata Titles Act (1985)*

*Taxi Act (1994)*

*Town Planning Development Act (1928)*

*Transport Coordination Act (1996)*

*Western Australian Coastal Shipping Commission Act (1981)*

*Western Australian Marine Act (1982)*

*Western Australian Marine (Sea Dumping) Act (1982)*

*Western Australian Planning Commission Act (1985)*

On behalf of the Minister for Planning and Infrastructure, the Department administers the following statutes:

*Port Kennedy Development Agreement Act (1992)*

*Swan Valley Planning Act (1995)*

*Forrest Place and City Station Development Act (1985)*

The Department advises the Minister for Planning and Infrastructure on the administration of the Eastern Goldfields Transport Act and generally on legislation covering government-owned transport agencies.

Under delegation from the Western Australian Planning Commission, the Department administers the *Town Planning and Development Act (1928)* and the *Metropolitan Region Town Planning Scheme Act (1959)*.

## > MAJOR CAPITAL WORKS PROJECTS

Works in Progress at 30 June 2005:

PROJECT	EXPECTED YEAR OF COMPLETION	2004-05 ACTUAL EXPENDITURE \$'000	ESTIMATED COST TO COMPLETE \$'000	ESTIMATED TOTAL COST \$'000
Carnarvon Land-Backed wharf (Note 1)	2005-06	1,672	1,915	4,248
Mews Road Commercial Centre (Note 2)	2005-06	1,097	617	1,880
Hillarys Boat Harbour - Modify Breakwater (Note 3)	2005-06	38	679	734
Casuarina Harbour Pens Stage 1 (Note 4)	2005-06	0	974	1,000
Coral Bay Access Road and Boat Launching Facility (Note 5)	2005-06	411	4,546	5,278
TRELIS – Stage 2 – Infrastructure and Strengthening (Note 6)	2005-06	4,512	689	5,201
Batavia Coast Marina Boardwalk (Note 7)	2005-06	0	283	1,867
Hillarys Pen Replacement (Note 8)	2005-06	21	1,968	1,994

### Notes:

- 1) Source of Funds: Commonwealth Government Grant \$0.3m, grant from Regional Investment Fund, Department of Local Government and Regional Development \$2.5m, Small Craft facilities Fund \$0.75m, Government Coastal Facilities Fund \$0.7m
- 2) Source of Funds: Government Coastal facilities Fund \$0.55m, Recreational Boating Fund \$1.33m
- 3) Source of Funds: Small Craft Facilities Fund
- 4) Source of Funds: Small Craft Facilities Fund
- 5) Source of Funds: Equity Contribution from State Government
- 6) Source of Funds: Equity Contribution from State Government
- 7) Source of Funds: Small Craft Facilities Fund
- 8) Source of Funds: Small Craft Facilities Fund



## > COMPLIANCE STATEMENTS

### Statement of Compliance with Public Sector Standards in Human Resource Management and the Code of Ethics

Our Corporate Values encourage all of our people to “inspire and guide others” through role modelling Leadership at all levels of our organisation, regardless of level or responsibilities. During 2004, the Department implemented a number of strategies designed to ensure a culture of open and accountable management practice and ethical workplace behaviour.

In the latter half of 2004, 400 line managers, peers and direct reports provided feedback to 41 of our senior leaders through a leadership capability 360-degree feedback process. This process indicated that integrity and dedication are alive and well within the agency, with many leaders receiving repeated comments about their honesty, integrity and decency in their dealings with people and issues. Leaders displayed a very high sense of responsibility for work outcomes. The Department rated well against the Australian Database of more than 2000 leaders in both private and public sectors.

In early 2005, the Leadership Accountability Model was implemented. This is a framework that provides consistent and clear expectations of those in positions of leadership, from team leaders to senior executive. The framework is strongly underpinned by our Values, clearly describes what we expect of our leaders and will form the basis of all jobs with management responsibility. It is aimed at enhancing our leadership capability, clarifying accountability in all areas of management, and ensuring a consistent approach to leading the organisation. All senior management positions now reflect this model, as do the job descriptions for our next intake of graduates - our future leaders.

Our Code of Conduct, which was reviewed and launched during 2004, ensures that employees are aware of their legal and ethical responsibilities in discharging their official duties; that they understand the values, principles and standards determined by the Department and accept them as an integral part of their employment. Its aim is for all employees to attain and demonstrate the highest standard of ethical behaviour in serving the public. The code contains a guide to ethical decision-making, which provides direction to help our employees deal with ethical issues as they arise and ensures we maintain a consistent, and appropriate level of behaviour toward one another and toward the community we serve. All employees received a copy of the code and all new employees are now required to indicate their acceptance of their responsibilities it outlines.

We continue to review recruitment, selection and deployment policies and procedures to ensure we meet our legislative and governance responsibilities in regards to managing people. A range of evaluation methods enables us to monitor the effectiveness of decision-making related to human resource management. Strategic human resource management key performance indicators and reports provide a clear picture and understanding of the state of the workforce, and ensure well-informed people management decisions.

During the reporting period 1 July 2003 to 30 June 2004, there were six requests for review of Recruitment and Selection Standard. No breaches were found in respect of five of those requests and one is currently being reviewed by the Office of Public Sector Standards. One request for review of the Redeployment Standard was received and is still under review.



Greg Martin  
Director General

31 August 2005

## > COMPLIANCE STATEMENTS

### Freedom of Information

The *Freedom of Information Act (1992)*, which came into effect on 1 November 1993, created a general right of access to documents held by state and local government agencies.

The Act requires agencies to make available details about the kind of information they hold and enables persons to ensure that personal information held by government agencies about them is "accurate, complete, up to date and not misleading".

Under the Act, agencies are required to publish an annual Information Statement either as a stand-alone document, or in their Annual Report. We have chosen to incorporate our Freedom of Information data in our Annual Report.

The object of the Information Statement is to provide a description of the agency's procedures for giving members of the public access to its documents and the kinds of documents that are usually held by the agency, including documents that may be purchased from the agency or those that may be obtained free of charge. This Information Statement was prepared and is correct as at 30 June 2005.

### Applications

Members of the public may submit formal Freedom of Information applications for documents held by the agency, which are not publicly available. A formal application for information must:

- Be in writing;
- Give enough information to enable the requested documents to be identified;
- Give an Australian address to which notices can be sent;
- Be accompanied by a \$30 application fee, unless the information relates to a personal matter, which is free of charge - an additional charge may apply for the processing of non-personal information; the fee is reduced by 25% for pensioners and financially disadvantaged persons; and
- Be addressed to our Freedom of Information Coordinator.

Application forms are available from the Department's website at [www.dpi.wa.gov.au](http://www.dpi.wa.gov.au). Click on 'About Us', then 'Freedom of Information'.

The contact details for the Department for Planning and Infrastructure FOI Coordinator are Ms Norma Lambert, Freedom of Information Coordinator, Department for Planning and Infrastructure, Albert Facey House, 469 Wellington Street, Perth WA 6000.

### Processing applications

Our Freedom of Information unit is responsible for processing any applications for the Western Australian Planning Commission (WAPC) and the Department for Planning and Infrastructure.

The Freedom of Information Coordinator is the designated decision-maker for Department for Planning and Infrastructure, and makes recommendations to the WAPC decision-maker.

The unit is the initial contact point for members of the public, applicants, third parties, the Office of the Information Commissioner and other public sector agencies for all matters related to freedom of information.

Under the Act, the agency is required to respond to applications within 45 days of receipt, unless an extension of time is granted. The average time to process applications during 2004-05 was 19 days.

## Fees and charges

The rates of fees and charges are set under the Act. Apart from the application fee for non-personal information, all charges are discretionary. Details of fees and charges are listed below:

Personal information about applicant	No fee
Application fee (for non-personal information)	\$30.00
Charge for time taken dealing with the application	\$30.00 per hour
Charge for access time supervised by staff	\$30.00 per hour
Charges for photocopying	\$30.00 per hour for staff time and 20 cents per copy

## Personal access to information

Where an applicant is granted permission to inspect documents, a time will be set which is mutually convenient to the applicant and to the agency. Where access to documents is refused, in part or in full, we will notify the applicant of the reasons.

## Rights of review

The Act provides that if applicants are dissatisfied with a decision of the Department, there is a process whereby that decision can be reviewed. In accordance with Section 40 of the Act, internal review applications should be forwarded in writing to the Department within 30 calendar days of the date of decision.

Following an internal review, matters remaining in dispute can be submitted to the Office of the Information Commissioner for "external review". Such applications must be submitted within 60 days from the date of decision.

No fees or charges apply to internal or external reviews.

## Statistics for 2004-05

APPLICATIONS	AMOUNT
Total received	217
Internal Reviews	6
External Reviews	1
Transferred to another agency	10
Withdrawn	17

## Public information

The Department for Planning and Infrastructure's publications and technical reports are available from the Department's library and through the Library and Information Service of Western Australia. Many are also available through the Department's website at [www.dpi.wa.gov.au](http://www.dpi.wa.gov.au), then click on 'Publications'.

## > COMPLIANCE STATEMENTS

### Types of non-public information held by the Department for Planning and Infrastructure

- Business operations information
- Administrative information
- Staff information
- Licensing information (driver, vehicle, marine, aircraft)
- Contract information
- Taxi plate information
- Crown land administrative information.

### THE WESTERN AUSTRALIAN PLANNING COMMISSION

For the purposes of Freedom of Information, the Department for Planning and Infrastructure and Western Australian Planning Commission are considered one organisation. The Department also manages records on behalf of the WAPC. These records include:

- Development information
- Land subdivision information
- Strata information
- General WAPC information

Until the WAPC has made a formal decision on land issues, it is agency policy that documents related to that issue are not available to the public.

More information, including the annual report, can be found on the Planning Commission website at [www.wapc.wa.gov.au](http://www.wapc.wa.gov.au)

### Department for Planning and Infrastructure website information

Pursuant to Freedom of Information requirements, a wide range of information can be obtained from the Department's website, including organisational structure and functions of the agency, lists of publications available to the public, internal manuals used by staff, methods of formulation of policies, office and library locations, licensing and vehicle examination centre locations, and current projects and policies. The website address is [www.dpi.wa.gov.au](http://www.dpi.wa.gov.au)

### MPT Coordinators

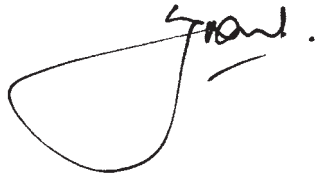
The Minister has directed the Director General, Department for Planning and Infrastructure to appoint two Multi Purpose Taxi (MPT) Coordinators under the following conditions:

- 1) The appointment of the two MPT Coordinators is for a minimum period of two years with a maximum period of five years as outlined in the Expression of Interest document no. 0204/04. Prior to any extensions of the initial two-year appointment, a review of the performance of the arrangements be conducted and the Minister be consulted.
- 2) Each coordinator is required to maintain a minimum fleet of 30 MPT taxis in order to retain its appointment as a coordinator. Failure by a coordinator to meet this requirement for any period of time will constitute a ground for revocation of the appointment. It is envisaged that the TDS provider may enter into an agreement with their MPT operators to ensure stability of service.
- 3) The offer for appointment should only be made to the two highest ranked applicants that responded to the above mentioned expression of interest and, should one of these applicants decline to take up this appointment, then no further offer shall be made to the lower ranked applicants.
- 4) The appointment of an applicant as an MPT Coordinator is to be predicated on the applicant giving an acceptable commitment to operate consistent with the responses provided in their application in respect of:
  - a. Infrastructure and fleet management strategies;
  - b. Driver standards and training;
  - c. Complaints and handling; and
  - d. Customer service.
- 5) The appointment process is to be consistent with the provisions set forth in the Expression of Interest document 0204/04.
- 6) Appropriate mechanisms are to be implemented at regular intervals during the initial two-year period and beyond to ensure that the level of service being provided to customers is at an acceptable level and that prompt and effective action is taken if the service level is not to an acceptable standard.

## > CERTIFICATION OF PERFORMANCE INDICATORS

For the year ended 30 June 2005

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department for Planning and Infrastructure's performance, and fairly represent the performance of the Department for Planning and Infrastructure for the financial year ended 30 June 2005.

A handwritten signature in black ink, appearing to read 'Paul Frewer', with a large, stylized loop on the left side.

Paul Frewer  
*Accountable Officer*

12 August 2005

## > KEY PERFORMANCE INDICATORS



AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT FOR PLANNING AND INFRASTRUCTURE  
PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

#### Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Department for Planning and Infrastructure are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended 30 June 2005.

#### 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.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON  
AUDITOR GENERAL  
30 September 2005

## > KEY PERFORMANCE INDICATORS

The agency specific outcome for the Department for Planning and Infrastructure is the:

**“Allocation and management of land, transport systems and infrastructure that facilitates social and economic development, and reduces the adverse impacts on the environment for Western Australia”**

### About the Outcome

#### Social Development

We anticipate and respond to the needs of existing and future communities through promoting accessibility to serviced land and infrastructure for housing, employment, recreation and open space, commercial and community facilities. We also provide transport subsidies to people with disabilities and those in regional and remote communities. The social impacts of our work include:

- Promoting housing affordability through ensuring sufficient supply of zoned land for residential purposes.<sup>1</sup> The social development impacts of housing affordability are considerable. The Australian Government Productivity Commission noted that “owning a home is of fundamental importance to most Australians and we have among the highest rates of home ownership in the world. The ‘family home’ brings many people a sense of security and belonging, and home ownership generates wider benefits for a nation’s ‘social capital’ ”.<sup>2</sup>
- Ensuring that there is sufficient land to meet the housing needs of the population;<sup>3</sup>
- Managing and using Government land to support the state’s social objectives;<sup>4</sup>
- Connecting people to their families, friends and places of recreation through planning of transport networks; and<sup>5</sup>
- Encouraging participation of people with disabilities in the community through setting performance standards for wheelchair accessible taxis.<sup>6</sup>

<sup>1</sup> Measured through indicator 3 ‘Relative Affordability of Property and Land Prices’ and 5 ‘Land Cost Compared to Median House Sales Price’.

<sup>2</sup> Australian Government Productivity Commission, *First Home Ownership – Productivity Commission Inquiry Report*, No. 28, 31 March 2004, p.xiii

<sup>3</sup> Measured through indicator 4 ‘Land Supply that Keeps Pace with Population’.

<sup>4</sup> Measured through indicator 8 ‘Customers Satisfied that the Management and use of Government Land is Supporting the state’s Economic, Social and Cultural Objectives’.

<sup>5</sup> Measured through indicator 6 ‘Land Use and Transport Planning Integration’.

<sup>6</sup> Measured through indicator 7 ‘Waiting Time Performance for Wheelchair Accessible Taxis’.



## > KEY PERFORMANCE INDICATORS

### Economic Development

We contribute to the economic well being of the state, the regions and local communities through providing access to serviced land and infrastructure and through integrating land use and transport planning. The economic impacts of our work include:

- Ensuring that there is sufficient land available for residential purposes.<sup>7</sup> The family home has significant economic impacts, being 'the most valuable asset that most people acquire in their lifetimes and account[ing] for around two-thirds of all private sector wealth in Australia';<sup>8</sup>
- Facilitating efficient use of existing infrastructure;<sup>9</sup>
- Promoting commuter access to commercial centres, their jobs and the goods and services they require;<sup>10</sup> and
- Managing and using Government land to support the state's economic objectives.<sup>11</sup>

### Reduction of Adverse Impacts on the Environment for Western Australia

We reduce adverse impacts on the environment by identifying and protecting environmental assets through reservation and by encouraging ecologically sustainable land use. The environmental impacts of our work include:

- Prevention of inappropriate land use and development in areas and sites of environmental significance;<sup>12</sup>
- Reserving areas of land with important water catchment functions;<sup>13</sup>
- Encouraging the use of public transport through integrating land planning and transport functions;<sup>14</sup> and
- Minimising destruction of habitat and other environmental values on the urban fringe by increasing densities and encouraging redevelopment of existing urban assets.<sup>15</sup>

<sup>7</sup> Measured through indicator 4 'Land Supply that Keeps Pace with Population'.

<sup>8</sup> Australian Government Productivity Commission, *First Home Ownership – Productivity Commission Inquiry Report*, No. 28, 31 March 2004, p. xiii

<sup>9</sup> Measured through indicator 1 'Infrastructure Savings through Planning' and indicator 2 'Reduced Lot Sizes'.

<sup>10</sup> Measured through indicator 6 'Land Use and Transport Planning Integration' and indicator 2 'Reduced Lot Sizes'.

<sup>11</sup> Measured through indicator 8 'Customers Satisfied that the Management and use of Government Land is Supporting the state's Economic, Social and Cultural Objectives'.

<sup>12</sup> Measured through indicator 9 'Parks, Recreation and State Forest Reserves'.

<sup>13</sup> Measured through indicator 9 'Parks, Recreation and State Forest Reserves'.

<sup>14</sup> Measured through indicator 6 'Land Use and Transport Planning Integration' and indicator 2 'Reduced Lot Sizes'.

<sup>15</sup> Measured through indicator 2 'Reduced Lot Sizes'.

