



Department of the Premier and Cabinet

Annual Report 2007/2008

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Hon C J Barnett MEd MLA
PREMIER

In accordance with section 61 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report for the Department of the Premier and Cabinet for the year ended 30 June 2008.

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



M C Wauchope
ACCOUNTABLE AUTHORITY

24 September 2008

TABLE OF CONTENTS

Year in Review.....	1
Department Overview.	3
Organisational Structure	5
Senior Officers	6
Statement of Compliance with Relevant Written Law.....	8
Legal and Government Policy Compliance Requirements.....	9
Ministerial Responsibility for Services.....	10
Relationship of Services to Government Strategic Goals.....	10
Significant Issues and Trends.....	11
Agency Performance – Summary of Financial Targets.....	12
– Summary of Key Performance Indicators.....	13
Report on Operations – Services.....	16
Service 1 – Support for the Premier as Head of Government.....	16
Service 2 – Management of Matters of State.....	20
Service 3 – Management of Policy.....	26
Service 4 – Support for the Premier as Minister for Public Sector Management	30
Service 5 – Parliamentary, Statutory and Legislative Publishing Service.....	42
Service 6 – Management of the Constitutional Centre Programs.....	43
Service 7 – Support for the Implementation of the State’s Road Safety Initiatives.....	45
Service 8 – e-Government Policy and Coordination.....	47
Affiliated Bodies – Salaries and Allowances Tribunal.....	53
Corporate and Other Services.....	55
Financial Statements	64
Performance Indicators.....	108
Appendices.....	128

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THE YEAR IN REVIEW

The Department of the Premier and Cabinet is responsible for:

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

The Department has had another very busy year providing support to the Premier and Cabinet and also providing a range of advisory and consultative services to the public sector and other key client groups.

The need for greater awareness and understanding of accountability and ethics issues led to the establishment of a new Accountability Support Unit in the Department to design and coordinate a whole-of-government training program for CEOs, senior executives and public sector employees. Developed in consultation with CEOs and accountable bodies for delivery to all employees across the public sector, the *Accountable and Ethical Decision Making in the WA Public Sector* training program has to date been provided to 84 CEOs and to departmental staff in May and June 2008.

The election of a new Commonwealth Government and its commitment to an ambitious agenda for reform for the operations of Federal-State relations has significantly increased the workload of the Department in ensuring the State's position is well represented. The Department provided advice and coordination support to the Premier for two Council of Australian Government (COAG) meetings, co-ordinated the State's input into major reforms such as the *National Reform Agenda* and the *National Emissions Trading Scheme* and co-ordinated a whole-of-government process for seven new COAG Working Groups.

Our offices in Tokyo, London and Dubai have continued to promote investment and business opportunities in Western Australia, while also promoting trade between our State and Asia, Europe and the Middle East.

Various events overseas and in Australia continue to reinforce the importance of effective security planning and emergency management in Western Australia. A State Coordination Centre was established in Perth during the year to provide a venue for the coordination of the State's comprehensive approach to emergency management activities and improving related outcomes. Work continued in areas of Human Influenza Pandemic Planning, COAG's Review of Hazardous Materials and in the National Counter-Terrorism Exercise Program. During the year eight exercises were conducted involving other key government agencies.

The Premier and Cabinet were provided with high level policy advice on a range of issues in areas of economic, environmental, social, regional and sustainability policy. Assistance was also provided to the Government with its legislative program and with procedural and operational matters in the conduct of 48 Cabinet meetings held during the year, including six regional Cabinet meetings.

The Department continued to support the Premier as Minister for Public Sector Management in undertaking functional reviews of government agencies, with reviews of the Department of Industry and Resources and the Department for Education and Training being completed during the year.

Advice and support has also been provided to the Premier and Cabinet on a wide range of whole-of-sector issues. Workforce management issues, especially workforce planning, attraction and retention and professional development, continue to be a key issue for

Government. The Department continued to provide a range of whole-of-government professional development programs encompassing leadership development, public sector improvement, strategic human resource management, graduate development and career development.

Following the release of the Conduct Guide by the Office of the Public Sector Standards Commissioner in February 2008, the Department thoroughly reviewed its Code of Conduct. The new code provides comprehensive information and advice to staff on their responsibilities and duties as public sector officers.

A change in the constitution of the Ministry was facilitated during the year and assistance provided with the relocation of 7 electorate offices, with a further two being at various stages of completion. With the redistribution of electoral boundaries by the Western Australian Electoral Commission due to take effect at the next State General Election, the Department is progressing the establishment of 10 new electorate offices in the newly created seats.

To meet the changing service delivery expectations of citizens and business, the Department continues to develop and implement a broad spectrum of strategies for the Western Australian public sector, which include the *Electronic Service Delivery Strategy* and issues such as looking at how emerging mobile technologies may be used securely and cost-effectively to deliver services to the community and to increase efficiencies within agencies.

The Department farewelled two long-serving members of staff during the past year. Ms Jenny Sales retired as Assistant Director General, State Administration and Corporate Support in July 2007 after a successful public sector career in several agencies while Mrs Pat Ip retired in early 2008. Pat worked with me for more than 20 years and was an invaluable source of assistance and support over that time. Her standing was such that she was somewhat of an icon in the public sector.

During the year the Department engaged the services of two supported work teams comprising individuals with varying levels of disability. The teams undertake basic clerical/administrative work, such as filing or photocopying. They are supported at all times by a coordinator who is responsible for ensuring tasks are completed efficiently, cost effectively, and on time. This initiative has been highly successful with team members making a great contribution in the workplace. I am pleased that the Department can participate by providing team members with a regular and rewarding social and work experience. The Department's ongoing commitment to this program will ensure long term employment opportunities for team members.

The Department's Divisions and Offices have continued to provide a high quality service to their respective clients across a broad spectrum of functions and activities during the year. I take this opportunity to express my personal appreciation for the high level of support I have received from our dedicated and professional staff who have ensured the successful delivery of these services and the many others outlined in this report.



M C Wauchope
DIRECTOR GENERAL

DEPARTMENT OVERVIEW

RESPONSIBLE MINISTER

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

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of the Department is Mr Malcolm Wauchope. Mr Wauchope is also the Accountable Authority, as prescribed in section 52 of the *Financial Management Act 2006*.

MISSION

The mission of the Department is to

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

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

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

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

Management of Matters of State (Service 2)

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

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

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

Management of Policy (Service 3)

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

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

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

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

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

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

Parliamentary, Statutory and Legislative Publishing Service (Service 5)

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

Management of the Constitutional Centre Programs (Service 6)

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

Support for Implementation of the State's Road Safety Initiatives (Service 7) (*Reports to Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation*)

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

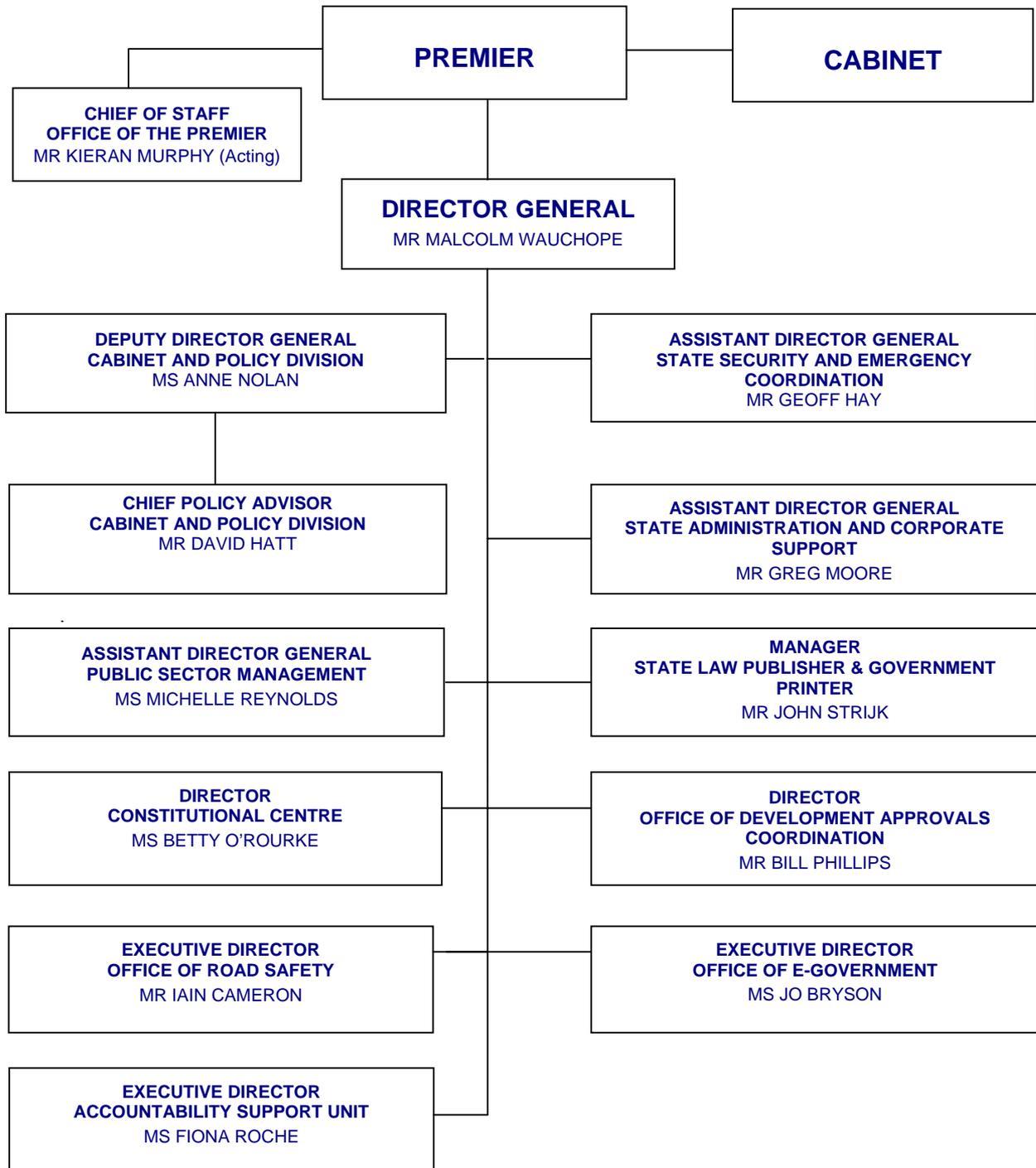
e-Government Policy and Coordination (Service 8)

The Office of e-Government is responsible for:

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

DEPARTMENT OF THE PREMIER AND CABINET
ORGANISATIONAL STRUCTURE

As at 30 June 2008



SENIOR OFFICERS

AS AT 30 JUNE 2008

DIRECTOR GENERAL

MR MALCOLM WAUCHOPE B Com (Hons), M Com

Mr Wauchope was appointed to the position of Director General in October 1997 and reappointed in October 2007 having previously held the positions of Chief Executive, Office of State Administration and Chief Executive, Department of the Premier. Mr Wauchope has 35 years public sector experience and held senior positions in the Treasury Department prior to joining the Department of the Premier and Cabinet. In addition to holding the position of Director General, Mr Wauchope is the State representative on the Council for the Order of Australia and has been Clerk of the Executive Council since 1987.

ACTING CHIEF OF STAFF, OFFICE OF THE PREMIER

MR KIERAN MURPHY

Mr Murphy was appointed to the position of acting Chief of Staff on 24 April 2008. Prior to his appointment, he was the Director of Communications in the Premier's Office. Mr Murphy has also occupied the position of Principal Media Adviser and Director Strategic Management Unit in the office of the former Premier Hon Dr Geoff Gallop MLA. He has previously worked as a journalist.

DEPUTY DIRECTOR, CABINET AND POLICY DIVISION

MS ANNE NOLAN B.Econ (Hons), M Econ

Ms Nolan was appointed to the position of Deputy Director General, Cabinet and Policy in December 2007. Prior to her appointment to this position, Ms Nolan played a key role in the structural reform of the electricity industry and the introduction of full gas retail contestability as the CEO of the Independent Market Operator, Coordinator of Energy and the CEO of the Office of Energy. Ms Nolan has also spent seven years as Executive Director (Economic) in the Department of Treasury and Finance.

CHIEF POLICY ADVISOR, CABINET AND POLICY DIVISION

MR DAVID HATT B Ed, JP

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

ASSISTANT DIRECTOR GENERAL, STATE ADMINISTRATION AND CORPORATE SUPPORT

MR GREG MOORE B Bus, Grad Dip Bus Admin

Mr Moore was appointed to the position of Assistant Director General, State Administration and Corporate Support on 22 June 2007. Prior to this appointment, Mr Moore was the Director, State Administration in the State Administration and Corporate Support Division. Mr Moore has over 40 years experience in the public sector and prior to joining the Department of the Premier and Cabinet in 1987, held positions in the Public Service Commission, Office of Industrial Relations and the Department of Labour and Industry.

ASSISTANT DIRECTOR GENERAL, STATE SECURITY AND EMERGENCY COORDINATION

MR GEOFF HAY B Com (Hons)

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

**ASSISTANT DIRECTOR GENERAL, PUBLIC SECTOR MANAGEMENT
MICHELLE REYNOLDS BA, MBA**

Ms Reynolds has been undertaking the role of Assistant Director General Public Sector Management since August 2005. Prior to commencing in the Department of the Premier and Cabinet Ms Reynolds worked across the public sector including Police Department, Public Service Board/Commission, Totalisator Agency Board, Department of Employment and Training and the then Crown Law Department.

**MANAGER, STATE LAW PUBLISHER AND GOVERNMENT PRINTER
MR JOHN STRIJK**

Mr Strijk was appointed to the position of Manager, State Law Publisher and Government Printer in June 1996 having previously acted in the position of Director, State Print. Mr Strijk has over 37 years public sector experience and occupied various positions in the Department of State Services and State Print.

**DIRECTOR, CONSTITUTIONAL CENTRE
MS BETTY O'ROURKE BEB**

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

**EXECUTIVE DIRECTOR, OFFICE OF ROAD SAFETY
MR IAIN CAMERON BPE, Dip Ed, Post Grad Dip Health Prom, MPH**

Mr Cameron was appointed to this position in October 2000 in the Department of Transport and joined the Department on 1 July 2002 with the transfer of the Office. He was reappointed in November 2005. Mr Cameron started his public service as a teacher in 1984 and has had public service roles in education, health and drug strategy. He has worked for a professional teaching association, lectured and written University health promotion courses and curriculum materials for the Curriculum Council. He is a member of the Road Safety Council, the National Road Safety Strategy Panel, the Board of the Australasian New Car Assessment Program, the National Advisory Group on Novice Driver Safety, chair of the National Automotive Advertising Monitoring Group and an Australian member of the OECD Working Groups on Achieving Ambitious Road Safety Targets and Novice Driver Safety.

**EXECUTIVE DIRECTOR, OFFICE OF e-GOVERNMENT
MS JO BRYSON M Bus**

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

**DIRECTOR, OFFICE OF DEVELOPMENT APPROVALS COORDINATION
MR BILL PHILLIPS, Dip Pub Admin**

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

**EXECUTIVE DIRECTOR, ACCOUNTABILITY SUPPORT UNIT
FIONA ROCHE BA (Hons), MCom**

Ms Roche commenced in the position of Executive Director of the Accountability Support Unit in January 2008. Prior to taking up this position, she was the Executive Director, Ethics and Human Resources at the Office of the Public Sector Standards Commission. Ms Roche has held a number of senior positions across the public sector, and previously worked in the Department of the Premier and Cabinet in executive roles for a number of years, including as Assistant Director General Public Sector Management.

**STATEMENT OF COMPLIANCE
WITH RELEVANT WRITTEN LAW**

The Department was established under the *Public Sector Management Act 1994*. Statutes committed to the administration of the Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management as at 30 June 2008, were:

LEGISLATION ADMINISTERED BY THE DEPARTMENT

<i>Agent General Act 1895</i>	<i>Parliamentary and Electorate Staff (Employment) Act 1992</i>
<i>Alteration of Statutory Designations Act 1974</i>	<i>Parliamentary Papers Act 1891</i>
<i>Armorial Bearings Protection Act 1976</i>	<i>Parliamentary Privileges Act 1891</i>
<i>Census Act 1891</i>	<i>Public Sector Management Act 1994</i>
<i>Civil Liability Act 2002</i>	<i>Returned Servicemen's Badges Act 1953</i>
<i>Constitution Act 1889</i>	<i>Royal Commissions Act 1968</i>
<i>Constitution Acts Amendment Act 1899</i>	<i>Royal Commission (Custody of Records) Act 1992</i>
<i>Daylight Saving Act 2006</i>	<i>Royal Commission Into Commercial Activities of Government Act 1992</i>
<i>Deputy Governor's Powers Act 1911</i>	<i>Royal Powers Act 1953</i>
<i>Discharged Servicemen's Badges Act 1967</i>	<i>Royal Style and Titles Act 1947</i>
<i>Election of Senators Act 1903</i>	<i>Standard Time Act 2005</i>
<i>Fairbridge Farm School Act 1948</i>	<i>State Flag Act 2006</i>
<i>Friendlies Societies' Association of Kalgoorlie</i>	<i>Taxation (Staff Arrangements) Act 1969</i>
<i>Investment Validation Act 1919</i>	<i>Terrorism (Commonwealth Powers) Act 2002</i>
<i>Governor's Establishment Act 1992</i>	<i>Trans-Tasman Mutual Recognition (Western Australia) Act 2007</i>
<i>Indian Ocean Territories (Administration of Laws) Act 1992</i>	<i>Unauthorised Documents Act 1961</i>
<i>Machinery of Government (Miscellaneous Amendments) Act 2006</i>	<i>Uniforms Act 1895</i>
<i>Members of Parliament (Financial Interests) Act 1992</i>	
<i>Ministers Titles Act 1925</i>	
<i>Mutual Recognition (Western Australia) Act 2001</i>	

LEGISLATION IMPACTING ON THE DEPARTMENT'S ACTIVITIES

<i>Corruption and Crime Commission Act 2003</i>	<i>Public Interest Disclosure Act 2003</i>
<i>Disability Services Act 1993</i>	<i>Public Sector Management Act 1994</i>
<i>Equal Opportunity Act 1984</i>	<i>Road Safety Council Act 2002</i>
<i>Financial Management Act 2006</i>	<i>State Records Act 2000</i>
<i>Freedom of Information Act 1992</i>	<i>State Supply Commission Act 1991</i>
<i>Industrial Relations Act 1979</i>	<i>Workers Compensation and Injury Management Act 1981</i>
<i>Minimum Conditions of Employment Act 1993</i>	<i>Workers Compensation Reform Act 2004</i>
<i>Occupational Safety and Health Act 1984</i>	
<i>Parliamentary Commissioner Act 1971</i>	
<i>Public and Bank Holidays Act 1972</i>	

OTHER LEGISLATION REPORTED ON IN THIS REPORT

Salaries and Allowances Act 1975

**LEGAL AND GOVERNMENT POLICY
COMPLIANCE REQUIREMENTS**

LEGAL REQUIREMENTS

ADVERTISING - *Electoral Act 1907*

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

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES - *Disability Services Act 1993*

Appendix 2 provides information required as part of the DPC Disability Access and Inclusion Plan in accordance with Section 28 of the *Disability Services Act 1993*.

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES - *Public Sector Management Act 1994*

The Department continues to achieve a high level of compliance with public sector standards in human resource management, the Code of Ethics and Code of Conduct. Further details regarding compliance with Section 31 (1) of the *Public Sector Management Act 1994* are outlined on page 55 in the report.

RECORDKEEPING PLANS - *State Records Act 2000*

Details of the Department's "Recordkeeping Plan" are reported on page 57 in accordance with Section 19 of the *State Records Act 2000*.

GOVERNMENT POLICY REQUIREMENTS

OCCUPATIONAL SAFETY AND HEALTH

Details of the Department's Occupational Safety and Health activities and indicators, as required by *Premier's Circular 2007/12*, are outlined on page 57 in the report.

CORRUPTION PREVENTION

Details of the Department's activities undertaken in relation to Corruption Prevention as required by *Premier's Circular 2005/02* are outlined on page 61 in the report under the heading of Promoting Accountable and Ethical Decision Making.

SUBSTANTIVE EQUALITY

Details of the Department's achievement of objectives in relation to Substantive Equality are reported on page 61 in accordance with the requirements in *Premier's Circular 2005/07*.

SUSTAINABILITY

Details of the Department's achievement of objectives in relation to Sustainability are reported on page 62 in accordance with the requirements of the *Sustainability Code of Practice for Government Agencies and Resource Guide for Implementation*.



M C Wauchope
DIRECTOR GENERAL

MINISTERIAL RESPONSIBILITY FOR SERVICES

Responsible Minister	Service
Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management	1. Support for the Premier as Head of Government 2. Management of Matters of State 3. Management of Policy 4. Support for the Premier as Minister for Public Sector Management 5. Parliamentary, Statutory and Legislative Publishing Service 6. Management of the Constitutional Centre Programs 8. e-Government Policy and Coordination
Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation	7. Support for the Implementation of the State's Road Safety Initiatives

RELATIONSHIP OF SERVICES TO GOVERNMENT STRATEGIC GOALS

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

Government Goals	Desired Outcomes	Services
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	The Premier's requirements and those of Cabinet are met.	1. Support for the Premier as Head of Government 2. Management of Matters of State 3. Management of Policy
	The Premier's obligations as Minister for Public Sector Management are met.	4. Support for the Premier as Minister for Public Sector Management
	A secure, confidential and time critical printing and publishing service for Parliament and Government.	5. Parliamentary, Statutory and Legislative Publishing Service
	Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian federal system of government.	6. Management of the Constitutional Centre Programs
	The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation.	8. e-Government Policy and Coordination
Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.	Reducing the number of fatalities in Western Australia through the implementation of Road Safety programs.	7. Support for the Implementation of the State's Road Safety Initiatives

SIGNIFICANT ISSUES AND TRENDS

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

- the election of a new Commonwealth Government has heralded a significant period of federalism reform. As a key to delivering better services to the community and enhanced economic performance, the Prime Minister has committed his government to reform of both the architecture and operations of Federal-State relations. Co-operation will be the cornerstone of reform, with arrangements based on genuine partnership between the Commonwealth and the States. The first 'new era' Council of Australian Governments (COAG) meeting on 20 December 2007 foreshadowed new policy settings for the financial and cooperative underpinnings of the Federal compact, and launched an ambitious agenda for reform. The COAG agreed to meet an unprecedented four times in 2008;
- an increased emphasis on accountability and ethical issues in the public sector has led to the need for greater awareness and understanding of accountability requirements through the provision of training and support to Directors General, Chief Executive Officers and public sector employees;
- the tight labour market will ensure workforce planning, attraction and retention and professional development continue to be priorities for 2008/09 and beyond. Access to flexible employment arrangements remains a major retention issue for both older and younger generations of public sector workers;
- the importance of effective counter-terrorism, emergency management and human influenza pandemic planning and preparedness continues to be reinforced by events in Australia and overseas. The Department coordinates the provision of advice and support to the Premier on these issues; and
- Citizens and industry will increasingly expect Government to offer similar levels of convenience in service delivery as the private sector by providing choices in service delivery channels. They also expect these services will be accessible anywhere and anytime, tailored to suit their needs and diminish unnecessary interaction with multiple agencies. Such approaches will require greater consistency across Government in the presentation of its information and services and an increased emphasis on collaboration between agencies.

AGENCY PERFORMANCE - REPORT ON OPERATIONS FOR THE YEAR ENDED 30 JUNE 2008

Financial Targets - Actual performance compared to budget targets

	2007-08 Target \$000 ⁽¹⁾	2007-08 Actual \$000	Variation \$000 ⁽²⁾
Total cost of services (expense limit) (sourced from Income Statement)	144,654	154,890	10,236 ^(a)
Net cost of services (sourced from Income Statement)	115,244	131,057	15,813 ^(a)
Total equity (sourced from Balance Sheet)	23,719	26,684	2,965 ^(b)
Net increase / (decrease) in cash held (sourced from Cash Flow Statement)	430	7,089	6,659 ^(c)
	No.	No.	No.
Approved full time equivalent (FTE) staff level	797	824	27 ^(d)

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

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

- (a) The variation is principally due to an increase in grant expenditure from accumulated reserves in the Office of Road Safety Road Trauma Trust fund.
- (b) The variation is principally an increase in equity recognising the US\$ hedging reserve for the operational lease for the ministerial air charter aircraft.
- (c) The variation is principally the result of a delay in payment of funds to Main Roads Western Australia.
- (d) The variation in FTEs between 2007/08 target and 2007/08 is principally attributable to officers seconded in to DPC from other agencies.

