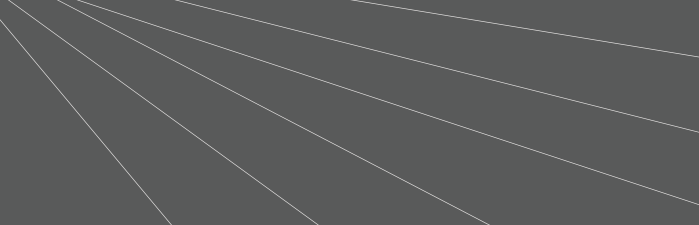
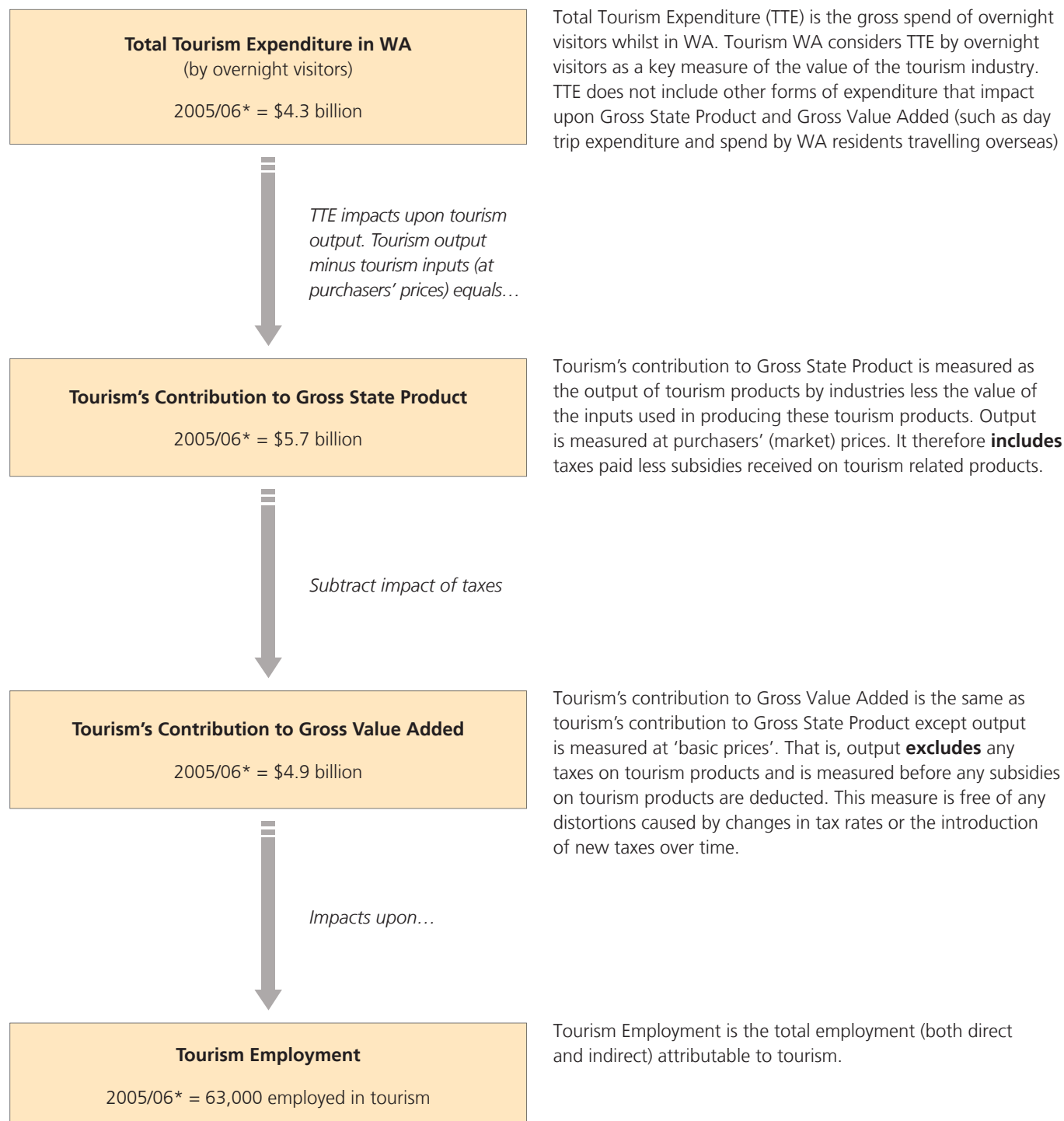


## Tourism Western Australia

### Annual Report 2006 – 2007



## VALUE OF TOURISM – THE DIFFERENT MEASUREMENTS



\* Note: Western Australian tourism's contribution to State GSP, GVA and employment is based on latest 2005-2006 estimate from "The Economic Contribution of Tourism to Western Australia in 2005/06: A Tourism Satellite Account Based Analysis (Access Economics, 2007)"

## THE VALUE OF TOURISM FOR WESTERN AUSTRALIA

- In year ending March 2007, there were 1.29 million interstate visitors to WA.<sup>1</sup>
- From 2001 to year ending March 2007, international visitor expenditure in WA grew by over 63%.<sup>2</sup>
- International visitor expenditure in WA is more than the combined international visitor expenditure of South Australia, Northern Territory, Tasmania and the Australian Capital Territory (ACT).<sup>2</sup>

### FORECASTED GROWTH

- 1,002,900 international visitors to WA by 2016.<sup>5,7</sup>
- Average annual growth rate in international visitors to WA of 4.9% a year until 2016.<sup>5,7</sup>
- UK will be the first market to surpass 200,000 visitors to WA (estimated 2012) .<sup>5,7</sup>
- Global tourism is estimated to grow by an average of 4.1% per year to 2020.<sup>6</sup>

WA (year ending March 2007)	Numbers	Market Share
<b>Visitors (000's) <sup>1,8</sup></b>		
Intrastate	5,415	11%
Interstate	1,290	5%
International	634	12%
Total	7,389	9%
<b>Nights (000's) <sup>1,8</sup></b>		
Intrastate	20,273	13%
Interstate	10,126	8%
International	16,723	11%
Total	47,122	11%
<b>Expenditure (\$million) <sup>2</sup></b>		
Intrastate	\$2,083	12%
Interstate	\$1,302	7%
International	\$1,423	10%
Total	\$4,808	10%

Top International Markets:		
<b>WA (Year Ending March 2007) <sup>8</sup></b>	<b>No. of Visitors</b>	<b>% of WA market</b>
1. United Kingdom	170,200	27%
2. Singapore	57,800	9%
3. New Zealand	47,400	7%
4. Japan	44,700	7%
5. USA	39,800	6%
6. Malaysia	34,500	5%
7. Germany	28,200	4%
8. South Africa	20,500	3%

1 Source: Tourism Research Australia – National Visitor Survey (NVS)YE March 2007

2 Source: Tourism Research Australia – Tourism expenditure by international and domestic visitors in Australia's regions 1999 - 2007

3 Total of both direct and indirect numbers employed

4 Source: State Satellite Account, Access Economics 2001

5 Source: Tourism Forecasting Council (April 2007)

6 Source: United National World Tourism Organisation – World Tourism Barometer January 2007

7 Source: Tourism Research Australia - International Visitor Survey (IVS) YE December 2006. Australian wide growth rates applied to WA


8 Source: Tourism Research Australia - International Visitor Survey (IVS) YE March 2007

## MESSAGE TO THE MINISTER

To the Honourable Sheila M<sup>c</sup>Hale MLA  
Minister for Tourism

In accordance with the requirements of section 64 of the *Financial Management Act 2006*, it is my pleasure to submit for your information and presentation to Parliament, the Annual Report of the Western Australian Tourism Commission (operating as Tourism Western Australia) for the year ended 30 June 2007.