## > EFFECTIVENESS INDICATORS

### Indicator 1 - Infrastructure Savings through Planning

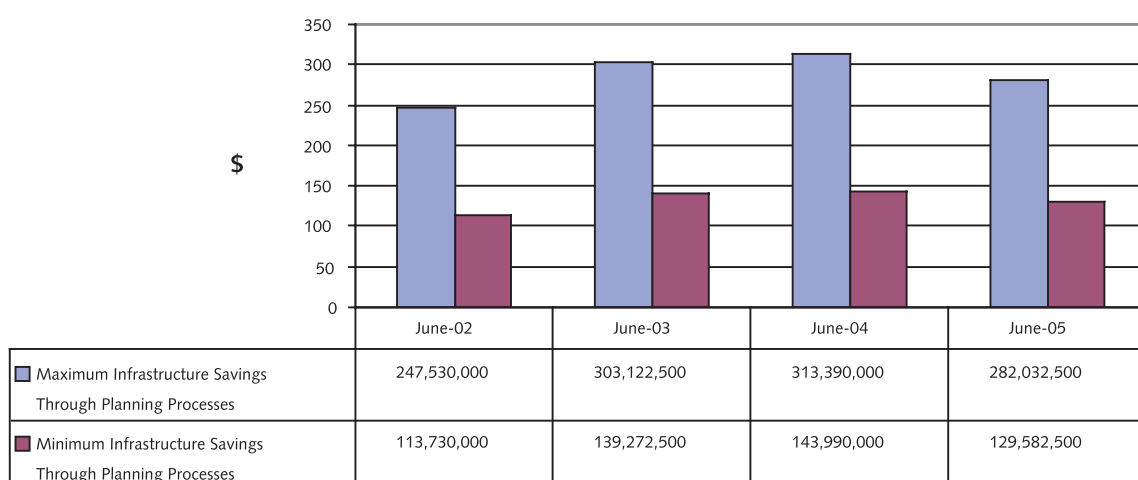
This indicator is a measure of the infrastructure savings made by DPI through land-use planning efforts that compact residential areas rather than allowing them to be freely dispersed and widespread. The provision of infrastructure on the urban fringe is relatively more costly to the state than the reuse of existing infrastructure in existing urban areas. Infrastructure in this context includes the initial capital costs of essential services (fire, ambulance, police, municipal services, education and health) and roads, water, sewage, electricity, gas, public transport and telecommunication services.

An expert study *Future Perth – Costs of Urban Form* found that the indicative infrastructure savings to the state were between \$42,500 and \$92,500 per lot of development in the inner and middle rings of Perth, as compared to the outer suburban infrastructure costs. Reduced infrastructure costs lead to the economic benefits of more accessible and lower cost residential property markets and infrastructure savings to the state.

In the year ended June 2005, the indicative savings on infrastructure costs achieved by the Department were in the range of \$129,582,500 to \$282,032,500. The actuals exceed the minimum infrastructure savings target of \$100,000,000.<sup>16</sup> The target was exceeded owing to higher than expected activity in the housing market. The data indicates that DPI's land planning activities are yielding infrastructure savings to the government.

The data for estimated infrastructure cost savings per lot derive from the Western Australian Planning Commission publication *Future Perth - Costs of Urban Form*, September 2001. The individual savings per lot are multiplied by final lot approvals for 2004/05 (from the Western Australian Planning Commission publication *Residential Lot Activity*). The total represents indicative avoided land consumption costs.

Infrastructure Savings through Planning ('000 000)



<sup>16</sup> Following expert advice the target was amended to \$100,000,000 rather than the \$20,000,000 that initially appeared in the budget statement.

## > EFFECTIVENESS INDICATORS

### Indicator 2 - Reduced Lot Sizes

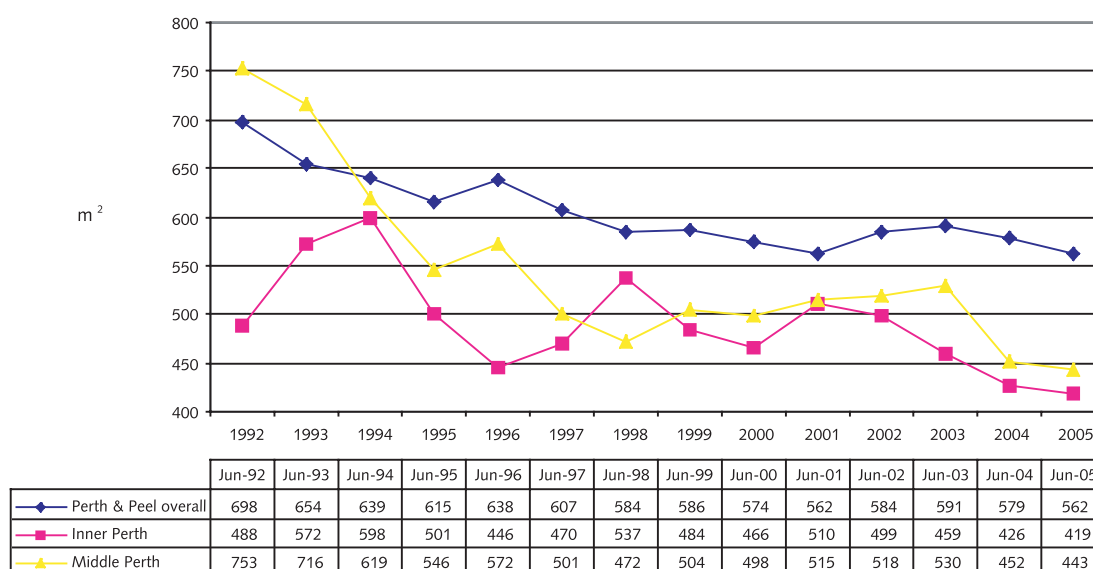
This indicator shows a reduction in residential lot sizes in Perth and Peel over time. Reduced lot sizes result in higher density housing which brings economic, social and environmental benefits such as infrastructure savings to the state, improved accessibility to public transport and minimised destruction of habitat and other environmental assets on the urban fringe.

The Department achieves smaller lot sizes through its policies and approvals of structure plans and subdivisions. DPI also makes recommendations to the Minister about housing density controls within local government town planning schemes.

DPI aims for a median lot size of 600m<sup>2</sup> for new housing lots in the Perth Metropolitan and Peel regions. This lot size is considered an achievable target whilst allowing for a choice of dwelling types and achieving desired planning outcomes. The actual is 562m<sup>2</sup>, indicating that the target has been exceeded.

Figures are obtained from the publication, *Land Development Program – State Lot Activity* published by DPI's Policy Group Research Team. These figures are estimates for 2004/05,<sup>17</sup> as derived from internal DPI databases. Data shown in the graph labelled 'Perth and Peel overall' refers to the entirety of the Perth Metropolitan area and Peel region.

Median approved Lot size - Perth and Peel



<sup>17</sup> The figures for 2004/05 are estimates because the June 2005 report was not available at the time of this report. The estimate is taken from the Statutory Planning database.

### Indicator 3 – Relative Affordability of Property and Land Prices

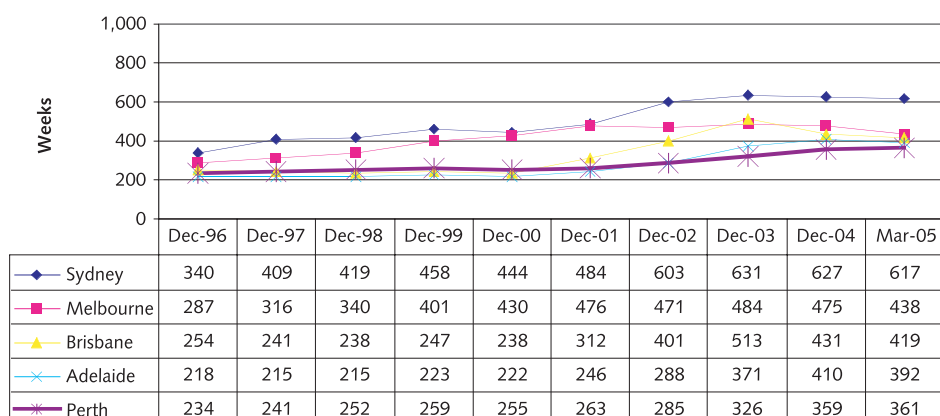
This measure compares the affordability of property and land in Perth with that of other mainland and non-territory capital cities. The median cost of a property in each mainland capital city is divided by that state's average household weekly income. The derived figure shows the number of weeks it would take a household to pay for the median property. The lower the number of weeks, the more relatively affordable the median property. The target is set to the second lowest quintile or better. This means that Perth is expected to have no greater than the second lowest property prices when compared to other capital cities in Australia. This target recognises Perth's traditional place in the national marketplace for dwelling affordability.

Land and dwelling prices are largely a factor of supply and demand and the underlying cost of supporting infrastructure. The Department directly affects the supply side through the zoning of land suitable for development or redevelopment, matching this with developer's intentions and the subsequent approval of land subdivision. If new lots are not brought to market to meet population demands in a timely manner, then prices of existing dwellings rise due to demand exceeding supply. The Department predicts the demand side for land by monitoring demographic trends, projecting population growth and closely monitoring the land market.

The success of the Department in balancing these factors is reflected in the relatively constrained growth in median housing prices for Perth. Perth had the lowest figure of all the comparative major capital cities at 361 weeks, thus the target for 2004/05 was exceeded. As a result of the Department's work, Perth's dwellings are more affordable when comparing the ratio of household income to median dwelling prices of the major urban settlements in Australia. Access to land and housing delivers significant economic and social benefits.

Data for this indicator comes from the REIWA publication *Market Facts March Quarter 2005* and ABS publication 1350.0 Table 9.11 *Average Weekly Total Earnings of Employees – All Employees*.

#### Comparative number weeks to pay off house purchase Capital Cities



## > EFFECTIVENESS INDICATORS

### Indicator 4 – Land Supply that Keeps Pace with Population

DPI plays a crucial role in managing land supply through co-ordinating activities to ensure the timely provision of land supply and associated services. Ensuring that there is sufficient land to meet demand promotes housing affordability. The Productivity Commission found that affordability of land and housing is reduced when demand outstrips supply.<sup>18</sup> Costs of land development can also be inflated by delays to planning approvals.<sup>19</sup> Delay has very real economic consequences for consumers.<sup>20</sup>

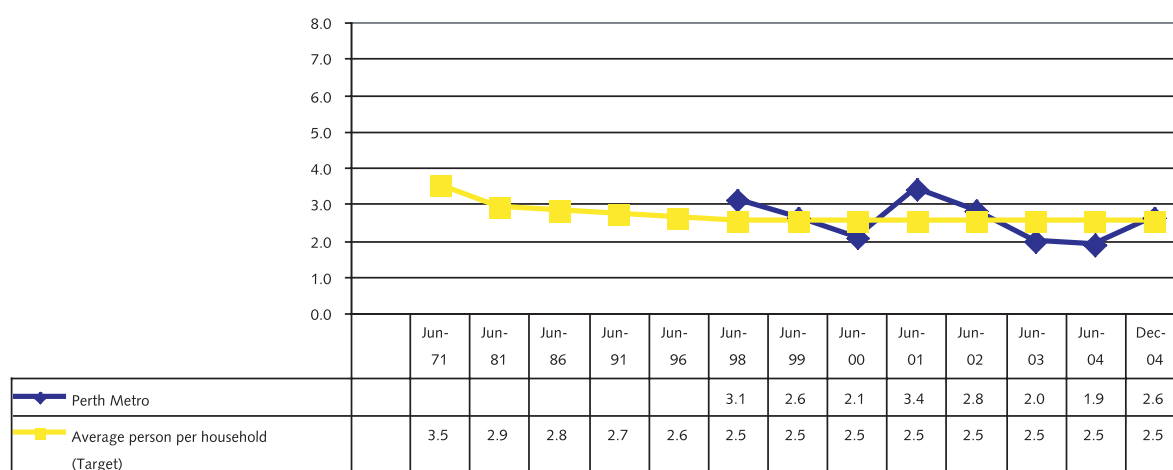
The matching of land supply with demand is achieved by the development of Land Release Plans that project forward demand in consultation with Local Government, State Government Agencies, service providers and the building and development industry. The Metropolitan Development Program forecasts a requirement for 60,000 residential lots in the Perth and Peel regions between 2003 and 2008 in order to keep pace with population growth. The Department contributes an average of 10,000 new lots each year with a value exceeding one billion dollars.

However, DPI is not the sole determinant of land availability. External factors such as availability of raw materials, interest rates, developer capacity and market conditions can all impact. This measure demarcates DPI's accountability from external factors through isolating that part of the supply chain over which DPI has control, i.e. the subdivision approval process. DPI (via the Western Australian Planning Commission) grants preliminary subdivision approvals, which authorise developers to then create serviced lots for the housing market. DPI's activities create a bank of developable land from which developers can draw. At March 2005 the land approved by DPI but yet to be developed was 51,418 lots which is sufficient to house an additional 128,545 people.

DPI aims for 2.5 persons per a new lot approval. The data indicates that the actual was 2.6 persons per lot for 2004/05.

The indicator is calculated by dividing the annual growth in estimated resident population (ABS Catalogue 3101.0 and from the 'State Lot Activity Report' – WAPC website) by the number of residential lots granted preliminary subdivision approval in the subsequent year.

Persons per new Lot approval



<sup>18</sup> Op. cit. Productivity Commission, p. xiv

<sup>19</sup> Urban Development Institute of Australia (WA Division), *Submission to the Productivity Commission on First Home Ownership*, 17 October 2003, p.5

<sup>20</sup> Planning and Transport Research Centre (PATREC), 'A Preliminary Exploration of the Economic Value of Selected Functions of Western Australia's Department of Infrastructure and Planning', 3 February 2004, p. 2

### Indicator 5 - Land Cost Compared to Median House Sales Price

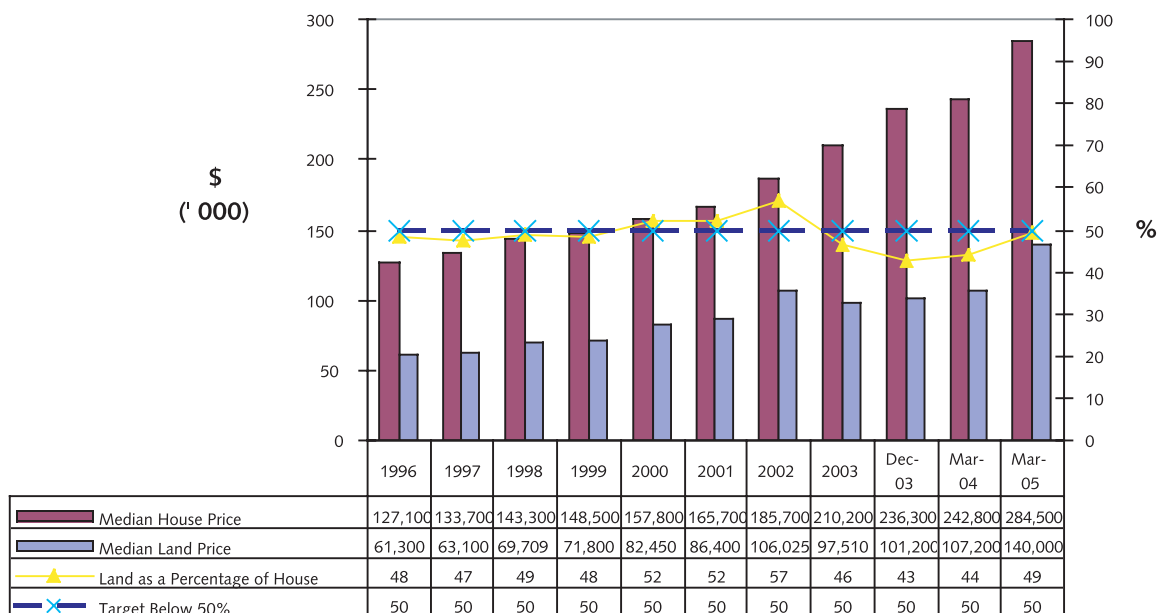
This indicator shows land costs compared to median house sale prices in Perth. As outlined in the preceding indicator, the Department directly affects median land prices by ensuring that there is sufficient stock of approved land suitable for development or redevelopment.

This indicator is useful because it disaggregates the price of residential land (over which DPI does have some influence) from the price of houses (impacted by many external factors). DPI aims for a target of residential land price accounting for less than 50% of the median house sales price. This is a historical benchmark.

The target has been set at median land price being less than 50% of median established house price in Perth. The actual is 49%.

The figures for the measure have been sourced from the REIWA publication Property Market Indicators. The indicator is calculated by expressing the median land price as a percentage of the median established house price for the Perth metropolitan area and the State.

Land Cost compared to Median House Sales Price - Perth



## > EFFECTIVENESS INDICATORS

### Indicator 6 – Land Use and Transport Planning Integration

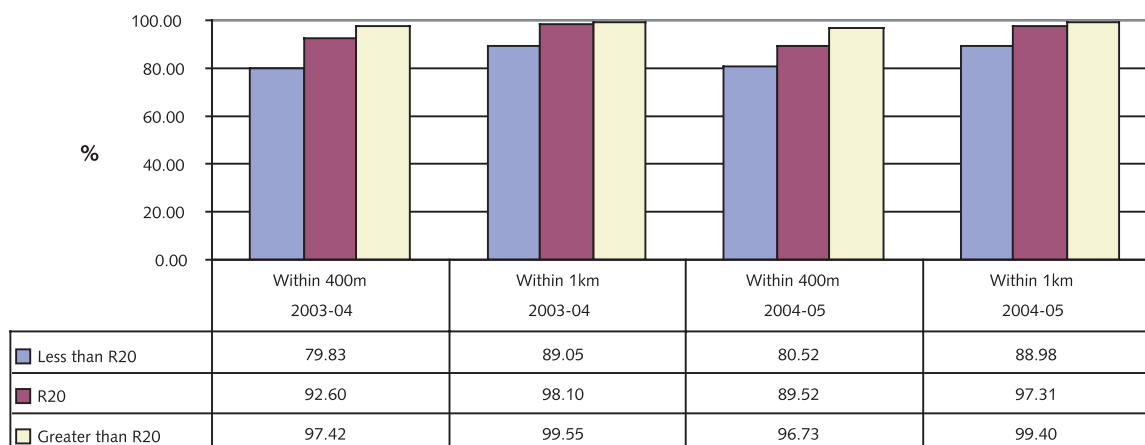
Through its land-planning role the Department determines the location of major transport routes, their suitability for a range of transport services and their proximity to urban areas. The term “major transport route” includes all major roads and railway lines which buses and trains use as the main connecting corridors, but excludes minor suburban roads.