**AGENCY PERFORMANCE - REPORT ON OPERATIONS FOR THE YEAR ENDED
30 JUNE 2008**

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

	Target 2007-08 ⁽¹⁾	Actual 2007-08	Variation⁽²⁾
<p>Outcome: The Premier's requirements and those of Cabinet are met.</p> <p>Key Effectiveness Indicator(s):</p> <p>The extent to which the needs of the Premier and Cabinet are met by services provided by the Department of the Premier and Cabinet.</p>	3.2	3.1	-(0.1)
<p>Service: Support for the Premier as Head of Government</p> <p>Key Efficiency Indicator(s):</p> <p>Cost of services provided to support the Premier</p> <p>Average cost of representing WA interests overseas (per region).</p> <p>Average cost of media and communication services provided to each Minister (including the Premier).</p>	\$3,736,950 \$1,559,933 \$226,438	\$3,590,867 \$1,669,058 \$221,068	\$146,083 (\$109,125) \$5,370
<p>Service: Management of Matters of State</p> <p>Key Efficiency Indicator(s):</p> <p>Average operating cost per Ministerial Office (including the Leaders of the Opposition).</p> <p>Average cost of administration provided for each Ministerial Office (including the Leaders of the Opposition).</p> <p>Average entitlement cost per Member of Parliament.</p> <p>Average cost of administration per Member of Parliament.</p> <p>Average cost of providing an Executive Government Service.</p> <p>Average cost per Indian Ocean Territory Service Delivery Arrangement coordinated.</p> <p>Average cost of initiative and program undertaken to address terrorism and other significant emergencies.</p>	\$1,816,548 \$527,893 \$286,339 \$12,942 \$20,250 \$9,479 \$155,190	\$1,826,153 \$622,766 \$303,252 \$15,991 \$21,218 \$7,122 \$116,743	(\$9,605) (\$94,873) (\$16,913) (\$3,049) (\$968) \$2,357 \$38,447
<p>Service: Management of Policy.</p> <p>Key Efficiency Indicator(s):</p> <p>Average cost per hour of policy advice, development and co-ordination.</p> <p>Average cost of providing an Executive Government Service.</p>	\$130 \$13,406	\$149 \$13,412	(\$19) (\$6)
<p>Outcome: The Premier's obligations as Minister for Public Sector Management are met.</p> <p>Key Effectiveness Indicator(s):</p> <p>Proportion of leadership development participants who indicated that they would be able to apply their learning in their workplace for the benefit of their agency, or within the public sector generally.</p>	80%	98%	18%

ANNUAL REPORT – 2007/2008

	Target 2007-08 ⁽¹⁾	Actual 2007-08	Variation⁽²⁾
Proportion of clients who indicate that the provision of employment and organisational management services were appropriate, timely and met their requirements.	75%	93%	18%
Proportion of workforce development participants who indicated that they would be able to apply their learning in their workplace for the benefit of their agency, or within the public sector generally.	80%	99%	19%
Proportion of responses to requests for Human Resources Minimum Obligatory Information Requirements (HR MOIR) data that are provided within agreed timeframes.	N/A	90%	N/A
Service: Support for the Premier as Minister for Public Sector management.			
Key Efficiency Indicator(s):			
Average cost per leadership development participant	\$2,546	\$807	\$1,739
Average cost per client to whom public sector management advice is provided	\$46,571	\$96,221	(\$49,650)
Average cost per workforce development participant	\$1,905	\$1,283	\$622
Outcome: A secure, confidential and time critical printing and publishing service for Parliament and Government.			
Key Effectiveness Indicator(s):			
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by each House of Parliament.	100%	100%	0%
Proportion of documents produced and released in accordance with security and confidentiality requirements.	100%	100%	0%
Service: Parliamentary, Statutory and Legislative Publishing Service.			
Key Efficiency Indicator(s):			
Average cost per printing image produced.	\$0.11	\$0.10	\$0.01
Average cost of publications sold.	\$8.36	\$11.65	(\$3.29)
Average sale value.	\$18.00	\$20.09	(\$2.09)
Outcome: Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.			
Key Effectiveness Indicator(s).			
Percentage growth in Constitutional Centre customer numbers compared with previous year.	0.00%	7.61%	7.61%
Percentage increase in use of electronic information provided on the Constitutional Centre web page.	0.00%	13.34%	13.34%
Level of regional demand / support for travelling or outreach programs.	0.00%	3.33%	3.33%
Service: Management of the Constitutional Centre programs.			
Key Efficiency Indicator(s):			
Cost per customer of the Constitutional Centre.	\$12.59	\$12.28	\$0.31

ANNUAL REPORT – 2007/2008

	Target 2007-08 ⁽¹⁾	Actual 2007-08	Variation⁽²⁾
Outcome: Reducing the number of fatalities in Western Australia through the implementation of Road Safety programs.			
Key Effectiveness Indicator(s)			
Deaths from road crashes per 100,000 estimated residential population.	8.5	11.16	(2.66)
Police reported hospital admissions due to road crashes per 100,000 population.	142	122	20
Hospital admissions due to road crashes per 100,000 population.	146	168	(22)
Service: Support for implementation of the state's road safety initiatives.			
Key Efficiency Indicator(s)			
Average cost of awareness-raising campaigns.	\$477,873	\$614,761	(\$136,888)
Average cost of road safety initiatives.	\$756,409	\$569,415	\$186,994
Average cost per FTE for support services to the Road Safety Council.	\$202,045	\$192,421	\$9,624
Outcome: The strategic transformation of the operations of Government, using technology as a tool to improve internal efficiency, service delivery to citizens and community participation.			
Key Effectiveness Indicator(s)			
Proportion of Departments that adopt and implement policies, standards and guidelines developed by the Office of e-Government.	75%	91%	16%
Strategic Management Council e-Government Sub-Committee's satisfaction with quality of advice and support provided.	3.4	3.5	0.1
Premier's Office satisfaction with advice and support provided.	3.0	3.0	0.0
Service: e-Government policy and coordination.			
Key Efficiency Indicator(s)			
Average cost per Department that adopts and implements policies, standards and guidelines.	\$52,177	\$47,406	\$4,771
Average cost per significant e-government initiative in which the Office is involved.	\$187,685	\$189,328	(\$1,643)

(1) As specified in the budget statements for 2007/08.

(2) Detailed explanations for variations between target and actual results are contained in the footnotes in the Performance Indicators section of this Annual Report commencing at page 108.

REPORT ON OPERATIONS - SERVICES

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

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

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

PREMIER'S OFFICE

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

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

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

EUROPEAN OFFICE – London, United Kingdom

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

Some of the key activities undertaken this year were:

- promoted Western Australia as a destination for oil, gas and mineral investment and assisted a Ministerial-led business delegation to the Offshore Europe 2007 exhibition in Aberdeen, Scotland, Europe's largest oil and gas event of the year;
- represented major universities and TAFE colleges at 14 events in Europe to promote educational programs and recruit students to study in Western Australia;
- promoted Western Australia at significant skilled and business migration events in European countries and assisted Western Australian Government agencies, including Western Australia Police, Department of Education and Training (DET) and WA Health in specialised skilled recruitment;
- in conjunction with the United Kingdom Department of Food and Rural Affairs, achieved changes in the European Union Rock Lobster processing regulations which, in conjunction with the previous tariff reductions, enable simpler access to the European Union market for Western Australia's Western Rock Lobster industry;

- assisted the Perth Convention Bureau to participate in the bidding process for three major congresses;
- assisted Western Australian food, beverage and biotechnology companies to access the European market;
- supported Department of Treasury and Finance initiatives to encourage major infrastructure providers to establish operations in Western Australia to increase competition and diversity in the industry;
- supported formation of joint ventures between Perth and Manchester based digital media companies, and the establishment of closer relations between the State and the City of Manchester in technology development;
- exposed Western Australian businesses to the burgeoning Russian economy and its opportunities for trade, investment and collaboration across many sectors, culminating with the Premier's visit in April 2008; and
- assisted in planning, programming and supporting Ministerial, Parliamentary, Departmental and Agency visits to Europe, and the Government sponsored 2008 Premier's ANZAC Student Tour.

NORTH ASIA OFFICE – Tokyo, Japan

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

- promoted Western Australia at food and beverage promotions, including the Foodex 2008 trade show, specifically targeting Japanese importers and food processing equity investors, and supported exhibitors, including importers of Western Australian products;
- promoted education services in Western Australia at education exhibitions and conferences held throughout Japan;
- supported visits to Japan by the Deputy Premier, a parliamentary delegation led by the President of the Legislative Council, and the Leader of the Opposition;
- assisted Western Australian companies with market research, business matching and other general enquiries;
- assisted Japanese investors in Western Australia's resources sector to identify opportunities in related sectors such as rare earths and metals, and identified potential investment opportunities in the biofuels sector for Japanese investors;
- supported Western Australian companies attending biotechnology and nanotechnology events in developing their networks and knowledge bases, and in attracting investment and establishing business partnerships; and
- promoted Western Australia as the most desirable location for the Square Kilometre Array project to Japanese organisations and stakeholders.

WESTERN AUSTRALIAN TRADE OFFICE – Dubai, United Arab Emirates

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

- planned and organised the first Saudi Ministerial delegation to Western Australia;
- planned and organised the Minister for Agriculture and Food's visit to Saudi Arabia, United Arab Emirates, Qatar, Yemen and Libya;

- in conjunction with the Department of Industry and Resources (DOIR), organised the visit to Qatar and the United Arab Emirates for the Minister for Energy, Resources, Industry and Enterprise, and supported the Western Australian building material/construction industries participation in the region's biggest construction exhibition (BIG-5), providing market briefing and business matching services to 12 Western Australian companies;
- coordinated the visit of the Qatari Minister of Municipal Affairs and Agriculture and an accompanying delegation to Western Australia;
- in conjunction with the Department of Agriculture and Food, facilitated and supported Western Australian food industry participation in the Gulf Food Exhibition 2008, identified and facilitated a contract for Agwest International to undertake a bio-safety scoping study contract for Abu-Dhabi Government and supported Agwest International in winning a contract to undertake a preliminary study into Rangeland Management in Libya;
- finalised a Marine industry report, focusing on Western Australian marine industry strengths in the water transport and leisure sector;
- represented Tourism Western Australia at the Arabian Hotel Investment conference in Dubai to attract Arabian investment into the Western Australian tourism sector, promoted Western Australian tourism stories in Gulf print media, and facilitated the visit of an Arabian tourism journalist to Perth;
- in conjunction with the Small Business Development Corporation, organised the first business and skilled migration seminar in Dubai;
- identified trading and investment partners in the Construction, Agriculture, Food, Oil and Gas, Health, Education and Marine sectors in United Arab Emirates, Qatar, Saudi Arabia, Libya, Egypt and Jordan;
- established a fully equipped office desk facility in the Dubai office for Western Australian companies visiting the region;
- supported visits by several Western Australian Universities and educational institutes and the opening of a Dubai campus for Murdoch University, recognising the growing demand for Australian education services in the Middle East in the region; and
- identified Saudi Arabia as the key growth market for Western Australian products and services in the Middle East region, and the Middle East Office has finalised the Memorandum of Understanding with Jaddah Chamber of Commerce to support trade relations between Western Australia and Saudi Arabia.

GOVERNMENT MEDIA OFFICE

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

The Media Monitoring Unit provides media monitoring to the Premier and Cabinet Ministers. This includes news websites online, print, radio and TV throughout Western Australia and selected publications in other States.

The Government Media Office was responsible for the production of 1,714 media statements and 518 media alerts during the year.

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

ANZAC DAY WORKING GROUP

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

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

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

- **Small Grants Scheme** - On 11 November 2006, the Premier Alan Carpenter announced that the State Government would provide an additional \$1 million as part of a two-year extension of the ANZAC Day Small Grants Scheme Program. The purpose of the Anzac Small Grants Scheme is to assist with the refurbishment and restoration of dilapidated war memorials and honour rolls across Western Australia; upgrade facilities at RSL or Memorial Halls or other venues used for ANZAC and Remembrance Day Services; provide funding to develop interpretive programs; provide funding for research and publications; and to provide for the purchase of public address systems and lecterns for ANZAC Day and Remembrance Day services. Three rounds of grants have been finalised with 118 organisations receiving grants to the value of \$760,197. Included in this were contributions to The Boer War Memorial in Canberra and commemorative activities relating to the finding of the HMAS Sydney. Funds have also been provided to identify and preserve significant records and documents held by RSL Sub Branches. The final round of grants will be announced on Remembrance Day 2008.
- **Student Delegation to ANZAC Sites** – In 2004 the first delegation of 14 high school students departed for Europe on the annual Premier's ANZAC Student Tour. These tours will continue to be held every year until the Gallipoli centenary in 2015. This year's tour visited Villers Bretonneux and took part in the 90th year commemoration of the liberation of the village of Villers-Bretonneux on 25 April 1918.
- **ANZAC Website and War Memorial Register** - the website www.anzac.dpc.wa.gov.au contains the WA War Memorial Register, a comprehensive database of 321 war memorials throughout the State. In each entry there is a description of the memorial and a list of those people commemorated.

**SERVICE TWO
MANAGEMENT OF MATTERS OF STATE**

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

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

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

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

During the year the Cabinet and Parliamentary Services functions were transferred from Service 2 to Service 3 - Management of Policy.

CONSTITUTIONAL AND VICE-REGAL

The Department arranged the formalities associated with 51 temporary allocations of ministerial portfolios during the year to provide for Ministers' short-term absences from office.

Arrangements were made by the Department on 6 occasions during the year for the appointment of a deputy of the Governor to exercise the powers and functions of the office when the Governor was formally absent from office.

The Department coordinated the arrangements for one reconstitution of the Ministry. The composition of the Ministry at 30 June 2008 is shown at Appendix 3.

EXECUTIVE COUNCIL

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

The Department coordinated 26 regular meetings of the Executive Council and 9 special meetings during the year. The total number of submissions processed was 905.

COMMUNITY ACCESS AND CORRESPONDENCE

The Department continued to provide the Community Access service, which enables the public to convey their views to the Premier. Departmental officers attended 6 interviews of

members of the public on behalf of the Premier and responded to 2,544 telephone calls to the Community Access line.

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

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

The Department continued to service the Premier's correspondence needs during the year. The Correspondence Secretariat prepared 10,181 items of correspondence for the Premier.

ENTITLEMENTS

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

Support and assistance was also provided to Members and their staff in the administration of their Parliamentary electorate offices located throughout the State. In particular, the Department facilitated the relocation of 7 electorate offices, with a further 2 being at various stages of completion. The Department also facilitated extensive refurbishments of one existing office. With the redistribution of electoral boundaries by the Western Australian Electoral Commission to take effect at the next State General Election, the Department is at various stages of establishing 10 new electorate offices in the newly created seats.

TRANSPORT

The Department, through the Government Garage, coordinated the delivery of vehicle and Chauffeur services to the Premier, Ministers and certain designated Office Holders. It also administered the operational leasing facilities for Departmental vehicles.

EVENTS AND VISIT MANAGEMENT SERVICES

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

State Visit Management

The Department was responsible for the coordination of 27 visit programs during the year. The categories of visits coordinated by the Department were as follows:

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

Significant visits included those by:

- His Excellency Mr Hu Jintao, President of the People's Republic of China, 3-4 September 2007;

- Dr Zacarias Albano da Costa, Minister of Foreign Affairs, Timor Leste, 21-22 February 2008;
- His Excellency Mr Claudio Martini, President of Tuscany, Italy, 21-24 February 2008; and
- Digby, Lord Jones of Birmingham, Minister of State for Trade and Investment, United Kingdom, 28-29 March 2008.

Assistance was provided with arrangements for the Premier's official visits to Indonesia (5-8 December 2007) and Russia/France (22 April–4 May 2008).

Dignitary Protection

As part of its visit management role, the Department maintained close liaison with protective security agencies especially in relation to dignitary protection and continued to be represented on the National Counter Terrorism Committee's Dignitary Protection Managers' Forum, held in Perth in February 2008.

Hospitality, Ceremonial and Special Event Management

A total of 34 hospitality, ceremonial and special events were arranged by the Department during the year. These included receptions, dinners and luncheons for distinguished visitors, hosted by the Premier or Ministers on his behalf and community functions associated with regional cabinet meetings.

Major events arranged during the year included:

- Premier's Dinner for the President of the People's Republic of China, 3 September 2007;
- Premier's Dinner for Mr Zhao Hongzhu, Secretary, Zhejiang Province, People's Republic of China, to mark the 20th Anniversary of the Sister State relationship, 15 November 2007;
- State Memorial Service for the Honourable Sir Charles Court AK KCMG OBE, 4 January 2008; and
- State Reception to Farewell the Governor-General of Australia and Mrs Jeffery, 30 June 2008.

CELEBRATION / RECOGNITION AND PROMOTION MANAGEMENT

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

SECURITY

The Department coordinated the arrangements for the assessment and monitoring of security measures in Ministers' offices and private residences during the year.

The Department continued to coordinate the internal security arrangements for its staff located in the Governor Stirling Tower.

SUPPORT TO MINISTERS AND LEADERS OF THE OPPOSITION

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

The Department convenes a Merit Panel, which assesses the merits of any intended secondments and appointments to Ministerial Offices, together with an assessment of the designation and salary to be offered. This results in a consistent approach to the appointment of staff across all Ministerial Offices. The Merit Panel considered 75 submissions during the year in both formal and out of session meetings.

Corporate support continued to be provided to the Office of the Leader of the Opposition and the Office of the Leader of the Second Party in Opposition during the year. Advice and assistance were provided on a range of matters including budget, staffing and entitlements.

THE AUSTRALIAN HONOURS SYSTEM

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

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

A total of 99 awards were made to Western Australians in the Australia Day and Queen's Birthday Honours Lists 2008.

ACCOUNTABLE AND ETHICAL DECISION MAKING INITIATIVES

The Premier announced on 9 October 2007 that a new program to increase awareness of accountability requirements among public sector employees would be developed. In response, the Department established the Accountability Support Unit in January 2008 to design and coordinate a whole-of-government training program on accountability and ethics, and to provide advice and support to Chief Executive Officers (CEOs) and agencies on accountability issues.

Premier's Circular 2008/06 was released in May 2008 to advise that CEOs of public sector agencies would receive accountability and ethics training based on materials designed by the Department, and would then have responsibility for ensuring that training is provided within their agencies.

After consultation with CEOs and accountability bodies, the Department developed a training program for CEOs, senior executives and public sector employees titled *Accountable and Ethical Decision Making in the WA Public Sector*. To date, training has been provided to 84 CEOs/DGs over 7 sessions, and work has been undertaken with agencies on the customisation and delivery of the program to employees across the sector. The Department was the first agency to roll the training program out for staff in May and June 2008.

To support agencies and individuals, a website with resources and information about the training program and on accountability issues and requirements has been developed. The website is available at www.dpc.wa.gov.au/accountability

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

The Western Australian Government assists the Commonwealth to meet its constitutional obligations in the Indian Ocean Territories through the provision of State-level services under Service Delivery Arrangements (SDAs), in accordance with the *Indian Ocean Territories (Administration of Laws Act) 1992*, for which the Premier is the Minister responsible.

During the year the Department:

- oversaw and provided ongoing advice and assistance in respect of the 37 SDAs now in place between the State and the Commonwealth. This represents revenue of \$20.29 million paid by the Commonwealth to State agencies for service provision in the Territories;
- in conjunction with the Commonwealth, undertook a review of eight SDAs due to expire at 30 June 2008, to determine whether performance objectives had been achieved and whether the services provided were consistent with those in similar remote mainland localities;
- negotiated new SDAs for the Department for Child Protection and Department for Communities, and renegotiated each reviewed SDA for a further four-year term;
- in association with the Department of Local Government and Regional Development, developed a program for the Shires of Christmas and the Cocos (Keeling) Islands during Western Australia's Local Government Week in August 2007, which included a visit to the Kwinana Desalination Plant; and
- assisted the Commonwealth Grants Commission's Inquiry into the Appropriate Level of Funding for the Indian Ocean Territories.

STATE SECURITY AND EMERGENCY COORDINATION

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

Significant areas of work for the past 12 months have included:

Human Influenza Pandemic Planning

- coordinated a review of the *Western Australian Government Human Influenza Pandemic Plan* which outlines measures and mitigating strategies to protect the community and minimise the impact of an influenza pandemic upon Western Australia;
- coordinated a second major desktop exercise involving participants from 30 Government agencies and independent offices, which enabled agencies to assess their business continuity planning for a possible pandemic and provided a learning opportunity to assist the further development of pandemic influenza plans at agency and whole-of-government level;
- assisted in the development of national pandemic discussion exercise, *Exercise Sustain 08* and, together with representatives from other key State Government agencies, participated in the exercise; and
- developed a range of information materials for use by agencies, businesses, organisations and the community, including fact sheets and a guide to running a pandemic exercise to test pandemic and business continuity plans.

Council of Australian Governments' Review of Hazardous Materials

- represented and led the State's contribution to the Council of Australian Governments' Review of Hazardous Materials to develop nationally consistent controls on security sensitive chemicals;
- this work has culminated in a draft Report on the Control of Chemicals of Security Concern and an Intergovernmental Agreement for COAG's consideration in October 2008.

National Counter-Terrorism Exercise Program

- work continued in partnership with Western Australia Police to ensure that the State meets its obligations under the National Counter-Terrorism Exercise Program;
- eight exercises involving key Government agencies were conducted during the year;
- the exercises involved emergency services agencies working with the transport sector and critical infrastructure; and
- planning continued for a major counter-terrorism exercise to be conducted in Western Australia in October this year.

OFFICE OF DEVELOPMENT APPROVAL COORDINATION

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

The Department through ODAC is responsible for:

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

Major achievements:

- provided coordination services for eleven major development projects and advice and assistance to numerous companies regarding approvals aspects of their projects;
- completed coordination of pre-implementation approvals for the \$11 billion Pluto LNG Development and conducted a review with agencies and the proponent of the coordination process;
- completed revision and enhancement, based on stakeholder feedback, of process maps for 31 commonly required approval processes;
- reached agreement with agencies and implemented changes to better align the Integrated Project Approvals System coordinated approvals pathway with the established processes under the EP Act; and
- provided support for ongoing review and improvements within specific agencies, such as participation in the Environmental Protection Authority's review of Environmental Impact Assessment processes.

SERVICE THREE MANAGEMENT OF POLICY

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

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

- Social
- Environmental
- Economic
- Regional
- Sustainability

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

The Department also provides support for the functions of Cabinet and Parliament. The functions of Cabinet and Parliamentary Services were transferred from Management of Matters of State - Service 2 to Service 3 during the year.

The following highlights the major achievements in the above functions by the Department.

Intergovernmental Relations

In the past year, the Department has provided advice and co-ordination support to the Premier for two meetings of COAG held on 20 December 2007 and 26 March 2008. It has also:

- co-ordinated a whole-of-government process in relation to the work being carried out by the new COAG working groups relating to:
 - health and aging;
 - productivity agenda – early childhood, schooling, and skills training and workforce development;
 - climate change and water;
 - infrastructure;
 - business regulation and competition;
 - housing; and
 - Indigenous reform.
- co-ordinated the State’s input into the specific reform proposals under the Council of Australian Government’s *National Reform Agenda*;
- co-ordinated the State’s input into the substantial work undertaken by the Council for Australian Federation (CAF), including economic modelling for a *National Emissions Trading Scheme*, improving the delivery of high quality schooling, and reducing red tape for business;
- provided briefing papers and policy advice for the Premier on CAF related issues;
- co-ordinated the State’s input into the second stage of the Council of Australian Governments’ project to implement full and effective mutual recognition of skills-based trades. A ministerial declaration for motor vehicle trades licences was signed under the State’s *Mutual Recognition Act 2001*; and

- provided the formal point of contact for, or co-ordinated responses on behalf of, the State Government on the National Heritage List, including convening the National Heritage List Interdepartmental Committee.

Social Policy

The Department provided policy advice for the Premier ensuring a coordinated, whole-of-government approach to key social issues, including the following:

- assisted with the establishment of the new Departments for Communities and Child Protection;
- assisted with the establishment of the new functions and structure of the Department of Indigenous Affairs;
- undertook a project to improve the management and the policy framework for State Government concessions, in collaboration with the Department of Treasury and Finance;
- partnered with State Government agencies and utility providers to develop a *Utilities Hardship Package*;
- developed a whole-of-government policy framework for Early Childhood and transferred responsibility to the Department for Communities in 2008;
- chaired the *Taskforce Investigating the Effects of the Federal Government's Changes to the Community Development Employment Projects (CDEP) in Western Australia*;
- assisted in the development of a *Premier's Jobs Forum* to increase Indigenous employment and economic participation in Western Australia;
- continued to manage the innovative *Early Childhood Partnership* with Rio Tinto, the Institute of Child Health Research and St John of God Health Care in selected demonstration sites in the East Kimberley and Roebourne;
- partnered with State and Local Government to produce *Perth's Creative Industries – An Analysis* which outlined the socio and economic impacts of Perth's creative industries;
- participated on the joint Commonwealth/State COAG Mental Health Group and chaired the Care Coordination Working Group to maximise the effectiveness of the *National Action Plan on Mental Health*;
- co-ordinated the State Government's input into the Productivity Commission's *Report on Government Services 2008*;
- produced *The Social Agenda*, a monthly e-newsletter with a broad community reach promoting awareness of the State Government's social policy achievements;
- provided the policy secretariat to the Human Services Industry Roundtable; and
- undertook a review of the *Non Government Human Services Indexation Policy*.

Community Cabinet Liaison

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

- six Regional Cabinet meetings were held in the Community during the year. Regions, locations and dates for these meetings were:

Region – Location	Dates
North West Coastal Carnarvon – included the towns of Shark Bay, Exmouth, Coral Bay and Gascoyne Junction	20 and 21 August 2007
Inner Northern Suburbs Town of Vincent	10 September 2007
Eastern Suburbs Shire of Kalamunda	29 October 2007
Armadale City of Armadale	19 November 2007
Albany	4 and 5 March 2008
West Kimberley Broome – included Derby and One Arm Point	14 and 15 April 2008

- assisted with the preparation of appropriate materials to ensure that communities across the State are appropriately informed about Government decisions, policies and programs and facilitated the opportunity for constituents to provide feedback to Government; and
- prepared briefs for the Premier and Ministers on issues affecting local communities across the State.

In addition, support was also made to the Cabinet Standing Committee on Regional Policy and the Cabinet Standing Committee for the North Metropolitan Region.

Policy Support

- co-ordinated a major whole-of-government water recycling and re-use strategy;
- provided support to the Water Resources Cabinet Standing Committee and the State Water Council;
- co-ordinated the *Building WA Program* which keeps the Western Australian public up to date with the State Government’s capital works program; and
- supported the Cabinet Standing Committee on Law and Order and co-ordinated a series of policy responses flowing from the Committee’s activities.

Canberra Office

The Western Australian Government Office in Canberra provided advice and advocated on a range of key Commonwealth-State policy issues, including matters impacting on the State’s resource industry, environmental and heritage issues, and an advisory role on Commonwealth funding and grant programs.

Cabinet Services

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

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

There were 48 Cabinet meetings held during the year, including six Regional meetings. During this period, Cabinet considered a total of 814 submissions.

The region, locations and dates of the Regional Cabinet meetings can be found on the previous page.

Parliamentary Services

The 2007 Spring sittings of the Thirty-Seventh Parliament commenced on 14 August 2007 and the 2008 Autumn sittings concluded on 26 June 2008.

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

There were 2,538 Questions on Notice and 2,229 Questions Without Notice.

63 Government Bills were passed during the year.

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

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

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

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

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

ADVICE, ASSISTANCE AND SUPPORT TO THE MINISTER

The Department has provided advice, assistance and support to the Minister on policy development and implementation.

Legislative Support

The Western Australian Public Sector’s copyright royalty obligations were managed. Negotiations for the period 2002 to 2006 with Copyright Agency Limited for photocopying and digital copying of copyright works for work purposes were progressed. Preliminary negotiations commenced with Screenrights for a remuneration agreement for the copying of sound and television broadcasts. The agreement with the Australasian Performing Right Association for the public performance of music remains in force.

As part of the whole-of-government response to recommendations of the Ombudsman’s Report on *Allegations Concerning the Treatment of Children and Young People in Residential Care*, a review of the disciplinary provisions of the *Public Sector Management Act 1994* was undertaken. The Steering Committee provided its report to the Premier in August 2007, and the Premier has approved the Steering Committee’s recommendations.

Support was once again provided for the implementation of the trial of Daylight Saving. This included the coordination of a public awareness campaign comprising press advertisements and a website as well as providing ongoing responses to enquiries from businesses and the general public on matters arising from the trial.

In response to the Government’s decision to mutualise GESB, the Department provided advice on the legislative amendments required to effect this reform.

Chief Executive Officers

The Department is responsible for:

- ***The appointment of Chief Executive Officers (CEOs).*** During the year, 24 CEO appointments or reappointments under section 45 of the *Public Sector Management Act 1994* were finalised; and
- ***Managing the process for completion and submission of performance agreements and assessments for Chief Executive Officers.*** This includes developing and disseminating agreement frameworks and guidelines, and assessing the content of agreements to ensure minimum requirements are met.

In 2008, the Department of the Premier and Cabinet launched an initiative to provide professional development opportunities for public sector Chief Executive Officers through sponsored membership of the CEO Institute. The Institute offers members the opportunity to meet regularly with like-minded CEOs from both public and private organisations to share insights and exchange views in a supportive and secure environment.