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



**Kate Lamont**

CHAIRMAN  
WESTERN AUSTRALIAN TOURISM COMMISSION BOARD

1 September 2007



## CONTENTS

VALUE OF TOURISM	1
MESSAGE TO THE MINISTER	3
EXECUTIVE SUMMARY	5
WHO WE ARE AND WHAT WE DO	7
Our Vision	7
Our Mandate	7
Our Values	7
Our People	7
Our Clients	7
Contribution to Government Objectives	8
Our Structure	9
MESSAGE FROM THE CHAIRMAN	10
REPORT ON OPERATIONS 2006 – 2007	11
Destination Marketing	11
Event Tourism	12
Convention and Incentive Travel	13
Industry Development	13
Visitor Servicing	14
OUTLOOK FOR 2007 – 2008	16
Destination Marketing	16
Event Tourism	16
Convention and Incentive Travel	17
Industry Development	17
Visitor Servicing	17
CORPORATE GOVERNANCE	18
Enabling Legislation	18
Board Function	18
Board Members and Attendance	20
Board Committees	20
Business Risk	21
Ethical Standards	21
Executive Management Team	22
COMPLIANCE STATEMENT	24
COMPLIANCE REPORTING	25
KEY PERFORMANCE INDICATORS	35
FINANCIAL STATEMENTS	49
PUBLICATIONS	82
HOW TO CONTACT TOURISM WESTERN AUSTRALIA	83



## EXECUTIVE SUMMARY

### ACHIEVEMENTS

The intrastate and interstate markets performed very well in the year to March 2007. Intrastate visitor numbers, nights and expenditure in WA increased, with visitors and nights outperforming the national average. Spend was on par with the national average.

Our strategy of targeting new and engaging major events that are aligned to our iconic experiences of Marine, Outback Adventure, Forest and Wildflowers, Food and Wine, People and Lifestyle, is paying dividends. Actively targeting events that showcase these experiences generate significant economic, media and social benefits for Western Australia.

EventsCorp hosted the elite, innovative and spectacular international Red Bull Air Race and Festival in Perth in November 2006. The event was watched by millions of viewers worldwide and attracted over 300,000 spectators, including 8,700 additional interstate and international visitors.

Expansion of the Regional Events Scheme saw 29 events supported across regional WA. The impressive array of events included the Ningaloo Whale Shark Festival, Ord Valley Muster and the Kalbarri Canoe and Cray Carnival. These events deliver significant social and economic benefits for regional communities.

2006-07 was an important year for Landbank. The first Landbank site was released at Rottnest Island. A number of other sites were also significantly progressed. We undertook studies looking at the requirement for Landbank sites in some of the State's key tourism towns and cities as well as prioritising sites in some of our most awe inspiring national parks.

To further enhance the success of our brand marketing, unprecedented consultation with industry and stakeholders has been undertaken and a framework, the Consumer Conversion Model, developed to further align marketing activities and evolve brand marketing activities. This strategic framework involves mapping key marketing activities along the consumer decision making process to understand key consumer touch points, marketing activity influence and success measures.

In conjunction with industry, this model has now been applied to key markets and a number of shared marketing objectives and strategies have been formed, all under the theme 'Consumer Focused, Partnership Driven'. This theme recognises the importance of consumer needs, alongside industry and stakeholder engagement. Forging stronger industry connections and working in partnership will allow the WA tourism industry as a whole to optimise marketing investment outcomes.

Tourism WA commenced work, in partnership with the Department for Planning and Infrastructure, on implementing

the recommendations of the Ministerial Taskforce on Tourism Planning. Collectively, these recommendations represent a significant reform of tourism planning and aim to ensure high value tourism land is preserved, and potential conflicts between residential and tourism use of strata titled developments are dealt with in a fair and equitable manner.

The Better Business Blitz program was expanded State-wide during 2006-07, including customised Blitzes to regional and metro hoteliers to assist with the adoption of new non-smoking regulations through business planning. Blitzes attracted nearly 400 tourism industry participants, bringing the total since the Blitzes started to nearly 1000.

Tourism WA continued to support the Western Australian Indigenous Tourism Operators Committee (WAITOC) in 2006-07 both in kind and financially. WAITOC will be hosting the Australian Indigenous Tourism Conference in Broome in 2007. The conference is already recognised as the key networking and educational forum for Aboriginal tourism in Australia.

Eight cadets are now employed across the industry through the Western Australian Tourism Industry Indigenous Cadetship Program which offers employment and support for Indigenous Australians undertaking full-time studies. Similarly, we are continuing to work with the Hospitality and Tourism Industry Training Council on employing Indigenous Trainees in the visitor centres across the State. In 2007, ten trainees were employed in nine visitor centres. In the three years since the programs conception, thirty trainees have been employed State-wide.

As a result of extensive negotiations, Tourism WA was successful in achieving a significant increase in aviation capacity into the State. Singapore based low cost carrier Tiger Airways commenced its Singapore-Perth service in March 2007 with four services per week and as a result of excellent loads the airline quickly moved to daily flights. In October 2006, Emirates increased its capacity to double daily flights to Perth from Dubai.

### CHALLENGES

Tourism is arguably one of the world's most competitive industries. The Western Australian tourism industry's capacity to supply is being directly impacted by a number of pressures including enormous growth in demand.

Foreign exchange rates have a significant impact on tourism demand and the strength of the Australian dollar over the last 12 months has negatively impacted on inbound tourism as it is now relatively more expensive for international visitors to come to Australia. Likewise it is now much less expensive for Australians to travel overseas and there has been high growth in Western Australians travelling overseas.

The impact of the booming economy/resource super-cycle is leading to escalating construction costs and a shortage of staff right across the tourism sector. This is impacting on the ability to attract investment to the tourist accommodation sector. However, hotel occupancy rates and yields continue to improve, which will encourage more investment.

There has been rapid expansion of the low cost carrier (LCC) network. Since December 2003, the LCC network in South East Asia has expanded from servicing 17 destinations to more than 60. This has increased competition and played a part in reducing the number of visitors from Singapore and Malaysia.

Tourism's overall direct share of the total economy and jobs has slightly declined over time, largely due to the increased dominance of the mining and resource sector since 2000. The average weekly earnings of an employee in the mining industry is three and a half times more than those of an employee in the Accommodation, Cafes and Restaurants industry. While tourism will always be a significant player, the dominance of the resource sector is expected to continue to rise over the next five years which will be an ongoing challenge in terms of attracting staff, expertise and investment to the WA tourism industry. With such shortages in labour and skills it is intended that a focus is placed on ensuring service shortages are addressed.

## OUTLOOK FOR 2007/2008 ONWARDS

Against this backdrop there has never been a more challenging and exciting time to be working with Western Australia's tourism industry. The tourism industry is subject to a number of internal and external challenges which must be met if the industry is to continue to grow. Global issues such as fuel prices, terrorism, climate change and pandemics create an uncertain external environment. Other challenges include increased interstate and international competition, access to trained staff, variable returns on investment and competition for public and private investment. These are all issues that the tourism sector needs to face head on and factor into long term planning.

To date, the tourism industry has not engaged in long term planning that clearly establishes priorities and requirements in relation to infrastructure development, planning, tours, protected areas, roads etc beyond a five to ten year timeframe. As part of the maturing of the industry, it is acknowledged that influence over planning decisions can only be achieved if the industry clearly establishes its own long term vision and priorities that can guide State and local governments on future investments.

Scenario planning exercises with key industry members undertaken last year were an important first step in the development of a long term vision for the industry which will be released during 2007/08.

'The Real Thing' brand has been developed through extensive research and it has successfully positioned Western Australia as an authentic and un-commercialised experience. It is therefore crucial that the natural assets of WA are protected.

There is a growing awareness of the impact of climate change. Tourism WA recognises the need to lead discussion regarding the long-term sustainability of the industry in the light of some of the possible scenarios and more focus will be placed on this important topic in 2007/08.

The tourism industry has the potential to provide enormous social and environmental value. It is an industry which can support the State's long- term economic future and balance out its reliance on the minerals and resources sector.

Despite the challenges and the rapid changes both within Western Australia and overseas, the market is very dynamic, opportunities abound and the future for the tourism industry is very bright.



**Richard Muirhead**

CHIEF EXECUTIVE OFFICER



# WHO WE ARE AND WHAT WE DO

## OUR VISION

Make Western Australia the world's natural choice.

## OUR MANDATE

Grow Western Australian tourism faster than the national average for the long-term benefit of the State.

## VALUES

At Tourism Western Australia (Tourism WA) our decisions and actions are guided by the following values:

### Open Communication

We communicate in an open, honest and straightforward manner, while recognising the confidentiality, privacy and/or commercial sensitivity which is sometimes involved in the information with which we deal.

### Performance Orientation

We work with economy and a sense of purpose to respond to the needs and expectations of our customers, stakeholders and the broader community.

### Positive Contribution

We share ideas and information and are willing to change and grow to improve the future. We contribute as individuals and as part of a team.

### Learning and Innovation

We support an environment where empowered employees find creative solutions and balance risk. Integrity and Courtesy

We take responsibility for our actions and manage information and property with care. We treat others ethically and with respect.

### Respecting Individuality

We recognise the needs of individuals, including balancing work and family matters, and we encourage diversity.

### Recognising Valued Behaviour

We encourage, recognise and reward valued behaviour in individuals and teams.