For the urban transport system to function efficiently and effectively, it is essential there are sound alternatives to car travel, especially during peak periods when the road network faces congestion. This congestion has economic impacts, particularly for freight and commercial activity, and environmental impacts such as greenhouse emissions. In order to encourage people onto public transport, international research suggests that the benchmark for walkability is 400m from dwelling lot to major transport route.<sup>21</sup>

Residential Design codes (R codes) are used as a measure of permissible maximum density of development. R20 indicates a density of 20 dwelling units per hectare. The R20 land zone has been selected for this indicator as the majority of land dwellings within Perth are zoned R20. The figures indicate that zoned land is well integrated with transport planning with the targets of greater than 80% within 400m and 90% within one kilometre being met for land zoned R20.

The indicators are calculated from Planning Scheme information extracted using the Geographic Information System (GIS).<sup>22</sup> The indicators show the percentage of residential zoned-land that is within a specific proximity to major transport systems. The figures are for the Perth Metropolitan area only.

**Zoned land within 400m and 1km of a major transport route - Perth**



<sup>21</sup> See *Liveable Neighbourhoods*

<sup>22</sup> The GIS is a spatial database consisting of mapping characteristics information and coordinates.



### Indicator 7: Waiting Time Performance for Wheelchair Accessible Taxis

This indicator shows the waiting time for people in wheelchairs to gain access to taxis in the metropolitan region. As the regulator of the taxi industry, the Department sets and monitors the performance standards for taxis to ensure an efficient and accessible transport option is available to people with a disability.

Wheelchair accessible taxis are an essential means of transport for many people with a disability. They provide them with the means to more fully participate in the community and workforce. Any delays experienced in accessing a taxi can have significant consequence for this user group in terms of meeting their employment obligations and their ability to self-care. Access to timely and appropriate travel ensures people with disabilities are able to reduce social isolation, meet employment obligations and access the goods and services they require.

This measure indicates the waiting time performance for booked and non-booked wheelchair accessible taxis during peak and non-peak hours. Customer expectation of waiting times vary for pre-booked jobs as compared to non-booked jobs.

The data indicates that targets have not been met for the year ending June 2005 and service standards have in general declined compared to the previous year. The variance occurred, in part, due to small increases in demand compared to the previous 12 months but mostly as a result of increased operating costs, which reduced the economic viability of wheelchair taxi work.

2005 Waiting Time Performance Wheelchair Jobs

Booking Type		Timeframe (Mins)	Target %	03/04 Jobs picked up in timeframe %                      Number		04/05 Jobs picked up in timeframe %                      Number	
Booked	Peak	0-5	≥ 85	62.7%	1,065	59.3%	988
	Off-Peak	0-5	≥ 85	71.8%	22,835	67.8%	22,116
ASAP	Peak	0-20	≥ 90	56.2%	962	53.4%	913
	Off-peak	0-20	≥ 90	65.5%	16,337	62.9%	15,858

## > EFFECTIVENESS INDICATORS

### Indicator 8: Customers Satisfied that the Management and use of Government Land is Supporting the State's Economic, Social and Cultural Objectives.

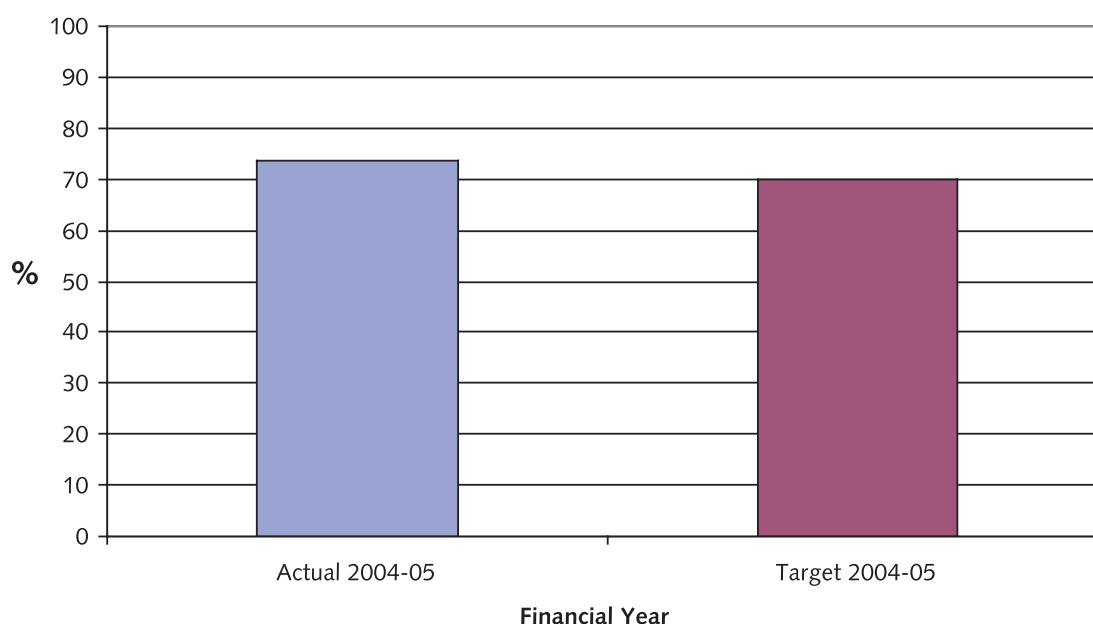
The Government estate is managed and used for the benefit of the community through the delivery of crown land administration services. This service provides Government land for residential, commercial, industrial, conservational, heritage and community purposes.

The primary users of the Department's Government land administration services are other State Government agencies and Local Governments.

A customer survey conducted by independent consultants asked users to rate their satisfaction with DPI's land administration services in supporting the economic, social and cultural needs of the state. A telephone survey was conducted with a randomly selected sample of 137 CEOs and Senior Officers in local government authorities, selected government authorities and private enterprise. The sample was randomly selected from a population size of 168 key stakeholders. Key stakeholders were identified based on their volume of business activities with the branch. The response rate for the survey was 81.55%, with a standard error of  $\pm 4.02\%$ .

On a scale where '0' indicated that the needs were not met at all and '10' indicated that needs were entirely met, just under 75% of respondents rated DPI at 6 or more out of 10.<sup>23</sup>

Proportion of customers satisfied that the management and use of government land is supporting the State's economic, social and cultural objectives.



<sup>23</sup> Although a customer satisfaction survey has been used in the past, the question was re-worded in 2005 and therefore results cannot be compared to previous years.

### Indicator 9: Parks, Recreation and State Forest Reserves.

The Department reduces adverse impacts on the environment by protecting and reserving areas of environmental significance from inappropriate land use and development. Within the Perth Metropolitan Region large areas have been set aside for State Forests, Parks and Recreation. The development of these areas is restricted through reservation under the Metropolitan Region Scheme.

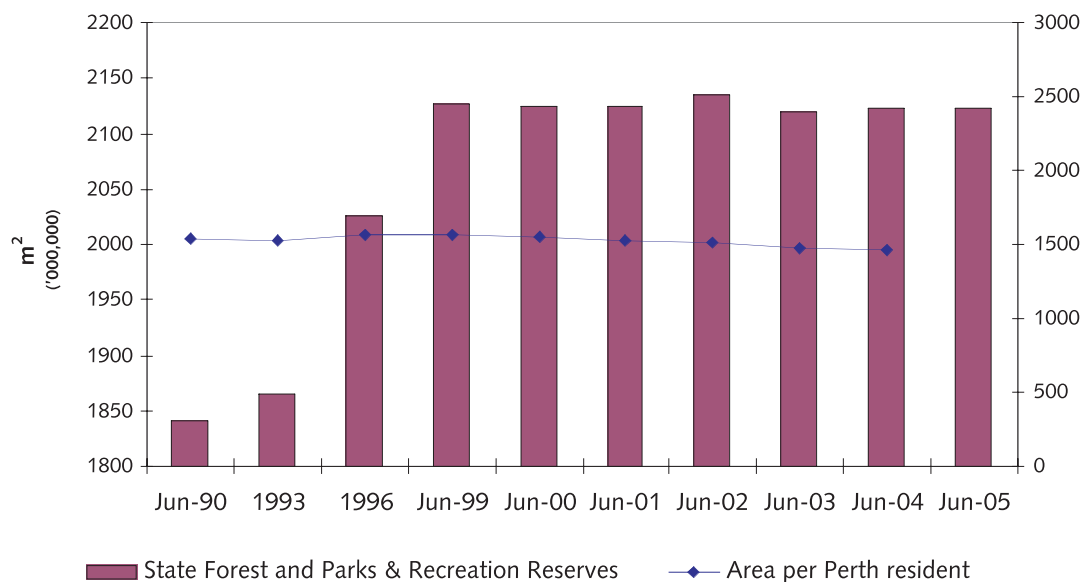
State forests protect biodiversity and provide habitat for WA's unique flora and fauna. Bushland areas have unique value in absorbing carbon from the atmosphere and acting to reduce the greenhouse effect. Forest areas and other reserves are strategically placed as water catchment areas. Water sustains human life and is an important resource for economic activities, including tourism, farming and many other commercial endeavours.

The preservation of parks, recreation and state forest reserves also promotes social development through the provision of open spaces for recreation.

This measure shows the area of State forests, parks and recreation reserves in square metres per head. In 2004/05 there were 1,435 square metres per person – 65 square metres less than the target of 1500 square metres.

The information is contained within the Region Scheme Geographic Information System<sup>24</sup> and from ABS publication 3101.0.<sup>25</sup> Areas within the region schemes are categorised into 34 categories of which parks and recreation and state forests are just a few.

**Area Parks & Recreation & State Forest - Perth - per person**



<sup>24</sup> The GIS is a spatial database consisting of mapping characteristics information and coordinates.

<sup>25</sup> The June 2005 figure for Area per Perth resident was not provided, as the ABS publication was not available at the time of this report.

## > KEY SERVICES

### Land Use and Transport Infrastructure Policy and Planning

Land use and transport infrastructure planning and implementation strategies to guide the state's long-term urban settlement and social and economic development, coordination and development of strategic transport policies and plans.

**Efficiency indicator:** The extent to which operational efficiency of planning service delivery is achieved for land use and transport infrastructure policy and planning.

A major role of the Department for Planning and Infrastructure is the development of an integrated approach to the planning of land use and transport infrastructure.

To ensure an integrated approach to land use, the Department provides services to facilitate the implementation of creative and innovative strategic plans and policies for the Perth metropolitan area. The Department provides resources to the Western Australian Planning Commission (WAPC) to enable:

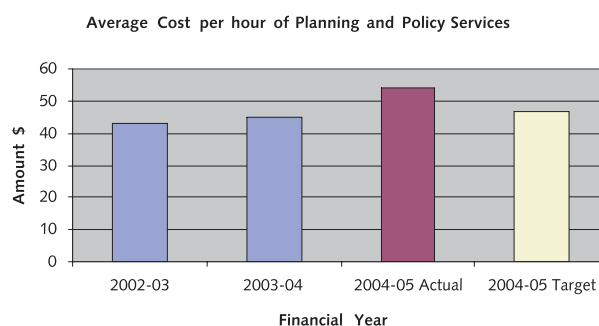
- The acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects;
- The disposal of surplus properties;
- The management of rental properties; and
- Other special planning projects to be undertaken within the Perth metropolitan area.

To ensure an integrated state transport system the Department determines future directions and the development and implementation of policies and strategies.

This section demonstrates the cost of statutory, consultative and coordination services direct to the WAPC in its strategic planning, and the cost of developing and coordinating strategic transport policies and plans.

#### *Measure: Land use and transport infrastructure policy and planning*

The graph and data shown below is the comparative average hourly cost over time for policy and planning services to develop and coordinate strategic policies and plans.



The increase in the 2004-05 actual cost, when compared to the target estimate is mainly due to Public Service General Agreement (PSGA) salary increases.

## > KEY SERVICES

### Land Use and Transport Infrastructure Service Delivery

Service delivery in the areas of transport infrastructure, land development, land and property services and management of the portfolio's land and transport infrastructure assets.

Efficiency indicator: The extent to which operational efficiency of land use and transport infrastructure service delivery is achieved.

Due to the complex nature of measuring this efficiency indicator this section is broken down into five sections and provides measures for:

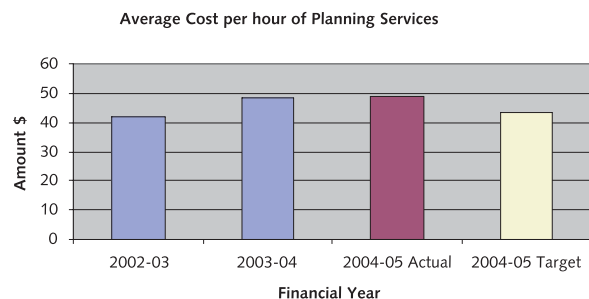
- Planning services;
- Education and regulation;
- Passenger and freight services;
- Maritime infrastructure development and management; and
- Crown land management.

#### Planning Services

This involves the Department maintaining and operating regional offices to provide planning services to the community on behalf of WAPC in Albany, Bunbury, Mandurah, Geraldton, Karratha and Kalgoorlie. These offices are service resources for WAPC to assist in:

- The acquisition and management of properties reserved under Country Region Schemes for important regional roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects;
- The disposal of surplus properties;
- The management of rental properties; and
- Other special planning projects undertaken in country Western Australia.

The graph and data below show the comparative hourly cost over time of statutory and consultative services on behalf of the WAPC that facilitate the implementation of creative and innovative strategic regional and local plans and policies for country Western Australia.



The increase in actual cost, when compared to the target estimate, is mainly due to Public Service General Agreement (PSGA) salary increases. The actual expenditure in 2004-05 is less than the 2003-04 actual expenditure due to additional staff that were employed in 2004-05 with a commensurate reduction in use of consultants and contractors.

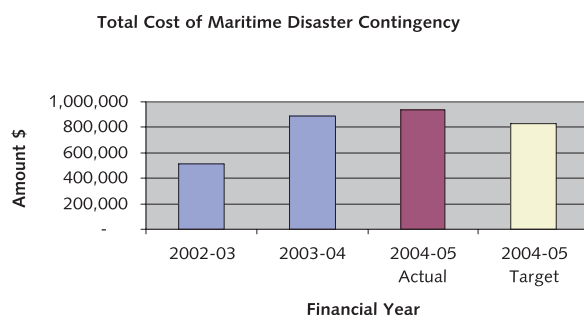
## > KEY SERVICES

### Education and Regulation

The Department aims to maintain, monitor and promote high standards of transport regulation, education and safety. This also includes the promotion of public transport and alternative forms of transport.

#### *Measure: Maritime disaster contingency response*

The Department aims to provide an effective response organisation to combat marine environmental pollution. The graph and data below show the comparative cost over time of providing a contingency response for maritime disasters. A downward trend indicates an improvement in the total cost of preparedness throughout Western Australia.



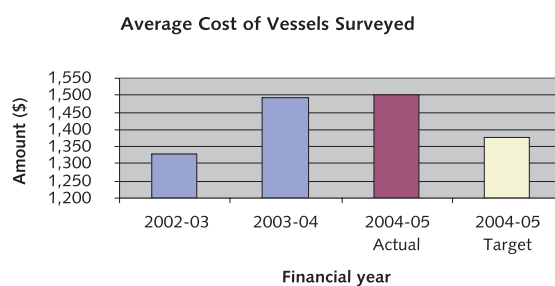
The variance between the actual and target is attributable to an underestimate of the cost of contingency response preparedness associated with difficulties in predicting the number of oil spill occurrences.

#### *Measure: Vessels surveyed*

The following chart demonstrates the cost of administering and providing the certificates of vessel survey.

The Department conducts comprehensive surveys of commercial craft to maintain a high standard of construction and safety.

The graph and data below shows the full accrual cost over time of the Department's commercial vessel survey operations divided by the number of vessels surveyed.

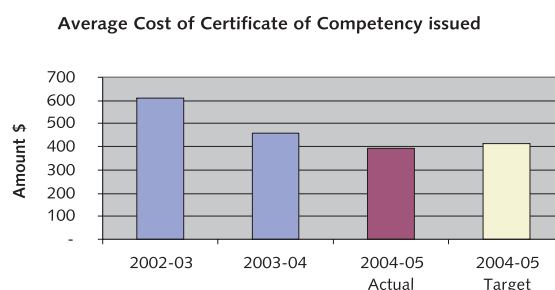


The 2004-05 target was incorrectly formulated in that corporate overheads were excluded from the estimate.