Two CEOs have received sponsorship for a year’s membership of the CEO Institute, thereafter a further two CEOs will be offered the opportunity for sponsored membership.

Appointments

The Department coordinated the recruitment, selection and appointment processes for the independent statutory office of the Commissioner for Children and Young People.

In addition, the following appointments or reappointments were made during the reporting year:

CEO	AGENCY	APPOINTMENT/ REAPPOINTMENT	DATE TERM OF APPOINTMENT COMMENCED
Ms Cheryl Gwilliam	Department of the Attorney General	Appointment	3 August 2007
Mr Don Punch	South West Development Commission	Reappointment	7 September 2007
Mr Jason Banks	Office of Energy	Appointment	25 September 2007
Mr Terry Murphy	Department for Child Protection	Appointment	2 October 2007
Mr Mal Wauchope	Department of the Premier and Cabinet	Reappointment	21 October 2007
Dr Barry McKnight	Pilbara Regional TAFE	Appointment	22 October 2007
Mr Richard Muirhead	Western Australian Tourism Commission	Reappointment	4 November 2007
Mr Eric Lumsden	Department of Planning and Infrastructure	Appointment	5 November 2007
Dr Ron Chalmers	Disability Services Commission	Appointment	6 November 2007
Mr David Singe	Wheatbelt Development Commission	Reappointment	13 November 2007
Mr Stephen Webster	Pilbara Development Commission	Appointment	19 November 2007
Mr Menno Henneveld	Main Roads Western Australia	Reappointment	2 December 2007

CEO	AGENCY	APPOINTMENT/ REAPPOINTMENT	DATE TERM OF APPOINTMENT COMMENCED
Ms Maree De Lacey	Peel Development Commission	Reappointment	16 December 2007
Mr Brian Bradley	Department of Consumer and Employment Protection	Reappointment	24 December 2007
Ms Wendy Burns	South West Regional College of TAFE	Reappointment	30 January 2008
Mr Ciaran (Paul) Murphy	Kimberley TAFE	Appointment	3 February 2008
Mr Barry Sargeant	Department of Racing, Gaming and Liquor	Reappointment	10 March 2008
Ms Wendy Burns	South West Regional College of TAFE	Appointment	25 March 2008
Ms Jennifer Mathews	Department of Local Government and Regional Development	Appointment	31 March 2008
Mr Kimberley Taylor	Department of Water	Appointment	21 April 2008
Ms Allanah Lucas	Department of Culture and the Arts	Appointment	6 May 2008
Mr John Scott	C Y O'Connor College of TAFE	Appointment	3 June 2008
Ms Susan Barrera	Department for Communities	Appointment	4 June 2008
Mr Alan Ferris	Perth Theatre Trust	Appointment	17 June 2008

CEO Performance Agreement and Assessment System

A review of the CEO Performance Agreement and Assessment System was completed in 2007 with recommendations identified to improve:

- the content of agreements, including ensuring measurable performance criteria are identified for each initiative; and
- the efficiency of the process, including aligning performance documentation completion deadlines with key budget and other financial reporting deadlines as closely as is practicable.

The majority of the recommended changes arising from the review were implemented in 2007. Those recommendations still to be implemented require legislative amendment or analysis and reporting of information relating to the 2007/08 performance cycle, which concludes on 30 June 2008. It is expected that all recommendations will be implemented by early 2009.

The Department continues to monitor the content of agreements and assessments and provide advice to CEOs where appropriate to ensure the new requirements are met.

Senior Executive Service

The *Public Sector Management Act 1994* establishes the Senior Executive Service (SES) as a distinct executive cohort within the Public Service. The SES comprises senior officers who provide high-level policy advice and senior leadership roles within agencies. As at 30 June 2008 the number of SES members was 374.

The Department assesses all applications for classification or reclassification of positions within the Senior Executive Service. During the year, 98 applications were assessed.

Classification Requests (New Positions)	56
Reclassification Requests	27
Temporary Special Allowance Requests	15
TOTAL	98

The Department also manages the process associated with Management Initiated Retirements. However, no Management Initiated Retirement packages were accepted this year.

Human Resource Management Advice

The Department provides an advisory service to the public sector on human resource management matters. The service primarily provides:

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

Entry-Level Employment

The Department administers the following targeted recruitment programs to assist public sector agencies:

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

These programs recruit job-seekers who are eligible, suitable and interested in entry-level and traineeship employment opportunities in the Western Australian public sector. Subject to meeting the minimum requirements for inclusion, job-seekers are registered and their resumes made available to public sector agencies.

Each program consists of three applicant pools: General, Aboriginal and Torres Strait Islanders and People with Disabilities. Promotional strategies to recruit candidates for the above applicant pools are also coordinated by the Department.

The Department recruits, screens and registers eligible applicants, on behalf of public sector agencies, in order to provide:

- public sector agencies with a source of suitable and available job-seekers to fill metropolitan-based Level 1 or Traineeship opportunities; and
- registered job-seekers with a point of entry to access fixed-term employment opportunities within the Government of Western Australia.

Entry-Level Recruitment

Public sector agencies can source candidates (including specific equity groups) for entry-level administrative positions that arise. The Program assists agencies to expeditiously recruit, select and appoint job-seekers to cover periods of staff leave, complete a backlog of work, assist in projects of a finite nature and cover periods of time where staff is performing other jobs on a temporary basis.

Registration with the Entry-Level Employment Program (ELEP) is dependent on job-seekers meeting the minimum requirements of the Public Sector Recruitment Test. Applicants register and complete the test via the internet. The Department processed the registration of 849 new candidates for the ELEP this year, with 366 placements made.

Traineeship Recruitment

Public Sector agencies can also source candidates (including equity groups) to fill both Business and School-Based Traineeship opportunities.

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

The Department processed the registration of 382 new candidates for the Business Traineeship Program this financial year, resulting in 96 full-time placements.

Also in conjunction with DET, the Department facilitates the School-Based Traineeship Program, which provides Year 11 and 12 students with employment within a public sector agency for two days a week while attending school for the remainder. This year there were 52 school-based trainee placements.

The number of placements made across the Entry-Level and Traineeship Employment Programs this year is reflected in the following table:

Program Placements	General	Indigenous	Disability	Total
Full-Time Trainee Placements	54	33	9	96
School-Based Trainee Placements	47	3	2	52
Entry-Level Placements	297	15	54	366
TOTAL	398	51	65	514

The Department undertook a number of targeted promotional strategies to increase the representation of young people, including diversity groups, which resulted in the number of young people under 25, that were successfully placed in Full-Time Trainee positions, increasing by 11.5%. The number of School-Based Trainees successfully placed increased by 17.3%.

During the year, a review of the processes and services associated with entry-level employment was undertaken. Consideration of the review’s findings and implementation of appropriate recommendations will be undertaken during 2008/09.

Workforce Development

The Department continued to provide a range of whole-of-government professional development programs encompassing leadership development, public sector improvement, strategic human resource management, graduate development and career development.

Workshops offered as part of the **Leadership Development Strategy** continued to be in high demand. The Strategy includes a capability framework, which defines the skills and behaviours required of public sector leaders; a specially designed assessment service, which

allows leaders and aspiring leaders to assess their existing skills against required capabilities via a 360-degree feedback tool, and a range of skills workshops and other learning activities.

Indicators of the success of the strategy include:

- 1,103 registrations for 60 leadership skills workshops (including 26 held in-house at agencies' request) on 12 different topics; and
- 432 people from 18 agencies accessing the leadership assessment service.

Leadership Development Strategy

In 2007/08 the Department undertook a review of the first year of the Leadership Development Strategy (LDS). The LDS was introduced in 2006 to assist in developing strong leadership in the Western Australian public sector.

It comprises a suite of assessment tools and educational programs for agencies to use when implementing development strategies. The strategy incorporates a set of capabilities, a 360-degree or self-assessment service with coaching, a range of leadership and skill development programs and educational opportunities. The majority of the components are targeted at Managers and Executives from Level 7 to Class 4.

The evaluation included consultation with agencies, program participants and contractors, and examined the impact of the strategy across the sector. The study found that the first year of the strategy had been very successful, with the various components viewed very favourably and a general consensus that the programs are useful and complement each other.

The success of the strategy and, in particular, the success of the Pathways to Leadership Program (which is pitched at Level 7 and 8 employees) also generated a demand for leadership development options for the Level 5-6 group. As a consequence, a new program, **Foundations of Leadership**, was developed to cater for this market, based on the same format as the Pathways program. Two intakes of 25 participants undertook the program this year, with a 100% completion rate.

The **Regional Skills Initiative** was further developed to enhance access to relevant professional development opportunities for regional employees of public sector agencies. Six regional workshops were delivered, with five of these held in the Goldfields/Esperance region. Sixty-six participants have benefitted from this development opportunity. A regional subsidy model designed to help offset the cost of travel and accommodation incurred by regional participants attending DPC programs or workshops in Perth was also implemented. During the year, 26 applications for subsidies were received and processed.

Program Delivery	Events / Programs	Registrations	Hours
Leaderships Skills Workshops	60	1,107	8,694
Public Sector Improvement Workshops	10	158	1,106
Strategic HRM Workshops	9	142	1,519
Career Development Workshops	18	296	2,072
Pathways to Leadership Program	2	50	1,617
Foundations of Leadership Program	2	50	1,652
Graduate Development Program	6	574	4,018
Public Sector Welcome Induction	1	240	1,680
Women in Leadership Events	2	179	1,253
TOTALS	110	2,796	23,611

Comparative Program Delivery Rates Year	Events / Programs	Registrations	Hours
2005/06	63	1,225	9,807
2006/07	90	3,189	15,987
2007/08	110	2,796	23,611
Changes from 2006/7 to 2007/8	20 (22%)	-393 (-12%)	7624 (48%)
Changes from 2005/6 to 2007/8	47 (75%)	1,571 (128%)	13,804 (141%)

The **Graduate Development Program** is in its third year and is increasing in popularity. The program runs for a calendar year and consists of six half-day workshops designed to broaden new graduates' understanding of the wider issues of working in the public sector. A record 198 graduates registered for this year's program.

The **Australian and New Zealand School of Government (ANZSOG)** program continued, with a further 10 full scholarship placements commencing on the Executive Master of Public Administration (EMPA) program.

Public Sector Management Program (PSM)

The key objective of the PSM Program is to enhance the knowledge and skills of middle to senior public sector managers and emerging leaders. This tertiary program aims to improve capabilities in *political management* (policy skills, strategic management), *accountabilities* (decision-making, ethics), *relationship management* (leadership, communication) and *delivering results* (people, performance, planning, and problem solving).

The Program takes up to 15 months to complete and successful participants can currently choose a Graduate Certificate from one of four leading Universities – Curtin, Macquarie, Griffith and RMIT. These Universities can change periodically in line with tender requirements.

The Program provides credit into a range of further post-graduate studies. Its outcomes link to the Leadership Development Strategy, reflecting the strategic workforce priorities and leadership skills needed in a modern professional public sector.

The following three PSM Programs commenced this year:

- July 2007 (28 participants);
- November 2007 (20 participants);
- March 2008 (29 participants); and

In addition, 48 people graduated from the PSM program during the year.

Redeployment and Redundancy Management

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

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

Redeployment and Redundancy Activity

Redeployment and Redundancy Activity 2007/08	No.
New redeployees registered	48
Number of agencies that registered redeployees	19
Current number of redeployees	43
Current redeployees in secondment positions	13
Redeployment placements effected	38
Average number of vacant positions referred for redeployment consideration each month	1350

Voluntary Severance

Public sector agencies reported that a total of 22 employees accepted offers of voluntary severance during the year, compared with 51 acceptances during 2006/07.

Recruitment Advertising and Management System

The State Government's Recruitment Advertising and Management System (RAMS) is facilitated through DPC via BigRedSky Pty Ltd for the whole of the public sector. RAMS was introduced in 2004 and the current contract is due to cease on 14 September 2008. Work to award a new contract for the next five year period has been completed to the 'preferred tenderer status' stage, with the new contract due to be awarded on 15 September 2008.

A total of 15,646 jobs were advertised on RAMS during the year, of which, 6,184 (i.e. 40%) were advertised using the Candidate Management module.

With respect to the current system, considerable effort continues to be expended to streamline and improve recruitment and selection procedures, particularly through the candidate management system. The bulk of these improvements have taken the form of major system enhancements based on feedback and requests from agency users. Some flexibility also exists to customise other components of the system to suit specific agency needs

COORDINATION OF AND SUPPORT FOR MANAGEMENT IMPROVEMENT IN THE PUBLIC SECTOR

The Department has provided advice, assistance and support to the Minister and Chief Executive Officers in relation to issues of strategic management to the public sector.

Organisational Reviews

The Department supported functional reviews of the Department of Industry and Resources and the Department of Education and Training.

- the review of the Department of Industry and Resources was chaired by Mr Terry Budge. The findings and recommendations were submitted to Government in August 2007; and
- the review of the Department of Education and Training was chaired by Ms Prudence Ford. The findings and recommendations were submitted to Government in December 2007.

Annual Report Framework 2007/08

In 2006 a joint review of requirements for agency annual reports was conducted with the Department of Treasury and Finance (DTF). The review sought to enhance agency annual reporting by:

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

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

- a new structure for annual reports; and
- streamlining reporting requirements to eliminate duplication of reporting.

The 2007/8 reporting guidelines removed the requirement for agencies to report on Equal Employment Opportunity Outcomes in annual reports.

Amendments were also made to the reporting requirements for Disability Access and Inclusion Plans and Substantive Equality, while a new reporting requirement for Occupational Safety and Health was introduced in accordance with the *Code of Practice: Occupational Safety and Health in the Western Australian Public Sector*.

Women In Leadership

The Women in Leadership Strategy was launched in August 2007 with a series of initiatives to be implemented over three years. These initiatives have been designed to attract, develop and retain women for senior management roles in the public sector.

Implementation of the strategy is overseen by the Women in Leadership Working Group, comprising representatives from this Department, Office of Equal Employment Opportunity, the Department of Consumer and Employment Protection and the Office of Women's Policy.

Recommendations from the Strategy that are the responsibility of the Department and which have been implemented this year include:

- establishment of a centrally coordinated women's communication network with open membership and targeting aspiring leaders;
- coordination of Women in Leadership networking events in November 2007 and March 2008;
- establishment of a benchmark of 50% female representation in relevant programs under the Leadership Development Strategy and the Public Sector Improvement Strategy;
- development of a formal selection policy for these programs reflecting this benchmark;
- a review of leadership opportunities gained by female participants of the leadership development strategy in the last two years;
- completion of an audit of existing women's mentoring programs;
- as a result of the above audit, a mentoring program has been developed for men and women, along with a training program for mentors;
- the development of a program for managers on inclusive selection practices;

- enhancement of *SkillsConnect* register to include a specific category to enable registrants to indicate if they are interested in part-time or non-traditional working arrangement; and
- development of the Flexiwork Register for public sector employees seeking flexible work options.

Review of Recruitment and Selection Practices

In August 2007, the Department released a discussion paper entitled *Rethinking Recruitment*, which raised for consideration 35 possible measures to streamline public sector recruitment processes. The paper sought to address public sector needs in the current labour market, by allowing agencies to be more responsive without compromising merit, equity and probity.

Agencies were invited to provide feedback on the viability of proposed changes, which enabled the development of projects aimed at improving recruitment and selection processes. The projects included the development of practical recruitment tools to assist human resource professionals and public sector staff generally.

A companion document, *Rethinking Recruitment – Innovative Tips and Case Studies*, was also released. The document sought to dispel commonly held perceptions about existing recruitment practices and provided agencies with practical examples of innovative recruitment and selection techniques that could be applied within the current recruitment framework.

A Consultative Committee, comprising human resource officers from agencies with more than 1000 employees, was established to provide advice on recruitment tools and general feedback on the project.

The progressive roll-out of *Rethinking Recruitment* projects will continue in 2008.

Staff Mobility

The Department developed *SkillsConnect* which is designed to give public sector agencies access to a talent pool to meet short-term employment opportunities. An evaluation of the program was undertaken in the last quarter this year, and as a result, enhancements will be progressively implemented during 2008/09.

The *Pilot Mobility Program* was trialled as a leadership development initiative to extend the experience and leadership skills of public sector officers through a six-month placement in another agency. The first intake of participants (Level 6 and above) commenced in July 2007.

The Department funded the salaries of participants during their placement. Participants also received coaching and additional training to maximise their learning during the placement.

The pilot program was reviewed after the first intake to determine its effectiveness. The outcomes of the pilot study have provided invaluable data that will inform future initiatives that support leadership development across the sector.

Rebranding

The research phase of the rebranding of the WA Jobs Board was completed successfully. It included stakeholder workshops, a website audit, online user survey, job-seeker focus groups and regional interviews. This research has provided invaluable insight, data and direction for creative online employer branding solutions, which will be executed in the next financial year.

Premier's Awards

Winners of the 2007 Premier's Awards for Excellence in Public Sector Management were announced at a ceremony at the Perth Convention and Exhibition Centre on Thursday, 1 November 2007. Awards were presented to:

- **Better Services (Large and Small Agencies)** – Department of Consumer and Employment Protection; Small Business Development Corporation; WorkCover Western Australia Authority for *ThinkSafe Small Business Assistance Program*;
- **Jobs and Economic Development** – Department of Industry and Resources for *WA Inventor of the Year Award Program*;
- **Lifestyle and the Environment** – Swan River Trust for *Healthy Rivers Program*;
- **Regional Development** – Department of Water for *Avon Rivercare Project*; and
- **Governance and Public Sector Improvement** – Department of Treasury and Finance for *Setting the Standard*.

The Department of Treasury and Finance was awarded the overall Premier's Award for Excellence for its *Setting the Standard* initiative which locates procurement staff from the Department within client agencies.

Workforce Planning

During the year, a range of initiatives was progressed to address workforce issues across the public sector. A key strategy has been the development of the *State Workforce Plan: Attraction and Retention Strategy (2008-2013)* that focuses on the importance of people, leadership and structure in the public sector. The main objectives of the State Workforce Plan are to:

- attract skilled workers;
- retain valued employees;
- build a supply of talent;
- provide strategic leadership;
- meet regional needs; and
- ensure an efficient and flexible public sector.

To develop the *State Workforce Plan*, research was conducted into labour market conditions and trends, and an extensive consultation was undertaken. The consultation included a sector-wide survey, the establishment of occupational focus groups and a reference group. The reference group comprised senior staff from across the sector.

As a result, 39 initiatives have been identified to enhance the sector's capacity to manage its workforce effectively, and to continue to provide high-quality public services during a time of changing labour market conditions.

These initiatives involve both central agencies and line agencies, and include some significant reforms to recruitment, selection, leadership, succession management and workforce planning practices.

In 2008/09, agencies will start to implement the initiatives, and the Department will conduct further comprehensive research to identify critical Government services and occupations affected by skills and labour shortages. The development of resources to assist agencies to undertake effective workforce planning will also be undertaken.

This year, the Department implemented changes to the workforce data collection process that is used across the public sector, known as the Human Resource Minimum Obligatory Information Requirements (HR MOIR). Information produced from the HR MOIR process is

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

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

Significant changes to this process have consequently resulted in improvements in the nature and quality of workforce information and planning for the sector.

The implementation of the new HR MOIR data reporting requirements, as well as a new data management application (Workforce Analysis and Comparison Application – WACA) will result in:

- revised and expanded data;
- enhanced data quality; and
- the streamlining of Government workforce reporting processes.

The transition to the new reporting requirements has required some public sector agencies to make significant changes to their respective data management systems.

A range of other statistical and analytical publications on aspects of the Government's workforce is available on the PSMD website at <http://www.dpc.wa.gov.au/psmd>.

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

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

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

PARLIAMENTARY SUPPORT – Memorandum of Understanding

A Memorandum of Understanding (MOU) was signed by all key clients at Parliament for the production of chamber documents, Bills, Daily and Weekly Hansard. The MOU provides for agreed document receipt and production turnaround times that meet the requirements of both Houses of Parliament and Hansard.

During the year there were 660 deliveries of documents to the Parliament with a 100% on time delivery record within the prescribed deadlines being achieved.

ELECTRONIC UPTAKE OF THE GOVERNMENT GAZETTE

The State Law Publisher commenced a project to scan and take up previously published copies of the Western Australian Government Gazette. During the year some 120,000 pages of Government Gazettes were scanned and converted to electronic format.

The database now provides free access to text searchable copies of all Government Gazettes published since 1975 on the State Law Publisher website. The project was initiated due to the age and deteriorating condition of old paper copies of the Gazette held by the State Law Publisher, and will provide a valuable archive for research and reference purposes.

This project is expected to take a further 3 to 4 years to completion and will eventually house all Government Gazettes published in Western Australia.

POINT OF SALE UPGRADE AND SHARED SERVICES ROLL-IN

The State Law Publisher rolled into the Department of Treasury and Finance (DTF) Shared Services in December 2007.

In preparation for this transition, internal software that provided point of sale facilities, debtors and inventory modules had to be upgraded in order to provide the data requirements for the DTF Shared Services systems. A significant amount of 'data cleansing' also had to be performed prior to implementation of the upgraded software, and the development of some 'middleware' was required as part of this process to facilitate transfer of invoicing data to the DTF Shared Services.

REPRINTS PROGRAM

The reprints program continued this year and was undertaken jointly with the Parliamentary Counsel's Office. A total of 155 titles comprising of 14,294 pages of legislation were consolidated and reprinted for the financial year.

The program aims to fast track titles that have extensive amendments through the reprint process, particularly titles that are in high demand. Users of legislation benefit as a result of this initiative with the volume and cost of titles being reduced significantly. Due to many 'in-demand' legislation titles changing on a constant basis, this initiative will continue for the foreseeable future.

SERVICE SIX MANAGEMENT OF THE CONSTITUTIONAL CENTRE PROGRAMS

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

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

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

- Mr Malcolm McCusker, QC (Chairperson)
- Mrs Anne Conti
- Mrs Janice Dudley
- Mr Bill Hassell
- Justice Christine Wheeler
- Hon John Cowdell
- Ms Colleen Hayward (Deputy Chairperson)
- Ms Diana Warnock
- Professor Greg Craven
- Professor David Black
- Professor Harry Phillips
- Mr Albert D’Cruz

SCHOOLS EDUCATION PROGRAMS

The Joint Civics Education Outreach program, conducted with the Parliamentary Education Office and the Electoral Education Centre, continues to take programs to regional areas of the State and has casual presenters based in Albany, Bunbury, Dumbleyung and Esperance. In addition, Centre Education Officers have made road trips to areas of the State not covered by current regional staffing and regional presenters have been trained to present both Centre programs and the joint civics program. Programs are for both primary and secondary students and provide free civics education and teacher resources. Since these initiatives commenced in July 2003, over 46,000 country students have taken part. In the same period nearly 88,000 metropolitan students have participated in the joint civics initiative and the ongoing Centre programs.

Primary and Secondary School versions of a new program *The Constitutional Challenge* were developed and implemented. In addition, loan boxes containing materials and programs for remote and regional schools were developed and trialled.

Annual Schools Constitutional Conventions were held in Albany and Perth during August with a total of 218 students taking part. The theme of the convention was Federalism. Fifteen students from the State conventions were chosen to represent the State at the National Schools Constitutional Convention in Canberra in April 2008.

Use of the Constitutional Centre website continues to increase with many schools accessing it to teach their students as part of their civics education program. Over 900,000 pages of information were downloaded, an increase of around 10% on the previous year.

PUBLIC PROGRAMS

During the year the Centre hosted a number of public forums and debates. This included a forum to mark the tenth anniversary of the Constitutional Centre. *Lawmaking for a small federation – national infrastructure and regulation* was held in conjunction with the John Curtin Institute of Public Policy and the Australian Association for Constitutional Law.

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

OTHER AREAS OF RESPONSIBILITY

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

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

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

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

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

Through the Office of Road Safety, the Department supports the RSC and Government in the development, implementation, monitoring and evaluation of the State's road safety initiatives.

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

- leading the development of the Road Safety Strategy for Western Australia on behalf of the RSC and the Minister for Community Safety;
- providing executive support, coordination and evidence based advice on road safety policy and strategy to the RSC member agencies, Government and community;
- monitoring and reporting progress using data obtained from the relevant agencies; and
- delivering road safety community education campaigns focusing on key road safety issues, including the major risk behaviours of speeding, drink driving, not wearing seatbelts and fatigue and encouraging the purchase of safer vehicles.

The *Road Safety Council Act 2002* (the Act) provides that one third of all monies collected from red light and speed camera infringements are credited to the Road Trauma Trust Fund (RTTF). These monies are complemented by sponsorship revenue received from the Insurance Commission of Western Australia and the Royal Automobile Club of Western Australia. Funds held in the RTTF are applied for the purposes established in the Act, as approved by the Minister for Community Safety on the recommendation of the RSC. An annual budget is prepared by the Department in accordance with the outcomes outlined in the State Road Safety Strategy - Arriving Safely.

This year, through the RTTF, over \$24 million was committed to the research, development, implementation and monitoring of road safety initiatives out of a total of approximately \$260 million in Government spending. The activities funded by the RTTF complement and enhance the core business expenditure from other agencies responsible for road safety outcomes, such as Main Roads Western Australia, Western Australia Police and the Department for Planning and Infrastructure.

The components of *Arriving Safely* aim to:

- **improve the safety of the road and vehicle infrastructure** by increasing the focus on safety in land use planning, by remedial action to treat Blackspots and progressive improvements to the existing road system, by reducing vehicle speeds and promoting the purchase of safer vehicles;
- **encourage safer modes of travel** including a greater use of public transport;
- **reduce unsafe driver behaviours** by increasing publicity, improving the effectiveness of enforcement and improving the coordination of publicity and enforcement; and

- **support the implementation of new road safety initiatives** by building community support for road safety, by supporting legislation with significant road safety benefits, and by monitoring the progress and impact of road safety activity.

MAJOR ACHIEVEMENTS

During the year the Office:

- commissioned an independent expert to identify, describe and recommend proven road safety countermeasures for stakeholder and community consideration as part of the development of the new road safety strategy for Western Australia 2008-2020;
- undertook extensive consultation involving Members of Parliament, the community, stakeholders and community leaders on the options for the new road safety strategy;
- managed legislative amendments to the *Road Traffic Act 1974* that provided for the implementation of initiatives to:
 - further improve novice driver safety; and
 - introduce random roadside testing of drivers for illicit drugs using oral fluid and enhanced laws for more serious offences of drug-impaired driving;
- in partnership with Main Roads Western Australia, led a major demonstration of advisory Intelligent Speed Adaptation technology to showcase the utility of this technology in helping drivers choose legal speeds;
- established a cross-agency Steering Committee to develop a best practice in speed enforcement business case and make recommendations to Government;
- commenced contractual negotiations to establish a Western Australian Road Safety Research Centre;
- implemented major state-wide community education programs, focusing on safer vehicles and the high risk behaviours of speeding, drink driving, fatigue and non-restraint use supported by local and regional community education and coordinated enforcement activity by Western Australian Police;
- produced educational materials to encourage learner drivers to take 120 hours of supervised driving; and
- developed a comprehensive road safety communication strategy for international visitors to Western Australia (consisting of a website in eight languages and educational material placed strategically on flights into Perth and in hire vehicles at airports).