## OUR PEOPLE

Tourism WA has 159 full time equivalent staff members primarily located in Perth, with national and international marketing staff in Sydney, Singapore, Tokyo and Shanghai, representative offices in London, Munich, Seoul and Auckland,

and regional managers in Kununurra, Karratha, Carnarvon, Geraldton, Kalgoorlie, Mandurah, Bunbury and Albany.

## OUR CLIENTS

To achieve our Vision it is essential that we understand the needs and expectations of our customers, stakeholders and partners, and work cooperatively with them. Tourism WA's Strategic Plan aims to balance the needs of these groups:

### Consumers

- Western Australian community
- Business and leisure visitors from intrastate, interstate and overseas

### Tourism Western Australia

- Our staff
- Our volunteers
- Our Board
- Our committees

### Government

- Minister for Disability Services; Tourism; Culture and the Arts; Consumer Protection
- Federal, State and local government
- Other government agencies
- Tourism Australia
- Other State and Territory tourism organisations

### Tourism Industry

- Regional tourism organisations
- Visitor centres
- Travel agents, wholesalers and inbound tour operators
- Tourism operators; business and leisure
- Tourism industry bodies
- Perth Convention Bureau
- Airlines
- Cruise operators

### Event Industry

- Event industry bodies
- Suppliers
- International federations
- Event organisations
- Venue owners
- Community groups



### Business Community

- Related industries, organisations and associations
- Educational institutions
- Media – local, national and international
- Corporate sector

## CONTRIBUTION TO GOVERNMENT OBJECTIVES

Tourism WA's Mandate supports the overall vision of the State Public Sector where

"Western Australia will be a creative, sustainable and economically successful State that embraces the diversity of its people and values its rich natural resources".

Tourism WA is part of the WA public sector working towards providing 'the best opportunities for current and future generations to live better, longer and healthier lives'.

Tourism WA contributes to all five of the WA Public Sector Strategic Planning Framework goals outlined in Better Planning:

Better Futures however its primary focus is on jobs and the economy and regional development. The two key agency level outcomes are:

- The promotion of Western Australia as an attractive destination
- The development of an enhanced tourist industry, infrastructure and product base

The outcomes are achieved through the following services or outputs:

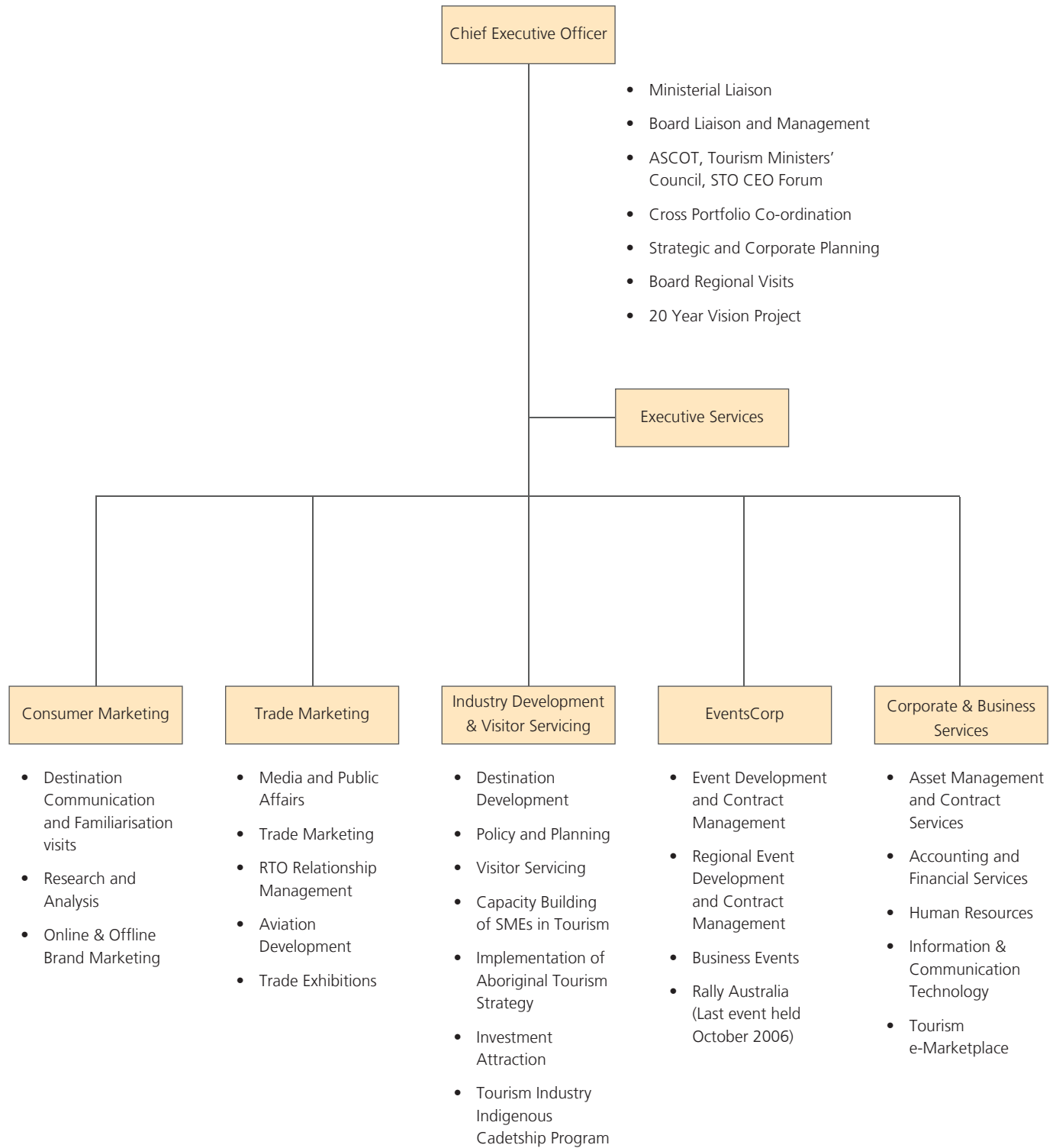
- Destination Marketing
- Event Tourism
- Convention and Incentive Travel
- Industry Development
- Visitor Servicing

Please refer to our report on operations for details of achievements in support of government goals.





## OUR STRUCTURE



## MESSAGE FROM THE CHAIRMAN

Western Australia's tourism industry continues to grow both in terms of visitors and more importantly, visitor spend.

Pleasingly, the majority of growth in interstate expenditure was in the holiday/leisure sector, surpassing \$1.3 billion, while international visitor spend was also up to a record \$1.42 billion. Western Australians themselves spent over \$2 billion, evidence of the importance of holidaying at home.

While the long-term outlook for tourism is good, it is not without its challenges. Global competition is fierce and more than ever industry and government at every level must work as a cohesive unit to ensure that we remain focused on the consumer.

Competing for staff within a booming economy is no easy task and tourism and hospitality has started by necessity to think differently about its approach to recruitment and training, work conditions and retention as we strive to keep talent within our sector. Initiatives such as the 'Tourism and Hospitality – Skills that take you places' campaign, the Western Australian Tourism Industry Indigenous Cadetship Program and the Small Business Development Corporation's 'Go West Now' campaign are all tackling a tough problem.

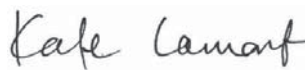
Tourism WA is also working with the Australian Government to ensure skilled and unskilled migration opportunities are available to the industry as well as negotiating to extend working holiday visas and allowing international students to stay and work in WA with their new found skills.

Tourism WA articulates policy positions on issues as varied as CBD infrastructure and conviviality, the Gibb River Road and its capacity management, caravan parks State-wide to ensure preservation of affordable, quality, family-style holiday

accommodation for caravanners and campers, Burrup Peninsula potential with appropriate investment in infrastructure and establishment as a sustainable indigenous tourism attraction.

Tourism WA is just one part of the tourism picture and it could not undertake its work without the significant financial and philosophical support of the industry. The agency is currently in the process of developing its new Strategic Plan and I believe we now have the opportunity to clearly establish the value of tourism as an essential part of enhancing Western Australians' lifestyles and ensuring regional development and sustainability, as well as being a long term economic driver for the State.

I would like to pay tribute to, and thank, all the staff at Tourism WA led by Chief Executive Officer Richard Muirhead and his executive team for their support, leadership and tireless dedication to developing and promoting tourism in WA. I would also like to thank my Board colleagues and recognise the two outgoing Board members – Mrs Janet Holmes à Court and Ms Sonja Mitchell whose high level skills and diverse strengths in tourism related activities made an invaluable contribution over their relative terms. I must also acknowledge and recognise the significant input of Mr Alan Mulgrew, my predecessor, who completed his term as Chairman on 31 August 2006.