#### *Measure: Certificates of Competency*

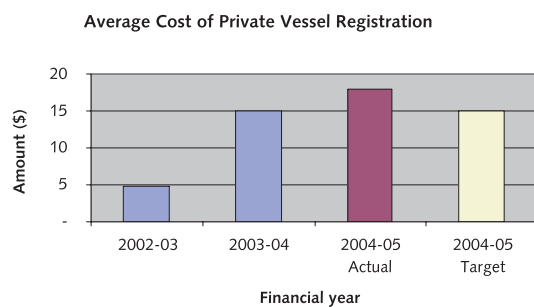
The Department aims to facilitate the safe use of waters by users through setting and monitoring safety standards.

The graph and data below show the cost over time of providing certificates of competency through the Department's Marine Safety program. Data shown is the number of certificates issued divided by the cost of the activity.



**Measure: Private vessel registrations**

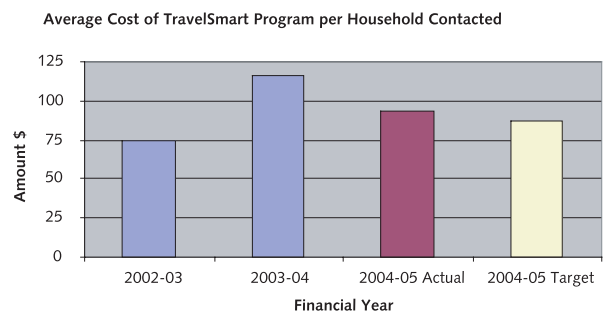
The graph and data below show the cost over time of licensing private vessels in Western Australia. Data shown is the full accrual cost of licensing private vessels divided by the number of vessels.



The increased average unit cost is attributable to the inclusion of capital user charges and depreciation as part of the overhead costs.

**Measure: TravelSmart per household contacted**

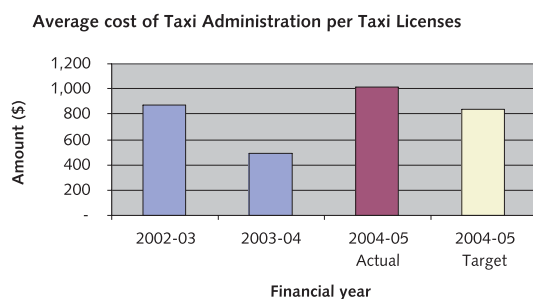
TravelSmart is a successful community-based program that encourages people to use alternative forms of transport to travelling in their private car. It is an initiative to help preserve Western Australia's environment and quality of life. The graph and data below show, over time, the TravelSmart cost per household contacted.



The cost of this program varies from year to year due the nature and scope of the program.

**Measure: Taxi regulatory program**

The Department provides services for the provision of taxi policy, legislation and regulation, investigation and compliance. The chart below demonstrates the average cost of taxi administration calculated by dividing the total cost of these taxi administration services by the number of taxi registrations.

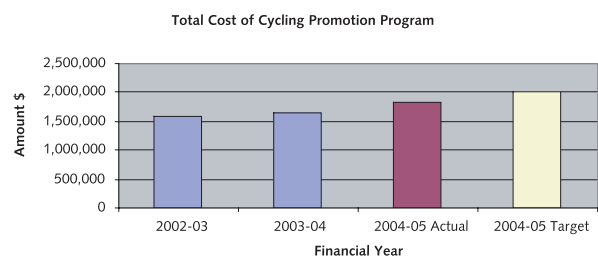


Increased actual unit cost is attributed to increased use of consultants and contractors including security at taxi ramps, and driver training development.

**Measure: Cycling promotion program**

A key activity of the Department is the promotion of cycling as a legitimate mode of transport and a recreational activity. A key component of this promotional program is the "Cycle Instead" campaign, which includes television advertisements, information pamphlets on the benefits of cycling, and public relations events.

The graph and data below show the total cost, over time, of providing cycling promotion program services.





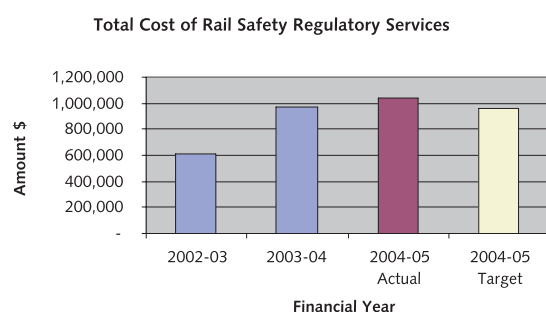
## > KEY SERVICES

### Measure: Rail safety regulatory program

Rail safety regulation is one of the Department's significant roles. To effectively regulate under the Rail Safety Act and the Intergovernmental Agreement on National Rail Safety, the Department is required to undertake a wide range of activities including:

- Accrediting railways;
- Approving changes to safety management systems;
- Undertaking compliance audits, compliance inspections and independent rail accident investigations;
- Monitoring and assessing safety performance, giving directions to improve safety, maintaining accident databases; and
- Contributing to the development of a consistent national approach to safety regulation, producing safety statistics and reports.

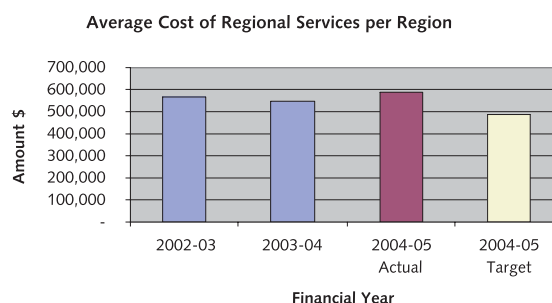
The graph and data below show the total cost, over time, of providing rail safety regulation activities.



### Measure: Regional services

A key component of the Department's activities is to maintain a presence at regional centres and coordinate and provide a range of the Department's services in regional areas. Western Australia is divided into nine regional service areas.

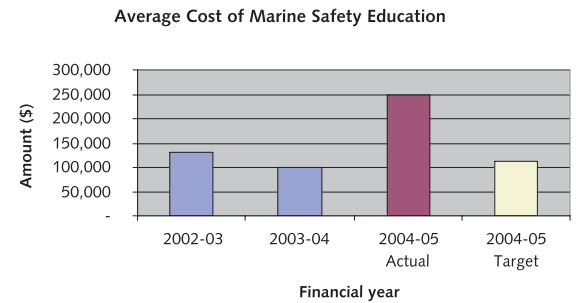
The graph and data below show, over time, the full accrual cost of providing this service divided by the number of regional areas.



The actual unit cost exceeds the target due to increased level of services provided by the Department's Regional Services in collaboration with other agencies.

**Measure: Marine safety education program**

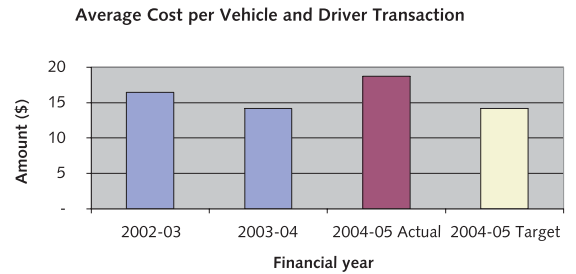
The chart below shows the cost of providing marine safety education programs. The Department aims to promote safer waterways through education programs in collaboration with other agencies. The graph and data below show the full accrual cost, over time, of marine safety education programs divided by the number of programs.



The increased actual expenditure is attributable to additional costs associated with the development of Compulsory Competency Training for recreational boaters, the review of Service Level Agreement with Department of Fisheries, work completed with the Injury Research Centre and Marine Safety Research Program, and increased usage of contractors in the Marine Safety area.

**Measure: Vehicle and driver transactions**

This measure gives an indication of the Department's efficiency in conducting driver and vehicle transactions. It is based on the average cost per vehicle and driver transaction on a yearly basis. The Department delivers a large range of licensing services to promote and encourage safer vehicles and drivers. The graph and data shown below is the cost, over time, of licensing services divided by the number of registrations, licences and permits issued, and Graduated Driver Training and Licensing tests conducted. It excludes vehicle inspections.



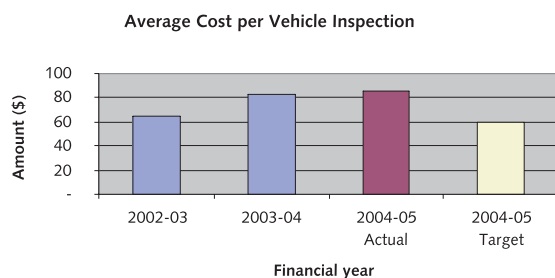
Additional actual costs relating to the implementation of TRELIS are included in this service, which were not included in the target figure. In addition, costs relating to agent fees and commissions exceeded the target due to transaction volume and commission rate increases.

## > KEY SERVICES

### Measure: Vehicle inspections

The chart below demonstrates the cost of managing and providing vehicle inspection services. A key element of the Department's services is to implement and apply vehicle safety standards through the detection of unroadworthy vehicles.

The graph and data below show the full accrual cost, over time, of vehicle inspection services divided by the number of vehicle examinations performed. With the introduction of the Written-off Vehicle Register, and in conjunction with the National Exchange of Vehicle and Driver Information System (NEVDIS), the emphasis has shifted to a national strategy to ensure accurate vehicle identity before offering registration for vehicles.



The increased average unit cost compared to the target is attributed to the additional cost associated with increased usage of contractors and agents, and the increased volume of vehicles inspected.

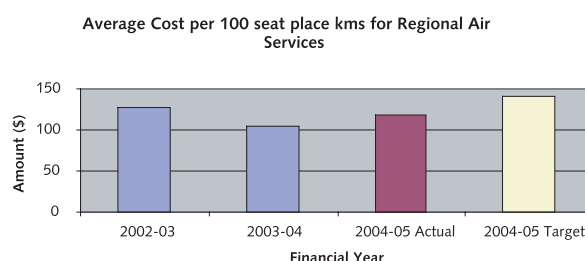
### Passenger and freight services

This function involves ensuring, facilitating and coordinating the provision of services for the conveyance of people and goods. As part of this role the Department provides service delivery assistance to regional areas and provides grants and subsidies for initiatives that will contribute to achieving this.

### Measure: 100 seat place kilometres for regional air services

The Department provides regional subsidised air services to ensure that remote regional centres are serviced by air. This indicator measures the cost of provision of these services to the state. The chart below demonstrates the average cost of providing subsidised regional air services.

The graph and data shown below show, over time, the average cost per 100 seat kilometers travelled by subsidised air services.

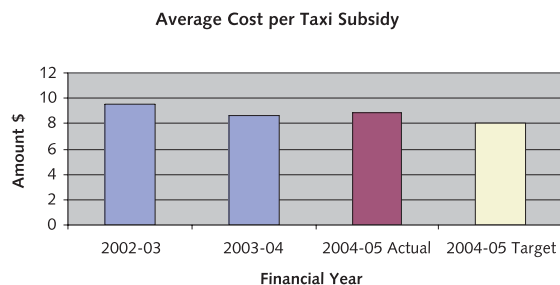


The target estimate in 2004-05 was based on expected tender contact costs. However, the negotiated contract for services yielded a more favourable cost outcome than anticipated.

### Measure: Taxi User Subsidy Scheme

The Department operates a subsidy scheme to provide cheaper taxi fares for people with permanent disabilities that prevent them from using conventional public transport. In 2004-05 this subsidy totalled \$6,182,479.

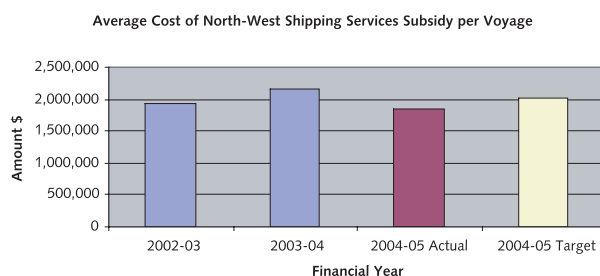
The graph and data below show, over time, the total Taxi User Subsidy Scheme (TUSS) expenditure divided by the number of subsidised taxi trips.



### Measure: North-West shipping services subsidy

To assist Western Australia's growth and economy, the Department plays an important role in setting future maritime transport directions and implementing policies and strategies for an integrated state transport system.

This measure gives an indication of the economies of servicing North-West communities through the movement of goods by sea. The chart below shows the cost to government of providing a North-West subsidised shipping service per voyage, over time.



## Maritime Infrastructure development and management

Infrastructure development and management involves ensuring and facilitating the development and management of infrastructure to support the provision and use of transport services.

A key linkage exists between transport infrastructure and the growth of Western Australia's economy and ongoing economic development.

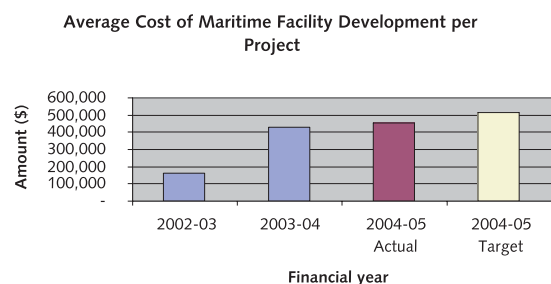
### Measure: Maritime Infrastructure development projects

The Department plays an important role in developing and managing maritime infrastructure.

This measure relates to the development of new maritime infrastructure projects. This work includes the scoping of projects, planning and feasibility studies, stakeholder consultation and project design and development.

The graph and data shown below is the comparative average cost, over time, of developing maritime facilities calculated by dividing the costs of Maritime infrastructure development by the number of facilities undergoing development.

Actual expenditure is below target due to delays in the commencement of some projects.

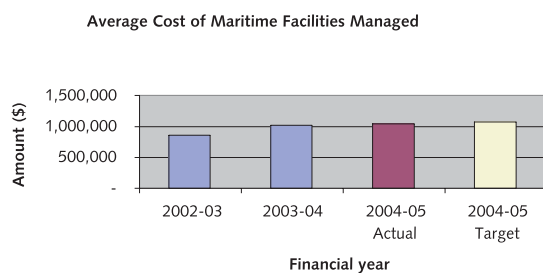


## > KEY SERVICES

### Measure: Maritime Infrastructure management

The following chart indicates the cost of managing small boat harbours and facilities.

The graph and data shown below is the total cost over time of services for infrastructure management divided by the number of facilities that were managed in 2004-05, which gives a comparative average cost of managing existing maritime facilities. The Department's boat harbours and facilities are managed on cost recovery principles.

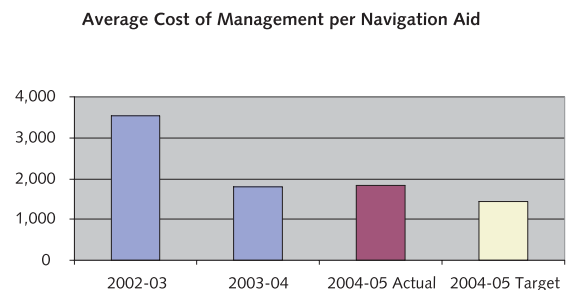


This measure shows total expenditure, not net costs, as it does not include revenue. The majority of facilities included under this service generate revenue.

### Measure: Maritime infrastructure management per navigation aid managed

The Department supports the provision and use of maritime transport services through the management of navigation aids.

The graph and data shown below is the comparative cost, over time, of managing navigation aids, and is calculated by dividing the total cost by the number of navigation aids.



When read in conjunction with statistics concerning the reliability and performance of navigation aids, this measure gives an overall picture of the Department's performance.

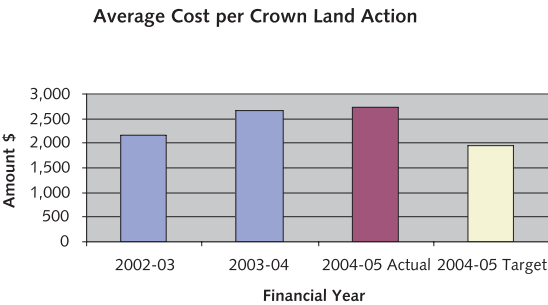
The variance between the target estimate and actual expenditure is attributed to increased project management related costs.

Crown land management

The Department also has the responsibility for ensuring that enough land is made available to meet community needs, while incorporating necessary environmental safeguards. Crown land actions represent one of the principal outputs of the Department's land services to the State. They include the actions related to Crown land administration such as land inspections, tenure searches and lease rental adjustments.

They also include survey contracts and transactions such as creation and cancellation of leases, reserves and roads, the transfer of Crown land into the freehold environment and other transactions required under the Land Administration Act 1997.

The graph and data below show the average cost, over time, of managing Crown land actions.



The variance between the actual average cost per crown land action and the target estimate is due to the actual number of Crown land actions processed for the year falling 1206 less than the target estimate of 8150.





## > FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

## > CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2005

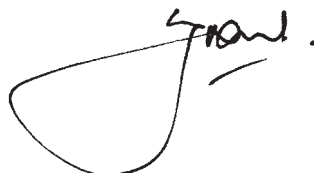
The accompanying financial statements of the Department for Planning and Infrastructure have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2005 and the financial position as at 30 June 2005.

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.