SERVICE EIGHT e-GOVERNMENT POLICY AND COORDINATION

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

The Department is responsible for:

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

The Department has a key role in helping public sector agencies to transform the business of Government through leadership and collaboration in the use of Information and Communications Technology (ICT). This is achieved through increasing internal efficiencies, enhancing service delivery and engaging the community.

IMPLEMENTATION OF CITIZEN CENTRIC GOVERNMENT: ELECTRONIC SERVICE DELIVERY STRATEGY

The *Citizen Centric Government: Electronic Service Delivery Strategy* (ESDS) was launched in March 2007. The ESDS provides a clear vision for how electronic services will have transformed service delivery capability within 10 years. It identifies the capabilities agencies need to meet the changing service delivery expectations of citizens and business into the future. In the past year the Department has worked on implementing the ESDS through a number of initiatives, these include:

- ***Website Governance Framework***

The *Website Governance Framework (WGF)* for Western Australian Government Websites provides agencies with a consistent approach to the management and delivery of information and services to citizens and business in the online environment. In May 2008 a Premier’s Circular was issued requiring all Chief Executive Officers to ensure their agency complies with the WGF. The WGF comprises of:

- Website Governance and Management Process;
- Website Domain Name Policy & Implementation Guide;
- Website Business Plan to assist agencies develop business plans for all their websites;
- Website Standards, Guidelines, Compliance Checklists, Evaluation and Reporting Guide; and
- Online Website Registration System.

In February 2008 a website domain survey was conducted to obtain a baseline position on the number of websites and to measure the effectiveness of the Website Governance Framework. Agencies will be required to report annually on the cost and effectiveness of their websites.

The Department is working with a number of agencies to develop model agency websites that embrace the Website Governance Framework.

- **Single Entry Point – wa.gov.au**

Since November 2006 when the Online WA and wa.gov.au sites were brought together to create a Single Entry Point for Western Australian Government, wa.gov.au, the Department has continued to refine the Single Entry Point. A new version of wa.gov.au with further enhancements went live in April 2008. Work is continuing on improving search and content management across Government. Enhancements to wa.gov.au include:

- enhanced Home Page that includes the Common Website Elements to be used by all Western Australian Government websites, and improved accessibility;
- single notification to Government agencies of personal life events, such as change of address;
- banner space for Government campaigns for example the opening of the Perth to Mandurah Railway, Daylight Saving and *DNA Act* review; and
- an inventory of Government services that will facilitate the development of an online directory of Government services.

STANDARDS REPOSITORY

Having a single authoritative source of policies, standards and best practice makes it easier for agencies to ensure that their ICT initiatives conform to Government policies and best practice management. A prototype e-government web based standards repository went live in May 2008 and contains standards and policies published by the Office of e-Government (OeG). In keeping with the philosophy of sharing valuable e-government policy development and best practice advice undertaken in agencies and other jurisdictions, it is intended that the repository will eventually include provision for State Government agencies to share their own policies and frameworks with other agencies, and link to relevant standards from other jurisdictions.

SECURE GOVERNMENT STRATEGY

A *Secure Government Strategy* for the Western Australian Public Sector has been developed. The purpose of the strategy is to describe how the Western Australian public sector can coordinate its e-security efforts through consistent and flexible approaches to maintaining the confidentiality, integrity, and availability of the sector's electronic information and services. This includes outlining the e-security policies, standards and governance processes that agencies will need to implement to achieve this objective. The Strategy emphasises the need to broaden ownership and understanding of e-security issues both within agencies and across Government.

Aimed at both senior executives in the public sector as well as managers of information and communications technology, it focuses on comprehensive risk management practices to achieve a proactive and resilient culture of information security.

WESTERN AUSTRALIAN GOVERNMENT NUMBER

The Department has been collaborating with key agencies across the public sector to identify business needs and policy issues relating to the implementation of a whole-of-government employee number called the Western Australian Government Number (WAGN). This will be progressively rolled out with the human resources management services of the Shared Corporate Services initiative. The Department has been working with Department of Treasury and Finance Shared Services (DTFSS) to develop an ICT system, which will work with agency Human Resource Management systems, to issue WAGNs. This ICT system will be hosted at DTFSS and has been undergoing testing. Agencies will begin utilising the WAGN as they roll-in to DTFSS Human Resources Systems. The Department has also worked with the Department of Health and other major agencies which are outside the scope of DTFSS to plan the extension of the WAGN to all employees.

The WAGN provides a consistent mechanism for effectively managing entitlements, career progression, job mobility and access to information across agencies. It replaces the current agency centric payroll/employee number and will support improved workforce planning, security and provide opportunities to build other identity management applications such as proximity cards and secure access to systems.

WESTERN AUSTRALIAN PUBLIC SECTOR COMMUNICATIONS AUDIT

In order to strategically plan for the future public sector telecommunications requirements and to feed technical and functional specifications into the proposed StateWide Broadband Network (SBN), the Department undertook a Western Australian 2007 Public Sector Communications Audit. Completed in December 2007, the Audit's objective was to provide a baseline data set of public sector telecommunications infrastructure and services, agency usage and planned developments. Overall 127 agencies took part in the 2007 Audit, including 98 Public Authorities, 12 Government Trading Enterprises, and 15 entities not under the jurisdiction of the State Supply Commission.

The audit was conducted in 4 phases:

- managed Services;
- existing External Telecommunications Links;
- current and Future Network Requirements; and
- radio Communications and Radio Spectrum.

The first 3 phases contributed to the planning activity for the proposed StateWide Broadband Network (SBN) by providing:

- a comprehensive list of all Government sites, (both manned and unmanned);
- a complete list of all voice, data and Internet services connecting these sites and purchased by agencies from carriers, and their cost; and
- an agency-by-agency view of overall readiness for transitioning to an internet protocol (IP), converged, next generation network environment.

This view includes anticipated future applications, bandwidth demand and transition costs. Agencies will be able to continue to access and update the database as an ongoing planning and management tool.

STATEWIDE BROADBAND NETWORK

The Department provided assistance to the Department of Industry and Resources (DOIR) and the Department of Treasury and Finance (DTF) in the development of specifications for a

StateWide Broadband Network (SBN). The SBN was intended to deliver a high speed and affordable broadband network for the ubiquitous delivery of fixed and mobile, voice, data, internet, video and other emerging telecommunications services to all government offices and facilities that would also be accessible to business and community users. Planning for the SBN now includes consideration of the Federal Government's proposal for a National Broadband Network.

EMERGENCY SERVICES COMMUNICATIONS STRATEGY

Past Coroner's reports and Parliamentary Inquiries identified a lack of coordination of emergency services communications and a lack of awareness of alternative emergency services' facilities that have significantly contributed to adverse situations in emergencies, including loss of life. Also recognising that emergency services communications are expensive investments for Government, the Department has been working with emergency services organisations on an Emergency Services Communications Strategy.

The *Emergency Services Communications Strategy* (ESCS) was endorsed at the December 2007 meeting of the e-Government Sub-Committee. Its purpose is to provide a whole-of-government strategic framework for the future direction, planning, procurement and sharing of communications systems and provide a common approach to interoperability, data management, public interface governance and continuity of services across emergency services organisations. In January 2008 the Department was successful in obtaining Commonwealth Government funding to commence the development of the ESCS Implementation Plan in collaboration with these agencies.

m-GOVERNMENT BEST PRACTICE GUIDE

The Department developed a draft m-Government Best Practice Guide which consists of a Technical Paper and an Executive Overview, which have been designed to address how Western Australian Government agencies might use emerging mobile technologies securely and cost-effectively to deliver services to the community and to increase efficiencies within agencies. Agency feedback is currently being incorporated into the Guide. This will assist agencies develop their capability to meet changing service delivery expectations of citizens and businesses in an anytime, anywhere environment.

ENSURING MORE EFFECTIVE INVESTMENT AND VALUE FOR MONEY IN ICT PROJECTS

The Department plays an important role in the Department of Treasury and Finance (DTF) capital funding bid review process. The ICT budget bid process is designed to ensure that agency ICT initiatives over \$1million align with the strategic directions of Government, the agency's core business and the e-Government Strategy, as well as conforming to best practice governance and project management. The intention is to ensure that opportunities for sharing ICT resources are maximised, that high risk projects are well managed for successful outcomes and that business benefits are realised. The Office of e-Government was involved in negotiations with agencies and/or assessing major ICT funding submission initiatives, with an estimated total cost of \$1.42b as part of the DTF funding process. As a result of the process, 19 proposals were withdrawn or did not progress following discussions on aspects of the validity of the project.

FRAMEWORK FOR ICT PROJECTS

Work was undertaken with the Department of Treasury and Finance (DTF) to develop a 'Framework for ICT Projects' to assist agencies to improve the governance, management and return on investment of large scale, complex and high risk ICT projects.

Part of developing and implementing the framework, has involved the Department collaborating with DTF to improve the budget submission process for agencies, in relation to ICT proposals. The objective of this work was to reduce duplication of information requested of agencies by DTF and the Department by combining the DTF business case with the ICT pro forma. Agencies intending to request funding for ICT proposals will now only need to fill in one document for the business case stage of the Strategic Asset Management Framework.

CHECKLIST FOR DIRECTORS GENERAL AND CHIEF EXECUTIVE OFFICERS ON MAJOR ICT PROGRAMS AND PROJECTS

In response to an Auditor General's Report that highlighted a lack of executive commitment and oversight for ICT projects had led to ICT project failures, the Department developed a Checklist for Directors General and Chief Executive Officers on Major ICT Projects and a Checklist for Ministers on Major ICT Projects. These were developed to ask the searching questions to ensure that projects have the best chance of delivering their intended outcomes and resulting in better business and financial value for Government. This Checklist is an awareness raising tool and can be used prior to approving a business case and during the implementation of the project. The Checklists were released in February 2008, with 15 of the 23 major agencies surveyed indicating that they have already adopted the Checklists.

STRATEGIC ADVICE AND REPRESENTATION

An important role for the Department is to provide strategic governance, oversight and risk management advice for significant agency ICT projects such as the WA Health ICT initiative and the Electronic Land Development Project.

In response to the Auditor General's Public Sector Performance Report 2008, the Department is working with the State Records Office to address issues raised in relation to the disposal of Government hard drives and, on agencies' archival processes and the retention of email communications identified in a Corruption and Crime Commission report.

The *Wireless Network Security Position Paper* was released in January 2008 in response to the Auditor General's Second Public Sector Performance Report 2007 with an aim to raise awareness of security risks posed by wireless computer networks, and to provide agencies with guidance for establishing secure wireless networks. In December 2007 an update version of the *Wireless Handheld Devices Risk Management Guide* was released. This guide provides guidance on identifying and managing legal, technical and other risks for devices such as BlackBerry, Good Mobile Messaging and Dopod.

Officers represented the Department on a number of national and State committees, including the following:

National Groups

- National Broadband Development Group;
- National Coordinating Committee for Government Radio Communications;
- Cross Jurisdictional CIO Committee;
- Cross Jurisdictional CIO Interoperability Working Group;

- Cross Jurisdictional CIO Smartcard Reference Group;
- Cross Jurisdictional CIO Working Group on Authentication;
- National Identity Security Coordination Group (and associated working groups); and
- Online Communications Council for Ministers (advisory capacity).

State Groups

- StateWide Broadband Network Strategic Planning;
- Western Australian Telecentre Advisory Council;
- Western Australian ICT Industry Development Forum;
- Western Australian Chief Information Officers Forum;
- Electronic Land Development Process (eLDP) Programme Committee;
- Shared Service Centres – ICT Business Unit Technical Infrastructure Options Analysis Governance Board;
- WA Police Communications Strategy Project;
- Western Australian Emergency Radio Network Steering Committee Meeting;
- Inter-Agency Information Security Management Group;
- Small Agency ICT Group;
- Identity and Access Management Reference Group;
- Western Australian Land Information System (WALIS) Council; and
- Office of e-Government and Government Procurement Directors Forum.

The Department conducted a number “e-Vent” awareness raising seminars for agencies, which included:

- General overview of the Website Governance Framework and the Website Management Process;
- Critical Leadership Factors that Influence the Delivery of Major ICT Projects; and
- Lessons Learnt from Major ICT Projects.

AFFILIATED BODIES SALARIES AND ALLOWANCES TRIBUNAL

FUNCTIONS

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

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

For Parliamentarians the Tribunal determines:

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

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

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

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

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

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

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

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

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

TRIBUNAL MEMBERSHIP

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

Professor M C Wood, Chairman
Mr W S Coleman AM, Member
Ms M L Nadebaum, Member

Mr John Lukin is the Tribunal's Executive Officer.

Meetings are held monthly as a minimum or as required.

MAJOR ACTIVITIES

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

- August 2007 - a determination was issued increasing the base salary for parliamentarians to \$123,780 per annum;
- November 2007 - the Tribunal issued a recommendation report for an increase of 4.2 per cent for the judiciary;
- December 2007 - the Tribunal issued its second determination for the non-judicial members of the State Administrative Tribunal;
- March 2008 - a determination was issued for the Commissioners of the WAIRC;
- April 2008 - a determination was given for the special division positions and prescribed office holder positions; and
- several additional variation determinations were produced to acknowledge specific changes in circumstances or to clarify earlier determinations.

CORPORATE AND OTHER SERVICES

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

HUMAN RESOURCE SERVICES

Public Sector Standards in Human Resource Management

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

No claims of Breach of the Public Sector Standards in Human Resource Management were lodged this year.

Code of Ethics

The Department has complied with the ethical code, and continues to maintain a Code of Conduct which is communicated widely to all employees. There were no complaints lodged in 2007/08 relating to non-compliance.

Code of Conduct

The Code of Conduct 2006 was substantially reviewed and restructured in 2008 following the release of the new Code of Ethics and to ensure consistency with the Conduct Guide published by the Commissioner for Public Sector Standards February 2008. The updated code will be implemented in first quarter 2008/09. The Code is provided to all new employees as part of their induction.

Disciplinary Investigations

The Department completed four investigations into alleged breaches of discipline during the year. Of these investigations, three resulted in a reprimand with one fine, and one resulted in no finding.

Equity and Diversity

Equity and diversity headcount measures for the year ending 30 June 2008 indicate that the Department has exceeded its diversity targets for the employment of People With Disabilities, People from Diverse Backgrounds, and Youth. It was anticipated that greater inroads would have been made this year in improving participation of Indigenous Australians, however this figure is slightly down. To help accommodate this, an Indigenous Graduate Development Program has been advertised in conjunction with the DPC Graduate Development Program with a view to recruiting Indigenous Graduates to commence in January 2009. Additionally a number of positions have been identified for placement of suitably qualified Indigenous Australians within the Cabinet and Policy Division. The target for Women in Management is also yet to be attained. The *Equity and Diversity Plan for 2006-2009* has been implemented with objectives and strategies to more appropriately meet diversity targets.

Equity and Diversity Performance
(Based on headcount)

	2007/2008			
	Equity Index	% Actual Representation (as at 30 Jun 08)	DPC Target	% Above/ Below Target
Women in Tier 2 and 3 Combined	73	30.30%	35.00%	-4.70%
Indigenous Australians		0.51%	1.00%	-0.49%
People with Disabilities	90	2.53%	1.80%	0.73%
People from Diverse Backgrounds	65	18.43%	11.00%	7.43%
Youth		9.47%	9.00%	0.47%

Graduate Employment

The Department recruited six graduates into its graduate pool for 2008. Graduates are provided with opportunities to rotate throughout core parts of the organisation over a period of two years and are provided with specific training and development related to the roles they undertake. Each graduate becomes a permanent officer after the initial 12 months, subject to satisfactory performance. The Department has recruited 32 graduates since the program began in 2001.

Traineeships

As at 30 June 2008 the Department had five trainees participating in school-based traineeships that employs students part time while they complete Years 11 and 12. The Department also employed four trainees who work full-time for 12 months while completing Certificate III in Business Administration.

Training and Development

Courses organised by the Department during 2007/08 include:

- Classification and Establishment
- Introduction to Worksafe; and
- Recruitment & Selection.

The Department also co-ordinated the delivery of the training program *Accountable and Ethical Decision Making in the WA Public Sector* to all staff. The program, developed in early 2008 by the Department's Accountability Support Unit, was mandatory for staff to attend before the end of June 2008. Ninety-five percent of staff undertook the training by that date with the remainder completing it in the following month.

Health and Wellbeing Program

In January 2007, the Department appointed a provider to assist in the provision of a range of activities to enhance the general health and wellbeing of staff. This has included voluntary annual general health assessments and blood testing, flu vaccinations, monthly health seminars, weight loss competitions, physical exercise groups, yoga and encouragement of staff to participate in other events such as the City to Surf Fun Run.

Employee Assistance Program

The Department offers a confidential counselling service to all employees and their immediate families. Professional counsellors are available to staff and families who may be experiencing stressful situations, or alternatively may be seeking career counselling.

Workers Compensation

The Department had six workers compensation claims lodged during the year, four of which resulted in a total of 22 days lost time.

Occupational Safety and Health

The Department is committed to providing a healthy, safe, and accident free workplace for all its employees, contractors and visitors by complying with the *Occupational Safety and Health Act 1984 and Worker’s Compensation and Injury Management Act 1981*. The Occupational Safety and Health Policy launched during 2006/07 incorporates a Return to Work Program and Injury Management System for the Department. These have been reviewed during 2007/08.

Planned activities in 2008/09 will be the identification and training of Occupational Safety and Health Representatives for all areas of the Department. Appropriate managers and staff will be trained and delegated to effect safety improvements as identified through safety audit or in response to reported incidents. An Occupational Safety and Health Committee will be formed from this group with all reported incidents to be referred for discussion, mitigation or correction.

The Department has developed and included an Injury Management framework within its Occupational Safety and Health Policy which promotes the early and safe return to work for staff. The Injury Management System is yet to be tested due to the negligible Lost Time Injury (LTI) cases currently being supported through workers compensation.

Occupational Safety and Health Performance Indicators

Indicator	Target 2007/08	2006/07	2007/08	Variance
Number of fatalities	Zero	0	0	0
Lost time injury/diseases (LTI/D) incidence rate	Zero or 10% reduction on previous year	0	4	+4
Lost time injury severity rate	Zero or 10% improvement on previous year	0	0	0

All Lost Time Injury/Disease incidences were minor in nature with no individual incidence requiring more than 18 days to recover. All employees affected returned to work prior to their anticipated recovery time.

CORPORATE INFORMATION SERVICES

The *State Records Act 2000* provides for the keeping of Government records and requires Government organisations to have a recordkeeping plan. The Department’s recordkeeping plan is approved until 2012 and includes programs to implement recordkeeping at a service area level.

Archives

The Department's Administrative History Project, to review corporate archives and produce a comprehensive history of each collection continues. To date over 54,700 records have been catalogued.

New additions to the Department's archive included, Ministerial Records of the Second Term Carpenter Government, Human Resource Services and Policy Division. The Executive Council scanning project continues with 15 years of meetings digitally preserved and 4 years bound and digitised minutes from 1978 available in the records system. 380 Government Board and Committee Remuneration files were also digitally preserved.

A disposal authority for *Special Inquiries* was submitted to the State Records Office and authorities for the *Gordon Inquiry* and *Salaries and Allowances Tribunal* were approved by the State Records Commission.

Digital Recordkeeping

State Records Commission standards on digital recordkeeping are met through the implementation of a compliant electronic document management system. Correspondence from 3 legacy Lotus Notes systems was migrated into Open Text *Hummingbird*. TRIM *Context* and Open Text *Hummingbird* continues to be used in the Department and Ministerial Offices.

Induction and Training

Employees and contractors are informed of their recordkeeping responsibilities through induction, training and a range of guidelines distributed to service areas. Significant activities included:

- the online course *Recordkeeping Awareness Training (RAT)* was purchased and implemented in February 2008. Participation statistics for year-end were:

<i>Enrolled</i>	<i>Complete</i>	<i>In progress</i>	<i>% Complete</i>	<i>% In progress</i>	<i>% Total</i>
457	320	14	70	3	73

- 19 new guidelines or revised induction and training documents were produced and published on the Department's intranet;
- training material and induction emails were sent to over 100 new staff;
- a recordkeeping plan was prepared for the *Salaries and Allowances Tribunal*; and
- Open Text *Hummingbird* and TRIM *Context* training sessions continued.

Managing Performance

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

Performance Indicators	2007/08	2006/07
<i>To respond to customer Helpdesk phone, email and counter enquires within agreed timeframes</i>	6,900 (enquiries)	6,600 (enquiries)
<i>Documents captured into the records system</i>		
• <i>Premier's Records</i>	24,100	23,000
• <i>Ministerial Office Records</i>	94,900	97,000
• <i>Service Area Records</i>	7,150	4,400
<i>To capture official files into records systems</i>	5,750	6,100
<i>To receive and preserve records in accordance with the Department's recordkeeping plan. Including records of defunct agencies, Ministerial Offices and organisations transferred into the Department</i>	3,200 (files)	6,100 (files)
• <i>Ministerial Office Records *</i>	40,000 (documents)	105,000 (documents)
• <i>Service Area Records</i>	7,000 (documents)	62,000 (documents)
<i>To dispose of records in accordance with disposal authorities. Including routine disposal of files no longer required, transferring custody of service areas or functions no longer performed</i>		
• <i>Records to Secondary Storage</i>	130 (files) 5,950 (files)	4,500 (files)
<i>* Hummingbird migrations</i>		

INFORMATION MANAGEMENT AND TECHNOLOGY

Significant progress has been made in implementing the Department's Strategic Information Plan. The plan has five key programs of activity:

- improving communication and collaboration;
- managing information, knowledge, and business intelligence;
- improving business flexibility and continuity;
- developing the enabling infrastructure; and
- improving governance and service delivery.

Key activities for the year have included:

- the replacement of Groupwise with Microsoft Exchange as the Department's email and calendar management system;
- upgrading the Department's office productivity tools from Microsoft Office 2000 to Office 2007;

- the establishment of a new Web and Systems development environment based on Microsoft SharePoint and the Net framework;
- redevelopment of the Premier's, Ministers', and Media Statements websites in the new development environment and in accordance with the Office of e-Government Web Governance Framework;
- commenced major migration and redevelopment program for the Department and related websites in accordance with the Office of e-Government Web Governance Framework;
- improving the support services through the introduction of a service desk system and adoption of the ITIL framework for service delivery;
- a remote access strategy has been developed to improve staff ability to access information and systems from external locations. The implementation of this strategy will be continued into the next financial year;
- improved governance with the establishment of the Information Management and Technology Program Steering Committee, and through regular reporting to the Department's Corporate Executive;
- a review of information management and communications policies has commenced;
- development of an Enterprise Document Management implementation strategy for improved productivity and compliance. The implementation of this strategy will be continued into the next financial year; and
- partnered with the Parliament House Information Technology group to replace laptop computers for all Members of Parliament.

CORPORATE GOVERNANCE AND REVIEW

Internal Audit

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

The Department's Internal Audit Committee met on two occasions during the financial year, in August 2007 and March 2008.

Twenty six audits, totalling 1,610 audit hours, were scheduled in 2007/08. These included some audits associated with the roll-in of finance functions to the Department of Treasury and Finance's Shared Services unit (DTFSS). Other reviews were conducted across a range of Departmental Units and activities, including two of the overseas offices.

Twenty-four of the audits were completed as scheduled. The other two were deferred pending the roll-in of further functions to the DTFSS.

The 2007/08 Annual Audit Plan was prepared in accordance with Treasurer's Instructions and was based on the Department's risk profile as well as other obligatory reviews.

The Department's Internal Audit Charter was also reviewed within the context of the *Financial Management Act 2006* and the Treasurer's Instructions. In addition, and as a result of structural changes, the membership of the Department's Audit Committee was expanded.

Risk Management

Following a major assessment of the Department's strategic risks in February 2007, RiskCover continues its support of the Department by conducting risk assessments at unit level.

During the current financial year RiskCover has undertaken and reported on risk assessments in four major units of the Department. A risk assessment is currently in progress in a fifth unit.

In addition RiskCover has provided advice and assistance to a further two units which have completed their own assessments.

TRANSITION TO SHARED SERVICES

As part of the whole-of-government reform on the delivery of corporate services, the Department rolled-in its finance (including accounts payable, accounts receivable and aspects of asset management) and procurement activities to the shared service arrangements provided by the Department of Treasury and Finance on 7 December 2007.

A Project Team of dedicated and part-time management, functional leads in Finance, Human Resources and Procurement continued its work in addressing change management, communications and business re-engineering issues for a short time following the transition date.

Implementation of the payroll arrangements and full Human Resource environment is not due until 2011-2012.

PROMOTING ACCOUNTABLE AND ETHICAL DECISION MAKING

During the year, in response to Premier's Circular 2008/06, all officers (with the exception of ministerial office staff) participated in mandatory *Accountability and Ethical Decision Making* training conducted by the Department. The Director General continues to brief incoming Ministers and their Chiefs of Staff on statutory and administrative obligations and provided comprehensive briefings to Ministerial office staff. A specially modified training program is being developed for these officers and will be implemented following establishment of the incoming Government's ministerial offices after the State General Election.

The Department's Corruption Prevention Plan as required by Premier's Circular 2005/02 was reviewed in 2006/07, and has been further reviewed and restructured to incorporate contemporary approaches to corruption prevention promoted at the Australian Public Sector Anti-Corruption Conference held in October 2007, principles outlined in the Corruption and Crime Commission's recent *Misconduct Resistance* publication, and the fundamental principles underpinning the Department's *Accountability and Ethical Decision Making* training program. The updated plan, '*Strategies to Promote Ethical and Accountable Decision Making*' also addresses specific risks identified by interview with first, second and third tier management, and following Corporate Executive endorsement, will be published on the Department's intranet to facilitate staff access.

SUBSTANTIVE EQUALITY

The Department has developed an implementation plan in accordance with the public sector Policy Framework for Substantive Equality.

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

The Office of e-Government (OeG) was the first area within the Department to implement the policy and this year has incorporated relevant Substantive Equality requirement information into the following documents:

- Pro Forma for ICT Project Alignment and Management (page 12); and
- Citizen Centric Government, Electronic Service Delivery Strategy for the Western Australian Public Sector (page 27).

The Office of Road Safety (ORS), determined as the second area for implementation in the Department, has appointed a consultant to assist with the identification of action to be taken. To date the following has occurred:

- meetings have been held with Executive Officer and Office of e-Government to get grounding and direction;
- the consultants are in the process of assessing higher level strategy of ORS; and
- costs and implications of implementation of Substantive Equality are being assessed in consultation with the Substantive Equality Unit of the Equal Opportunity Commission.

The Department remains at Level One in terms of the policy framework.