**Kate Lamont**

CHAIRMAN

31 August 2007





# REPORT ON OPERATIONS 2006 - 2007

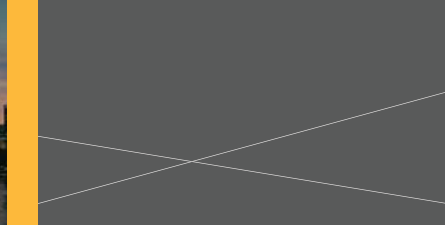
## DESTINATION MARKETING

In partnership with the tourism and travel industry and Tourism Australia, Tourism Western Australia (Tourism WA) promotes Western Australia as a desirable holiday destination in the core intrastate, interstate and international target markets. Tourism WA undertakes marketing strategies that maximise the economic benefit to the State. (Note: intrastate marketing activity is undertaken by the five Regional Tourism Organisations (RTOs) in accordance with formal contracts with Tourism WA. Funding is provided to each RTO for this purpose.)

### Major Destination Marketing Achievements 2006 - 2007

- The 2006 'Real Thing' consumer campaign reached over seven million people in the three markets where it ran. This included over three million interstate residents, almost four million Britons and 165,000 New Zealanders. 'The Real Thing' campaign has achieved great success in creating very high levels of awareness and motivation to visit WA for a holiday.
- Since its launch, it is estimated that the 'Real Thing' campaign was responsible for an additional \$164 million in interstate visitor expenditure over and above what would have been generated if the campaign had not occurred.
- International visitor expenditure reached an all time high in the year to March 2007, up 19.6% to over \$1.4 billion.
- Interstate visitor expenditure grew to over 1.3 billion, up 27.1% from the same time last year.
- Interstate expenditure growth was 2.9%.
- A 'consumer conversion model', outlining a key focus for marketing activities, was developed in consultation with industry. This involves understanding the role various marketing activities play in the consumer decision making process, and defining a clear focus for key marketing activities to move consumers further along the consumer decision making path.
- Tiger Airways started its Singapore-Perth service on 23 March 2007 flying four times a week and increased to daily flights from 1 May 2007. This new service was the result of extensive negotiations by Tourism WA and includes support for marketing.
- Significant capacity was also added to the major east west domestic travel routes with Emirates moving to double-daily flights to Perth in October 2006.
- More than 1000 high profile journalists and members of the travel trade industry made 200 familiarisation trips. Publicity generation is estimated at over \$53.7 million. This program cost \$1.56 million to deliver, with the industry itself contributing \$885,000 in cash or in-kind support. This equates to a marketing/media exposure valued at \$21.90 for every \$1 invested.
- A strong program of WA content in global television programs was delivered, including BBC World, Lonely Planet, The Amazing Race, a widely viewed Korean drama (Bluefish) and a popular Chinese documentary on WA.
- **westernaustralia.com** was revamped to include a new design, simplified and enhanced information architecture, motivational video footage, increased presence of WA tourism industry partners/product for enquiry or booking, and targeted versions for national and key international markets.
- A record 1.8 million unique visitors used the State's tourism website westernaustralia.com, up 72% on 2005. Tourism





WA sites were among the best performing State tourism websites, ranking first in online market share in Singapore, second in the UK, second in New Zealand, and third Interstate when compared with Tourism Australia and other State tourism organisations.

- Tourism WA won over 10 State, national and international marketing awards with campaign microsite, **therealaustralia.co.uk**. This site was developed as part of the 'Real Thing' campaign and implemented in the UK, Interstate and New Zealand. The site included a virtual tour of WA and an interactive travel profiler. Awards won included Best Website for a Tourist Board (TravelMole Awards), Golden Award of Montreaux, W3 Award (honouring creative excellence) and International Web Marketing Association Standard of Excellence award.
- The Online Marketing team was recognised in 2006 with a Premier's Award in the Jobs and Economic Development category and was a finalist in the StateWest Achievement Awards.
- Tourism WA's stunning new footage and imagery was used to:
  - produce a new 3 minute promotional DVD, 'The Real Australia';
  - leverage the Third Ashes Cricket match in Perth by showcasing postcard imagery from the Channel 9 live and international feeds. This generated \$986,641 in media value for Perth WA;
  - update the Tourism WA Image Library for use by industry;
  - showcase WA via videos and imagery in the westernaustralia.com redevelopment; and
  - refresh the 2007 'Real Thing' television commercials and other marketing materials.
- Tourism WA engaged Access Economics to conduct an update of the Tourism Satellite Account during the course of the year and preliminary findings for 2005-2006 have been received.
- Over 47 annual research publications were produced, covering State tourism regions, Regional Development Commission boundaries and key local government areas, in addition to market blueprints on 10 of WA's key markets. Research was also conducted to improve understanding of tourism impacts on Kimberley Coastal Waterways and the Gibb River Road, in addition to supply and demand issues faced by WA Caravan Parks and market segmentation in Japan and Singapore.
- Almost six in ten Western Australians saw the second wave of the 'Country Pubs' campaign. Amongst the 45+ target

market, 752,000 people were aware of the metro press advertising and 391,000 heard the metro radio advertising. 670,000 people saw the online advertising. 6 in 10 of those aware of the advertising said it made them more interested in visiting a country pub.

- During May, Tourism WA and industry partners in Australia's Coral Coast region hosted the "WA Treasure Hunt" in Kalbarri. Flex Travel from Switzerland held its world mega training familiarisation in WA with 40 senior travel agents. This event was extremely well received by both the agents and Australian sellers. Post media coverage received for all partners was of a high standard.

## EVENT TOURISM

Tourism WA develops, attracts, supports and, where appropriate, manages events that are capable of generating substantial economic benefit and visitor expenditure and can cost-effectively market Western Australia nationally and internationally. Events which showcase Western Australia's five iconic experiences of outback adventure, marine, forest and flowers, wine and food and people and lifestyle are a priority for Tourism WA. EventsCorp is the events division of Tourism WA and makes a significant contribution to WA through major events and business tourism each year.

### Major Event Tourism Achievements 2006-2007

- Supported 16 major events generating more than \$60 million in economic impact, an estimated \$14 million in media impact and attracted hundreds of thousands of Western Australian spectators. Events included: The Hyundai Hopman Cup XIX; Ironman Western Australia Triathlon; Gravity Games H2O; 3 Mobile Third Ashes Cricket Test, and the Australian Surf Life Saving Championships.
- Secured several new and exciting major events, including the Lexus Cup International Women's Golf Tournament, Interhash 2008, the Australian Safari and XXXX Gold Tri-nations Beach Cricket.
- Delivered the final, multi-award winning World Rally Championship round for Western Australia.
- The Regional Events Scheme supported 29 events across regional Western Australia, including: The Ningaloo Whale Shark Festival, Ord Valley Muster, Busselton Jetty Swim, Crabfest Mandurah, and the Kalbarri Canoe and Cray Carnival.
- The State Government, through EventsCorp, announced a multi million dollar bid for the 2011 ISAF Sailing World Championships. If the bid is successful, these Championships will be the biggest sailing event to be staged in Perth since the America's Cup in 1987.



- Hosted the elite, innovative and spectacular international Red Bull Air Race and Festival in Perth. The event was watched by millions of viewers worldwide and attracted over 300,000 spectators, including 8,700 additional interstate and international visitors.
- Secured a four year deal with the Australian Rugby Union (ARU) from 2007 – 2010. The first match was held on 9 June between the Qantas Wallabies and Fiji. South Africa will also play Australia in years 2008 and 2009 with England taking on Australia in 2010.

## CONVENTION AND INCENTIVE TRAVEL

The Perth Convention Bureau (PCB) is contracted by Tourism WA to accelerate the growth of convention, exhibition and incentive travel business to generate economic benefit for the people of Western Australia. The PCB aims to position Western Australia as the dominant convention, exhibition and incentive travel destination in the Asia Pacific region through:

- Bidding assistance for national and international conventions;
- Promotional assistance for incentive travel groups and corporate meetings;
- Assisting conferences confirmed for Western Australia to boost delegate attendance; and
- Promoting pre and post conference touring activities to increase delegate length of stay.