**William Ielati**  
Principal Accounting Officer

12 August 2005



**Paul Frewer**  
Accountable Officer

12 August 2005

## > OPINION OF THE AUDITOR GENERAL



### AUDITOR GENERAL

#### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### DEPARTMENT FOR PLANNING AND INFRASTRUCTURE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

##### **Audit Opinion**

In my opinion,

- (i) the controls exercised by the Department for Planning and Infrastructure 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 30 June 2005 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, Schedule of Expenses and Revenues by Service, 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.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON  
AUDITOR GENERAL  
30 September 2005

## > STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2005

	Note	2005 \$ 000	2004 \$ 000
<b>COST OF SERVICES</b>			
<b>Expenses from ordinary activities</b>			
Employee expenses	4	92 164	79 927
Supplies and services	5	67 730	73 090
Depreciation and amortisation expense	6	10 503	7 578
Borrowing costs expense	7	927	488
Accommodation expenses	8	6 471	5 739
Grants and subsidies	9	36 982	40 609
Capital user charge	10	22 191	24 108
Carrying amount of non-current assets disposed of		61	31
Other expenses from ordinary activities	11	9 265	3 492
Total cost of services		246 294	235 062
<b>Revenues from ordinary activities</b>			
<i>Revenues from operating activities</i>			
User charges and fees	12	56 512	51 284
Sales		718	1 837
Grants and subsidies	13	2 827	1 791
Other operating revenues	14	32 488	27 521
<i>Revenue from non-operating activities</i>			
Proceeds from disposal of non-current assets		72	52
Other revenues from ordinary activities		472	470
Total revenues from ordinary activities		93 089	82 955
<b>NET COST OF SERVICES</b>		153 205	152 107
<b>REVENUES FROM STATE GOVERNMENT</b>			
Service appropriations	16	149 285	130 773
Liabilities assumed by the Treasurer		319	933
Assets assumed/(transferred)		57	-
Resources received free of charge		4 363	4 343
Total revenues from State Government		154 024	136 049
<b>CHANGE IN NET ASSETS</b>		819	( 16 058)
Net increase in asset revaluation reserve		12 308	( 2 362)
<b>Total valuation adjustments recognised directly in equity</b>		12 308	( 2 362)
<b>Total changes in equity other than those resulting from transactions with WA State Government as owners</b>		13 127	( 18 420)

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

## > STATEMENT OF FINANCIAL POSITION

As at 30 June 2005

	Note	2005 \$ 000	2004 \$ 000
<b>Current assets</b>			
Cash assets	17	20 060	14 366
Restricted cash assets	18	8 092	6 897
Inventories	19	445	171
Receivables	20	5 570	5 415
Amounts receivable for services	21	119	127
Other assets	22	783	319
<b>Total current assets</b>		<u>35 069</u>	<u>27 295</u>
<b>Non-current assets</b>			
Amounts receivable for services	21	60 772	48 820
Property, plant, equipment, vehicles and vessels	23	110 780	101 480
Infrastructure	24	112 601	115 322
Intangible assets	25	27 757	276
Construction in progress	26	11 460	37 797
<b>Total non-current assets</b>		<u>323 370</u>	<u>303 695</u>
<b>TOTAL ASSETS</b>		<u>358 439</u>	<u>330 990</u>
<b>Current liabilities</b>			
Payables	27	2 200	4 831
Interest bearing liabilities	28	2 616	2 581
Provisions	29	13 456	11 894
Other liabilities	30	2 325	5 684
<b>Total current liabilities</b>		<u>20 597</u>	<u>24 990</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	28	13 358	9 752
Provisions	29	8 464	7 533
<b>Total non-current liabilities</b>		<u>21 822</u>	<u>17 285</u>
<b>Total liabilities</b>		<u>42 419</u>	<u>42 275</u>
<b>Equity</b>	32		
Contributed equity		103 770	89 592
Reserves		27 428	15 120
Accumulated surplus		184 822	184 003
<b>Total equity</b>		<u>316 020</u>	<u>288 715</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>358 439</u>	<u>330 990</u>

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

## > STATEMENT OF CASH FLOWS

For the year ended 30 June 2005

	Note	2005 \$ 000	2004 \$ 000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service Appropriations		137 214	121 848
Capital contributions		15 951	1 796
Holding account drawdown		127	155
Cash assets transferred (to)/from other sources	33(b)	( 638)	( 3 961)
<b>Net cash provided by State Government</b>		<b>152 654</b>	<b>119 838</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee costs		( 84 201)	( 68 915)
Superannuation		( 7 435)	( 6 643)
Supplies and services		( 63 543)	( 66 534)
Borrowing costs		( 887)	( 549)
Accommodation expenses		( 6 790)	( 6 162)
Grants and subsidies		( 37 459)	( 41 695)
Capital user charge		( 22 191)	( 24 108)
GST payments on purchases		( 12 135)	( 11 879)
GST payments to taxation authority		( 3 456)	-
Other payments		( 7 240)	( 2 223)
<b>Receipts</b>			
Sales		765	1 697
User charges and fees		54 829	51 421
Grants and subsidies		2 445	3 092
Interest received		457	486
GST receipts on sales		10 982	6 129
GST receipts from taxation authority		5 773	9 663
Other receipts		29 522	28 545
<b>Net cash used in operating activities</b>	33(c)	<b>( 140 564)</b>	<b>( 127 675)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of non-current physical assets		72	49
Purchase of non-current physical assets		( 8 915)	( 11 374)
<b>Net cash used in investing activities</b>		<b>( 8 843)</b>	<b>( 11 325)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		6 318	-
Repayment of borrowings		( 2 676)	( 2 524)
<b>Net cash provided by financing activities</b>		<b>3 642</b>	<b>( 2 524)</b>
<b>Net increase in cash held</b>		<b>6 889</b>	<b>( 21 686)</b>
Cash assets at the beginning of the financial year		21 263	42 949
<b>CASH ASSETS AT THE END OF THE FINANCIAL YEAR</b>	33(a)	<b>28 152</b>	<b>21 263</b>

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

## > SCHEDULE OF EXPENSES AND REVENUES BY SERVICE

For the year ended 30 June 2005

	Land use and transport infrastructure policy and planning		Land use and transport infrastructure service delivery		Total	
	2005	2004	2005	2004	2005	2004
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
<b>COST OF SERVICES</b>						
<b>Expenses from ordinary activities</b>						
Employee expenses	16 894	16 014	75 270	63 913	92 164	79 927
Supplies and services	5 917	5 377	61 813	67 713	67 730	73 090
Depreciation and amortisation expense	246	309	10 257	7 269	10 503	7 578
Borrowing costs expense	75	-	852	488	927	488
Accommodation expenses	705	712	5 766	5 027	6 471	5 739
Grants and subsidies	1 179	489	35 803	40 120	36 982	40 609
Capital user charge	108	156	22 083	23 952	22 191	24 108
Carrying amount of non-current assets disposed of	6	9	55	22	61	31
Other expenses from ordinary activities	7 448	561	1 817	2 931	9 265	3 492
Total cost of services	32 578	23 627	213 716	211 435	246 294	235 062
<b>Revenues from ordinary activities</b>						
<i>Revenues from operating activities</i>						
User charges and fees	-	-	56 512	51 284	56 512	51 284
Sales	-	-	718	1 837	718	1 837
Grants and subsidies	323	612	2 504	1 179	2 827	1 791
Other operating revenues	2 953	2 433	29 592	25 088	32 488	27 521
<i>Revenue from non-operating activities</i>						
Proceeds from disposal of non-current assets	-	3	72	49	72	52
Other revenues from ordinary activities	-	-	472	470	472	470
Total revenues from ordinary activities	3 276	3 048	89 813	79 907	93 089	82 955
<b>NET COST OF SERVICES</b>	29 302	20 579	123 903	131 528	153 205	152 107
<b>REVENUES FROM STATE GOVERNMENT</b>						
Service appropriations	27 701	20 154	121 584	110 619	149 285	130 773
Liabilities assumed by the Treasurer	59	-	260	933	319	933
Assets assumed/(transferred)	-	-	57	-	57	-
Resources received free of charge	115	197	4 248	4 146	4 363	4 343
Total revenues from State Government	27 875	20 351	126 149	115 698	154 024	136 049
<b>CHANGE IN NET ASSETS</b>	( 1 427)	( 228)	2 246	( 15 830)	819	( 16 058)

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



## > SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS AND REVENUE ESTIMATES

For the year ended 30 June 2005

	2005 Estimate \$ 000	2005 Actual \$ 000	Variance \$ 000	2005 Actual \$ 000	2004 Actual \$ 000	Variance \$ 000
<b>DELIVERY OF SERVICES</b>						
Item 78 Net amount appropriated to deliver services	137 603	149 304	11 701	149 304	415 299	( 265 995)
Section 25 transfer of appropriations:						
Department of Fisheries	-	-	-	-	( 1 996)	1 996
Department of Justice	-	-	-	-	184	( 184)
Department of Land Information	-	-	-	-	11 368	( 11 368)
Public Transport Authority	-	-	-	-	( 294 293)	294 293
Department of Treasury and Finance	-	( 240)	( 240)	( 240)	-	( 240)
Amount authorised by other statutes:						
Salaries and Allowances Act 1975	211	221	10	221	211	10
<b>Total appropriations provided to deliver services</b>	<b>137 814</b>	<b>149 285</b>	<b>11 471</b>	<b>149 285</b>	<b>130 773</b>	<b>18 512</b>
<b>CAPITAL</b>						
Item 144 Capital contribution	8 444	15 951	7 507	15 951	22 147	( 6 196)
Section 25 transfer of appropriations:						
Department of Transport (Licensing Division)	-	-	-	-	108	( 108)
Public Transport Authority	-	-	-	-	( 20 459)	20 459
<b>Total capital contribution</b>	<b>8 444</b>	<b>15 951</b>	<b>7 507</b>	<b>15 951</b>	<b>1 796</b>	<b>14 155</b>
<b>ADMINISTERED</b>						
Amount provided for administered grants, subsidies and other transfer payments						
Item 79 Western Australian Coastal Shipping Commission	6 006	4 054	( 1 952)	4 054	5 800	( 1 746)
<b>Total administered appropriations</b>	<b>6 006</b>	<b>4 054</b>	<b>( 1 952)</b>	<b>4 054</b>	<b>5 800</b>	<b>( 1 746)</b>
<b>GRAND TOTAL OF APPROPRIATIONS</b>	<b>152 264</b>	<b>169 290</b>	<b>17 026</b>	<b>169 290</b>	<b>138 369</b>	<b>30 921</b>

	2005 Estimate \$ 000	2005 Actual \$ 000	Variance \$ 000	2005 Actual \$ 000	2004 Actual \$ 000	Variance \$ 000
<b>Details of expenses by services</b>						
Land use and transport infrastructure policy and planning	23 373	32 580	9 207	32 578	23 627	8 951
Land use and transport infrastructure service delivery	194 098	213 714	19 616	213 716	211 435	2 281
Total cost of services	217 471	246 294	28 823	246 294	235 062	11 232
Less Operating revenues	77 890	93 089	15 199	93 089	82 955	10 134
Net cost of services	139 581	153 205	13 624	153 205	152 107	1 098
Adjustments (i)	( 1 767)	( 3 920)	( 2 153)	( 3 920)	( 21 334)	17 414
<b>Total appropriations provided to deliver services</b>	<b>137 814</b>	<b>149 285</b>	<b>11 471</b>	<b>149 285</b>	<b>130 773</b>	<b>18 512</b>
<b>Capital expenditure</b>						
Purchase of non-current physical assets	21 299	8 914	( 12 385)	8 914	11 374	( 2 460)
Repayment of borrowings	1 973	2 676	703	2 676	2 524	152
Adjustments for other funding sources	( 14 828)	4 361	19 189	4 361	( 12 102)	16 463
<b>Capital contribution (appropriation)</b>	<b>8 444</b>	<b>15 951</b>	<b>7 507</b>	<b>15 951</b>	<b>1 796</b>	<b>14 155</b>
<b>DETAILS OF REVENUE ESTIMATES</b>						
Revenues disclosed as administered revenues	809 463	989 286	179 823	989 286	938 564	50 722

- (i) Adjustments are related to movements in cash balances and other accrual items such as receivables, payables and superannuation.

The Summary of Consolidated Fund Appropriations, variance to budget and actual should be read in conjunction with the accompanying notes. This Summary provides the basis for the Explanatory Statement information requirements of Treasurer's Instruction 945 set out in note 42.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 1 Departmental mission and funding

The Department's mission is to lead in creative and sustainable solutions for land, transport and infrastructure planning and delivery, for the benefit of the community.

The Department is predominantly funded by Parliamentary appropriations but is also able to retain some monies collected through its operations. The financial statements encompass all funds through which the Department controls resources to carry on its functions.

In the process of reporting on the Department as a single entity, all intra-entity transactions and balances have been eliminated.

### 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 applied in the previous year.

#### General statement

The financial statements constitute a general purpose financial report, which has been prepared in accordance with 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 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 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 *Financial Reporting by Government Departments*.

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, with the exception of land and buildings which, as noted, are measured at fair value.

Administered assets, liabilities, expenses and revenues are not integral to the Department in carrying out its functions and are disclosed in the notes to the financial statements, forming part of the general purpose financial report of the Department. The administered items are disclosed on the same basis as is described above for the financial statements of the Department. The administered assets, liabilities, expenses and revenues are those which the Government requires the Department to administer on its behalf. The assets do not render any service potential or future economic benefits to the Department, the liabilities do not require the future sacrifice of service potential or future economic benefits of the Department, and the expenses and revenues are not attributable to the Department.

As the administered assets, liabilities, expenses and revenues are not recognised in the principal financial statements of the Department, the disclosure requirements of Accounting Standard AAS 33 *Presentation and Disclosure of Financial Instruments*, are not applied to administered transactions.

## 2 Significant accounting policies (continued)

### (a) Service appropriations

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

### (b) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, except where they are included in the costs of assets under construction (qualifying assets) (Note 31).

### (c) Leases

The Department has entered into a number of operating lease arrangements for accommodation, plant, office equipment and motor vehicles where the lessor effectively retains all 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.

### (d) Revenue recognition

Revenues are received in the form of various registration, examination and licence fees (including Stamp duty and Third party motor vehicle insurance). These revenues are received for services provided including undertaking inspections and/or issuing licences associated with the fees. As no part of these charges is refundable, revenues are recognised at the time they are received.

Revenue from the lease of land and rental of buildings is recognised as per the terms of the lease agreement.

The revenue from other operating activities including rendering of services and the sale of assets are recognised when the Department has passed control of the goods or other assets or delivery of the service to the customer. Recoups of operating activities are recognised when invoiced.

Interest revenues are recognised as they are accrued.

### (e) 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 monies received by the Department:

Boat registration fees, GST input credits, GST receipts on sales, Indian Ocean Territories Program, jetty licences, marine examinations, duplicate motor drivers licence fees, motor vehicle transfer fees, motor vehicle plate fees, proof of age card, recoup for services provided, temporary permits, services provided to the Western Australian Planning Commission, proceeds from rental properties, pastoral leases and other revenue.

In accordance with the determination, the Department retained \$93.1m in 2005 (2004: \$82.9m).

Retained revenues may only be applied to the services specified in the 2004/05 Budget Statements.

### (f) Grants and other contributions revenue

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 reliably determined and the services would be purchased if they had not been donated.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 2 Significant accounting policies (continued)

#### (g) Special and other leases revenue (Administered)

Under Sections 116 and 117 of the Land Act 1933 and Section 79 of the Land Administration Act 1997, rents in regard to special and other leases, are received in advance. The lessee often has the opportunity to purchase this land at fair value, as valued by the Valuer General. The prospective purchaser can purchase by instalments subject to Ministerial approval, but must continue to pay rent under the special lease Section 117AA of the Land Act 1933, and Section 80 of the Land Administration Act 1997.

These lease revenues are recognised in the Schedule of Administered items (Note 45) in accordance with AAS 29 Financial Reporting for Government Departments.

#### (h) Depreciation and amortisation of non-current assets

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

Depreciation and amortisation is calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable assets are:

Buildings	40 years
Computer hardware	4 to 7 years
Furniture and fittings	11 years
Intangibles - software	5 to 10 years
Maritime infrastructure	5 to 100 years
Plant and equipment	5 to 20 years
Public transport infrastructure	20 to 40 years
Refurbishments	3 to 20 years
Vehicles	6 years
Vessels	10 years

Assets under construction are not depreciated until commissioned.

#### (i) 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.

#### (j) Cash

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

#### (k) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned on a first in first out basis. Provision is made for obsolete stocks where considered necessary.

#### (l) 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.

## 2 Significant accounting policies (continued)

### (m) Acquisitions of assets

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. Cost includes borrowing costs incurred during construction of qualifying assets.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Assets costing less than \$1,000 are expensed in the year of acquisition.

### (n) Land

#### **Controlled**

Land, pastoral leases and Crown land under leases controlled by the Department are reported at fair value. The valuation of the Department's land undertaken by the Department of Land Information is recognised in the financial statements.

#### **Administered**

Crown land, including land under leases, is administered by the Department under the Land Administration Act and is reported at fair value (Department of Land Information's valuation).

Cost of sales for land is reported as administered, on the following basis:

Developed land – at its fair value of undeveloped land plus the development cost for subdividing into lots available for sale; and

Undeveloped land – this includes Crown grants and closed roads which are costed at sale proceeds which reflect fair value.

### (o) Buildings

All buildings controlled by the Department are reported at fair value. The valuation of the Department's buildings undertaken by the Department of Land Information are recognised in the financial statements.

### (p) Intangible assets

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefits, which vary from five to ten years.

### (q) 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.

### (r) Amounts due to the Treasurer

The amount due to the Treasurer is in respect of a Treasurer's Advance, approval of which is renewed for each financial year. The amount is therefore repayable within a maximum period of one year. No interest is charged on this advance.