SUSTAINABILITY

The Department continued to adopt sustainable practices in line with Government policies when procuring goods and services and in the delivery of its services.

The Department is to review its priorities for a Sustainability Action Plan for 2008/09 and beyond.

FREEDOM OF INFORMATION (FOI)

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

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

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

The Department's FOI Statement is provided at Appendix 4 of this report.

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

FOI APPLICATIONS

	2007/2008			2006/2007		
	Total			Total		
Carried Over	9	-	-	3	-	-
Received	59	-	-	41	-	-
Total handled	68	-	-	44	-	-
Applications Decided in Year		Personal Information	Non-Personal Information		Personal Information	Non-Personal Information
Full Access	19	0	19	10	1	9
Edited Access	16	2	14	5	0	5
Deferred Access	0	0	0	0	0	0
Section 28 Access	0	0	0	0	0	0
Access Refused	22	2	20	12	0	12
TOTAL DECISIONS	57	4	53	27	1	26
Transfer to other Agencies	2	-	-	5	-	-
Withdrawn	4	-	-	3	-	-
Total Applications Finalised	63	-	-	35	-	-
<i>Carried Forward</i>	5	-	-	9	-	-

**CERTIFICATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

The accompanying financial statements of the Department of the Premier and Cabinet have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

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



M C WAUCHOPE
ACCOUNTABLE AUTHORITY

11 September 2008



T YOW
A/CHIEF FINANCE OFFICER

11 September 2008



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT OF THE PREMIER AND CABINET FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

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

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity, Cash Flow Statement, Schedule of Income and Expenses by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

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

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

Summary of my Role

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

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

**Department of the Premier and Cabinet
Financial Statements and Key Performance Indicators for the year ended 30 June 2008**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Department of the Premier and Cabinet at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions,
- (ii) the controls exercised by the Department provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Department are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended 30 June 2008.



COLIN MURPHY
AUDITOR GENERAL
17 September 2008

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

for the year ended 30 June 2008

	Note	2008 \$000	2007 \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	6	70,590	68,064
Supplies and services	7	44,997	44,557
Depreciation and amortisation expense	8	2,465	1,563
Accommodation expenses	9	14,924	13,131
Grants and subsidies	10	21,162	8,367
Capital user charge	11	-	1,495
Loss on disposal of non-current assets	14	-	143
Loss on foreign exchange		533	640
Other expenses	12	219	194
Total cost of services		154,890	138,154
Income			
Revenue			
User charges and fees	13	6,257	5,863
Regulatory fines		14,252	7,252
Sales		1,929	2,630
Commonwealth grants and contributions		571	533
Interest revenue		819	449
Gain on disposal of non-current assets	14	5	-
Total Revenue		23,833	16,727
Total income other than income from State Government		23,833	16,727
NET COST OF SERVICES		131,057	121,427
INCOME FROM STATE GOVERNMENT			
Service appropriation		130,746	121,866
Resources received free of charge		884	834
Liabilities assumed by the Treasurer		-	659
Total income from State Government	15	131,630	123,359
SURPLUS/(DEFICIT) FOR THE PERIOD		573	1,932

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

**DEPARTMENT OF THE PREMIER AND CABINET
BALANCE SHEET
as at 30 June 2008**

	Note	2008 \$000	2007 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	27	10,005	12,634
Restricted cash and cash equivalents	16	17,252	7,737
Inventories	17	123	95
Receivables	18	4,075	4,219
Amounts receivable for services	19	3,139	2,920
Total Current Assets		<u>34,594</u>	<u>27,605</u>
Non-Current Assets			
Restricted cash and cash equivalents	16	618	415
Amounts receivable for services	19	16,824	15,275
Property, plant and equipment	20	6,606	5,714
Intangible assets	21	8	60
Total Non-Current Assets		<u>24,056</u>	<u>21,464</u>
TOTAL ASSETS		<u>58,650</u>	<u>49,069</u>
LIABILITIES			
Current Liabilities			
Payables	23	13,195	2,941
Provisions	24	13,471	12,234
Other current liabilities	25	1,644	3,444
Total Current Liabilities		<u>28,310</u>	<u>18,619</u>
Non-Current Liabilities			
Provisions	24	3,656	3,863
Total Non-Current Liabilities		<u>3,656</u>	<u>3,863</u>
Total Liabilities		<u>31,966</u>	<u>22,482</u>
Net Assets		26,684	26,587
Equity			
Contributed Equity	26	236	2
Reserves		(3,782)	(2,978)
Accumulated surplus/(deficiency)		30,230	29,563
Total Equity		<u>26,684</u>	<u>26,587</u>
TOTAL LIABILITIES AND EQUITY		<u>58,650</u>	<u>49,069</u>

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

DEPARTMENT OF THE PREMIER AND CABINET
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2008

	Note	2008 \$000	2007 \$000
Balance of equity at start of period		26,587	27,746
CONTRIBUTED EQUITY	26		
Balance at start of period		2	-
Capital contribution		655	2,200
Distributions to owners		(421)	(2,198)
Balance at end of period		236	2
Hedge Reserve	26		
Balance at start of period		(2,978)	-
Gains/(losses) recognised		(1,391)	-
Transferred to profit or loss		587	-
Forward exchange contracts		-	(2,978)
Balance at end of period		(3,782)	(2,978)
ACCUMULATED SURPLUS (RETAINED EARNINGS)	26		
Balance at start of period		29,563	27,746
Change in accounting policy or correction of prior period errors		94	(115)
Restated balance at start of period		29,657	27,631
Surplus/(deficit) for the period		573	1,932
Restated balance at end of period		30,230	29,563
Balance of equity at end of period		26,684	26,587
Total income and expenses for the period^(a)		573	1,932

(a) The aggregate net amount attributable to each category of equity is:
surplus \$573,000. (2007:\$1,932,000).

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

DEPARTMENT OF THE PREMIER AND CABINET
CASH FLOW STATEMENT
for the year ended 30 June 2008

	Note	2008 \$000	2007 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		125,614	118,200
Holding account drawdowns		2,920	614
Capital contributions		655	2,200
Distribution (to)/contribution by owners		<u>(176)</u>	<u>(2,475)</u>
Net cash provided by State Government		<u>129,013</u>	<u>118,539</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(67,144)	(64,277)
Supplies and services		(45,105)	(44,265)
Capital user charge		-	(1,495)
Accommodation		(14,476)	(13,227)
Grants and subsidies		(12,814)	(8,971)
GST payments on purchases		(6,712)	(6,431)
GST payments to taxation authority		(925)	(881)
Other payments		-	(257)
Receipts			
Sales of goods and services		3,313	2,697
Regulatory fines		14,252	7,252
User charges and fees		5,070	7,320
Commonwealth grants and contributions		446	534
Interest received		644	459
GST receipts on sales		912	865
GST receipts from taxation authority		6,558	6,195
Net cash provided by/(used in) operating activities	27	<u>(115,981)</u>	<u>(114,482)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of non-current physical assets		28	28
Refundable deposit		-	6,057
Purchase of non-current physical assets		<u>(3,041)</u>	<u>(3,256)</u>
Net cash provided by/(used in) investing activities		<u>(3,013)</u>	<u>2,829</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Treasurer's advance		-	(6,057)
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(6,057)</u>
Net increase/(decrease) in cash and cash equivalents		10,019	829
Cash and cash equivalents at the beginning of period		20,786	20,346
Effects of exchange rate changes on cash balances held in foreign currency		(2,930)	(389)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	27	<u>27,875</u>	<u>20,786</u>

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

ANNUAL REPORT – 2007/2008

DEPARTMENT OF THE PREMIER AND CABINET
 Schedule of Income and Expenses by Service
 for the year ended 30 June 2008

	Support for the Premier	Mgmt Matters of State	Mgmt of Policy	Public Sector Mgmt	Publishing Services	Constitutional Centre	Multicultural Interests	Road Safety	e-Government	Total
	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000	2008 \$000
COST OF SERVICES										
Expenses										
Employee benefits expense	7,044	43,393	6,532	6,349	1,449	657	-	2,265	2,901	70,590
Supplies and services	2,970	20,895	1,994	7,324	843	196	-	9,784	991	44,997
Depreciation and amortisation expense	178	1,982	96	105	26	20	-	36	22	2,465
Accommodation expenses	1,710	10,066	1,219	854	364	149	-	227	335	14,924
Grants and subsidies	-	5,025	556	97	-	270	-	15,213	1	21,162
Capital user charge	-	-	-	-	-	-	-	-	-	-
Loss/(gain) on disposal of non-current assets	-	-	-	-	-	-	-	-	-	-
Loss on foreign exchange	91	442	-	-	-	-	-	-	-	533
Other expenses	18	142	20	18	5	2	-	6	8	219
Total cost of services	12,011	81,945	10,417	14,747	2,687	1,294	-	27,531	4,258	154,890
Income										
User charges and fees	352	1,143	687	1,722	877	76	-	1,333	67	6,257
Regulatory fines	-	-	-	-	-	-	-	14,252	-	14,252
Sales	-	-	-	-	1,929	-	-	-	-	1,929
Commonwealth grants and contributions	54	400	42	47	4	3	-	6	15	571
Interest revenue	12	-	-	-	-	-	-	807	-	819
(Loss)/gain on disposal of non-current assets	21	(13)	(1)	(1)	-	-	-	-	(1)	5
Total income other than income from State Government	439	1,530	728	1,768	2,810	79	-	16,398	81	23,833
NET COST OF SERVICES	11,572	80,415	9,689	12,979	(123)	1,215	-	11,133	4,177	131,057
INCOME FROM STATE GOVERNMENT										
Service appropriation	11,866	75,542	12,516	14,350	82	1,400	-	10,589	4,401	130,746
Resources received free of charge	39	715	43	38	13	4	-	16	16	884
Total income from State Government	11,905	76,257	12,559	14,388	95	1,404	-	10,605	4,417	131,630
Surplus/deficit for the period	333	(4,158)	2,870	1,409	218	189	-	(528)	240	573

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

ANNUAL REPORT – 2007/2008

DEPARTMENT OF THE PREMIER AND CABINET
Schedule of Income and Expenses by Service
for the year ended 30 June 2008

	Support for the Premier	Mgmt Matters of State	Mgmt of Policy	Public Sector Mgmt	Publishing Services	Constitutional Centre	Multicultural Interests	Road Safety	e-Government	Total
COST OF SERVICES	2007	2007	2007	2007	2007	2007	2007	2007	2007	2007
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expenses										
Employee benefits expense	6,499	41,405	6,180	5,671	1,265	617	1,812	1,942	2,673	68,064
Supplies and services	3,846	20,701	1,530	4,002	738	239	856	11,321	1,324	44,557
Depreciation and amortisation expense	136	1,196	45	10	18	30	116	3	9	1,563
Accommodation expenses	1,118	9,114	989	726	351	132	222	183	296	13,131
Grants and subsidies	-	1,858	592	84	-	410	673	4,749	1	8,367
Capital user charge	200	778	126	197	40	11	31	49	63	1,495
Loss/(gain) on disposal of non-current assets	(4)	109	14	10	4	1	-	4	5	143
Loss on foreign exchange	101	539	-	-	-	-	-	-	-	640
Other expenses	17	125	13	15	5	2	5	5	7	194
Total cost of services	11,913	75,825	9,489	10,715	2,421	1,442	3,715	18,256	4,378	138,154
Income										
User charges and fees	355	847	669	1,009	12	85	88	2,775	23	5,863
Regulatory fines	-	-	-	-	-	-	-	7,251	-	7,251
Sales	-	-	-	-	2,630	-	-	-	-	2,630
Commonwealth grants and contributions	-	434	-	-	-	-	100	-	-	534
Interest revenue	-	2	-	-	-	-	-	447	-	449
Total income other than income from State Government	355	1,283	669	1,009	2,642	85	188	10,473	23	16,727
NET COST OF SERVICES	11,558	74,542	8,820	9,706	(221)	1,357	3,527	7,783	4,355	121,427
INCOME FROM STATE GOVERNMENT										
Service appropriation	12,051	76,075	9,088	8,786	85	1,274	3,116	7,187	4,204	121,866
Resources received free of charge	47	622	51	45	14	5	14	16	20	834
Liabilities assumed by the Treasurer	61	404	55	50	36	6	8	17	22	659
Total income from State Government	12,159	77,101	9,194	8,881	135	1,285	3,138	7,220	4,246	123,359
Surplus/deficit for the period	601	2,559	374	(825)	356	(72)	(389)	(563)	(109)	1,932

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

ANNUAL REPORT – 2007/2008

DEPARTMENT OF THE PREMIER AND CABINET

Summary of Consolidated Account Appropriations and Income Estimates
for the year ended 30 June 2008

	2008 ESTIMATE \$000	2008 ACTUAL \$000	VARIANCE \$000	2008 ACTUAL \$000	2007 ACTUAL \$000	VARIANCE \$000
DELIVERY OF SERVICES						
Item 5 Net amount appropriated to deliver services	114,958	129,226	(14,268)	129,226	120,405	8,821
Section 25 Transfer of service appropriation (a)	-	-	-	-	601	(601)
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	560	1,520	(960)	1,520	860	660
Total appropriations provided to deliver services	115,518	130,746	(15,228)	130,746	121,866	8,880
CAPITAL						
Item 124 Capital Contribution	655	655	-	655	2,200	(1,545)
GRAND TOTAL	116,173	131,401	(15,228)	131,401	124,066	7,335
Details of Expenses by Service						
Support for the Premier as Head of Government	11,813	12,011	(198)	12,011	11,913	98
Management of matters of State	75,227	81,945	(6,718)	81,945	75,825	6,120
Management of policy	9,978	10,417	(439)	10,417	9,489	928
Support for the Premier as Minister for Public Sector Management	13,133	14,747	(1,614)	14,747	10,715	4,032
Parliamentary, statutory and legislative publishing services	2,653	2,687	(34)	2,687	2,421	266
Constitutional Centre	1,377	1,294	83	1,294	1,442	(148)
Multicultural Interests	-	-	-	-	3,715	(3,715)
Road Safety	26,155	27,531	(1,376)	27,531	18,256	9,275
E-Government	4,318	4,258	60	4,258	4,378	(120)
Total Cost of Services	144,654	154,890	(10,236)	154,890	138,154	16,736
Less total income	(29,410)	(23,833)	(5,577)	(23,833)	(16,727)	(7,106)
Net Cost of Services	115,244	131,057	(15,813)	131,057	121,427	9,630
Adjustments	274	(311)	585	(311)	439	(750)
Total appropriations provided to deliver services	115,518	130,746	(15,228)	130,746	121,866	8,880
Capital Expenditure						
Purchase of non-current physical assets	5,054	3,041	2,013	3,041	3,256	(215)
Adjustment for other funding sources	(4,399)	(2,386)	(2,013)	(2,386)	(1,056)	(1,330)
Capital Contribution (appropriation)	655	655	-	655	2,200	(1,545)
TOTAL CONSOLIDATED FUND APPROPRIATIONS	116,173	131,401	(15,228)	131,401	124,066	7,335

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

Note 33 "Explanatory statement" provides details of any significant variations between estimates and actual results for 2008 and between the actual results for 2007 and 2008.

(a) AAS 29 (12.8) requires that where activities are transferred from one government department to another government department, the transferee government must disclose in the notes to the financial statements the expenses and revenues attributable to the transferred activities for the reporting period, showing separately those expenses and revenues recognised by the transferor government department during the reporting period.

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

for the year ended 30 June 2008

1 Departmental mission and funding

The Department's mission is to support the Premier and Cabinet in achieving the Government's vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector.

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

2 Australian Equivalents to International Financial Reporting Standards

General

The Department's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

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

Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 "Application of Australian Accounting Standards and Other Pronouncements". No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Department for the annual reporting period ended 30 June 2008.

3 Summary of significant accounting policies

(a) General Statement

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

The *Financial Management Act 2006* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

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

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

for the year ended 30 June 2008

(b) Basis of Preparation

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

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

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

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

(c) Reporting Entity

The reporting entity comprises the Department.

(d) Contributed Equity

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

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

(e) Income

Revenue recognition

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

Sale of goods

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

Rendering of Services

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

Interest

Revenue is recognised as the interest accrues.

Service Appropriations

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2007-2008 Budget Statements, the Department retained \$13.546 million in 2008 (\$12.025 million in 2007) from the following:

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

Grants, donations, gifts and other non-reciprocal contributions

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

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

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

Gains

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

(f) Property, Plant and Equipment

Capitalisation/Expensing of assets

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

Initial recognition and measurement

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

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

Subsequent measurement

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

Depreciation

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

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

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

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

(9) Intangible Assets

Capitalisation/Expensing of assets

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

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

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

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

Software	3 Years
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Computer Software

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

Web site costs

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

(h) Impairment of Assets

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

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

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

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

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

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

(i) Leases

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

(j) Financial Instruments

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

Financial Assets

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

Financial Liabilities

- Payables
- Other liabilities

DEPARTMENT OF THE PREMIER AND CABINET²⁰
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

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

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

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

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

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

Hedge accounting

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

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

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

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

(k) Cash and Cash Equivalents

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

(l) Accrued Salaries

The accrued salaries suspense account (see note 16 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

Accrued salaries (refer note 23 "Payables") represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(m) Amounts Receivable for Services (Holding Account)

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

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

(n) Inventories

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

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

See note 17 'Inventories'

(o) Receivables

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

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

(p) Payables

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

(q) Amounts Due to the Treasurer

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

(r) **Provisions**

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

(i) **Provisions - Employee Benefits**

Annual Leave and Long Service Leave

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

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

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

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

Superannuation

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

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

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

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

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

(ii) Provisions - Other

Employment On-Costs

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

(s) Superannuation Expense

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

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

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

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

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

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

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

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

(u) Comparative Figures

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

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

(v) Foreign Currency Translation

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

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

4 Judgements made by management in applying accounting policies

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

5 Disclosure of Accounting Policy and Estimates

Initial application of an Australian Accounting Standard

The Department has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Department.

- 1 AASB 7 'Financial Instruments: Disclosure' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Department's exposure to risks, including enhanced disclosure regarding components of the Department's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Department has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Department but are not yet effective. Where applicable, the Department plans to apply these Standards and interpretation from their application date:

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes equity. The Department does not expect any financial impact when the standard is first applied.	1 January 2009

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

Review of AAS 27 'Financial Reporting by local Governments', 29 'Financial Reporting by Governments' and 31 'Financial reporting by Governments' The AASB has made the following pronouncements from its short term review of AAS 27, AAS29 and AAS31

AASB 1004 'Contributions (December 2007). 1July 2008

AASB 1050 'Administered Items' (December 2007). 1July 2008

AASB 1052 'Disaggregated Disclosures' (December 2007) 1July 2008

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007) 1July 2008

Interpretation 1038 'Contribution by Owners Made to Wholly-Owned Public Sector Entities (December 2007) 1July 2008

The existing requirements in AAS27, AAS 29 and AAS 31 have been transferred to the above new and existing topic-based Standards and Interpretation. These requirements remain substantively unchanged. The new and revised Standards make some modifications to disclosures, otherwise there will be no financial impact.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

	2008	2007
	\$000	\$000
6 Employee benefits expense		
Wages and salaries ^(a)	63,965	60,114
Superannuation - defined contribution plans ^(b)	5,290	4,824
Superannuation - defined benefit plans ^{(c)(d)}	-	659
Long service leave ^(e)	718	1,506
Annual leave ^(e)	617	961
	<u>70,590</u>	<u>68,064</u>

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

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid)

(c) Defined benefit plans include Pension scheme and Gold State (pre-transfer benefit) At the reporting date, actual gains exceeded the current service cost and the net gain has been excluded from the calculation of Superannuation expense.

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

(e) Includes a superannuation contribution component.

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

7 Supplies and services

Professional services	9,817	12,002
Consultants	1,802	1,666
Travel	3,600	5,989
Other staff costs	697	445
Communications	1,751	2,047
Consumables	6,801	3,564
Lease of Aircraft	5,448	5,013
Lease of Motor Vehicle	2,670	2,719
Copyright	2,308	-
Advertising	5,795	6,265
Other administration costs	4,308	4,847
	<u>44,997</u>	<u>44,557</u>

8 Depreciation and amortisation expense

Depreciation

Computer hardware	126	31
Furniture and fittings	22	27
Motor vehicles	41	34
Office equipment	315	298
Office establishment	1,884	1,116
Total depreciation	<u>2,388</u>	<u>1,506</u>

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

	2008	2007
	\$000	\$000
Amortisation		
Intangible assets		
Software	77	57
Total amortisation	77	57
Total depreciation and amortisation.	2,465	1,563
9 Accommodation expenses		
Lease rentals and outgoings	14,924	13,131
	14,924	13,131
10 Grants and subsidies		
<u>Recurrent</u>		
Subsidies and community grants	786	1,393
Government agency grants	11,960	4,768
External grants	8,416	2,206
	21,162	8,367
11 Capital User Charge		
	-	1,495
	-	1,495
The charge was a levy applied by Government for the use of its capital. The final charge was levied in 2006-07.		
12 Other Expenses		
Employment on-costs	219	194
	219	194
Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 24 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		
13 User charges and fees		
Contributions by senior officers to the Government Vehicle Scheme	138	157
Provision of services	1,992	838
Recoups	2,731	878
Sponsorships	5	2,569
Other revenue	1,391	1,421
	6,257	5,863

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
14 Net gain/(loss) on disposal of non-current assets		
<u>Cost of Disposal on Non-Current Assets</u>		
Computer hardware and software	-	-
Furniture and fittings	-	-
Motor Vehicles	6	13
Office equipment	2	56
Office establishment	15	102
	<u>23</u>	<u>171</u>
 <u>Proceeds from Disposal of Non-Current Assets</u>		
Motor Vehicles	28	28
	<u>28</u>	<u>28</u>
 Net gain/(loss)	<u>5</u>	<u>(143)</u>
 15 Income from State Government		
Appropriation received during the year:		
Service appropriations ^(a)	130,746	121,866
 The following liabilities have been assumed by the Treasurer during the financial year:		
- Superannuation ^(b)	-	659
 Resources received free of charge ^(c)		
Determined on the basis of the following estimates provided by agencies:		
Department of Education and Training - staff secondment	119	-
Department of Housing and Works - lease administration services	357	338
Department of the Attorney General - legal services	317	425
Department of Treasury and Finance - procurement services	69	67
WA Land Administration Authority (Landgate)	22	4
	<u>884</u>	<u>834</u>
	<u>131,630</u>	<u>123,359</u>

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

(b) The assumption of the superannuation liability by the Treasurer is a notional income to match the notional superannuation expense reported in respect of current employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme. (The notional superannuation expense is disclosed at note 6 'Employee benefits expense'). At the reporting date, actual gains exceeded the current service cost and the net gain has been excluded from the calculation of Superannuation expense.

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
(c) Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues 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. The exception occurs where the contribution of assets or services are in the nature of contributions by owners, in which case the Department makes the adjustment direct to equity.		

16 Restricted cash and cash equivalent assets

Current

Road Trauma Trust Fund ^(a)	17,252	7,737
	<u>17,252</u>	<u>7,737</u>

Non Current

Accrued salaries suspense account ^(b)	618	415
	<u>17,870</u>	<u>8,152</u>

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

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

17 Inventories

Current

Inventories held for resale:		
- Publications	18	80
 Inventories not held for resale		
- Stationery stores and material	105	15
	<u>123</u>	<u>95</u>

18 Receivables

Current

Receivables	2,531	2,086
GST receivable	1,432	956
	<u>3,963</u>	<u>3,042</u>
 Prepayments	112	1,177
 Total current	<u>4,075</u>	<u>4,219</u>

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of year		
Doubtful debts expense recognised in the income statement	-	-
Amounts written off during the year	-	-
Amount recovered during the year	-	-
Balance at end of year	<u>-</u>	<u>-</u>
Credit Risk		
Ageing of receivables past due but not impaired based on the information provided to senior management, at the balance sheet date:		
Not more than 3 months	93	152
More than 3 months but less than 6 months	2	-
More than 6 months but less than 1 year	27	-
More than 1 year	2	-
	<u>124</u>	<u>152</u>
Receivables individually determined as impaired at the balance sheet date:		
Carrying amount, before deducting any impairment loss	-	-
impairment loss	-	-
	<u>-</u>	<u>-</u>

Included in the allowance for impairment of receivables is a particular debtor for which the Department has received notification of filing for bankruptcy and it is expected that only a small proportion of the amount owing will be recovered.

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

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

19 Amounts receivable for services

Current	3,139	2,920
Non-current	16,824	15,275
	<u>19,963</u>	<u>18,195</u>

Represents the non-cash component of service appropriations. See note 3(m) 'Amounts Receivable for Services (Holding Account)'. It is restricted in that it can only be used for asset replacement or payment of leave liability.

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
20 Property, plant and equipment		
Artwork		
At cost	54	54
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
	<u>54</u>	<u>54</u>
Computer Hardware		
At cost	993	698
Accumulated depreciation	(754)	(675)
Accumulated impairment losses	-	-
	<u>239</u>	<u>23</u>
Furniture and Fittings		
At cost	374	235
Accumulated depreciation	(228)	(207)
Accumulated impairment losses	-	-
	<u>146</u>	<u>28</u>
Motor Vehicles		
At cost	161	226
Accumulated depreciation	(35)	(100)
Accumulated impairment losses	-	-
	<u>126</u>	<u>126</u>
Office Equipment		
At cost	3,707	3,535
Accumulated depreciation	(2,897)	(2,601)
Accumulated impairment losses	-	-
	<u>810</u>	<u>934</u>
Office Establishment		
At cost	12,322	10,064
Accumulated depreciation	(7,091)	(5,515)
Accumulated impairment losses	-	-
	<u>5,231</u>	<u>4,549</u>
Total	<u><u>6,606</u></u>	<u><u>5,714</u></u>

See next page for reconciliation

ANNUAL REPORT – 2007/2008

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

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

Reconciliations

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

	Artwork \$000	Computer Hardware \$000	Furniture and Fittings \$000	Motor Vehicles \$000	Office Equipment \$000	Office Establishment \$000	Total \$000
2008							
Carrying amount at start of year	54	23	28	126	933	4,550	5,714
Additions	-	342	141	47	208	2,647	3,385
Transfers	-	-	(1)	-	(14)	(67)	(82)
Disposals	-	-	-	(6)	(2)	(15)	(23)
Depreciation	-	(126)	(22)	(41)	(315)	(1,884)	(2,388)
Carrying amount at end of year	54	239	146	126	810	5,231	6,606

	Artwork \$000	Computer Hardware \$000	Furniture and Fittings \$000	Motor Vehicles \$000	Office Equipment \$000	Office Establishment \$000	Total \$000
2007							
Carrying amount at start of year	54	32	55	32	934	2,983	4,090
Additions	-	22	-	141	353	2,785	3,301
Disposals	-	-	-	(13)	(56)	(102)	(171)
Depreciation	-	(31)	(27)	(34)	(297)	(1,117)	(1,506)
Carrying amount at end of year	54	23	28	126	934	4,549	5,714

DEPARTMENT OF THE PREMIER AND CABINET

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
21 Intangible assets		
Computer Software		
At cost	856	818
Accumulated amortisation	(848)	(758)
Accumulated impairment losses	-	-
	<u>8</u>	<u>60</u>
<u>Reconciliations:</u>		
Computer Software		
Carrying amount at start of year	60	107
Additions	25	10
Disposals	-	-
Amortisation expense	(77)	(57)
Carrying amount at end of year	<u>8</u>	<u>60</u>
22 Impairment of assets		
There were no indications of impairment of property, plant and equipment, infrastructure and intangible assets at 30 June 2008.		
The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date there were no intangible assets not yet available for use.		
23 Payables		
<u>Current</u>		
Trade payables	1,152	207
Accrued salaries	407	207
Accrued expenses	11,636	2,734
	<u>13,195</u>	<u>3,148</u>
See also note 3(p) Payables and note 35 'Financial instruments.'		
24 Provisions		
<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	6,835	6,235
Long service leave ^(b)	6,565	5,931
48/52 leave arrangements	10	3
Deferred salary scheme	-	9
	<u>13,410</u>	<u>12,178</u>
Other provisions		
Employment on-costs ^(c)	61	56
	<u>61</u>	<u>56</u>
	<u>13,471</u>	<u>12,234</u>

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
<u>Non-current</u>		
Long service leave ^(b)	3,593	3,807
Deferred salary scheme	46	38
	<u>3,639</u>	<u>3,845</u>
Other provisions		
Employment on-costs ^(c)	17	18
	<u>17</u>	<u>18</u>
	<u>3,656</u>	<u>3,863</u>
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	3,390	3,446
More than 12 months after balance sheet date	3,455	2,839
	<u>6,845</u>	<u>6,285</u>
(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	4,337	4,115
More than 12 months after balance sheet date	5,867	5,623
	<u>10,204</u>	<u>9,738</u>
(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included in note 12 'Other expenses'.		
Movement in Other Provisions		
<u>Employment on-cost provision</u>		
Carrying amount at start of year	74	65
Additional provisions recognised	4	9
Payments/other sacrifices of economic benefits	-	-
Carrying amount at end of year	<u>78</u>	<u>74</u>
25 Other liabilities		
Current		
Derivative liability	1,636	3,229
Other liability	8	8
	<u>1,644</u>	<u>3,237</u>

See also note 35 'Financial Instruments'.