### Major Convention and Incentive Travel Achievements 2006 - 2007

- A total of 52 bids for national and international conventions were won representing an estimated \$48.8 million in direct delegate expenditure from an estimated 18,500 delegates. The value of bids pending a decision is \$15.3million.
- A total of 16 incentive travel and corporate meetings were secured representing an estimated \$6.8million in direct delegate expenditure from over 3,700 participants.
- Actual business events hosted during the reporting year totalled 69 representing \$40.5 million in actual delegate expenditure.
- The State Government announced a significant increase in funding to the PCB to attract large-scale business events for Western Australia. An additional \$11.9 million over five years was committed to attract big conventions, conferences and meetings in excess of 900 delegates.
- The PCB initiated a Business Tourism Expansion Program, working with specific groups including local governments, chamber of commerce, universities and local businesses to increase business tourism.

- City of Perth increased sponsorship of the PCB Scholarship and Awards program.

## INDUSTRY DEVELOPMENT

Industry Development ensures that there is an increased supply of improving tourism product in place for visitors to enjoy. This is achieved by:

- ensuring the environment is right to attract capital investment and re-investment;
- facilitating the development of new tourism products;
- enhancing existing products by encouraging product providers to become quality assured and by providing business development seminars through the Better Business Blitz program;
- improving information and services to visitors to Western Australia; and
- making quality land available for tourism related development.

The Industry Development team also works to raise the profile of nature-based tourism and to develop niche sector product, such as Indigenous tourism and cultural tourism.

### Major Industry Development Achievements 2006 - 2007

- Implementation of the 28 recommendations of the Ministerial Taskforce on Tourism Planning started in partnership with the Department for Planning and Infrastructure. Collectively, these recommendations represent a significant reform of tourism planning and aim to ensure high value tourism land is preserved, and potential conflicts between residential and tourism use of strata titled developments are dealt with in a fair and equitable manner.
- Destination Development Strategies for each tourism region (Australia's North West, Australia's Coral Coast, Experience Perth, Australia's Golden Outback, and Australia's South West) were updated in consultation with stakeholders.
- The Better Business Blitz program was extended State-wide and focussed on issues such as yield management. Blitzes attracted nearly 400 tourism industry participants in 2006-07, and were focused on improving product quality.
- Launched and started implementation of the "Listening Looking Learning: an Aboriginal Tourism Strategy for Western Australia." Western Australia is a national leader in Indigenous tourism development through the combined effort of Tourism WA and the Western Australian Indigenous Tourism Operators Committee. The additional support provided through this strategy will encourage Indigenous tourism businesses to become more export ready, as well as foster new tourism development opportunities.

- In partnership with LandCorp and the Rottnest Island Authority, the first Landbank site was released at Rottnest Island and a preferred tenderer was successfully selected. Landbank is aimed at securing identified Crown Land for tourism development.
- Delivered customised Better Business Blitzes to regional and metro hoteliers to assist with the adoption of new non-smoking regulations through business planning.
- Through the Landbank program, a number of research projects were completed to assist with site identification and investment priorities. Accommodation investment studies in Perth, Broome and Bunbury identified the need for additional investment in hotels in these locations, and sites and investment conditions which would be suitable for this to occur. Site assessment and planning studies are also underway along the Central Coast from Lancelin to Dongara, on the Burrup Peninsula and in four northern National Parks, in conjunction with the Department of Environment and Conservation.
- In 2006-07 seven tourism investment related missions were undertaken to Asia, Europe, the Middle East and the East Coast of Australia. The nature of each mission varied; two involved a significant contingent of collaborative participation by tourism industry stakeholders. On two occasions, Tourism WA was a guest speaker at a hotel investment conference and on the remainder of the missions the CEO of Tourism WA or the Minister for Tourism met with existing and potential investors in London, Dubai and Europe. Extensive communication with potential investors was undertaken to encourage investment in the various government tourism related sites released.
- In 2006-07 Tourism WA hosted WA Government Overseas Network representatives from the UK, China, the UAE, Japan, Taiwan, South Korea, India, Indonesia, Malaysia and the United States, making them more aware of investment attraction activities and landbank opportunities.
- A review of nature based tourism currently being undertaken as a Government initiative has determined that the nature based tourism experiences offered to visitors need to be authentic and sustainable. Work has continued in ensuring that the experiences visitors crave when visiting Western Australia are protected. In conjunction with Sustainable Tourism Cooperative Research Centre, primary research is currently underway to design a sustainable wildlife tourism auditing framework which will assist protected area managers and marine tourism operators in determining acceptable levels of tourist and wildlife interaction. This research has both a social and an environmental basis.
- Sustainability guidelines are now used in tenders for tourism development as part of the Government's Landbank initiative. The proposed Mt Herschel hotel development


on Rottnest Island is a good example of the inclusion of sustainable building design and construction principles in key tourist developments.

- Listening Looking Learning – An Aboriginal Tourism Strategy for Western Australia 2006-2010 lists one of its goals as ensuring sustainable Aboriginal participation in the tourism industry. Aboriginal tourism operators display a strong spiritual connection to their lands and waters, therefore a key objective is to assist those current operators and those looking to enter the tourism industry in maximising the sustainable use of their lands and waters for tourism development.
- Tourism WA was a guest speaker on the sustainable tourism development panel at the Arabian Hotel Investment Conference in 2007.

## VISITOR SERVICING

Visitor servicing ensures the provision of destination and product information and booking facilities throughout Western Australia to increase the likelihood of visitors increasing their length of stay. Visitor Servicing is made up of two key areas, the Western Australian Tourism Network (WATN) and the Western Australian Visitor Centre (WAVC).

### Major Visitor Servicing Achievements 2006 – 2007

- 63 of the 69 recommendations from the Visitor Servicing Study, which was conducted in 2003/04, have either commenced or are completed.
- 50 visitor centres have achieved accreditation. Over \$1 million has been awarded to visitor centres via various grants including Business Development, Online Booking Systems, Premises Enhancement Scheme, Telephony Scheme, Signage Augmentation Scheme, Collocation Scheme and Retail Activities Scheme. These grants have assisted visitor centres to develop new income generating activities, invest in online booking systems, improve signage and telephone systems, adopt the yellow  and achieve an income stream that will lead to greater sustainability.
- Continued the Visitor Centre Indigenous Trainee scheme, with seven Indigenous trainees commencing the program.
- Local Government Options Kit was released and distributed to over 150 local governments authorities to assist them in their visitor servicing needs by investigating the various options available to address visitor needs, allowing them to find the most appropriate model for their individual situation.
- New Broome Visitor Centre opened in December 2006
- WAVC and Best of Western Australia (BOWA) achieved growth in walk ins, phone calls and, most significantly, sales for the financial year. BOWA achieved gross sales of \$3.6m compared to \$3.05m in the 2005-06 financial year. This equates to a 15% growth in sales.



- The **wavisorcentre.com** website was launched mid January 2007, providing increased promotion and exposure for the WAVC and its members. The website hosts the online reservation service 'BookEasy' to enable clients to make sales and check availability online.
- In partnership with the five Regional Tourism Organisations, a promotional campaign was established with the WAVC as a call to action utilising TV and print media and targeting the intrastate and interstate markets. The advertisements mainly incorporated member product to help drive business results. A print advertising campaign was also implemented in conjunction with BOWA to create awareness and drive sales.
- The quality of information on the WATN was enhanced through a review that ensured each member's search result page displayed a thumbnail and all services associated with their product.
- Increased Indigenous tourism product content on **westernaustrialia.com** to 49.
- **westernaustrialia.com** featured Holiday Specials from 360 WATN members bringing significant increases in click-throughs to these product listings.
- Continued, through the West OZ Welcomers (WOWs) Tourism WA's volunteer meet and greet service to provide a unique and invaluable service to visitors to Western Australia. The WOWs work about 700 person hours per month to greet and assist arriving passengers at Perth Airport's domestic and international terminals and the East Perth Rail Terminal, as well as US Navy visits and cruise ships. A fuel subsidy for WOWs was also implemented during the year through sponsorship by Perth Airport. The fuel subsidy is \$15,000 for 2006-07.

WOWs also began assisting with major events in Perth i.e. Red Bull Air Race, Velux 5 Oceans Yacht Race, Tiger Airways inaugural flight to Perth and the Australian Surf Life Saving Championships at Scarborough.





## OUTLOOK FOR 2007-2008

### DESTINATION MARKETING PLANS FOR 2007 – 2008

In 2007-2008 Tourism WA will:

- Focus on working with key partners to ensure greater integration of marketing activities and overall growth in the pool of available tourism marketing funds.
- Implement the 'conversion model' by aligning the consumer decision making process with brand and tactical marketing initiatives, covering awareness to actual booking.
- Closely align **westernaustralia.com** and Tourism Australia's website, **australia.com**, allowing more effective communication with a much higher number of interested travel consumers.
- Host the 2008 Australian Tourism Exchange (ATE). ATE provides a forum for Australian tourism businesses (sellers) to meet with international wholesalers (buyers) to conduct business through a series of pre-arranged appointments. The event attracts 2,000 delegates, including 1,400 sellers representing over 1,000 companies, and 800 international buyers, representing over 40 countries.