### (s) Interest-bearing liabilities

Loans are recorded at an amount equal to the net proceeds received. Borrowing costs expense is recognised on an accrual basis.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 2 Significant accounting policies (continued)

#### (t) 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 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 to 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. The Department contributes to this accumulation fund in compliance 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:

- (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 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 (Notes 4 and 29).



## 2 Significant accounting policies (continued)

### (u) Accrued salaries

The accrued salaries suspense account (Note 18) consists of amounts paid into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 paydays occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (Note 30) represent the amount due to staff, but unpaid, at the end of the financial year, as the end of the last pay day 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.

### (v) 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.

### (w) Foreign currency translation

Transactions denominated in a foreign currency are translated at the rates in existence at the dates of the transactions. Foreign currency receivables and payables at reporting date are translated at exchange rates current at reporting date. Exchange gains and losses are brought to account in determining the result for the year.

### (x) Joint venture operations - Administered

The Department administers a joint venture operation on behalf of the Minister. Interests in joint ventures have been reported in the Schedule of Administered Items (Notes 45 and 46), including the Minister's share of revenue earned, expenses incurred, assets employed and liabilities incurred.

### (y) Comparative figures

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

### (z) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 3 Services of the Department

Information about the Department's services is set out in the Schedule of Expenses and Revenues by Service. Information about the Department's administered expenses, revenues, assets and liabilities is set out in Notes 45 and 46.

The two key services of the Department are:

Service 1: Land use and transport infrastructure policy and planning

Land use and transport infrastructure planning and implementation strategies to guide the State's long term urban settlement and social and economic development, coordination and development of strategic transport policies and plans.

Service 2: Land use and transport infrastructure service delivery

Service delivery in the areas of transport infrastructure, land development, land and property services and management of the portfolio's land and transport infrastructure assets.

### 4 Employee expenses

	2005 \$ 000	2004 \$ 000
Wages and salaries	71 209	61 999
Superannuation	7 857	7 507
Long service leave	3 844	2 170
Annual leave	7 182	5 420
Other related expenses (i)	2 072	2 831
	<u>92 164</u>	<u>79 927</u>

(i) These employee expenses include on-costs associated with the recognition of annual and long service leave liabilities. The related on-costs liabilities are included in employee benefit liabilities at Note 29.

### 5 Supplies and services

Communications	6 317	6 162
Consultants and contractors	18 586	25 525
Consumables	19 978	17 568
Commissions	9 375	9 406
Repairs and maintenance	6 849	8 308
Travel	1 569	1 168
Other	5 056	4 953
	<u>67 730</u>	<u>73 090</u>

	2005 \$ 000	2004 \$ 000
<b>6 Depreciation and amortisation expense</b>		
Depreciation		
Buildings	531	373
Refurbishments	907	938
Plant and equipment	339	328
Computer hardware	1 034	1 186
Furniture and fittings	14	15
Vehicles and vessels	87	71
Infrastructure	4 360	4 426
Total depreciation	7 272	7 337
Amortisation		
Intangible assets	3 231	241
Total amortisation	3 231	241
Total depreciation and amortisation expense	10 503	7 578
<b>7 Borrowing costs expense</b>		
Interest expense	927	488
<b>8 Accommodation expenses</b>		
Lease rentals	5 701	5 255
Cleaning	770	484
	6 471	5 739
<b>9 Grants and subsidies</b>		
Bicycle infrastructure development	6 929	949
Central area transit (CAT) bus services	6 959	6 731
LPG subsidy scheme	1 121	716
Pensioner subsidies	1 280	1 422
Port management	1 602	1 455
Public air transport	801	1 157
Public rail transport	2 999	12 694
Regional airport development	1 178	2 005
Shipping	3 367	3 784
Student subsidies	1 099	1 108
Taxi user subsidies	6 182	6 245
Other	3 466	2 343
	36 982	40 609

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

	2005 \$ 000	2004 \$ 000
<b>10 Capital user charge</b>		
Capital user charge expense	22 191	24 108
<p>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 services. 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.</p>		
<b>11 Other expenses from ordinary activities</b>		
Hydrogen fuel cell buses	7 105	-
Other	2 160	3 492
	9 265	3 492
<b>12 User charges and fees</b>		
Aircraft licence fees	-	242
Boat registration fees	6 531	6 161
Port charges	1 256	750
Small boat harbour fees	5 030	4 845
Vessel survey fees	1 317	1 442
Other maritime fees	815	806
Motor drivers licence application fees	6 189	5 566
Motor vehicle transfer, plate and inspection fees	22 982	20 953
Perth parking licence fees	8 807	8 142
Rail safety registration fees	912	793
Taxi licence fees	1 014	409
Other fees	1 659	1 175
	56 512	51 284
<b>13 Grants and subsidies</b>		
Commonwealth grants	872	354
Other	1 956	1 437
	2 827	1 791
<b>14 Other operating revenues</b>		
Commissions	7 893	7 449
Rents and leases	7 736	6 438
Recoups of operating expenses	15 337	12 593
Other	1 521	1 041
	32 488	27 521

	2005 \$ 000	2004 \$ 000
<b>15 Net gain/(loss) on disposal of non-current assets</b>		
Gain on disposal of non-current assets		
Plant, equipment, vehicles and vessels	11	21
<b>16 Revenues from State Government</b>		
<b>Appropriation revenue received during the year</b>		
Service appropriations	149 285	130 773
Service appropriations are accrual amounts reflecting the full cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liabilities during the year.		
<b>Liabilities assumed by the Treasurer during the year</b>		
Superannuation	319	933
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 a transfer benefit entitlement under the Gold State scheme.		
<b>Assets assumed/(transferred)</b>		
The following assets have been assumed from/(transferred to) other state government agencies during the financial year		
Property, plant, equipment, vessels and vehicles assumed	73	-
Property, plant, equipment, vessels and vehicles (transferred)	( 16)	-
Total assets assumed/(transferred)	57	-

From 1 July 2002 non-reciprocal transfers of net assets (i.e. restructuring of administrative arrangements) have been classified as Contributions by Owners under TI 955 and are taken directly to equity. Discretionary transfers of assets between State Government agencies are reported as Assets assumed/(transferred) under Revenues from State Government.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 16 Revenues from State Government (continued)

Resources received free of charge

Determined on the basis of the following estimates provided by agencies:

	2005 \$ 000	2004 \$ 000
State Solicitor's Office	882	538
Department of Housing and Works	39	47
Department of Land Information	2 596	2 834
Department of Industry and Resources	29	39
Department of Justice	186	448
Department of Treasury and Finance	238	-
Commissioner of Main Roads	39	-
Western Australian Police Service	354	437
	<u>4 363</u>	<u>4 343</u>

Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues (except where the contributions of assets and 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.

### 17 Cash assets

Cash assets	<u>20 060</u>	<u>14 366</u>
-------------	---------------	---------------

Includes cash received as capital contributions remaining at year end of \$10,230,070 (2004: \$2,774,000)

### 18 Restricted cash assets

Current

Accrued salaries suspense account (i)	-	585
Off-Road Vehicles Account (ii)	154	137
Perth Parking Licensing Account (iii)	6 613	5 033
Rail Safety Accreditation Account (iv)	1 099	1 043
Taxi Industry Development Account (v)	226	99
	<u>8 092</u>	<u>6 897</u>

Funds held as restricted cash can only be used to :

- (i) meet the 27th pay in a financial year that occurs every 11 years.
- (ii) meet the costs of administering the Control of Vehicles (Off Road Areas) Act 1978 and for matters approved by the Minister and the Treasurer.
- (iii) meet the costs of administering the Perth Parking Management Act 1999 or for a purpose connected with the Perth Parking Policy.
- (iv) meet the costs of administering the Rail Safety Act 1998.

	2005 \$ 000	2004 \$ 000
<b>18 Restricted cash assets (continued)</b>		
(v) pay remuneration and allowances to board members, pay for taxi plates surrendered to the Minister, pay grants for research, promotion and development projects that benefit the taxi industry and meet the costs of administering the Taxi Act 1994.		
<b>19 Inventories</b>		
Current - at cost		
Charts and publications	59	66
Motor vehicle plates	386	105
	<u>445</u>	<u>171</u>
<b>20 Receivables</b>		
Current		
Trade debtors	5 376	3 166
Goods and services tax receivable	194	2 249
	<u>5 570</u>	<u>5 415</u>
<b>21 Amounts receivable for services</b>		
Current		
Amounts receivables for services	<u>119</u>	<u>127</u>
Non-current		
Amounts receivables for services	<u>60 772</u>	<u>48 820</u>
This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liabilities.		
<b>22 Other assets</b>		
Current		
Prepayments	39	259
Interest receivable	40	25
Other debtors	704	35
	<u>783</u>	<u>319</u>



## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 23 Property, plant, equipment, vehicles and vessels

	Cost/Fair value \$ 000	2005 Accum. depr. \$ 000	Carrying amount \$ 000	Cost/Fair value \$ 000	2004 Accum. depr. \$ 000	Carrying amount \$ 000
At fair value:						
Land	54 982	-	54 982	47 304	-	47 304
Pastoral leases	19 424	-	19 424	19 665	-	19 665
Crown land leases	17 153	-	17 153	16 413	-	16 413
Buildings	21 267	8 370	12 897	-	-	-
	112 826	8 370	104 456	83 382	-	83 382
At cost:						
Buildings	-	-	-	14 905	4 483	10 422
Refurbishments	8 256	5 498	2 758	8 424	4 755	3 669
Plant and equipment	5 361	4 338	1 023	5 456	4 401	1 055
Computer hardware	12 525	10 468	2 057	14 037	11 506	2 531
Furniture and fittings	250	183	67	266	187	79
Vehicles	286	196	90	280	217	63
Vessels	640	311	329	597	318	279
	27 318	20 994	6 324	43 965	25 867	18 098
Total	140 144	29 364	110 780	127 347	25 867	101 480

Land and leases are measured at fair value based on independent valuations provided by the Department of Land Information at 1 July 2003. Fair value has been determined on the basis of current market value where an active market exists or current use value where no market exists and/or the current land use is specialised in nature. Revaluations are made with sufficient regularity to ensure the carrying value of land does not differ materially from its fair value at reporting date.

"Accum. depr." denotes Accumulated depreciation.

## 23 Property, plant, equipment, vehicles and vessels (continued)

### Reconciliations

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

	Carrying amount at start of year \$ 000	Additions \$ 000	Reva- luation \$ 000	Disposals \$ 000	Transfers \$ 000	Depre- ciation \$ 000	Write-off \$ 000	Carrying amount at end of year \$ 000
Land	47 304	-	8 511	-	( 833)	-	-	54 982
Pastoral leases	19 665	-	( 241)	-	-	-	-	19 424
Crown land leases	16 413	-	740	-	-	-	-	17 153
Buildings	10 422	7	3 298	-	( 299)	( 531)	-	12 897
Refurbishments	3 669	-	-	-	( 4)	( 907)	-	2 758
Plant and equipment	1 055	261	-	( 20)	71	( 339)	( 5)	1 023
Computer hardware	2 531	673	-	( 29)	( 81)	( 1 034)	( 3)	2 057
Furniture and fittings	79	4	-	-	-	( 14)	( 2)	67
Vehicles	63	54	-	-	-	( 27)	-	90
Vessels	279	49	-	( 5)	66	( 60)	-	329
	101 480	1 048	12 308	( 54)	( 1 080)	( 2 912)	( 10)	110 780

## 24 Infrastructure

	At cost \$ 000	2005 Accum. depr. \$ 000	Carrying amount \$ 000	At cost \$ 000	2004 Accum. depr. \$ 000	Carrying amount \$ 000
Maritime infrastructure						
Wharves and facilities	59 142	31 975	27 167	59 142	30 385	28 757
Breakwaters and groynes	45 723	13 618	32 105	45 723	13 161	32 562
Channel development and facilities	41 166	9 921	31 245	40 304	9 518	30 786
Associated infrastructure	36 357	23 070	13 287	36 351	21 738	14 613
Navigation aids	18 648	9 851	8 797	17 907	9 303	8 604
Total	201 036	88 435	112 601	199 427	84 105	115 322

"Accum. depr." denotes Accumulated depreciation.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 24 Infrastructure (continued)

Reconciliations

Reconciliations of the carrying amounts of infrastructure at the beginning and end of the current financial year are set out below.

	Carrying amount at start of year \$ 000	Additions \$ 000	Reva- luation \$ 000	Disposals \$ 000	Transfers \$ 000	Depre- ciation \$ 000	Write-off \$ 000	Carrying amount at end of year \$ 000
Maritime infrastructure								
Wharves and facilities	28 757	-	-	-	-	( 1 590)	-	27 167
Breakwaters and groynes	32 562	-	-	-	-	( 457)	-	32 105
Channel development and facilities	30 786	863	-	-	-	( 404)	-	31 245
Associated infrastructure	14 613	7	-	-	-	( 1 333)	-	13 287
Navigation aids	8 604	769	-	-	-	( 576)	-	8 797
Total	115 322	1 639	-	-	-	( 4 360)	-	112 601

2005	2004
\$ 000	\$ 000

### 25 Intangible assets

Software

At cost

Accumulated amortisation

Carrying amount

34 426	3 786
( 6 669)	( 3 510)
27 757	276

Reconciliations

Reconciliations of the carrying amounts of intangible assets are set out below.

Carrying amount at start of year	276	931
Additions	30 713	14
Transfers	-	( 408)
Amortisation	( 3 232)	( 261)
Carrying amount at end of year	27 757	276

	2005 \$ 000	2004 \$ 000
<b>26 Construction in progress</b>		
At cost:		
Buses	-	1 392
Computer hardware	39	-
Software	3 248	31 471
Buildings and refurbishments	1 379	4
Maritime infrastructure	6 794	4 930
	<u>11 460</u>	<u>37 797</u>
Reconciliations		
Reconciliations of the carrying amounts of construction in progress are set out below.		
Carrying amount at start of year	37 797	35 071
Expenditure during the year	7 903	9 667
Capitalised during the year	( 32 082)	( 859)
Transferred to the Public Transport Authority	-	( 4 309)
Amounts expensed	<u>( 2 158)</u>	<u>( 1 773)</u>
Carrying amount at end of year	<u>11 460</u>	<u>37 797</u>
<b>27 Payables</b>		
Current		
Trade creditors	<u>2 200</u>	<u>4 831</u>
<b>28 Interest bearing liabilities</b>		
Current		
Western Australian Treasury Corporation loans	<u>2 616</u>	<u>2 581</u>
Non-current		
Western Australian Treasury Corporation loans	<u>13 358</u>	<u>9 752</u>

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

	2005 \$ 000	2004 \$ 000
<b>29 Provisions</b>		
Employee benefits		
Current		
Annual leave	7 648	6 706
Long service leave	5 808	5 188
	<u>13 456</u>	<u>11 894</u>
Non-current		
Long service leave	<u>8 464</u>	<u>7 533</u>
Total employee benefits	<u>21 920</u>	<u>19 427</u>
<p>The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs. The liability for such on-costs is included here. The associated expense is included under Other related expenses (under Employee expenses) at Note 4.</p> <p>The Department considers the carrying amount of employee benefits to approximate the net fair value.</p>		
<b>30 Other liabilities</b>		
Current		
Accrued salaries	-	2 358
Income received in advance	844	1 970
Accrued interest payable	205	165
Other payables	1 276	1 191
	<u>2 325</u>	<u>5 684</u>
<b>31 Capitalised borrowing costs</b>		
Borrowing costs capitalised during the year	<u>-</u>	<u>308</u>
Weighted average capitalisation rate on funds borrowed generally	<u>-</u>	<u>5.80%</u>
Investment revenue earned on funds borrowed specifically and deducted from borrowing costs incurred in determining the amount of borrowing costs to be capitalised	<u>-</u>	<u>-</u>
<b>32 Equity</b>		
<p>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.</p>		

**32 Equity (continued)****Contributed equity**

	2005 \$ 000	2004 \$ 000
Opening balance	89 592	56 684
Capital contributions (i)	15 951	1 796
Contribution by owners: (ii)		
Net assets transferred from/(to) Department of Land Information	( 638)	38 168
Net liabilities transferred to Consolidated Fund	-	214
Distribution to owners: (ii)		
Net assets transferred to administered items	( 1 135)	-
Net liabilities transferred from Metrobus	-	( 53)
Net assets transferred to Fisheries	-	( 2 167)
Net assets transferred to Public Transport Authority	-	( 5 050)
Closing balance	103 770	89 592

(i) Capital contributions have been designated as contributions by owners and are credited directly to equity in the Statement of Financial Position.

(ii) Net assets or net liabilities designated as non-reciprocal transfers.

**Asset revaluation reserve (i)**

Opening balance	15 120	17 482
Net revaluation increment - Land	9 010	-
Net revaluation increment - Buildings	3 298	-
Net revaluation increments (ii)		
buildings	-	3 767
bus infrastructure	-	7 206
buses	-	6 144
vessels	-	196
Transfer to accumulated surplus (iii)	-	( 19 675)
Closing balance	27 428	15 120

(i) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 2(n) and 2(o).

(ii) Revaluations in accordance with Treasurer's Instruction 955 for assets transferred to other government entities.

(iii) Transfer of asset revaluation reserve to accumulated surplus. This portion relates to assets transferred to other government entities.