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

for the year ended 30 June 2008.

	2008	2007
	\$000	\$000
26 Equity		
Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.		
Contributed equity		
Balance at the start of the year	2	-
Contributions by owners:		
Capital Contributions ^(a)	655	2,200
Total contributions by owners	<u>657</u>	<u>2,200</u>
Distributions to owners:		
Transfer of net assets to other agencies ^(b)	<u>(421)</u>	<u>(2,198)</u>
Total distributions to owners	<u>(421)</u>	<u>(2,198)</u>
Balance at the end of the year	<u><u>236</u></u>	<u><u>2</u></u>

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

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

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
Hedge reserve		
Balance at the start of the year	(2,978)	-
Net revaluations increments/(decrements)	(804)	(2,978)
Balance at the end of the year	<u>(3,782)</u>	<u>(2,978)</u>
 Accumulated surplus/(deficit) (Retained Earnings)		
Balance at the start of the year	29,563	27,746
Result for the period	573	1,932
Change in accounting policy or correction of prior period errors	94	(115)
Restated balance at the end of the year	<u>30,230</u>	<u>29,563</u>

27 Notes to the Cash Flow Statement

Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	10,005	12,634
Restricted cash and cash equivalents (refer to note 16)	17,870	8,152
	<u>27,875</u>	<u>20,786</u>

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

Net cost of services	(131,057)	(121,427)
 Non-cash items:		
Depreciation and amortisation expense	2,465	1,563
Superannuation expense	-	659
Resources received free of charge	884	834
Net (gain)/loss on sale of plant and equipment	(5)	143
Net (gain)/loss on foreign exchange	533	640
 <u>(Increase)/decrease in assets:</u>		
Current receivables	(446)	1,526
Current inventories	(28)	30
Other current assets	1,065	846
 <u>Increase/(decrease) in liabilities:</u>		
Current payables	9,743	(1,497)
Current provisions	1,436	2,187
Non current provisions	(95)	289
 Change in GST in receivables/payables	(476)	(275)
Net cash provided by/(used in) operating activities	<u>(115,981)</u>	<u>(114,482)</u>

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

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
28 Resources provided free of charge		
During the year the following resources were provided to other agencies free of charge for functions outside the normal operations of the Department:		
Department of Treasury and Finance - Library and Reception Services	288	251
Office of the Public Sector Standards Commissioner - Corporate Services	56	58
Parliamentary Commissioner for Administrative Investigations - Corporate Services	55	73
Salaries and Allowances Tribunal - Corporate Services	13	24
Healthway - Corporate Services	3	3
	<u>415</u>	<u>409</u>

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

29 Commitments

Lease commitments

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

Non-cancellable operating lease commitments:

Within 1 year	11,260	10,504
Later than 1 year and not later than 5 years	24,020	27,163
Later than 5 years	9,271	9,611
	<u>44,551</u>	<u>47,278</u>

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

Within 1 year	1,292	1,285
Later than 1 year but not later than 5 years	671	586
Later than 5 years	-	-
	<u>1,963</u>	<u>1,871</u>

Accommodation leases occupied by the Department:

Within 1 year	7,647	7,303
Later than 1 year and not later than 5 years	14,067	18,218
Later than 5 years	1,090	154
	<u>22,804</u>	<u>25,675</u>

Aircraft leases used by the Department:

Within 1 year	2,321	1,916
Later than 1 year but not later than 5 years	9,282	8,359
Later than 5 years	8,181	9,457
	<u>19,784</u>	<u>19,732</u>

These commitments are all inclusive of GST.

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

for the year ended 30 June 2008

2008	2007
\$000	\$000

30 Remuneration of Senior Officers

Remuneration

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

\$	2008	2007
60,001 - 70,000	1	-
110,001 - 120,000	1	-
120,001 - 130,000	2	3
130,001 - 140,000	-	2
140,001 - 150,000	3	2
150,001 - 160,000	1	1
160,001 - 170,000	-	1
170,001 - 180,000	1	-
180,001 - 190,000	-	1
210,001 - 220,000	1	2
220,001 - 230,000	2	-
400,001 - 410,000	-	1
420,001 - 430,000	1	-

The total remuneration of senior officers is:	<u>2,280</u>	<u>2,259</u>
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The total remuneration includes the superannuation expense incurred by the Department in respect of senior officers.

No senior officers are members of the Pension Scheme.

31 Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators	<u>150</u>	<u>125</u>
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32 Supplementary Financial Information

Write-offs

During the financial year \$38,585 was written-off under the authority of section 48 of the *Financial Management Act 2006* by:

The accountable authority	<u>38</u>	<u>-</u>
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Gifts of public property

Gifts of public property provided by the Department	<u>26</u>	<u>61</u>
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DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

33 Explanatory statement

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

a) Significant variances between estimate and actual for 2008 - Total appropriations provided to deliver services:

	2008	2008	Variance
	Estimate	Actual	
	\$000	\$000	\$000
	115,518	130,746	15,228

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

- (a) Repositioning of appropriation into outyears - (\$3,840,000);
- (b) Additional funding for various initiatives totalling \$19,068,000

1 Management of matters of State	75,227	81,945	6,718
The increased expenditure was a result of various unbudgeted costs including an increase in accommodation costs and a number of one off donations such as China Earthquake Appeal, Myanmar (Burma) Cyclone Appeal and Telethon.			
2 Public Sector Management	13,133	14,747	1,614
The increased expenditure was mainly due to the payment of the State Government copyright liability.			
3 Total Income	(29,410)	(23,833)	5,577
The decrease is due to revenue for the Office of Road Safety's Road Trauma Trust Fund being substantially less than the budget estimate.			

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

b) Significant variances between actuals for 2008 and 2007 - Total appropriation provided to deliver services:

	2008 Actual \$000	2007 Actual \$000	Variance \$000
	130,746	121,866	8,880
1 Management of matters of State	81,945	75,825	6,120
The increased expenditure was a result of various unbudgeted costs including an increase in accommodation costs and a number of one off donations such as China Earthquake Appeal, Myanmar (Burma) Cyclone Appeal and Telethon.			
2 Public Sector Management	14,747	10,715	4,032
The increase was mainly due to the payment of the State Government copyright liability and the progress on the the public sector improvement initiative.			
3 Multicultural Interests	-	3,715	(3,715)
The Office of Multicultural Interests was transferred to the Department for Communities with effect from 1st July 2007. No further expenditure is shown in the Department of the Premier and Cabinet.			
4 Road Safety	27,531	18,256	9,275
The increased expenditure is primarily due to a Road Safety grant for \$8.0m payable to the Main Roads Department.			
5 Total Income	(23,833)	(16,727)	(7,106)
The revenue in 2006/07 was abnormally low due to a number of factors such as police union industrial action, backroom fines processing delays and usage/positioning of the multinovas.			

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

	2008	2007
	\$000	\$000
34 Special Purpose Accounts		
The Gerald Frank Brown Memorial Trust		
<u>Purpose of the Trust</u>		
To hold money:		
- bequeathed to the Government of Western Australia by Gerald Frank Brown and subsequently appropriated by Parliament, and		
- received from private organisations and persons for the provision of scholarships and studentships to young persons from the European Economic Community to visit Western Australia and/or young persons from Western Australia to visit countries within the European Economic Community to undertake approved educational activities for the purpose of promoting and enhancing the social, cultural, historical and economic ties between Western Australia and Europe.		
Balance at the start of the year	312	318
Receipts	12	11
Payments	(2)	(8)
Unrealised gain/(loss) on translation	(43)	(9)
Balance at the end of the year	279	312

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

Young Vehicle Theft Offender Program

Purpose of the Trust

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

Balance at the start of the year	-	56
Receipts	-	1
Payments	-	(57)
Balance at the end of the year	-	0

The Trust was closed off at the end of reporting period 30 June 2007.

ANNUAL REPORT – 2007/2008

DEPARTMENT OF THE PREMIER AND CABINET NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

	2008	2007
	\$000	\$000
Road Trauma Trust Fund		
<u>Purpose of the Trust</u>		
In accordance with section 12 of the Road Safety Council Act 2002, to receive and hold funds from parliamentary appropriations, one-third of all moneys from photographic based vehicle infringement (via Department for Planning and Infrastructure and Department of the Attorney General) and any money lawfully received for the purpose of the Act.		
Balance at the start of the year	7,737	7,778
Receipts	27,800	18,324
Payments	(18,285)	(18,305)
Balance at the end of the year	<u>17,252</u>	<u>7,737</u>

Westfield Premiers Education Scholarship

Purpose of the Trust

In accordance with section 12 of the Road Safety Council Act 2002, To receive and hold in trust, donations from Westfield Holdings Ltd and Ginger Max (Australia) Pty Ltd to support and encourage educational and cultural exchange between Western Australia and other countries as a means of improving the quality of Australian education with respect to secondary

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

The Trust was closed off at the end of reporting period 30 June 2007.

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

for the year ended 30 June 2008

35 Financial Instruments

(a) Financial Risk Management Objectives and Policies

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

Credit risk

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

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

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Department trades only with recognised, creditworthy third parties. The Department has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 18 'Receivables'.

Liquidity risk

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

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

Market risk

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

-Interest

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

-Foreign Currency

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

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

for the year ended 30 June 2008

Forward foreign exchange contracts

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

Cash flow hedge

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

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

2008 Recycled from Equity to Profit or Loss

Balance	<1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 8 years
DR 3,782	706	558	477	517	384	1,140

2007 Recycled from Equity to Profit or Loss

Balance	<1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 8 years
DR 2,978	414	378	356	333	329	1,168

As at reporting date the aggregate amount of unrealised losses under forward foreign exchange contracts deferred in the hedging reserve relating to the exposure on these anticipated future transactions is \$3,782,078 (2007: \$2,978,551). It is anticipated that the purchases will take place during the next 8 years at which stage the amount deferred in equity will be reclassified into profit or loss. The Department updates its forecast of foreign currency exposures at least as often as it performs hedge effectiveness testing and during the year the Department concluded that foreign currency exposures were less than originally anticipated. In accordance with accounting policy the Department reclassified from the Cash Flow Reserve to the extent that foreign currency hedges were in excess of highly probable forecast transactions in addition to change in fair value of hedges that were not effective.

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

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

Outstanding Contracts	Ave Exchange Rate		Foreign Currency		Contract Value		Fair Value	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Western Australian Treasury Corporation								
< 1 year	0.76430	0.74185	1,774	18,975	2,321	25,606	409	3,229
1 to 2 years	0.77910	-	2,167	-	2,782	-	332	-
2 to 3 years	0.77520	-	2,183	-	2,816	-	249	-
3 to 4 years	0.77750	-	2,705	-	3,479	-	218	-
4 to 5 years	0.76910	-	2,268	-	2,950	-	140	-
> 5 years	0.76230	-	9,355	-	12,272	-	252	-

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

(b) Categories of Financial Instruments

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

	2008 \$000	2007 \$000
Financial Assets		
Cash and cash equivalents	10,005	12,634
Restricted Cash and cash equivalents	17,870	8,152
Receivables ^(a)	22,606	21,398
Financial Liabilities		
Financial liabilities	14,839	6,385

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

(c) Financial Instrument Disclosures

Credit Risk, Liquidity Risk and Interest Rate Risk Exposures

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

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

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

	Weighted average effective interest rate	Variable Interest rate	Fixed Interest Rate Maturity			Adjustment for Discounting	Non- interest Bearing	Total
	%	\$000	Less than 1 Year	1 to 5 Years	More than 5 Years	\$000	\$000	\$000
30 June 2008								
Financial Assets								
Cash and cash equivalents	3.136	126	-	-	-	-	9,879	10,005
Restricted cash and cash equivalents	6.909	17,252	-	-	-	-	618	17,870
Receivables	-	-	-	-	-	-	3,963	3,963
Amounts receivable for services	-	-	-	-	-	-	19,963	19,963
		<u>17,378</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,423</u>	<u>51,801</u>
Financial Liabilities								
Payables	-	-	-	-	-	-	12,768	12,768
Other liabilities	-	-	425	1,144	397	(330)	415	2,051
		<u>0</u>	<u>425</u>	<u>1,144</u>	<u>397</u>	<u>(330)</u>	<u>13,203</u>	<u>14,839</u>

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

30 June 2007

Financial Assets

Cash and cash equivalents	2 044	290	-	-	-	12,344	12,634
Restricted cash and cash equivalents	6,021	7,737	-	-	-	415	8,152
Receivables	-	-	-	-	-	3,042	3,042
Amounts receivable for services	-	-	-	-	-	18,195	18,195
	8,027	8,027	0	0	0	33,996	42,023

Financial Liabilities

Payables	-	-	-	-	-	2,941	2,941
Other liabilities	-	3,240	-	-	(11)	215	3,444
	0	3,240	0	0	(11)	3,156	6,385

Interest rate and foreign exchange rate sensitivity analysis

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

Interest rate

	Carrying Amount \$000	-1% change		+1% change	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
30 June 2008					
Financial Assets					
Cash and cash equivalents	126	(1)	(6)	1	9
Receivables	-	-	-	-	-
Other Financial Assets	-	-	-	-	-
	126	(1)	(6)	1	9
Financial Liabilities					
Payables	-	-	-	-	-
Other liabilities	-	-	-	-	-
	0	0	0	0	0
30 June 2007					
Financial Assets					
Cash and cash equivalents	290	(3)	(3)	3	3
Receivables	-	-	-	-	-
Other Financial Assets	-	-	-	-	-
	290	(3)	(3)	3	3
Financial Liabilities					
Payables	-	-	-	-	-
Other liabilities	-	-	-	-	-
	0	0	0	0	0

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2008

Foreign exchange rate

	Carrying Amount \$000	-10% change		+10% change	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
30 June 2008					
Financial Assets					
Cash and cash equivalents	564	(56)	(56)	56	56
Receivables	76	(8)	(8)	8	8
Other Financial Assets	112	(11)	(11)	11	11
	<u>752</u>	<u>(75)</u>	<u>(75)</u>	<u>75</u>	<u>75</u>
Financial Liabilities					
Payables	14	(1)	(1)	1	1
Provisions	129	(13)	(13)	13	13
Other liabilities	1,644	(524)	(1,802)	414	1,431
	<u>1,787</u>	<u>(538)</u>	<u>(1,816)</u>	<u>428</u>	<u>1,445</u>
30 June 2007					
Financial Assets					
Cash and cash equivalents	812	(8)	(8)	8	8
Receivables	103	(10)	(10)	10	10
Other Financial Assets	159	(16)	(16)	16	16
	<u>1,074</u>	<u>(34)</u>	<u>(34)</u>	<u>34</u>	<u>34</u>
Financial Liabilities					
Payables	223	(22)	(22)	22	22
Provisions	157	(16)	(16)	16	16
Other liabilities	3,237	(241)	(1,991)	219	1,810
	<u>3,617</u>	<u>(279)</u>	<u>(2,029)</u>	<u>257</u>	<u>1,848</u>

Fair Values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

DEPARTMENT OF THE PREMIER AND CABINET
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

36 Events occurring after the balance sheet date

After the reporting date, on 2 September 2008 the Public Service General Agreement 2008 replaces the Public Service General Agreement 2006. A salary increase applies from the beginning of the first pay period commencing after 26 February 2008 and has not been accounted for in the financial statements. The estimated amount of salary backpay impacting on the financial statements for 2007/08 is \$1 million.

37 Affiliated Bodies

Salaries and Allowances Tribunal

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

38 Contingent liabilities and contingent assets

Contingent Liabilities

The Department has no contingent liabilities.

Contaminated sites

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

Contingent Assets

The Department has no contingent assets.

**CERTIFICATION OF PERFORMANCE INDICATORS
FOR THE YEAR ENDING 30 JUNE 2008**

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of the Premier and Cabinet's performance, and fairly represent the performance of the Department of the Premier and Cabinet for the financial year ended 30 June 2008.



M C WAUCHOPE
ACCOUNTABLE AUTHORITY

11 September 2008

PERFORMANCE INDICATORS

The Department of the Premier and Cabinet's mission is to ***“Support the Premier and Cabinet in achieving the Government's vision for all Western Australians, through leadership and coordination and the promotion of excellence in the public sector”***.

The Department achieves these objectives by planning and resourcing its functions and activities to ensure that it is able to address current and emerging Government priorities.

In 2007/08, Service 7 (Support for implementation of the State's Road Safety Initiatives) reported to Hon J C Kobelke, MLA Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation.

The key effectiveness indicator for Services 1 - 4 is a client satisfaction rating derived from the results of the annual expectations survey issued to the Premier's Office and Ministerial Offices. This data is reported in accordance with recommendations made by the Australian Bureau of Statistics. Unless otherwise indicated, client satisfaction is expressed as a value between one and five, where a value of one indicates that services were well below client expectations and five that services were well above client expectations. Survey instruments used in 2007/08 are consistent with those used for prior periods although response rates have varied over the past five years. As in previous years, some 2007/08 respondents were unable to evaluate all services provided.

Key efficiency indicators reported include all the costs associated with the particular product or service identified and, in aggregate, the total costs of the service. Some key efficiency indicators are an aggregation of internal measures captured for management and other purposes. Corporate and Executive Support costs are distributed across services on a Full-time Equivalent (FTE) basis, and are included in these indicators. The value of grants administered is excluded from key efficiency indicators since it is considered that these expenditures are not a cost of delivering service.

The corporate services costing allocation methodology adopted in 1999/00 has been applied consistently since then to determine a value for corporate services provided free of charge to external client agencies, and to allocate remaining corporate service expenditures across services. This methodology will be reviewed following transition to the Office of Shared Services and some of these services are no longer provided to external agencies.

OUTCOME

The Premier’s requirements and those of Cabinet are met.

SERVICES

- Service 1: SUPPORT FOR THE PREMIER AS HEAD OF GOVERNMENT.**
Service 2: MANAGEMENT OF MATTERS OF STATE.
Service 3: MANAGEMENT OF POLICY.

The principal clients of the Department of the Premier and Cabinet are the Premier as the Head of Government, Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management; and the Cabinet Ministers. Services provided for the Premier and Cabinet include, but are not limited to:

- the provision of strategic advice;
- support for Ministers;
- support for Members of Parliament;
- the organisation of Cabinet and Executive Council meetings; and
- the provision of executive and administrative support.

Key Indicators

The diversity of services provided by the Department prevents representation of the Department’s outcomes in a single set of efficiency and effectiveness indicators. Unique key efficiency indicators are reported for each of the Department’s services, and unique key effectiveness indicators for Services 2 and 4 – 8.

The common key effectiveness indicator for Services 1-3 is the degree to which the Premier’s Office and Ministerial Office expectations are met by services provided by the Department. This indicator is expressed as a rating between one and five where a value of one indicates that services provided were well below expectations, and five that services provided were well above expectations. A value of three indicates that provision of services met expectations.

KEY EFFECTIVENESS INDICATOR

	04/05 Actual	05/06 Actual	06/07 Actual	07/08 Target	07/08 Actual
Premier’s Office and Ministerial Office satisfaction with services provided	3.5	3.2	3.2	3.2	3.1

This key effectiveness indicator has been extracted from the responses to the client expectations survey issued to the Office of the Premier and the 14 Ministerial Offices. Responses were received from the Office of the Premier and from 12 of 14 Ministerial Offices surveyed, a combined response rate of 87%. Responses to the question seeking a general rating for all services provided were aggregated to produce this indicator. The Department knows of no circumstances that might have led the two non-respondent offices to respond differently to those offices that completed surveys.

Service 1

SUPPORT FOR THE PREMIER AS HEAD OF GOVERNMENT

The Department provides administrative support and advice to assist the Premier in discharging his responsibilities as Head of Government. This service includes the promotion of Western Australia's interests overseas, communication of major Government initiatives and promotion of services to the Western Australian community.

KEY EFFICIENCY INDICATORS

Three major activities are reported as the key efficiency indicators for this service. The prime focus for this service is support for the Premier as Head of Government, and therefore, the principal efficiency indicator is the cost of providing services for the effective operation of his Office. The remaining indicators recognise the importance of Western Australia's overseas representation, and the media and communication services provided to the Premier and to Ministers.

In addition to policy advice and professional support, the Office of the Premier provides administrative and secretariat services to the Premier. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

Overseas Offices are maintained in Europe (London), the Middle East (Dubai) and North Asia (Tokyo and Kobe) to attract foreign investment to Western Australia and promote Western Australian products and services.

Media and communication costs include the co-ordination and monitoring of media releases and articles, the preparation of advice and correspondence associated with matters requiring the Premier's involvement, and support for initiatives such as Regional Cabinet meetings.

	04/05 Actual (\$000s)	05/06 Actual (\$000s)	06/07 Actual (\$000s)^(a)	07/08 Target (\$000s)	07/08 Actual (\$000s)
Cost of services provided to support the Premier	3,684	3,140	3,488	3,737	3,591 ^(b)
Average cost of representing WA interests overseas (per region)	1,689	1,532	1,653	1,560	1,669
Average cost of media and communication services provided to each Minister (including the Premier) ^(c)	232	175	204	226	221 ^(d)

- (a) *2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007.*
- (b) *The movement in the cost of services provided to support the Premier between 2007/08 target and 2007/08 actual is principally the result of accrual movements.*
- (c) *Severance expenses of \$25,782 in 2004/05 and \$76,281 in 2005/06 and \$4,961 in 2006/07 are excluded from this efficiency indicator as they are considered to be abnormal.*
- (d) *The movement in the average cost of media and communication services between 2006/07 actual and 2007/08 actual is principally due to the reduction in the size of the Ministry that occurred in late 2006/07 (the average number of Ministers for 2006/07 was 16, and for 2007/08, 15).*

Service 2

MANAGEMENT OF MATTERS OF STATE

The Department provides services to support the functions of Executive Government; the administration of entitlements and services to Members of Parliament; and administrative support for Ministerial Offices and the Leaders of the First and Second Parties in Opposition.

KEY EFFICIENCY INDICATORS

Key efficiency indicators for this service are the average cost of:

- providing administrative services to Ministers and Members of Parliament;
- providing Executive Government Services;
- administration of Indian Ocean Territory service delivery arrangements; and
- undertaking security initiatives and programs.

The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services. In 2007/08, the Cabinet and Parliamentary services functions, previously reported as part of Executive Government services were transferred to Service 3, Management of Policy.

Support provided to Ministers and Members of Parliament includes office staffing, policy advice, general administration services, travel and accommodation, and the provision of executive and corporate services. As the Department has minimal discretion with respect to Ministerial Office expenditure, two key efficiency indicators are reported, the first for the average operational costs of Ministerial Offices and the second for the average cost of administrative support provided to those offices. Similarly, Members of Parliament's entitlements as determined by the Salaries and Allowances Tribunal constitute a significant proportion of the expenditure for this service and are non-discretionary. Therefore, expenditure on Members' entitlements is reported separately from the cost of administrative support.

	04/05 Actual (\$000s)	05/06 Actual (\$000s)	06/07 Actual (\$000s) (a)	07/08 Target (\$000s) (b)	07/08 Actual (\$000s)
Average operating cost per Ministerial Office (including the Leaders of the Opposition) ^(c)	1,466	1,494	1,652	1816	1,826 ^(d)
Average cost of administration provided for each Ministerial Office (including the Leaders of the Opposition)	369	373	566	528	622 ^(e)
Average entitlement cost per Member of Parliament ^(f)	203	248	289	286	303 ^(g)
Average cost of administration per Member of Parliament	11	10	10	13	16 ^(h)
Average cost of providing an Executive Government Service ⁽ⁱ⁾	15	12	18	20	21 ^(j)
Average cost per Indian Ocean Territory Service Delivery Arrangement coordinated	8	6	8	9	7
Average cost of initiative and program undertaken to address terrorism and other significant emergencies ^(k)	42	41	85	155	117 ^{(l)(m)}

- (a) 2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007, and to provide 2006/07 comparative data following transfer of the Parliamentary and Cabinet services functions from Service 2 in 2007/08.
- (b) 2007/08 target key efficiency indicator values have been recast for comparative purposes using historical data to allow for the transfer of the Parliamentary and Cabinet Services functions from Service 2 to Service 3 in 2007/08
- (c) Severance expenses of \$1,317,163 in 2004/05, \$1,344,673 in 2005/06 and \$296,257 in 2006/07 have been excluded from this efficiency indicator as they are considered to be abnormal.
- (d) The movement in the average operating cost of a Ministerial Office between 2006/07 actual and 2007/08 actual is a result of a reduction in the average number of ministerial offices from 17 in 2006/07 to 16 in 2007/08, the part year increase in rent and outgoings in 2007/08 and an increase in corporate service expense related to the rollout of upgraded office system software.
- (e) The movement in the average cost of administration provided to Ministerial Offices between 2006/07 actual, 2007/08 target and 2007/08 actual is principally holding costs for vacant ministerial offices, higher Ministerial Chauffeur salary expenses and accrual movements in 2007/08 actual, and the reduction in the average number of ministerial offices from 17 in 2006/07 to 16 in 2007/08.
- (f) Severance expenses of \$849,920 in 2004/05 and \$124,743 in 2005/06 have been excluded from this efficiency indicator as they are considered to be abnormal.
- (g) The movement in the average entitlement cost per Member of Parliament between 2006/07 actual and 2007/08 target, and 2007/08 actual is principally the result of an increase in salaries and entitlements and additional funding provided to meet costs associated with the electoral redistribution.
- (h) The movement in the average cost of administration per Member of Parliament between 2006/07 actual, 2007/08 target and 2007/08 actual is principally the result of accrual movements
- (i) An Executive Government Service is one of the following: an Executive Council meeting supported; an official guest received or a hospitality function organised, and the correspondence service provided for the Premier. In 2007/08, the Cabinet and Parliamentary services functions previously included in this indicator were transferred to Service 3 – Management of Policy. Each of these activities utilises resources that are provided by the Department. While the resource requirements for each of these elements are not identical, no attempt has been made to weight individual components of the indicator at this time.
- (j) The movement in the average cost of per Executive Government service between 2006/07 actual and 2007/08 actual is principally the outcome of a 12% decrease in the number of services provided in 2007/08.
- (k) Grants of \$87,116 in 2006/07 and \$120,721 in 2007/08 have been excluded from this efficiency indicator as they are not considered to be a cost of delivering service.
- (l) The movement in the average cost per Security initiative and program between 2006/07 actual and 2007/08 actual is the principally the result of repositioning from 2006/07 to 2007/08 and the 10% reduction in the number of programs in 2007/08.
- (m) The movement in the average cost per Security initiative and program between 2007/08 target and 2007/08 actual is principally the result of the 30% increase in the number of initiatives and programs actually undertaken.