### EVENT TOURISM PLANS FOR 2007 – 2008

In 2007-2008 Tourism WA, through EventsCorp, will:

- Host approximately eighteen (18) major events including the Red Bull Air Race, the Australian Safari, Lexus Cup

International Women's Golf, Ironman Western Australia Triathlon, Hyundai Hopman Cup XX, UNIMA Puppetry Festival, the Australian Surf Life Saving Championships and Interhash 2008.

- Develop a new Major Events Strategy 2007-2011. EventsCorp will target new, exciting and diverse major events for future years, generating significant economic, media and social benefits for Western Australia.
- Promote and deliver an enhanced Regional Events Scheme which will deliver real social and economic benefits for regional communities.
- Further develop EventsCorp innovation and best practice to lead the industry in event evaluation, event leveraging and new media work.
- Host the Red Bull Air Race and Festival and partner with the event holder to expand the event and make it even more accessible for the audience. In 2007 the event will extend across two days and include more pilots, a new course, a new knock-out style competition and an enhanced Air Festival component.
- Complete a compelling and comprehensive business case for an iconic, Western Australian owned major event.
- Finalise a Special Events Protocol that will ensure effective inter-agency and stakeholder communication, planning and collaboration in the lead up to and delivery of major events.
- Deliver a highly professional and compelling bid for the 2011 ISAF Sailing World Championships.





## CONVENTION AND INCENTIVE TRAVEL PLANS FOR 2007 – 2008

In 2007-2008 Tourism WA will work with our partner, the Perth Convention Bureau to:

- Implement a five-year marketing strategy to attract large scale conventions (900+), corporate meetings, and incentive travel groups.
- Increase overseas in-market representation by the Perth Convention Bureau.
- Develop and implement a destination marketing strategy for business events and raise the destination's profile by attending key international trade shows.
- Secure \$400,000 in industry marketing support for bidding for large scale conventions.

## INDUSTRY DEVELOPMENT PLANS FOR 2007 – 2008

In 2007-2008:

- With \$500,000 allocated over three years by the Government, significant inroads will be made in the promotion and delivery of tourism accreditation in Western Australia. This will be achieved through Tourism WA's contract with Tourism Council Western Australia. Special emphasis will be on adventure tourism, cruises and holiday homes. An increased number of accredited business is a key target for 2007/08.
- Additional Landbank sites will be released. In partnership with the Department of Environment and Conservation, sites suitable for low-impact, environmentally sensitive tourism development will be identified in selected national parks.
- As part of the Tourism Planning Taskforce implementation, Albany, Augusta/Margaret River, Broome and Busselton local governments will be supported with the preparation of Local Tourism Planning Strategies to guide tourism planning and development at a local level.
- The Better Business Blitz program will continue providing capacity building support and assistance to tourism businesses in Western Australia. A comprehensive business tool kit will be released.
- A study highlighting investment priorities for future attractions that will improve the tourism experience of WA will be completed.

## VISITOR SERVICING PLANS FOR 2007 – 2008

In 2007-2008:

- The implementation of the 2003/04 Visitor Servicing Study's 69 key recommendations will be completed. Focus for 2007/08 will be the delivery of improved capacity and retention of visitor centre staff through skills recognition and formal qualifications. The effectiveness of the programs implemented over the past three years will be reviewed to formulate initiatives to ensure sustainability.
- Workshops will be delivered in 10 key strategic locations State-wide focusing on the Local Government Options Kit.
- We will pursue options to retain staff at visitor centres through improved working conditions, wages and training. Onsite visitations to visitor centres and management committees will be commenced to promote increased professionalism and sustainable practices whilst maintaining the number of accredited visitor centres at 50.
- We will continue the Visitor Centre Indigenous Trainee Scheme which aims to increase the number of Indigenous Australians in roles such as visitor servicing within the tourism industry.
- Tourism WA will conduct a campaign aimed at increasing membership numbers of the Western Australian Tourism Network (WATN) to 1,500. This is estimated as the optimum number of participants.
- Communication with WATN members will be increased through delivery of a new eNewsletter via DreamMail with revised Hit Reports produced by Omniture increasing the level of product statistics provided to members.
- Improved linkages with Western AUstar.com maps and WATN product will be implemented.
- Negotiation of a long term lease for the Western Australian Visitor Centre (WAVC) at Albert Facey House with the Department of Housing and Works will be continued with a view to refurbishing the WAVC, including upgrading external signage.
- Tourism WA will provide world class visitor servicing and continue to develop the commercial relationships of the retail sales partner, Best of Western Australia (BOWA) at the WAVC by increasing the number of tourism partners involved. We will develop a strategic plan to optimise **wavisitorcentre.com** (joint WAVC and BOWA website) to increase visitation and bookings delivered to the site.



# CORPORATE GOVERNANCE

## ENABLING LEGISLATION

Tourism Western Australia is established under the *Western Australian Tourism Commission Act 1983* ("The Act"). The Minister responsible for the Commission is the Minister for Disability Services; Tourism; and Culture and the Arts and Consumer Protection.

The Act, as amended in 2003, provides for the establishment of a governing Board of ten members appointed by the Governor, one of whom is appointed by the Governor as Chairman.

The Act provides the functions (Section 13) of the Commission and the necessary powers (Section 14) to undertake and fulfil those functions.

### Board Function

The Board has overall responsibility for corporate governance. It sets the strategic direction of the Commission and the goals of management. Day-to-day operations are delegated by the Board to the Chief Executive Officer and the Executive Management Team.

## BOARD MEMBERS

### Kate Lamont (Chairman from September 1 2006)

Kate Lamont is an operating partner in the Lamont family business which operates wine production and sales with restaurants in Swan Valley, Margaret River and East Perth. Ms Lamont has more than two decades of experience in the food and wine tourism industry and has served on the Australian Tourism Commission Board. Ms Lamont also chaired the Swan Valley Planning Committee for seven years and sits on both the Winemakers Federation of Australia's wine tourism alliance, a research and development priority setting group, as well as the State Government's Skills Formation Taskforce representing hospitality and tourism interests.

### Laurie O'Meara AM (Deputy Chair)

Laurie O'Meara is a past-President of Tourism Council Western Australia and champion of the Tourism Accreditation program. Mr O'Meara is a driving force in this area and was the inaugural President of the Australian Tourism Accreditation Association. He is also the Chairman of the Rottnest Island Authority Board and member of the Perth International Arts Festival Board. Mr O'Meara's extensive experience includes operation of the Emerald Hotel in Perth and Emerald Colonial Lodge in Margaret River. In the 2007 Queen's Birthday Honours list Mr O'Meara was made a Member of the Order of Australia for his services to tourism accreditation, heritage and the arts.

### Janet Holmes à Court

Janet Holmes à Court is Chairman of Heytesbury Pty Ltd, a family owned company with extensive business interests in Australia. Heytesbury owns and operates enterprises in the cattle, wine, construction and racehorse industries. In addition, it holds a significant collection of Australian art and investments in the construction industry and property. Mrs Holmes à Court is Chairman of the John Holland Group, West Australian Symphony Orchestra, Australian Children's Television Foundation and the Urban Design Centre of Western Australia. She is also a Board Director of Vision 2020 Australia, a Governor of Sony Foundation Australia and a Board Member of Rio Tinto WA Future Fund. Mrs Holmes à Court is a science graduate from the University of Western Australia and taught science for a number of years before working more closely with family business matters.

### Sonja Mitchell

Sonja Mitchell was recently the Chief Executive Officer and partner in the Kununurra-based aviation and tourism company, Slingair. Ms Mitchell began her association with Slingair 16 years ago and has held a variety of roles as pilot, Operations Manager, Product Development Manager and Marketing Manager. Ms Mitchell has held positions on the Boards of the Kimberley Tourism Association and the Kununurra Chamber of Commerce. She was awarded the Individual Award for Excellence at the 2006 Australia's North West Tourism Awards. Ms Mitchell is now working as a business consultant, based in the South West and is continuing to work with Kimberley businesses and some local South West businesses and community groups. She holds a position on the Foundation Board of Manea College and the Board of the South West Development Commission.