**Accumulated surplus**

Opening balance	184 003	180 386
Transfer from asset revaluation reserve (i)	-	19 675
Change in net assets	819	( 16 058)
Closing balance	184 822	184 003

(i) See note above on asset revaluation reserve.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

	2005 \$ 000	2004 \$ 000
<b>33 Notes to the Statement of Cash Flows</b>		
<b>(a) Reconciliation of cash</b>		
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	20 060	14 366
Restricted cash assets	8 092	6 897
	<u>28 152</u>	<u>21 263</u>
<b>(b) Cash assets transferred (to)/from other sources</b>		
Cash assets transferred:		
to Public Transport Authority	-	( 4 268)
from/(to) Department of Land Information	( 638)	307
	<u>( 638)</u>	<u>( 3 961)</u>
<b>(c) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</b>		
Net cost of services	( 153 205)	( 152 107)
Non cash items:		
Depreciation and amortisation	10 503	7 578
Doubtful debts expense	( 107)	319
Net (gain)/loss on disposal of non-current assets	( 11)	( 21)
Resources received free of charge	4 363	4 343
Superannuation liability expense assumed by the Treasurer	319	933
Expenses previously held in construction in progress	2 158	1 783
Initial recognition of assets not previously recognised	( 40)	-
 (Increase)/decrease in assets		
Current inventories	( 274)	197
Current receivables	( 2 225)	1 455
Other current assets	220	479
 Increase/(decrease) in liabilities		
Current payables	( 3 169)	( 415)
Current provisions	( 797)	1 840
Other current liabilities	( 239)	1 150
Non-current provisions	931	1 179
Net GST receipts/payments	1 164	3 913
Change in GST in receivables/payables	( 155)	( 301)
Net cash used in operating activities	<u>( 140 564)</u>	<u>( 127 675)</u>



**34 Resources provided free of charge**

During the year the following resources were provided to other agencies free of charge for functions outside the normal operations of the Department:

	2005 \$ 000	2004 \$ 000
Western Australian Coastal Shipping Commission		
- rent and internal audit	10	5
Western Australian Police Service - firearms collection fees	38	42
Various State and Commonwealth departments and agencies:		
Spatial (mapping) information	9	3
Western Australian Land Information System	34	37
Hydrographic surveying and cartography information	9	10
Tides and waves information	3	3
	103	100

**35 Commitments for expenditure****(a) Capital expenditure commitments**

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Within one year	16 195	24 695
Later than one year but not later than five years	6 725	11 417
Later than five years	-	2 550
	22 920	38 662

The capital expenditure commitments include amounts for:

Transport	10 198	18 131
Maritime facilities	12 627	19 321
Information technology	95	1 210
	22 920	38 662

**(b) Other expenditure commitments**

Within one year	8 087	8 514
Later than one year but not later than five years	1 275	3 856
Later than five years	93	-
	9 455	12 370

The other expenditure commitments include amounts for:

Software licence and maintenance	1 071	3 680
Maritime facilities	2 369	-
Transport	6 015	8 690
	9 455	12 370

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

	2005 \$ 000	2004 \$ 000
<b>35 Commitments for expenditure (continued)</b>		
(c) <b>Operating lease commitments</b>		
Commitments in relation to operating lease rentals contracted for at the reporting date but not recognised as liabilities in the financial statements are payable:		
Within one year	5 618	7 438
Later than one year but not later than five years	9 662	10 429
Later than five years	3 204	1 027
	<u>18 484</u>	<u>18 894</u>
Non-cancellable operating leases	<u>18 484</u>	<u>18 894</u>

### 36 Contingent liabilities and contingent assets

#### Contingent liabilities

In addition to the liabilities incorporated in the financial statements, the Department has the following contingent liabilities:

#### Litigation in progress:

The Department has pending litigation that may affect the financial position.

- Two actions for damages or losses have arisen from the Department's provision of advice or services, the potential maximum financial effect is \$61,300.
- One action for discrimination has arisen from the Department's provision of advice or services, the potential maximum financial effect is \$15,000.
- One action for a breach of regulation claim has arisen from the Department's provision of advice or services, the potential maximum financial effect is \$7,000.

#### Contingent assets

There are no known contingent assets.

**37 Financial instruments****(a) Interest rate risk exposure**

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

	Variable interest rate \$ 000	Less than 1 year \$ 000	1 to 5 years \$ 000	More than 5 years \$ 000	Non interest bearing \$ 000	Total \$ 000
<b>Financial assets</b>						
Cash assets	5 462	-	-	-	14 598	20 060
Restricted cash assets	226	-	-	-	7 866	8 092
Receivables	-	-	-	-	5 570	5 570
	5 688	-	-	-	28 034	33 722

Weighted average interest rate 5.31%

**Financial liabilities**

Payables	-	-	-	-	2 200	2 200
WATC loans	-	2 616	6 922	6 436	-	15 974
	-	2 616	6 922	6 436	2 200	18 174

Weighted average interest rate 5.92% 6.09% 5.61%

**2004**

Financial assets	7 380	-	-	-	19 333	26 713
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Weighted average interest rate 5.02%

Financial liabilities	-	2 581	7 916	1 836	6 022	18 355
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Weighted average interest rate 5.93% 6.43% 6.22%

**(b) Credit risk exposure**

The credit risk of the Department's financial assets relating to receivables which have been recognised in the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts.

**(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.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 38 Remuneration of senior officers

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

			2005	2004
	\$		No.	No.
30 001	-	40 000	1	-
60 001	-	70 000	2	-
70 001	-	80 000	1	-
110 001	-	120 000	-	1
120 001	-	130 000	1	4
130 001	-	140 000	1	-
140 001	-	150 000	-	1
150 001	-	160 000	1	-
160 001	-	170 000	1	-
250 001	-	260 000	-	1
260 001	-	270 000	1	-

The total remuneration of senior officers is

1 094 1 013

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.

### 39 Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators

160 -

### 40 Supplementary financial information

#### Losses

Losses of public monies and public and other property through theft, default or otherwise

8 9

Amount recovered

8 9

#### Write offs

During the financial year, assets and debts valued at \$95,760 (2004: \$701,815) were written off under the authority of:

Director General for Planning and Infrastructure  
The Minister for Planning and Infrastructure  
Executive Council

84 105  
12 9  
- 588  
96 702

**41 Events occurring after reporting date**

There are no significant events occurring after reporting date.

**42 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 the Consolidated Fund. Appropriations are now on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945. Explanations are only provided where variations exceed \$1,000,000 and 10% of the reported item.

**(i) Significant variations between estimate and actual – Total appropriations provided to deliver services****(i) (a) Supplementary funding – Appropriations to deliver services**

Recurrent supplementary funding for the year totalling \$11.701m was approved under Section 28 of the Financial Administration and Audit Act 1985 (FAAA).

	<u>\$ 000</u>
Supplementary funds were obtained for the following:	
Operating costs for the Transport Executive Licensing System (TRELIS).	9 606
Additional requirements in relation to merchant fees in respect of credit transactions. The Department could not absorb this cost in 2004/05.	1 200
Additional salaries and related expenditure as a result of an increase to Public Service General Agreement (PSGA) 2004 salary rates.	1 029
Various net funding adjustments including adjustment to accrual appropriations.	( 134)
Total additional funding for purchase of services	<u>11 701</u>

**(i) (b) Supplementary funding - Capital contribution**

Supplementary capital funding was received in 2004/05 for the following:

Retention of part proceeds from sale of Kalgoorlie-Boulder and Albany Licensing Centres.	460
Shortfall in loan repayment funding.	714
TRELIS capital requirements.	6 333
Total capital contribution	<u>7 507</u>

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 42 Explanatory statement (continued)

#### (i) (c) Section 25 Transfers

	\$ 000
Procurement staff transferred to the Department of Treasury and Finance (DTF) under Section 25(1) of the FAAA.	( 240)
Total Section 25(1) Transfers	( 240)

#### (i) (d) Administered appropriations

Reduction in appropriation as a result of change to policy. DTF has now assumed responsibility for superannuation payments for the Western Australian Coastal Shipping Commission.	( 1 952)
Total administered appropriation	( 1 952)

In addition to the supplementary funds and Section 25(1) Transfer affecting the Department's appropriation in 2004/05, an additional \$0.010m was received to fund the Director General's salary under the Salaries and Allowances Act 1975.

#### (i) (e) Service expenditure

Land use and transport infrastructure policy and planning

	2005 Estimate \$ 000	2005 Actual \$ 000	Variation \$ 000
Land use and transport infrastructure policy and planning	23 373	32 580	9 207
			\$ 000

Service expenditure was above the 2004/05 Estimate by \$9.207m.  
The significant variations were:

In accordance with Accounting Standards, expenditure associated with the trial hydrogen fuel cell buses project was expensed and not capitalised. This was a change in accounting treatment adopted for Budget preparation purposes, and resulted, in additional operating expenditure of \$7.107m in 2004/05 that would have otherwise been included in the Statement of Financial Position.	7 107
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Increases to employee expenses resulting from the Public Service General Agreement salary rate increases including the back payment of increases relating to 2003/04 and paid in 2004/05.	653
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Expenditure arising from the implementation of the Ningaloo Coast Regional Strategy for which funding was approved by Cabinet post budget.	596
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Additional salary expenditure for planning activities approved by Cabinet post budget.	1 000
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**42 Explanatory statement (continued)****(i) (e) Service expenditure (continued)**

Land use and transport infrastructure service delivery

	2005 Estimate \$ 000	2005 Actual \$ 000	Variation \$ 000
Land use and transport infrastructure service delivery	194 098	213 714	19 616
			<b>\$ 000</b>

Service expenditure was above the 2004/05 Estimate by \$19.616m.

The significant variations were:

Additional operating expenditure on TRELIS 8 917

Increases to employee expenses resulting from the Public Service General Agreement salary rate increases including the back payment of increases relating to 2003/04 and paid in 2004/05. 1 619

Additional expenditure on bike paths. During 2004/05, Cabinet approved an additional \$1m funding for bike paths in the Swan Hills area. 1 000

Increase to agent fees and commission expenditure mainly due to increased transactions processed through on-line credit card facilities, increased usage of Australia Post and shire agents by customers, and increase in the commission rate for Australia Post and shire agents. 4 814

Increased accommodation costs. 626

Expenditure for payments on behalf of the Dampier to Bunbury Natural Gas Pipeline Trust Fund (DBNGP) offset by recoups from the DBNGP. 800

**(i) (f) Total revenue**

	2005 Estimate \$ 000	2005 Actual \$ 000	Variation \$ 000
Total revenues from ordinary activities	77 890	93 089	15 199
			<b>\$ 000</b>

The significant items comprising the \$15.199m increase in operating revenue were:

Increase in motor vehicle inspection fees mainly due to higher than expected demand for vehicle inspections 2 888

Increase to motor driver fees revenue as a result of an unexpected increase in applications for new/additional driver licences 1 276

Increased rental revenue due to higher than expected usage of maritime facilities and boat harbours 1 936

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 42 Explanatory statement (continued)

#### (i) (f) Total revenue (continued)

	<u>\$ 000</u>
Increased services provided free of charge from other government agencies, particularly the Department of Land Information.	3 789
An increase to miscellaneous recoups and contributions received from government agencies and other third parties including:	3 013
<ul style="list-style-type: none"> <li>revenue received from the Commonwealth Government for the Land Freight Council;</li> <li>contribution from the Department of Industry and Resources for work on implementing the Keating Review recommendations;</li> <li>reimbursement of expenses received from Main Roads WA for the Local Impact Committee; and</li> <li>salary recoups for staff on secondment to other agencies.</li> </ul>	
An increase to commissions received for collection by the Department of third party insurance premiums on behalf of the Insurance Commission of WA.	893
Increase to motor vehicle transfers as a result of increased sales in the used motor vehicle industry.	628
An increase to fees collected under the administration of the Perth Parking Act due to an increased level of office and residential developments in the Perth central business district.	606
Taxi licence fees increases due to the leasing of additional taxi plates.	306

#### (ii) Significant variances between actual and prior year actual – Total appropriation to deliver services

	2005 \$ 000	2004 \$ 000	Variance \$ 000
Total appropriation provided to deliver services	149 285	130 773	18 512
Total revenues from ordinary activities	93 089	82 955	10 134

#### (ii) (a) Total appropriation provided to deliver services

	<u>\$ 000</u>
The significant items comprising the \$18.512m were:	
Additional operating expenditure on the Transport Executive Licensing System (TRELIS).	9 606
Increase in accrual appropriations mainly due to an increase in depreciation as a result of the commissioning of the TRELIS in 2004/05.	3 146
Salaries increases as a result of the Public Service General Agreement increases and increases for general cost escalation.	11 213



**42 Explanatory statement (continued)****(ii) (a) Total appropriation provided to deliver services (continued)**

	<b>\$ 000</b>
Funding for the implementation of the Ningaloo Coast Regional Strategy approved by Cabinet.	960
Net reduction arising from a whole of government functional review on procurement contracts.	( 1 106)
Decrease in funding for capital user charge. This is due to a decrease in the Department's net asset position over the 2004/05 year.	( 1 581)
Increase in funding over 2003/04 for Perth Bicycle Network projects.	2 000
One-off supplementary funding in 2003/04 to fund a shortfall in contributions from the WA Planning Commission.	( 1 500)
Other one-off supplementary funding items in 2003/04.	( 1 000)
An increase to the whole of government general savings reduction.	( 2 500)

**(ii) (b) Total revenue from ordinary activities**

The significant items comprising the favourable variance of \$10.134m were:

Increased rental revenue due to higher usage of maritime facilities and boat harbours.	1 298
Additional recoups for staff on secondment to other agencies and adjustment from prior years insurance premium.	1 196
An increase to grants and subsidies from government agencies and other third parties.	1 846
Increase to motor driver fees revenue as a result of increases in applications for new/additional driver licences.	623
An increase to commissions received for collection by the Department of third party insurance premiums on behalf of the Insurance Commission of WA.	444
An increase in motor vehicle plate sales due to an increase in the sale of new and used vehicles and an increase in demand for special series/custom plates.	388
Increase to motor vehicle transfer fees resulting from increased sales in the used motor vehicle industry.	338
An increase in boat registration fees resulting from an increase to fee rates as well as an increase in the number of boats registered.	369
Increase in motor vehicle inspection fees due to higher than normal demand for vehicle inspections from authorised inspection stations.	779
Additional taxi licence fees through the issue of additional leased taxi plates.	605

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 42 Explanatory statement (continued)

#### (ii) (b) Total revenue from ordinary activities (continued)

	<u>\$ 000</u>
An increase to fees collected under the administration of the Perth Parking Act due to an increased level of office and residential developments in the Perth central business district.	664
Additional search fee revenue resulting from an increase in demand for searches for vehicle records for law enforcement purposes.	236
Increased revenues associated with vessel surveys, port charges and small boat harbour fees due to increased fees rates.	816

#### (ii) (c) Service expenditure

	2005 \$ 000	2004 \$ 000	Variance \$ 000
Land use and transport infrastructure policy and planning	32 578	23 627	8 951
Land use and transport infrastructure service delivery	213 716	211 435	2 281
Land use and transport infrastructure policy and planning			<u>\$ 000</u>

The significant items comprising the increase in expenditure of \$8.953m were:

Expenditure associated with the trial hydrogen fuel cell buses project was expensed in 2004/05 in accordance with Accounting Standards. This change in accounting treatment resulted in additional operating expenditure of \$7.107m.	7 107
Increases to employee expenses resulting from the Public Service General Agreement salary rate increases including the back payment of increases relating to 2003/04 and paid in 2004/05.	653
Expenditure arising from the implementation of the Ningaloo Coast Regional Strategy approved by Cabinet post budget.	596

#### (ii) Significant variances between estimate and actual – Capital contribution

	2005 Estimate \$ 000	2005 Actual \$ 000	Variation \$ 000
Capital contribution	8 444	15 951	7 507

**42 Explanatory statement (continued)****(iii) Significant variances between estimate and actual – Capital contribution (continued)****\$ 000**

The significant items comprising the variation of \$7.507m were:

Supplementary capital funding in 2004/05 for TRELIS capital requirements.	6 333
Additional capital funding provided to cover a shortfall in loan repayments.	714
Retention of part proceeds from the sale of Kalgoorlie-Boulder and Albany Licensing Centres.	460

**(iv) Significant variances between actual and prior year actual – Capital contribution**

	<b>2005 \$ 000</b>	<b>2004 \$ 000</b>	<b>Variance \$ 000</b>
Total Capital Contribution	15 951	1 796	14 155

**\$ 000**

The increase of \$14.155m in funding from government is linked to the approved Capital Works Program where the number and value of the approved projects increased, namely:

TRELIS Capital Project.	6 333
Coral Bay access road/boat ramp.	3 070
Wyndham Port maintenance.	1 600
Facility refurbishment at Hillarys Boat Harbour.	2 278
Loan repayments.	714

**(v) Significant variances between actual and prior year actual – Total administered appropriations**

	<b>2005 \$ 000</b>	<b>2004 \$ 000</b>	<b>Variance \$ 000</b>
Total administered appropriations	4 054	5 800	( 1 746)

**\$ 000**

The decrease in appropriations of \$1.746m is due to:

The shift of responsibility to DTF of superannuation payments for the WA Shipping Commission	( 1 746)
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## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 42 Explanatory statement - continued

(vi) Significant variances between estimate and actual, and actual and prior year actual - Administered revenues

	2005 Estimate \$ 000	2005 Actual \$ 000	2005 Variance \$ 000	2005 Actual \$ 000	2004 Actual \$ 000	Variance \$ 000
Administered revenues	809 463	989 286	179 823	989 286	938 564	50 722

\$ 000

The significant items comprising the 2005 revenue variation from Estimate of \$179.823m were:

Greater than expected land sales	82 438
Higher than anticipated motor vehicle licence fees collected on motor vehicle registrations	20 311
An increase from Estimate of third party insurance premiums collected on behalf of the Insurance Commission of WA	72 650

The significant items comprising the variation of 2005 Actual from 2004 Actual of \$50.722m were:

Greater than expected agency land sales	27 473
An increase in motor vehicle licence fees collected on motor vehicle registrations	18 956
An increase in third party insurance premiums collected on behalf of the Insurance Commission of WA	4 975
An increase to motor driver fees resulting from an increase in applications for new/additional driver licences	5 217
A decrease in respect of motor vehicle recording fees	( 7 784)
Other net increases in revenue including increases to speed and red light infringement fines	1 884

**43 Trust accounts**

The following Statements of Receipts and Payments are provided in accordance with Treasurer's Instruction 1101A.