Expenditure on Corporate Services of \$431,854 provided free of charge to;

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

and expenditure of \$7,961,196 on support provided to Commissions and Inquiries and community service obligations for the year ending 30 June 2008 is excluded from the key efficiency indicators reported for this service.

Service 3

MANAGEMENT OF POLICY

The Department provides advice to and co-ordination for the Premier and Cabinet on key policy matters to ensure an effective government-wide perspective in economic, regional, environmental, social and sustainability policy areas, and advice on whole of government positions on treaties, defence, federal reform and other matters raised through the Council of Australian Governments while managing and coordinating Western Australian Government input to federal negotiations. The Department also provides support for the functions of Cabinet and Parliament.

KEY EFFICIENCY INDICATOR

The average cost per employee hour of policy advice, development and co-ordination, extrapolated from activity sampling conducted twice per year is the key efficiency indicator for this service. During 2006/07, the Cabinet and Parliamentary Services functions were transferred from Service 2 – Management of Matters of State to this service. The cost reported for these indicators includes a proportion of the expenditure on Departmental executive and corporate services.

	04/05 Actual (\$)	05/06 Actual (\$)	06/07 Actual (\$)^(a)	07/08 Target (\$)^(b)	07/08 Actual (\$)^{(e)(f)}
Average cost per hour of policy advice, development and co-ordination ^{(c)(d)}	109	91	93	130	149 ^{(e)(f)}
Average cost of providing an Executive Government Service	N/A	N/A	12,690	13,406	13,412

- (a) *2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007, and to provide 2006/07 comparative data following transfer of the Parliamentary and Cabinet services functions from Service 2 in 2007/08.*
- (b) *2007/08 target key efficiency indicator values have been recast for comparative purposes using historical data to allow for the transfer of the Parliamentary and Cabinet Services functions from Service 2 to Service 3 in 2007/08*
- (c) *Severance expenses of \$25,679 in 2004/05 and \$160,537 in 2005/06 were excluded from this efficiency indicator as they were considered to be abnormal.*
- (d) *Grant expenditure of \$881,823 in 2004/05, \$883,727 in 2005/06, \$591,554 in 2006/07 and \$555,373 in 2007/08, and 175th Anniversary Celebration expenditure of \$265,760 in 2004/05 has been excluded from this key efficiency indicator, as they are not considered to be a cost of service delivery.*
- (e) *The movement in the average cost per hour of policy advice, development and co-ordination between 2006/07 actual and 2007/08 actual is the outcome of new appropriation provided in 2007/08, repositioning from 2006/07 to 2007/08 and a 29% reduction in the average number of hours for 2007/08.*
- (f) *The movement in the average cost per hour of policy advice, development and co-ordination between 2007/08 target and 2007/08 actual is the result of a 25% reduction in the average number of hours for 2007/08 actual.*

OUTCOME

The Premier's obligations as Minister for Public Sector Management are met.

Service 4

SUPPORT FOR THE PREMIER AS MINISTER FOR PUBLIC SECTOR MANAGEMENT

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

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

Clients for these services are principally the Premier as Minister for Public Sector Management and departmental chief executive officers.

The Senior Executive Service, including chief executive officers, is established under the *Public Sector Management Act 1994*. The Department supports chief executive officer appointment processes, development programs, and products and services. The Department co-ordinates public-sector redeployment policy and practices, co-ordinates some sector-wide recruitment programs, and provides expertise to support whole of government organisational improvement initiatives.

The Department supports the Government's on-line Recruitment Advertising Management System and produces the monthly "InterSector" magazine and publications related to workforce demographic and management issues and other matters.

KEY PERFORMANCE INDICATORS

The new key effectiveness and key efficiency indicators, reported for the first time in 2007/08 were developed following the internal review and subsequent restructure of the Public Sector Management Division. Two of these indicators focus on Leadership Development and Public Sector Improvement recognising significant new funding provided for these initiatives. The fourth key effectiveness indicator, relating to the use of human resource data provided through the HR MOIR system was developed in 2007/08 and is also reported for the first time.

KEY EFFECTIVENESS INDICATORS

Internal data is used for key effectiveness indicators one, three and four. The leadership and workforce development data is gathered from feedback forms provided to participants and the MOIR data from records maintained by the Workforce Planning branch. Participants in the leadership and workforce development activities conducted by the Department are provided with a standard assessment sheet for completion at the conclusion of each event. Data collection for this indicator commenced in 2007/08, however for some major Leadership Development activities, administration of a participant survey was not included in the contractual arrangements. Consequently, a significant proportion of Leadership Development participants were not surveyed in 2007/08, although it is planned to rectify this for 2008/09. In aggregate 39% of Leadership Development participants and 63% of Workforce Development participants were provided with survey forms; and the response rates were 78% and 85% respectively.

The client baseline survey reported as key effectiveness indicator two was conducted in December 2007, and a follow up survey was undertaken in June 2008. Both surveys were administered by an external service provider. The survey targets 90 public sector agencies and a potential population of 450 respondents. In December 2007, 78 respondents completed the on-line survey; 55 officers from 40 agencies and 23 officers that did not identify an agency (a response rate by agency of 44%). In June 2008, 56 respondents completed the survey, 33 officers from 27 agencies and 23 officers that did not identify their agency (a response rate by agency of 30%). No comparative data is available for this indicator for previous periods.

	06/07 Actual	07/08 Target	07/08 Actual
Proportion of leadership development participants who indicated that they would be able to apply their learning in their workplace for the benefit of their agency, or within the public sector generally	N/A	80%	98%
Proportion of clients who indicate that the provision of employment and organisational management services were appropriate, timely and met their requirements	N/A	75%	93%
Proportion of workforce development participants who indicated that they would be able to apply their learning in their workplace for the benefit of their agency, or within the public sector generally	N/A	80%	99%
Proportion of responses to requests for Human Resources Minimum Obligatory Information Requirements (HR MOIR) data that are provided within agreed timeframes	N/A	N/A	90%

KEY EFFICIENCY INDICATORS

The new key efficiency indicators focus on the delivery of Leadership Development and Public Sector Improvement initiatives. For the purposes of the second indicator, a client to whom public sector management advice is provided is a government department, agency or instrumentality. The services provided include advice on a wide range of Senior Executive Service and non-Senior Executive Service employment matters, recruitment, redeployment; and organisational policy development, support for functional reviews, and management of the Premier's Awards program.

	07/08 Target (\$)	07/08 Actual (\$)
Average cost per leadership development participant ^{(a)(b)}	2,546	807
Average cost per client to whom public sector management advice is provided ^{(a)(c)}	46,571	96,221
Average cost per workforce development participant ^{(a)(b)}	1,905	1,283

- (a) *The newly developed 2007/08 target key efficiency indicators published in the 2007/08 Budget Statements were based upon March 2007 estimates about FTE allocation to various activities. During the past year, it became evident that earlier estimates from the Organisational Management Branch led to the significant variations in all indicator costs. A similar resource allocation was used to devise indicators for the 2008/09 Budget Statements and it is anticipated that the resource allocation will now be consistent for future periods.*
- (b) *Grants expenditure of \$216,449 in 2004/05, \$12,235 in 2005/06, \$84,200 in 2006/07 and \$96,770 in 2007/08 has been excluded from these efficiency indicators as it is not considered to be a cost of service delivery.*
- (c) *Copyright expenditure of \$33,046 in 2004/05, \$26,000 in 2005/06, \$35,352 in 2006/07 and \$2,313,135 in 2007/08 has been excluded from the average cost per client to whom public sector management advice is provided as it is not considered to be a cost of service delivery.*

OUTCOME

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

Service 5

PARLIAMENTARY, STATUTORY AND LEGISLATIVE PUBLISHING SERVICE

The Department provides secure, confidential and time critical printing and publishing services to meet Parliamentary and Government requirements. All costs of managing the State Law Publisher office, its staffing and equipment are included in the key efficiency indicators for this service.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators relate to the requirement for timely, secure and confidential printing and publishing. Parliamentary documents such as Hansard and Bills must be delivered to the respective Houses of Parliament within certain timeframes. The first key effectiveness indicator reports the percentage of documents provided within those timeframes.

Certain documents are not to be publicly released until tabled in Parliament (for example, Royal Commission and Inquiry proceedings), or prior to scheduled publishing dates (for example, Government Gazette). The second key effectiveness indicator reports the proportion of documents produced and released in accordance with these security and confidentiality requirements.

	04/05 Actual	05/06 Actual	06/07 Actual	07/08 Target	07/08 Actual
Proportion of Parliamentary documents produced and delivered within agreed timeframes established by each house of Parliament	100%	100%	99.85%	100%	100%
Proportion of documents produced and released in accordance with security and confidentiality requirements	100%	100%	99.72%	100%	100%

KEY EFFICIENCY INDICATORS

The key efficiency indicators are the average cost per printing image, the average cost per publication and the average sale value. The costs reported for the first two indicators include a proportion of the expenditure on Departmental executive and corporate services.

In conjunction with the Department's transition to the Department of Treasury and Finance Shared Services financial system in December 2007, State Law Publisher was required to install a new point of sale system to capture sales records. The system available required substantial modification to ensure that sales data was captured in a consistent format to that in past periods. As a consequence, no data was captured for the period November 2007 – February 2008. The average monthly sales for the remaining eight months of 2007/08 have been applied to this period to derive the average cost per publication sold for the year.

ANNUAL REPORT – 2007/2008

	04/05 Actual (\$)	05/06 Actual (\$)	06/07 Actual (\$) ^(a)	07/08 Target (\$)	07/08 Actual (\$)
Average cost per printing image produced ^{(b)(c)}	0.08	0.08	0.09	0.11	0.10
Average cost of publication sold ^(c)	6.91	6.43	8.63	8.36	11.65 ^(d)
Average sale value	12.28	13.71	17.11	18.00	20.09 ^(e)

- (a) *2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007.*
- (b) *A printing image is a single pass of a document through the Docutech machine.*
- (c) *Severance expenses of \$122,498 in 2004/05 were excluded from these efficiency indicators as they were considered to be abnormal.*
- (d) *The movement in the average cost per publication sold between 2006/07 actual and 2007/08 actual is the result of increasing cost of production and a 13% reduction in the number of publications sold in 2007/08 compared with 2006/07. The volume of publications sold continues to decline as the number of customers accessing documents on-line increases.*
- (e) *The movement in the average sale value between 2006/07 actual, 2007/08 target and 2007/08 demonstrates the increasing use of free on-line download facilities, and the shift in over-the-counter sales towards higher value items.*

OUTCOME

Increased level of community awareness of the Western Australian and Commonwealth Constitutions, and the Australian Federal system of government.

Service 6

MANAGEMENT OF THE CONSTITUTIONAL CENTRE PROGRAMS

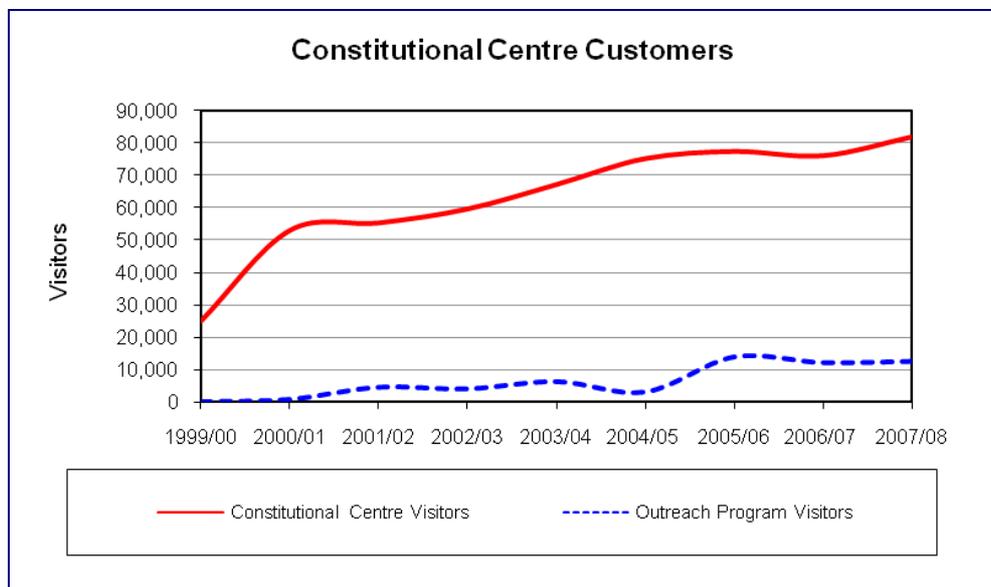
The Government is committed to helping educate the community about the Western Australian and Commonwealth Constitutions, and the Federal system of government through the provision of exhibitions and programs at the Constitutional Centre.

KEY EFFECTIVENESS INDICATORS

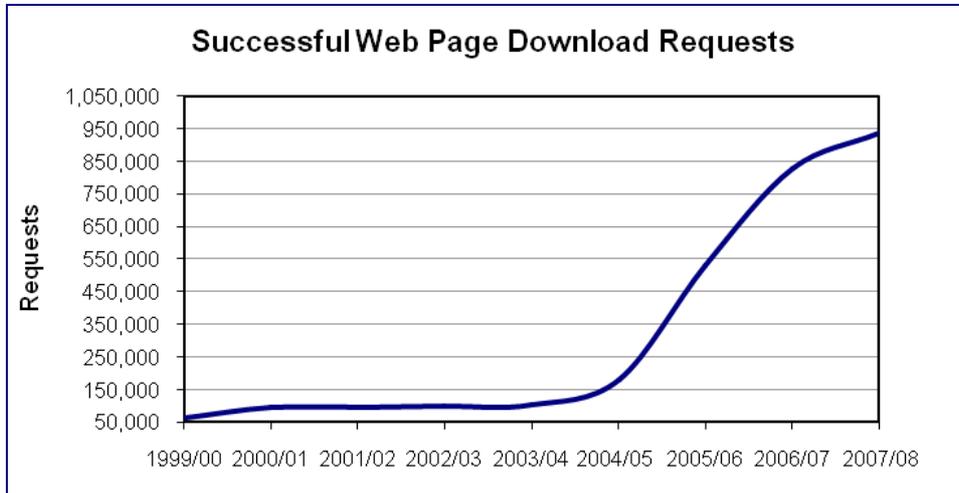
The key effectiveness indicators demonstrate the demand for services provided by the Constitutional Centre. The first indicator reports the annual growth in visitor numbers; and the second, participation rates for travelling and outreach programs delivered to regional areas. The third indicator reports the number of people accessing the Centre's web pages and downloading information about Constitutional matters.

The Constitutional Centre conducts a range of exhibitions and programs providing information about the Western Australian and Commonwealth Constitutions, and the Federal system of government. This chart shows a sharp growth in visitor numbers from 1999/00 to 2000/01 slowing through 2001/02 to 2002/03 and a steady rise through 2002/03 and 2004/05 before slowing again in 2005/06. The outcome reported in the 2006/07 Annual Report showing a 14% growth was subsequently found to be incorrect due to the overstatement of visitor data. The corrected figure was -2% growth and has been adjusted in the following graph. An 8 % increase in the number of visitors was realised in 2007/08.

The visitor data includes attendances at outreach events conducted in regional centres. Demand for these programs increased (from a low base) over the past five years. While some outreach activities are conducted in the metropolitan area, the number of visitors to such events is excluded from the outreach indicator, as the purpose is to highlight rural and regional activity. Data reported in the 2006/07 Annual Report showing a no change in the level of attendances was subsequently found to be incorrect due to the overstatement of outreach participants. The corrected figure was -13% and has been adjusted in the following graph.



The Constitutional Centre Web pages are a source of constitutional information for students and the general public. This indicator demonstrates a sustained level of demand for this facility, and is therefore a meaningful indicator of the site's effectiveness as a means of providing the community with information about constitutional matters and the federal system of government.



KEY EFFICIENCY INDICATOR

The cost per customer of the Centre is the key efficiency measure for this function. The cost reported for this indicator includes a proportion of the expenditure on Departmental executive and corporate services.

	04/05 Actual (\$)	05/06 Actual (\$)	06/07 Actual (\$)^(a)	07/08 Target (\$)	07/08 Actual (\$)
Average cost per customer of the Constitutional Centre ^(b)	13.29	12.82	13.42	12.59	12.28 ^(c)

- (a) 2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007. Data reported in 2006/07 showing a 14% growth was subsequently found to be overstated, and consequently the average cost reported of \$11.69 per visitor was understated. The adjusted average cost has been compiled from corrected 2006/07 data.
- (b) Grants expenditure of \$382,666 in 2004/05, \$322,333 in 2005/06 and \$410,000 in 2006/07 and \$270,000 in 2007/08, and expenditure on 175th Anniversary of European Settlement celebrations of \$2,612,042 in 2004/05 has been excluded from this efficiency indicator as it is not considered to be a cost of service delivery.
- (c) The movement in the average cost per customer of the Constitutional Centre between 2006/07 actual and 2007/08 actual is the result of an 8% increase in the number of customers in 2007/08.

OUTCOME

Reducing the number of fatalities in Western Australia through the implementation of road safety programs.

Service 7

SUPPORT FOR IMPLEMENTATION OF THE STATE'S ROAD SAFETY INITIATIVES

Support is provided to Government and the Road Safety Council agencies to develop, implement, monitor and evaluate the State's road safety initiatives.

The key effectiveness indicators for this across Government and community outcome report the number of deaths per 100,000 estimated residential population resulting from road crashes, and serious injuries resulting from road crashes per 100,000 estimated residential population (defined as hospital admissions). The objective of the state road safety strategy "Arriving Safely" is to reduce fatalities from road crashes in Western Australia to a level equivalent to the lowest in Australia over a five-year timeframe commencing 2002/03. These indicators are consistent with those reported prior to 2001/02 when the Office was part of the Department of Transport.

KEY EFFECTIVENESS INDICATORS

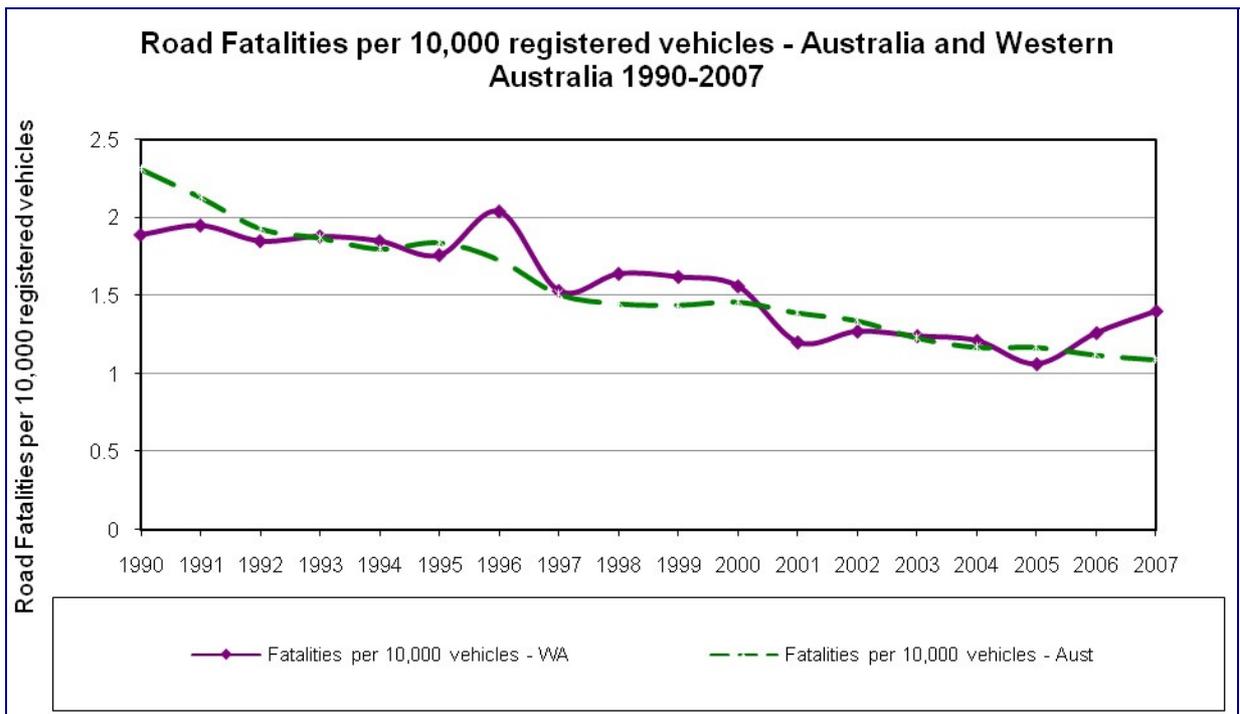
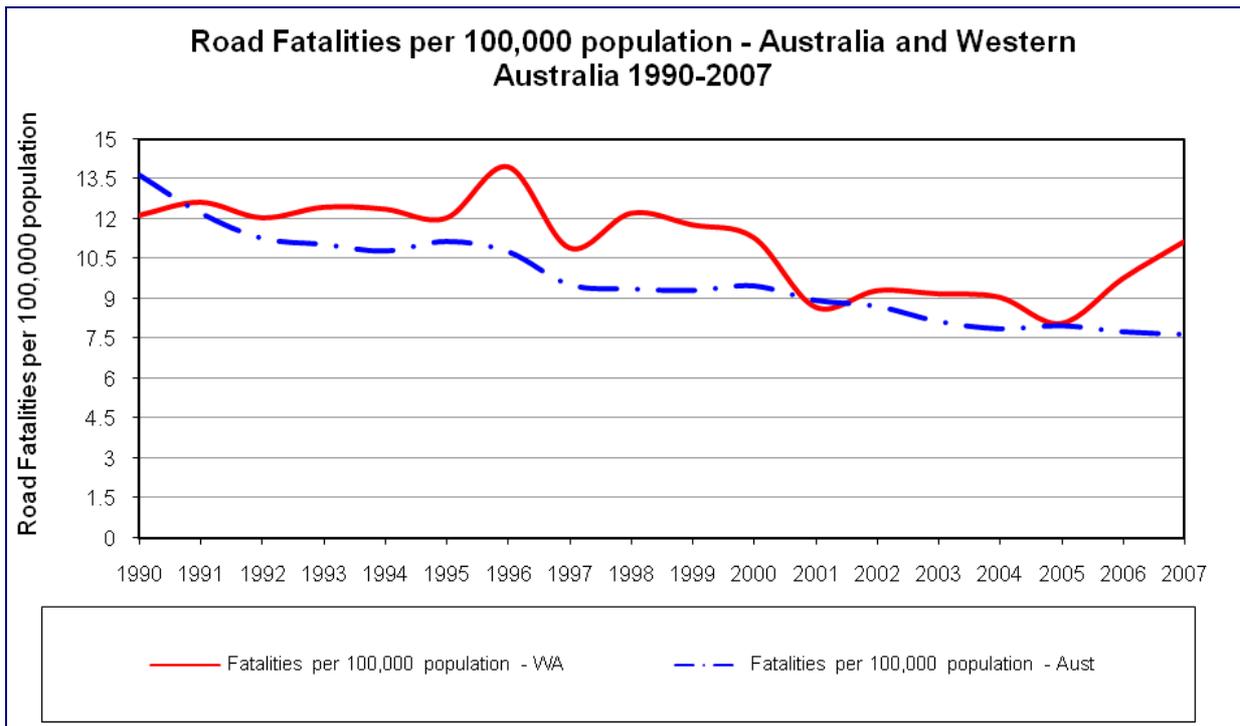
In 2007, 236 people were killed in road crashes on Western Australian roads. As a result, the Western Australian fatality rate per 100,000 population (11.16 deaths per 100,000 population) remained above the Australian rate (7.67 deaths per 100,000 population) but was lower than for the Northern Territory (26.05). The Australian Capital Territory had the lowest fatality rate of 4.12 deaths per 100,000 population.

The fatality rate of 1.40 deaths per 10,000 registered vehicles for Western Australia is higher than the Australian average rate of 1.09 deaths per 10,000 registered vehicles.

The following graphs demonstrate the extent of change in the fatality rate per 100,000 population and per 10,000 registered vehicles over time for Western Australia, compared to the Australian averages.

The long term trends in fatality rates both nationally and for Western Australia are downward together with evidence of some fluctuation over time (Note: in 1973- 358 fatalities were reported for WA compared to 236 in 2007).

Between 2001 and 2005 Western Australia experienced a 27% reduction in road deaths including a record low 162 deaths in 2005 – one of the biggest improvements seen in Australia for that period. Since then, increases have been seen in the number of deaths on Western Australian roads although it is still too early to say if this is a consistent trend or evidence of short term variation. Strong economic conditions resulting in greater mobility and increases in vehicle traffic combined with behavioural risk factors (eg speeding, drink driving, and not wearing restraints) continue to exert upward pressure on the number of deaths and serious injuries on Western Australian roads.