### Rob Gurney

Rob Gurney joined Tourism WA's Board in September 2004. He has more than 20 years experience in commercial aviation gained with two of the world's leading airlines, Qantas and British Airways. He is currently the Group General Manager Sales & Distribution for Qantas, a position he has held since October 2003. In this role, he is responsible for the airline's sales divisions worldwide. This covers all Australian and overseas regional sales offices, telephone sales, corporate travel (including Qantas Business Travel, which is one of Australia's largest corporate travel managers) and online sales through its web site. Key areas of responsibility include delivery of the airline's global revenue target, sales and distribution strategy, and international marketing, as well as overall human resources accountability for the Sales and Distribution department of 3,300 staff.

#### Kim Bridge

Kim Bridge is the principal of Kim Bridge and Associates, a business that provides assistance with small business development (including tourism development), project management, personal and professional development as well as Indigenous cross-cultural awareness facilitation. Mr Bridge was born and raised in the East Kimberley, holds a Bachelor of Business degree and a Certificate in marketing from the Australian Institute of Management. He is a member of Tourism Western Australia's Nature Based Tourism Advisory Committee and the Edith Cowan University's Indigenous Consultative Committee.

#### Howard Cearn

Howard Cearn is the founder and Chairman of brainCELLS Creative Marketing, specialising in brand development and management. He is also a founder of Little Creatures Brewing Pty Ltd which has since listed on the ASX as Little World Beverages where he sits as a Director and consults as a member of the Creative Development team. In 2004, Mr Cearn was commissioned to review the strategic direction and marketing structure of Tourism WA, after which he also became a member of Tourism WA's Strategic Marketing Committee.

#### David Mazitelli

David Mazitelli is the former Chairman of the Australian Tourism Export Council (ATEC), the peak industry body that represents the interests of over 1150 tourism export companies throughout Australia. Prior to this role, he held senior positions within the Federal Government, including Deputy Secretary of the Department of Industry, Tourism and Resources with broad ranging responsibilities including the oversight of the Department's Tourism policy functions. Prior to this he was Executive Director of the Federal Department of Tourism. He was the alternate Government member on the Board of the Australian Tourist Commission (now Tourism Australia) and a member of the Tourism Forecasting Council. He has also been a Board member of Tourism Training Australia and See Australia Limited. Mr Mazitelli is currently a Director on the Board of the Sustainable Tourism Cooperative Research Centre.

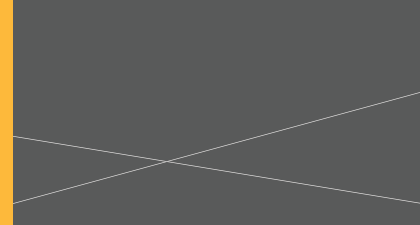
#### Gail Reynolds-Adamson

Gail Reynolds-Adamson is a Director of Kepa Kurl Enterprises Pty Ltd, a locally-owned and private Aboriginal tourism company, based in Esperance, which operates eco-cultural discovery tours, an Aboriginal art gallery and gift shop, as well as a consultancy service specialising in the delivery of Cross Cultural Awareness Training Programs. Prior to this Ms Reynolds-Adamson was the National Indigenous Relations Manager for Normandy Mining (subsequently known as Newmont Australia) and the National Manager of Telstra's Aboriginal & Islander Unit. She is currently on the Board of the Western Australian Indigenous Tourism Operator's Committee (WAITOC), the peak association representing Indigenous Tourism in Western Australia, and the Board of Indigenous Business Australia (IBA), which plays an important role in creating opportunities for Aboriginal and Torres Strait Islander individuals and communities to build assets and wealth. It does so as an integral partner within the Australian Government's overarching Indigenous Economic Development Strategy. Gail is also on the Board of Indigenous Community Volunteers (ICV), an independent, not-for-profit company which offers support to Indigenous communities to pursue their community development goals in their own way. ICV is making a difference by providing volunteers who can transfer their skills to people in Aboriginal and Torres Strait Islander communities and organisations.

#### John Spence

John Spence operates his group of companies, Royal Resorts, which develops and markets resorts in India, South West Asia and Australia. To date the company has developed or purchased 11 resorts in the region. In 2002 he formed KARMA Developments to develop freehold villa resorts. He is currently working on the development of KARMA Margaret River, a villa development that includes a private landing strip for aircraft that is scheduled for completion in 2008. Prior to establishing his own business, Mr Spence worked for the Global Group of Companies, a holiday ownership and resort development company in Europe. Mr Spence's company is based in Bali with a Western Australian office in Subiaco. He is a United Kingdom citizen with an Australian Business Visa.





## WESTERN AUSTRALIAN TOURISM COMMISSION BOARD MEETINGS AND ATTENDANCE

	Normal Meetings		Special Meetings		TOTALS	
	Actual Attendance	Possible Attendance	Actual Attendance	Possible Attendance	Actual Attendance	Possible Attendance
Kate Lamont	9	9	1	1	10	10
Laurie O'Meara	8	9	1	1	9	10
Janet Holmes à Court	8	9	0	1	8	10
Sonja Mitchell	8	9	1	1	9	10
Gail Reynolds-Adamson	8	9	1	1	9	10
Robert Gurney	5	9	1	1	6	10
Kim Bridge	7	9	1	1	8	10
Howard Cearns	8	9	1	1	9	10
John Spence	4	8	1	1	5	9
David Mazitelli	5	6	1	1	6	7
Alan Mulgrew (outgoing Chair – departed 31 August 2006)	2	2	n/a	n/a	2	2

A special strategic planning meeting of the Board was held in May 2007.

### DECLARATION OF INTERESTS

The Board has a standing declaration of interest process where Board agenda papers are not distributed to those members who have a declared or perceived interest in relation to any matter. In addition to this process, Board members declare other interests from time to time as matters arise.

During 2006-2007 Robert Gurney declared an interest in relation to a specific agenda item regarding the agency's Aviation Strategy.

### INDEPENDENT EXTERNAL ADVICE

Individual Board members have the right to seek independent professional advice on particular matters before the Board, subject to approval from the Chairman, at Tourism WA's expense.

### COMMITTEES

To assist the Board in achieving the highest standards of corporate governance, Board members closely involve themselves with critical areas of Tourism WA's activities through the establishment of Advisory Committees.

For various periods during the year the Board had three committees to assist it in the delivery of Tourism WA's objectives and one committee to assist in its financial management and conformance activities.

The **Strategic Marketing Committee** provided high level strategic advice on Tourism WA's marketing activities in domestic and international markets and monitored the success of its activities.

The **EventsCorp Committee** undertook high level strategic consideration of the opportunities to promote Western Australia through major events and the business tourism sector. This committee operated with delegated authority from the Board to ensure that maximum advantage was taken of opportunities, as and when they present. The committee officially ceased in October 2006.

The **Nature Based Tourism Advisory Committee** advised the Board on the synergies of WA's natural assets with tourism product development opportunities and policy related matters.

The **Audit and Finance Committee** provided additional assurance regarding the quality and reliability of financial information. The committee reviews financial performance and provides advice to the Board on areas of concern.



## BUSINESS RISK

Established procedures at Board and management level are designed to maintain Tourism WA's operational viability and to safeguard assets and interests and ensure the integrity of its reporting. These include accounting, financial reporting and internal control procedures and limits, which are subject to internal and external audit review. An internal audit plan is implemented each year and internal audits are performed in accordance with this plan.

Tourism WA is committed to the management of all existing and potential risks that may have an adverse impact on its ability to meet all its obligations to Government, customers, staff and members of the public.

The Executive Management Team (EMT) has, through a number of workshops held with RiskCover, identified strategic

risks, which are aligned to our Strategic Plan objectives. These strategic risks were assessed using Consequence and Likelihood tables and were endorsed by the Board in June 2007. EMT will review and update the strategic risks on a 6-monthly basis.

The Department of the Premier and Cabinet issued Premier's Circular 2006/03 on Risk Management and Business Continuity requiring Tourism WA to submit to RiskCover details of its risk management assessment processes.

## ETHICAL STANDARDS

Tourism WA's Board acknowledges the need for the highest standard of corporate governance practices and ethical conduct by all members, employees and contractors. The Board has adopted its own code of conduct in line with its commitment and the Code of Conduct for Tourism WA, which is based on the broader Western Australian Public Sector's Code of Ethics.



## EXECUTIVE MANAGEMENT TEAM

The Chief Executive Officer, Richard Muirhead, the five Executive Directors, the Executive Services Manager and the Strategic and Corporate Planner are ongoing members of the Executive Management Team (EMT).