**Dampier to Bunbury Natural Gas Pipeline Trust Account**

	2005 \$ 000	2004 \$ 000
Opening balance	31 841	-
Receipts:		
Transferred from:		
- Department of Land Information	-	33 380
Fees	1 619	1 240
	1 619	34 620
Payments:		
Administration	( 1 814)	( 2 374)
Easement rights	( 468)	( 398)
Refurbishments	( 18)	( 7)
	( 2 300)	( 2 779)
Closing balance	31 160	31 841

This Account holds funds received pursuant to section 45(2) of the Dampier to Bunbury Pipeline Act 1997 for application in accordance with section 45(5) of that Act.

**Deposits**

Opening balance	859	664
Receipts:		
Deposits - keys	13	96
Deposits - bonds	148	332
Deposits - dealer plates	9	105
Interest	35	36
	205	569
Payments:		
Refunds - keys	( 7)	( 27)
Refunds - bonds	( 215)	( 347)
	( 222)	( 374)
Closing balance	842	859

This Account holds deposits for the issue of keys to boat owners to access the harbour pens, performance bonds and motor vehicle dealer plates. These monies are held in a private trustee capacity, and in accordance with Treasurer's Instruction 1101A are only reported in these notes to the financial statements.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 43 Trust accounts (continued)

#### Deposits Land Applications

	2005 \$ 000	2004 \$ 000
Opening balance	1 207	-
Receipts:		
Transferred from:		
- Department of Land Information	-	300
Deposits	188	1 625
	188	1 925
Payments:		
Refunds	( 1 303)	( 718)
Closing balance	92	1 207

This Account holds fees, rentals, deposits, premiums or performance bonds received from applicants pending the issue of licences or leases, or the sale of Crown land or in relation to improvements to Crown land in accordance with provisions of the Land Administration Act 1997.

#### Off-Road Vehicles Account

Opening balance	137	119
Receipts:		
Licence and plate fees	16	18
Payments:	-	-
Closing balance	153	137

This Account holds monies collected for the registration of vehicles under the Control of Vehicles (Off-road areas) Act and to provide funds to meet the expenses of the Department in connection with administration of the Act pursuant to section 43(2) of the Act.

**43 Trust accounts (continued)****Perth Parking Licensing Account**

	2005 \$ 000	2004 \$ 000
Opening balance	5 033	3 853
Receipts:		
Licence fees	8 807	8 142
Payments:		
Public Transport Authority	( 6 959)	( 6 734)
Employee costs	( 108)	( 65)
Supplies and services	( 160)	( 163)
	( 7 227)	( 6 962)
Closing balance	6 613	5 033

This Account was established to hold funds for the purpose of administering the Perth Parking Management Act 1999.

**Rail Safety Accreditation Account**

Opening balance	1 043	789
Receipts:		
Registration fees	912	793
Recoups and other receipts	98	22
	1 010	815
Payments:		
Employee costs	( 380)	( 420)
Superannuation	( 34)	( 38)
Contractors	( 170)	( 3)
Lease and rental	( 66)	( 23)
Other payments	( 304)	( 77)
	( 954)	( 561)
Closing balance	1 099	1 043

This Account was established to hold funds for the purpose of administering the Rail Safety Act 1998.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 43 Trust accounts (continued)

#### Small Craft Facilities

	2005 \$ 000	2004 \$ 000
Opening balance	6 909	6 671
Receipts:		
Boat harbour fees	4 811	4 552
Other fees	18	17
Rental	5 088	4 486
Recoups	2 256	2 166
Funds for dredging	1 324	1 483
Other revenue	1 127	747
	14 624	13 451
Payments:		
Employment costs	( 403)	( 565)
Contractors	( 3 239)	( 2 988)
Administration expenses	( 3 681)	( 639)
Recreational boat scheme	( 3 075)	( 4 505)
Maintenance	( 2 878)	( 1 778)
Power, water and sewerage	( 2 177)	( 2 012)
Other operating expenses	( 636)	( 726)
	( 16 089)	( 13 213)
Closing balance	5 444	6 909

This account holds funds for the purpose of funding the provision, maintenance, upgrading and management of small craft facilities.

#### Taxi Industry Development Account

Opening balance	99	559
Receipts:		
Licence fees	573	117
Interest	15	30
	588	147
Payments:		
Consultants' fees	( 382)	( 7)
Other Operating Expenses	( 48)	-
Recoup to the Department for Planning and Infrastructure	( 31)	( 600)
	( 461)	( 607)
Closing balance	226	99

The purpose of this Account is to hold funds received by the Department for the purposes of the Taxi Act 1994.



**43 Trust accounts (continued)**

Receipts in suspense

Opening balance

Receipts credited to suspense account

Receipts transferred from suspense account

Closing balance

Pursuant to section 9(2)(c)(iv) of the Financial Administration and Audit Act, the purpose of this Account is to hold funds pending identification of the purpose for which these monies were received.

**War Service Land Settlement**

Opening balance

Receipts:

Transferred from:

- Department of Land Information

Deposits

Payments:

Remittances to the Commonwealth

Closing balance

This Account holds funds pending transfer to the Commonwealth Department of Primary Industry.

**44 Indian Ocean Territories Service Level Agreement**

The provision of services to the Indian Ocean territories are recouped from the Commonwealth government.

Opening balance

Receipts

Payments

Closing balance

2005 \$ 000	2004 \$ 000
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846	656
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2 004	4 304
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( 1 944)	( 4 114)
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906	846
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-	-
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-	2
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552	717
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552	719
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( 547)	( 719)
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5	-
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310	120
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90	254
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( 20)	( 64)
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380	310
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## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

		2005 \$ 000	2004 \$ 000
<b>45 Administered expenses and revenues</b>			
<b>Expenses</b>			
Cost of land sold		128 846	101 837
Expenses under the Dampier to Bunbury Pipeline Act 1987		1 956	2 652
Share of joint venture expenses	46 (ii)	151	570
Other expenses		73	438
<b>Total administered expenses</b>		<b>131 026</b>	<b>105 497</b>
<b>Revenues</b>			
For transfer to the Consolidated Fund or agencies:			
Appropriations for transfer		4 054	5 800
Cannabis infringement fines		104	18
Conservancy		299	276
Final demand fees - traffic infringements		1 129	1 121
Firearm licence fes		2 630	2 476
Land sales		127 955	100 482
Motor drivers' licences		32 481	27 264
Motor vehicle registrations		318 311	299 355
Plate and transfer infringements		1 508	5 105
Recording fees		37 184	44 968
Speed and red light infringement fines		48 633	43 818
Stamp duty		300 214	272 744
Third party motor vehicle insurance premiums		412 650	407 675
Lease rental		4 088	1 567
		<b>1 291 240</b>	<b>1 212 669</b>
Other:			
Revenues under the Dampier to Bunbury Pipeline Act 1987		1 548	3 433
Share of joint venture revenues	46 (ii)	121	596
Other revenue		646	410
		<b>2 315</b>	<b>4 439</b>
<b>Total administered revenues</b>		<b>1 293 555</b>	<b>1 217 108</b>

**46 Administered assets and liabilities****Current assets**

		2005 \$ 000	2004 \$ 000
Cash		36 074	37 135
Accounts receivable		13 705	24 699
Interest receivable		3	3
Share of joint venture current assets	46 (ii)	1 123	1 153
<b>Total administered current assets</b>		<b>50 905</b>	<b>62 990</b>

**Non-current assets**

Accounts receivable		745	7 162
Land, at fair value	46 (i)	1 986 482	2 015 876
Easements, at fair value	46 (i)	4 283	4 283
Plant and equipment		34	19
Share of joint venture non current assets	46 (ii)	732	729
<b>Total administered non-current assets</b>		<b>1 992 276</b>	<b>2 028 069</b>

**Total administered assets**

	2 043 181	2 091 059
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**Current liabilities**

Treasurer's Advance		2 000	-
Creditors		845	-
Accruals and interest payable		119	126
Income received in advance		176	2 370
Refundable deposits		843	1 988
Funds held in trust		966	2 372
Share of joint venture current liabilities	46 (ii)	8	4
<b>Total current liabilities</b>		<b>4 957</b>	<b>6 860</b>

**(i) Notes to the Schedules of Administered Items – Land values**

Land and easements are measured at fair value based on independent valuations provided by the Valuer General's Office at 1 July 2003. Fair value has been determined on the basis of current market value where an active market exists or current use value where no market exists and/or the current land use is specialised in nature. Revaluations are made with sufficient regularity to ensure the carrying value of land does not differ materially from its fair value at reporting date.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 46 Administered assets and liabilities (continued)

#### (ii) Notes to the Schedules of Administered Items – Joint venture

The Minister has a 26% interest in a joint venture with LandCorp and the City of Bunbury to develop, subdivide and sell land in Bunbury.

The following represents the Minister's interests in the joint venture operation:

#### Expenses

Cost of sales	78	528
Estate expenses	72	42
<b>Share of joint venture expenses</b>	<b>150</b>	<b>570</b>

#### Revenues

Sales	86	576
Interest	35	20
<b>Share of joint venture revenues</b>	<b>121</b>	<b>596</b>

#### Current assets

Cash	70	680
Developed land	-	76
Work in progress	416	391
Commercial bill	630	-
Other current assets	7	6
<b>Share of joint venture current assets</b>	<b>1 123</b>	<b>1 153</b>

#### Non current assets

Undeveloped land	732	729
<b>Share of joint venture non current assets</b>	<b>732</b>	<b>729</b>

#### Total share of joint venture assets

1 855	1 882
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#### Current liabilities

Accounts payable	8	4
<b>Share of joint venture current liabilities</b>	<b>8</b>	<b>4</b>

## 47 The impact of adopting International Accounting Standards

Australia is adopting Australian equivalents to International Financial Reporting Standards (AIFRS) for reporting periods beginning on or after 1 January 2005. The Department will adopt these Standards for the first time for the year ending 30 June 2006.

AASB 1047 *Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards* requires disclosure of any known or reliably estimable information about the impacts on the financial statements had they been prepared using AIFRS.

The information provided below discloses the main areas impacted due to the effects of adopting AIFRS. Management have determined the quantitative impacts using their best estimates available at the time of preparing the 30 June 2005 financial statements. These amounts may change in circumstances where the accounting standards and/or interpretations applicable to the first AIFRS financial statements are amended or revised.

- (a) Reconciliation of total equity as presented under previous Australian Generally Accepted Accounting Principles (AGAAP) to that under AIFRS:

	30 June 2005 \$ 000	1 July 2004 \$ 000
Total equity under previous AGAAP	316 020	288 715
Adjustments to accumulated surplus/(deficiency):		
De-recognition of carrying value of the replaced parts (i)	( 84)	-
Write back of accumulated depreciation for the replaced parts (ii)	4	-
Replacement costs recognised as non-current assets (iii)	257	-
Accumulated depreciation for the replacement costs capitalised (iv)	( 7)	-
Net revaluation increment of building revaluation (v)	-	3 298
Total equity under AIFRS	316 190	292 013

- (i) AASB 116 *Property, Plant and Equipment* requires the carrying amount of the replaced parts to be derecognised. This adjustment represents the carrying value of the replaced parts being derecognised during the financial year 2004/05.
- (ii) AASB 116 requires the replaced parts to be derecognised when no future economic benefits are expected from its use. This adjustment represents the write back of accumulated depreciation for the replaced parts at the time of disposal during the financial year 2004/05.
- (iii) AASB 116 requires the replaced parts to be derecognised and the new replacement costs to be capitalised as non-current assets if the recognition criteria is met. This adjustment represents the replacement costs being capitalised as non-current assets during the financial year 2004/05.
- (iv) AASB 116 requires the new replacement costs to be capitalised as non-current assets if the recognition criteria is met. This adjustment represents the accumulated depreciation for the capitalised replacement costs as non-current assets during the financial year 2004/05.
- (v) AASB 1041 *Revaluation of Non-Current Physical Assets* require land and buildings to be measured on the fair value basis by 30 June 2005 reporting. AASB 1 *First-time Adoption of Australian Equivalents to IFRS* requires the same accounting policies to be used in the AIFRS opening balance sheet (1 July 2004) and throughout all periods presented in the first AIFRS financial statements (30 June 2006). This adjustment represents the net revaluation increment of building revaluation on 1 July 2004.

## > NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

### 47 The impact of adopting International Accounting Standards - continued

#### (b) Reconciliation of surplus/(deficit) for the period as presented under previous AGAAP to that under AIFRS:

	2004 \$ 000
Surplus/(deficit) for the period under AGAAP	819
Net loss on disposal of non-current assets (i)	( 84)
Write back of depreciation expense for replaced parts (ii)	4
Recognition of replacement costs capitalised (iii)	257
Recognition of depreciation expense for replacement costs capitalised (iv)	( 7)
Surplus/(deficit) for the period under AIFRS	<u>989</u>

(i) Increase in loss on disposal as the carrying amount of the replaced parts are derecognised during the financial year 2004/05.

(ii) Write back of depreciation expense for replaced parts at the time of disposal during the financial year 2004/05.

(iii) Increase in loss on disposal as the carrying amount of the replaced parts are derecognised during the financial year 2004/05.

(iv) This adjustment represents the replacement costs being capitalised during the financial year 2004/05.

(v) This adjustment represents the depreciation expense on the capitalised replacement costs during the financial year 2004/05.

#### (c) Reconciliation of total net cash used in operating activities as presented under previous AGAAP to that under AIFRS:

Net cash used in operating activities for the period under previous AGAAP	( 140 564)
Recognition of replacement costs capitalised (i)	257
Net cash used in operating activities for the period under AIFRS	<u>( 140 307)</u>

(i) Reduction in cash payments on capitalised replacement costs. This adjustment represents the replacement costs to be capitalised during the financial year 2004/05.

#### (d) Reconciliation of net cash used in investing activities as presented under previous AGAAP to that under AIFRS:

Net cash used in investing activities for the period under previous AGAAP	( 8 842)
Recognition of replacement costs capitalised (i)	( 257)
Net cash used in operating activities for the period under AIFRS	<u>( 9 099)</u>

(i) Increase in cash payments on capitalised replacement costs. This adjustment represents the replacement costs to be capitalised during the financial year 2004/05.

## > APPENDIX 1

### Director General

#### Greg Martin

Greg Martin has degrees in Engineering and Commerce from the University of Western Australia; a Master of Science degree from the University of California, Berkeley; and a Graduate Diploma in Urban Systems from Swinburne College of Technology in Victoria. He is a Fellow of the Institution of Engineers Australia; the Australian Institute of Project Management; the Chartered Institute of Logistics and Transport; the Australian Institute of Management; a Graduate (member) of the Australian Institute of Company Directors; and a Member of the Project Management Institute.

Prior to his appointment as Director General for the Department for Planning and Infrastructure on 29 July 2002, he was Commissioner of Main Roads Western Australia.

His previous positions include Executive Director, Metropolitan Division in the Department of Transport; Principal Consultant in Main Roads WA; and a wide range of corporate and professional roles in the Commonwealth Government in Western Australia, Victoria and South Australia.

### Deputy Director General, Policy

#### Paul Frewer

Paul Frewer has extensive experience in land use and environmental planning and development policy areas in government. He graduated with distinction with a Bachelor of Arts (Social Science) and a Graduate Diploma (Natural Resources) from Curtin University. He is a member of the Planning Institute of Australia and a member of the Western Australian Planning Commission. He is also a member of a number of external boards and committees including the Institute of Regional Development at the University of Western Australia, Curriculum Council (Geography), the Advisory Board to the Spatial Systems area of Central TAFE and the Advisory Board to Curtin Sustainable Tourism Centre. He currently chairs the National Planning Officials Group.

### Assistant Director General Strategic Corporate Support

#### Helen Langley

A qualified teacher, Helen Langley completed her studies in personnel management and development at Nottingham in 1985 and subsequently held a number of senior management roles in the National Health Service and local government in the UK.

She migrated to Western Australia in 1994 and joined the State Government. Prior to joining the Department of Transport as Human Resources Manager in 1997, she worked for Family and Children's Services and the Department of Training.

### Assistant Director General Operations

#### Athol Jamieson

Athol Jamieson has degrees and post-graduate qualifications in economics, education, business administration and value engineering from the University of Western Australia and Canberra University. He is also a Certified Practising Accountant, a member of the Australian Institute of Company Directors, a member of the Finance and Treasury Association of Australia and a member of the Road Safety Council.

He has worked in a variety of agencies and roles including Treasury, Department of Justice, Building Management Authority/Contracts and Management Services, Public Sector Management, Department of Education, Department of Training and Main Roads WA.

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Department for Planning and Infrastructure  
Government of Western Australia