Data for these tables are sourced from:

Australian fatality rates

1990 to 2002- Derived from Road Crash Data and Rates Australian States and Territories 1925-2002; ATSB December 2003

2003 to 2006- Taken from Road Deaths Australia: 2006 Statistical Summary; ATSB April 2007

2007 Taken from Road Deaths Australia, Monthly Bulletin: December 2007; ATSB January 2008

Derived from: Fatal Road Crash Database; ATSB

Population by Age and Sex, Australian States and Territories; 2007 at June 30, ABS catalogue no. 3201.0

Motor Vehicle Census; 2007 at March 31, ABS catalogue no. 9309.0

Western Australian fatality rates

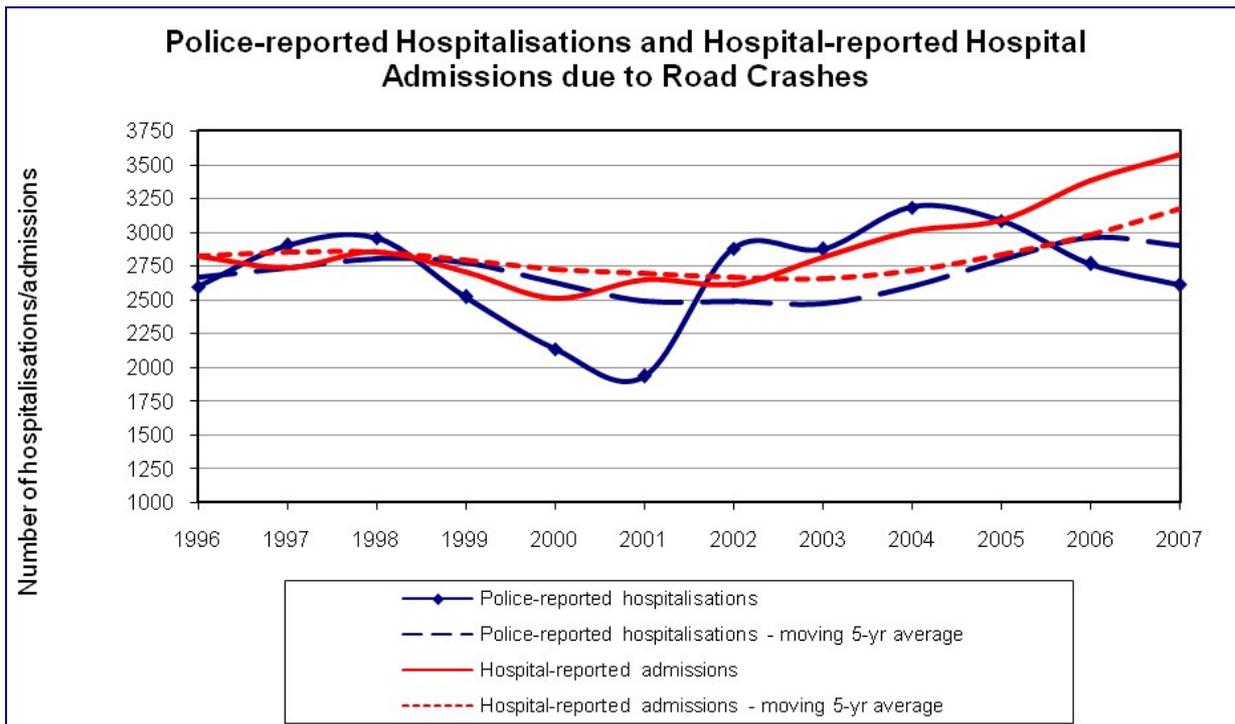
- 1990 to 2006 Taken from *Reported Road Crashes in Western Australia 2006*; ORS unpublished data
Derived from *IRIS Data from Main Roads, Western Australia*
Vehicles on Register Western Australia; ABS catalogue no. 9305.5 (pre 1997 motor
vehicle registrations)
Motor Vehicle Census; ABS catalogue no. 9309.0 (1997 onward motor vehicle
registrations)
Australian Demographic Statistics; ABS catalogue no. 3101.0
- 2007 Taken from *Road Deaths Australia, Monthly Bulletin: December 2007*; ATSB January
2008
Derived from *Fatal Road Crash Database*; ATSB
Population by Age and Sex, Australian States and Territories; 2007 at June 30, ABS
catalogue no. 3201.0
Motor Vehicle Census; 2007 at March 31, ABS catalogue no. 9309.0

In the Western Australian Road Safety Strategy *Arriving Safely 2003-2007* and the *National Road Safety Strategy 2001-2010* ambitious targets for road safety (5 and 5.6 deaths per 100,000 respectively) were set in line with world class research. As these have not been met at State or National level (or are unlikely to be met) vigorous action will be required to bring death rates in line with the proposed targets and to provide a basis for further progress into the future.

In line with the nationally agreed Safe System framework for road safety it is clear that actions designed to improve the safety of roads, roadsides, vehicles and safe travel speeds will contribute to large road safety improvements over a longer period of time. To achieve substantial improvements in the short term, evidence points to the need to continue to pursue education and enforcement measures to address road use behaviour with speed management being the most important priority. There is strong evidence that decreasing mean speeds on the road network by 5% can potentially reduce injury crashes by around 10% and reduce fatal crashes by around 20%.

As shown in the graph overleaf, Police reported 2,608 people hospitalised in 2007 as a result of their involvement in road crashes, this is a decrease from 2006 (reduced by 15 hospitalisations or 6%). Preliminary hospital reported admission data for the same period indicates that 3,576 people were admitted to hospital as a result of their involvement in road crashes, a 6% increase over the 2006 figures. As in the past, on-going variance between hospital-reported admissions and Police-reported hospitalisations are a result of differences in definitions and methods of data collection.

A preliminary analysis of road crash hospital admission trends for Western Australia from 1988-2006 has indicated that serious injury hospital admissions have been increasing at a greater rate than hospital admissions for non-serious injuries. The increases seen in hospital admissions for serious injury appear to have resulted predominantly from traffic crashes involving motorcyclists, pedestrians and bicyclists more so than those involving motor vehicle occupants.



Note: Scale does not start at zero.

Data for this table is sourced from:

- (i) Police Reported Crash Data maintained by Main Roads Western Australia.
- (ii) Hospital Reported Admissions from the Department of Health, Western Australia. 2006 data is preliminary and is expected to change. At this point in time only 95% of hospital admission records for 2006 have been processed. Data represents a count of those admitted to hospital for a traffic accident and may include those who have died after admission. In 1999 there was a 'break in series'. A change in classification from ICD-9 to ICD-10 means that data prior and after this time should be compared with caution.

Evidence shows that serious injuries involving vulnerable road users such as motorcyclists, pedestrians and bicyclists are particularly likely to be responsive to speed management initiatives (such as speed enforcement, road engineering and speed limit changes to reduce travel speeds) to reduce the likelihood and severity of road crashes. In addition encouraging the uptake of vehicle design features that enhance the pedestrian protection rating is also likely to have an impact on serious injuries sustained by all vulnerable road user groups.

KEY EFFICIENCY INDICATORS

The key efficiency indicators are the average costs for major awareness-raising campaigns targeting speeding, drink-driving, driver fatigue and seatbelts conducted during the year, and for road safety initiatives identified by the Road Safety Council (advertising and other campaigns focusing on particular issues, eg double demerit points over public holiday periods), and the average costs per FTE required to provide support to the Road Safety Council. Support provided to the Road Safety Council and its subsidiary committees and working groups includes executive support, coordination, research, and preparation of papers for consideration and routine administrative support. This cost includes, but is not limited to salaries and salary-related expenses. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

ANNUAL REPORT – 2007/2008

	04/05 Actual (\$000s)	05/06 Actual (\$000s)	06/07 Actual (\$000s) ^(a)	07/08 (Target (\$000s)	07/08 Actual (\$000s)
Average cost of awareness-raising Campaigns	1,380	1,049	590	478	615 ^(b)
Average cost of road safety initiatives ^(c)	281	294	950	756	569 ^{(d)(e)}
Average cost per FTE for support services to the Road Safety Council ^(f)	202	204	351	202	192 ^(g)

- (a) 2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007.
- (b) The movement in the average cost of awareness-raising campaigns between 2007/08 target and 2007/08 actual is the result of an increase in expenditure on campaigns funded by savings from other areas. This adjustment restored expenditure levels to those of 2006/07.
- (c) Grants expenditure of \$7,077,031 in 2004/05, \$8,943,560 in 2005/06, \$4,748,893 in 2006/07 and \$15,212,616 in 2007/08 have been excluded from this key efficiency indicator as grants are not considered to be a cost of delivering services.
- (d) The movement in the average cost of road safety initiatives between 2006/07 actual and 2007/08 actual is the result of a 20% increase in the number of initiatives in 2007/08, and a 25% reduction in the level of funding allocated in 2007/08 to this activity.
- (e) The movement in the average cost of road safety initiatives between 2007/08 target and 2007/08 actual is the result of a 20% increase in the number of initiatives actually undertaken in 2007/08, and 6% reduction in funding allocated to this activity.
- (f) This key efficiency indicator relates to resources allocated to provide support to the Road Safety Council, and to undertake policy development and the provision of policy advice. It is expressed as an average cost per full time equivalent (FTE) and includes salary and contingency expenditures, that is, it is not the average salary for an FTE. For this indicator, FTE's are treated as units of effort. 4 FTEs (approximately 20% of the Office of Road Safety's resources) were required to support the Road Safety Council, develop policy and provide policy advice in 2007/08.
- (g) The movement in the average cost per support service FTE for between 2006/07 actual and 2007/08 actual is the result of a reduction in the financial resources allocated to support services for the Road Safety Council, and a reduction in travel expenses for the Council due to the extensive state-wide consultation conducted for a new road safety strategy.

OUTCOME

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

Service 8

e-GOVERNMENT POLICY AND COORDINATION

The Office of e-Government is responsible for:

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

The Office of e-Government was created in 2003 in response to the Functional Review Taskforce recommendations and incorporates a range of functions previously undertaken by the former Department of Industry and Technology.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators developed for this service are the extent to which Departments adopt and implement the policies, standards and guidelines developed by the Office, and satisfaction ratings from the Strategic Management Council e-Government Sub-Committee and the Premier's Office.

The first indicator reports the level of agency commitment to implementation of e-government policies, standards and guidelines, developed by the Office and endorsed by the Strategic Management Council e-Government Sub-Committee to improve internal efficiency, service delivery to citizens and community participation. Twenty-three Departments were surveyed to assess the degree to which they had adopted policies, standards and guidelines issued in relation to State Government Web Sites and the WA Electronic Government Interoperability Framework. A 100% response rate to this survey was achieved.

The remaining indicators recognise the close working relationship with the Premier and the e-Government Sub-Committee necessary for the effective development and implementation of Western Australian public sector e-government strategy. The survey issued to the e-Government Sub-Committee was completed by 10 of the 11 members (one former member was on leave), a 91% response rate. While there are officially eight members of the committee, in 2007/08, 3 members retired and were replaced.

	04/05 Actual	05/06 Actual	06/07 Actual	07/08 Target	07/08 Actual
Proportion of Departments that adopt and implement policies, standards and guidelines developed by the Office	81%	91%	95%	75%	91% ^(a)
Strategic Management Council e-Government Sub-Committee's satisfaction with quality and timeliness of work undertaken to support the committee	3.4	3.4	3.4	3.4	3.5
Premier's Office satisfaction with advice and support provided	4	3	4	3	3

- (a) *The increase in the proportion of Departments adopting and implementing policies, standards and guidelines in 2007/08 actual compared with the 2007/08 target is the result of a conservative target established for the 2007/08 budget.*

KEY EFFICIENCY INDICATORS

The key efficiency indicators are the average cost per Department of adopting and implementing policies, standards and guidelines, and the average cost per significant e-government initiative in which the Office is involved. These indicators have been identified to appropriately recognise the allocation of resources to major activities designed to achieve e-government objectives. The costs reported for these indicators include a proportion of the expenditure on Departmental executive and corporate services.

	04/05 Actual (\$)	05/06 Actual (\$)	06/07 Actual (\$)^(a)	07/08 Target (\$)	07/08 Actual (\$)
Average cost per Department that adopts and implements policies, standards and guidelines ^(b)	83,465	92,800	38,333	52,177	47,406 ^{(c)(d)}
Average cost per significant e-government initiative in which the Office is involved ^(b)	141,229	131,054	219,300	187,685	189,328 ^(e)

- (a) *2006/07 actual key efficiency indicator values have been recast for comparative purposes using historical data to remove the Capital User Charge and redistribute corporate and executive support costs following the transfer of the Office of Multicultural Interests to the Department for Communities on 1 July 2007.*
- (b) *Grants expenditure of \$2,300,000 in 2004/05, \$1,070 in 2006/07 and \$1,000 in 2007/08 has been excluded from these key efficiency indicators, as grants are not considered to be a cost of service delivery.*
- (c) *The movement in the average cost per Department adopting and implementing policies, standards and guidelines between 2006/07 actual and 2007/08 actual is principally due to a significant increase in the FTE resources allocated to these activities in 2007/08.*
- (d) *The movement in the average cost per Department between 2007/08 target and 2007/08 actual is the outcome of 17% increase in the number of Departments implementing policies standards and guidelines compared with the projection made for the 2007/08 target, partially offset by small increase in funding in 2007/08.*
- (e) *The movement in the average cost per initiative between 2006/07 actual and 2007/08 actual is principally due to a marginal increase in the number of initiatives and a marginal reduction in funding allocated in 2007/08.*

APPENDICES

APPENDIX 1

STATEMENT OF EXPENDITURE

Electoral Act 1907 Section 175ZE

In compliance with Section 175ZE of the *Electoral Act 1907*, the Department of the Premier and Cabinet is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Details are as follows:

(a) Expenditure with Advertising Agencies \$5,254,396.28⁽¹⁾

303 Advertising	Key 2 Design
Design Design Graphics	Marketforce
Freeway Design	Mills Wilson
Gatecrasher Advertising	The Brains Trust
Impact Communications	

⁽¹⁾ This includes \$4,947,774.89 expenditure incurred by the Office of Road Safety.

(b) Expenditure with Market Research Agencies \$100,995.84⁽²⁾

Media Monitors Aust P/L

⁽²⁾ This includes \$90,930.84 expenditure incurred by the Office of Road Safety.

(c) Expenditure with Polling Agencies \$1,037,716.57⁽³⁾

Synovate Pty Ltd

⁽³⁾ This includes \$828,596.67 expenditure incurred by the Office of Road Safety and \$120,928.50 incurred by the Government Media Office.

(d) Expenditure with Direct Mail Agencies NIL

(e) Expenditure with Media Advertising Agencies \$3,793,351.62⁽⁴⁾

Marketforce Express
Media Decisions WA
The West Australian Newspaper

⁽⁴⁾ This includes \$3,506,238.37 expenditure incurred by the Office of Road Safety.

TOTAL EXPENDITURE \$10,186,460.31

Note: Salaries and Allowances Tribunal while not part of the Department of the Premier and Cabinet incurred the following expenditure

(e) Expenditure with Media Advertising Agencies \$3,307.27

Marketforce Productions

APPENDIX 2

DISABILITY SERVICES ACT 1993

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

The *Disability Services Act 1993* was amended in December 2004 requiring public authorities to develop and implement Disability Access and Inclusion Plans (DAIPs) by July 2007 to replace existing Disability Service Plans. A new DAIP was developed last year and was lodged with the Disability Services Commission in July 2007 in accordance with the *Disability Services Amendment Act 2004*.

The following reflects action taken this year in relation to the six DAIP Outcomes:

- **Outcome 1:** People with disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority.
 - a DAIP Committee was established in May 2007 to monitor equitable access to services for people with disabilities; and
 - planning for all events undertaken by the Department included provision of suitable access and inclusion for people with disabilities.
- **Outcome 2:** People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority.
 - a lift was installed, as part of a refit, in the State Crisis Centre Building leased by the Department at 20 Southport St, Leederville to provide access to all parts of the building for people with disabilities;
 - an access ramp was installed at the WA Constitutional Centre, West Perth to enable extended use of the lawns and grounds of the Centre; and
 - planning for new office accommodation is being undertaken in accordance with the Department of Housing and Works Office Accommodation Policies/Guidelines related to people with disabilities.
- **Outcome 3:** People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it.
 - in March 2008, the Office of e-Government released the Website Governance Framework for Western Australian Government Websites, a component of which is the Website Standards: Common Website Elements that stipulates an 'Accessibility' page providing users with options by which accessibility issues can be enabled on an agency's website; and
 - an upgrade of the Department's website has continued during the year to ensure it meets the requirements under the *Guidelines for State Government Web Sites*, which includes access to people with disabilities.
- **Outcome 4:** People with disabilities receive the same level and quality of service from the staff of a public authority as other people receive from staff of that public authority.
 - the Department's *Induction Package* for new employees has been upgraded to ensure all new employees are aware of the DPC DAIP.

- **Outcome 5:** People with disabilities have the same opportunities to make complaints to a public authority.
 - the DPC website provides a complaints system that is easily accessible for all members of the community, including people with disabilities.
- **Outcome 6:** People with disabilities have the same opportunities to participate in any public consultation by a public authority.
 - consultative processes during the year provided opportunities for people with disabilities to participate.

The Department participates in the supported work teams program and encourages people with disabilities to apply for vacant positions and other recruitment programs such as our Graduate Development Program.

The Department also manages Full Time and School Based Traineeships, and Entry Level placements across the public sector which provided opportunities for 65 people with disabilities this year.

APPENDIX 3

THE TENTH CARPENTER MINISTRY (as at 30 June 2008)

Honourable Alan John Carpenter MLA
Premier; Minister for Federal-State Relations; Trade; Innovation; Science; Public Sector Management

Honourable Eric Stephen Ripper MLA
Deputy Premier; Treasurer; Minister for State Development

Honourable Kimberley Maurice Chance MLC
Minister for Agriculture and Food; Forestry; the Mid West and Wheatbelt; Great Southern

Honourable Ljiljana Ravlich MLC
Minister for Local Government; Racing and Gaming; Multicultural Interests and Citizenship; Government Enterprises; Minister Assisting the Minister for Planning and Infrastructure; Goldfields-Esperance; Youth

Honourable John Charles Kobelke MLA
Minister for Police and Emergency Services; Community Safety; Water Resources; Sport and Recreation

Honourable James Andrew McGinty MLA
Attorney General; Minister for Health; Electoral Affairs

Honourable Michelle Hopkins Roberts MLA
Minister for Housing and Works; Indigenous Affairs; Heritage; Land Information

Honourable Alannah MacTiernan MLA
Minister for Planning and Infrastructure

Honourable Sheila Margaret McHale MLA
Minister for Disability Services; Tourism; Culture and the Arts; Consumer Protection

Honourable Mark McGowan MLA
Minister for Education and Training; South West

Honourable Francis Michael Logan MLA
Minister for Energy; Resources; Industry and Enterprise

Honourable Jonathan Robert Ford MLC
Minister for Employment Protection; Regional Development; Fisheries; the Kimberley, Pilbara and Gascoyne

Honourable Margaret Mary Quirk MLA
Minister for Corrective Services; Small Business

Honourable David Alan Templeman MLA
Minister for the Environment; Climate Change; Peel

Honourable Suzanne Mary Ellery MLC
Minister for Child Protection; Communities; Women's Interests; Seniors and Volunteering

APPENDIX 4

FREEDOM OF INFORMATION (FOI) – INFORMATION STATEMENT

Freedom of Information Operations

The Freedom of Information Act 1992 ("the *FOI Act*"), which came into effect on 1 November 1993, created a general right of access to documents held by State and Local government agencies. The *FOI Act* requires agencies to make available details about the kind of information they hold and enables persons to ensure that personal information held by government agencies about them is "accurate, complete, up to date and not misleading".

It is the aim of the Department of the Premier and Cabinet to make information available promptly, for the least possible cost and wherever possible documents will be provided outside the FOI process.

Receipt of FOI Applications

FOI applications, payments, correspondence and general inquiries may be directed to the Department's FOI Coordinator, 28th Floor, 197 St George's Terrace, Perth, 6000 (Tel: (08) 9222 9409; Fax: (08) 9222 9690). FOI application forms are available from the Department's internet website at <http://www.foi.dpc.wa.gov.au/> or by contacting the FOI Coordinator.

Processing of Applications

The Department's FOI Unit is responsible for administering the processing of FOI applications within the agency. The FOI Coordinator and Assistant FOI Coordinator liaise with the Department's designated decision makers/internal reviewers to facilitate the processing of all applications in accordance with the *FOI Act*. The FOI Unit is the initial contact point for members of the community, applicants, third parties, the Office of the Information Commissioner and other public sector agencies for all FOI-related matters.

Fees and Charges

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

- Personal information about applicant – no fee
- Application fee (for non-personal information) - \$30.00
- charge for time taken dealing with the application – \$30.00 per hour
- charge for access time supervised by staff – \$30.00 per hour
- charges for photocopying - \$30.00 per hour for staff time and 20c per copy
- charges for staff time in transcribing information from a tape or other device
\$30.00 per hour
- charge for duplicating a tape, film or computer information – actual cost
- charge for delivery, packaging and postage – actual cost

Rights of Review

The *FOI Act* provides that applicants that are dissatisfied with a decision of the Department have the right to have that decision reviewed. In accordance with section 40 of the *FOI Act*, internal review applications should be forwarded in writing to the Department within 30 calendar days after the date of the Department's initial Notice of Decision.

Following an internal review, if any matter remains in dispute applicants are advised of their right to request the Information Commissioner to conduct an "external review" of the matter. In certain instances, questions of law that arise in the course of dealing with a complaint may be referred to the Supreme Court. No fees or charges apply to internal or external reviews.

Documents Held by the Agency

The Department can trace its history through records back to the colonial settlement of Western Australia. These historical records (archives) are available for research at the State Archives. Records about the Department's role and responsibilities will continue to be an important part of the State's history.

The Department's records are arranged using activities based classification and include information about the following functions and activities:

Cabinet Support
Civics
Community Response (correspondence received by the Premier on current issues)
Commissions
Cultural Diversity
Economic Policy
Elected Members (*administrative support matters for elected members of the State Government*)
Environmental Policy
Federal Policy
Governance (*legislative and parliamentary processes*)
Government Initiatives (*projects of the elected government managed by the Department*)
Intergovernmental Relations
International Relations
Ministers' Support (administrative support matters for Ministers)
Official Protocol
Premier's Support (administrative support matters for the Premier)
Public Sector (review and development of the Western Australian public sector)
Regional Policy
Royal Visits
Social Policy
Treaties
Vice Regal
Workforce Management (*of Western Australian public sector workers*)

Broad categories of documents currently available to the public can be accessed through the Department of the Premier and Cabinet's website www.dpc.wa.gov.au (publications and policies, quick links) or by telephoning the Department's Freedom of Information Unit on 9222 9409 or 9222 9414.

The Department's Library has an extensive collection of information. The broad subject areas covered by the Library include: auditing, banking and taxation, economics, financial management, human resource planning, public finance, management, performance management, public administration, political science, training - executive development, sustainability and E-Government.

The library is not open to members of the public; however, access to library material can be obtained through inter-library arrangements.

Public Participation in the Formulation of Policy and Performance of Agency Functions

The Department's primary mission lies in the provision of services to the Premier and Cabinet. The avenues for public participation in the formulation of the agency's policy making and performance are limited and depend largely upon the nature of the particular portfolios held by the Premier of the day.

APPENDIX 5

PUBLICATIONS

During the year the Department of the Premier and Cabinet issued the following publications:

Accountability Support Unit

- Participants Handbook
- First Steps, Business Cards
- Accountability Support Unit Brochure
- CD – Accountability Support Unit

Office of Development Approvals Coordination (ODAC)

- A large range of Integrated Project Approvals System (IPAS) and ODAC Documents, Process Maps and Approvals Streamlining Documents are available on the following website <http://www.odac.dpc.wa.gov.au/index.cfm?event=downloads>

Policy Division

- The Social Agenda (e-newsletter) monthly production.
- Perth Creative Industries – An Analysis (2007). (Partnership between DCA, DOIR and DPC).

Public Sector Management

- 11 editions of InterSector
- PSM Program Graduation 2008 Booklet
- Graduate Development Program Brochure
- Public Sector Improvement & Strategic Human Resource Management – Workshop Brochure
- Leadership Development Strategy – Workshop Brochure
- Professional Development Programs 2007/08 Prospectus
- Regional Skills Initiative Brochure
- Public Sector Trainees Wages – A Guide for WA State Government Agencies
- School Based Traineeship Program Application Kit
 - School Based Traineeship Program Brochure (for students)
 - Application Form
 - Information for Schools Booklet (for teachers)
 - A3 Poster
- ‘Your Career Starts Here’ Brochure
- Human Resource Minimum Obligatory Information Requirements (HR MOIR) 2007 Data Definitions and Technical Specifications
- A New Workforce Planning Tool flyer
- Employment (FTEs) in WA State Government Bodies - June 2007
- User Guide for the Workforce Analysis and Comparison Application (WACA)
- Workforce Analysis and Comparison Application (WACA) Quick Start Guide
- Rethinking Recruitment Discussion Paper
- Rethinking Recruitment Innovative Tips and Case Studies
- SkillsConnect brochure
- 2007 Premier’s Awards Profile of Finalists and Winners
- Flexi-work Register flyer
- The Women in Leadership brochure

State Law Publisher

- Client Information Newsletter – *Electronic format* – Weekly
- Price Catalogues for Legislation and for Stationery – electronic format – varying according to changes to legislation and stationery – legislation average 3/week, stationery average 1/month
- Calendar for 2008

Constitution Centre

- Premiers and Governors of Western Australia Booklet

- Changing Constitutions Booklet
- WA Constitution Act

Office of Road Safety

Publications

- RSC Newsletter (3)
- Community Engagement Newsletter (11) Metro and Country
- 2004 Crash Stats Book
- 2005 Crash Stats Book
- Road Trip 120 Booklet, CD ROM and Posters
- Road Safety Discussion Paper and Questionnaire

Information Kits, Leaflets, Posters, Brochures -Topics

- Reducing Speed, Speed Dial and Speeding
- Drink Driving
- Drug Driving
- Safer Shiftworkers, Safer Roads
- 2008 Penalties
- Fatigue
- Restraints
- Novice Drivers
- Leaflets – Licensing, Beer, Wine and Insurance
- Drink Wallet Card
- Mate's Place

Office of e-Government

- Website Governance and Management Process - Website Management Process – April 2008
- Website Domain Name Policy & Implementation Guide – April 2008
- Website Business Plan – April 2008
- Website Standards and Guidelines - April 2008
 - Website Principles
 - Website Standards: Common Web Elements
 - Guidelines for State Government Websites
 - Self-assessment Website Standards Checklist: Common Website Elements
 - Self-assessment Website Guidelines Checklist
- Website Evaluation and Reporting Guide - April 2008
- Checklist for Directors General and Chief Executive Officers on Major ICT Projects – February 2008
- Checklist for Ministers on Major ICT Projects – February 2008
- Wireless Network Security Position Papers – CEO and Technical – January 2008
- Western Australian Government Websites - Website Survey Instructions – December 2007
- Wireless Handheld Devices Risk Management Guide v 2.0 – December 2007
- Standard Operating Environment: Policy - Position Paper – December 2007

Freedom of Information

- Annual Information Statement (see Appendix 4)