### **Richard Muirhead, Chief Executive Officer**

Richard Muirhead, a qualified Town Planner, joined the Western Australian Public Sector in 1987, bringing with him some 14 years of private sector experience in market research and marketing, including in his own company which was sold to a major national research group in 1986. He joined the (then) Western Australian Technology & Industry Development Authority as Director, Marketing Division. Apart from two years in London (1990-1991) as Director of Trade and Investment of the Western Australian European Office, he remained with the Department in its various guises as Executive Director of Trade and Industry Development until 1997, when he was appointed Chief Executive Officer of the WA Department of Commerce & Trade, the State's premier industry and trade development agency. He held this post until May 2001 when he left to head up Tourism Western Australia. He was formally appointed Chief Executive Officer of Tourism WA in December 2001.

### **David Etherton, Executive Director Industry Development & Visitor Servicing**

David, appointed Executive Director Industry Development and Visitor Servicing in May 2004, has extensive knowledge about

Western Australia, having worked and travelled throughout the length and breadth of the State during his 16 years in the tourism industry. With a degree in economics from the University of Western Australia, he began his career as Manager of the Karratha Visitor Centre in the State's northwest. He joined Tourism WA in January 1996 at the Western Australian Visitor Centre (WAVC), before being appointed Manager in August 1997. While there, David established the WA Tourism Network, which collects, collates and distributes electronic tourism data for tourism operators in Western Australia. He was appointed Director Industry Development in November 2002, setting the agenda for Tourism WA activities in infrastructure development, investment attraction, planning and policy development and continuous improvement.

### **Jane Ghiretti (nee Seman), Executive Director Consumer Marketing**

Jane was appointed in to the newly created position of Executive Director Consumer Marketing in June 2004, having joined Tourism WA in November 2001 as Manager Research and Analysis. Her prior experience includes over eight years working for a marketing and research consultancy, developing marketing strategies and brand positioning and evaluation of marketing programs and advertising for television, press and radio campaigns. Since 1996, Jane has been actively involved in the research, development and 'refresh' of the current Brand WA positioning strategy for Tourism WA, both from a supplier





side (as a private sector research consultant) and more recently on the client side as a Tourism WA executive. She has also been heavily involved in Tourism WA's marketing effectiveness review and various market segmentation studies.

**Rick Thomas, Executive Director Trade Marketing**

Rick has had an extensive career in tourism, beginning in the early 1970s with a coach company in the United Kingdom. Since joining the (then) Western Australian Department of Tourism in 1977 as a travel consultant in its Sydney Office, Rick has held a variety of positions in Tourism WA including Interstate Marketing Manager, Product Development Manager and General Manager International Sales and Marketing. His tourism marketing achievements include introducing Brand Western Australia to the global marketplace and the delivery of the memorable Elle MacPherson tourism campaign. More recently, Rick has headed a Marketing Effectiveness Review and chaired the Destination Australia Marketing Alliance (DAMA) between all Australian State Tourism Organisations and Tourism Australia, which is delivering a more streamlined national approach to international tourism marketing.

**Stephanie Withers, Executive Director Corporate & Business Services**

Stephanie, seconded to the position of Executive Director Corporate and Business Services in February 2005, was appointed in late 2005. She has held senior positions in

the corporate and business area within the State Government since 1987. Stephanie has been General Manager Corporate Services at Central TAFE, Director Human Resources at the Department of Justice and Director Corporate Services within the Prison's Division of the Justice Department. Prior to 1987 Stephanie was a Commonwealth public servant. She held the position of State Director of Migrant Settlement for the Department of Immigration for nine years and also held several positions in the Department for Social Security.

**David van Ooran, Executive Director EventsCorp**

David has 20 years private and public sector experience, predominantly in the travel and tourism industry including senior management roles in commercial development, venue management, marketing and events. Previous employers include the Western Australian Tourism Commission, Australian Airlines, The Perth Zoo, AQWA – The Aquarium of Western Australia and the Western Australian Museum/Western Australian Maritime Museum.



## COMPLIANCE STATEMENT

The Honourable Sheila McHale MLA  
Minister for Tourism

Dear Minister

In accordance with Section 64 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report for the Western Australian Tourism Commission for the year ended 30 June 2006. The report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

### LEGISLATION AND ADMINISTRATION

The *Western Australian Tourism Commission Act 1983* and the *Western Australian Tourism Commission Amendment Act 1994* govern the administration of the Western Australian Tourism Commission.

The Western Australian Tourism Commission administers the *Western Australian Tourism Commission Act 1983* and the *Western Australian Tourism Commission Amendment Act 1994*.

### LEGISLATION IMPACTING ON WATC ACTIVITIES

In the performance of its functions, the WATC complies with the following relevant written laws:

- Anti-Corruption Act 1988
- Anti Discrimination Act 1938
- Archives Act 1983, Commonwealth
- Censorship Act 1996
- Civil Liability Act 2002
- Classification (Publications Films and Computer Games) Enforcement Act 1996
- Commercial Tenancy (Retail Shops) Agreements Act 1985
- Copyright Act 1993
- Corruption and Crime Commission Act 2003
- Criminal Code
- Crowns Suits Act 1947
- Electoral Act 1907
- Evidence Act 1906
- Equal Opportunity Act 1984
- Fair Trading Act 1987
- Financial Management Act 2006
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Government Financial Responsibility Act 2000
- Income Tax Assessment Act 1936

- Industrial Relations Act 1979
- Industrial Relations Act 1990, Commonwealth
- Library Board of Western Australia Act 1951
- Minimum Conditions of Employment Act 1993
- Occupational Health, Safety and Welfare Act 1984
- Public Sector Management Act 1994
- Occupiers Liability Act 1985
- Perth Parking Management Act 1999
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Supply Commission Act 1991
- State Records Act 2000
- Treasury Regulations and Treasurer's Instructions
- Western Australian Tourism Commission Act 1983
- Western Australian Tourism Commission Amendment Act 1994
- Workers Compensation and Rehabilitation Act 1981

In the financial administration of the Western Australian Tourism Commission, we have complied with the requirements of the *Financial Management Act 2006* and every other relevant written law. We have exercised controls that provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property, and incurring of liabilities, have been in accordance with legislative provisions.

Procedures designed to ensure compliance and appropriate internal assessments have been put in place to satisfy us that this statement is correct.



**Kate Lamont**

CHAIRMAN

31 August 2007



**Richard Muirhead**

CHIEF EXECUTIVE OFFICER

31 August 2007





## COMPLIANCE REPORTING

### PEOPLE AND COMMUNITIES

#### Disability Service Plan Outcomes

Although Tourism WA does not have any statutory control over private sector tourism operators, regular and ongoing discussions with the operators have ensured that the language, cultural and disability needs of tourists are continually assessed and responded to where possible.

In relation to disability services, in 2007, Tourism WA undertook to review its Disability Services Plan (DSP), consult with key stakeholders and draft a new Disability Access and Inclusion Plan (DAIP).

The methodology for the review included examination of agency documents including the existing DSP, reports on progress against the Plan in Annual Reports, and the Strategic Plan. Relevant literature on the changes to disability legislation was also considered, together with contemporary and developing trends and best practice in access and inclusion. Of particular relevance was the draft 'Western Australian Accessible Tourism Strategic Directions Plan – Access all Areas', which was developed by representatives of the disability and tourism sectors through the Disability Services Commission – Tourism Western Australia Joint Accessible Tourism Reference Group to provide leadership to the tourism industry on how to develop WA as an accessible tourism destination.

Tourism WA's DSP has provided a useful guide for staff and the agency has made steady progress in improving access for people with disabilities across all DSP outcome areas since 1995. In fact, the review found that most of the initial objectives in the first DSP had been achieved.

The agency has been working on the development of a new DAIP which is due to be finalised in July 2007. The new DAIP has been developed in accordance with the new legislative framework and with contemporary trends and practices in mind. The six desired outcomes for the future will be supported with strategies to address the gaps identified in meeting the legislative requirements, which are also informed by the review and consultation.

During 2006-07 the following activities have been progressed:

#### 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.*

The *You're Welcome WA Access Initiative* with the Disability Services Commission (DSC) and others aims to provide practical information to assist businesses and community organisations to make their services accessible to customers of all ages and abilities.

#### Outcome 2:

People with disabilities have the same opportunities as other people to access the buildings and facilities of a public authority.

Through the Visitor Servicing Study implementation, the Visitor Centre Premise Enhancements grants were available to Level One accredited regional visitor centres for improvements to disability access and provision of disability friendly counters and seating where appropriate, toilets and car parking spaces. To date 19 visitor centres throughout the State have received more than \$45,000 to improve accessibility to their premises.

At the request of Tourism WA, the Visitor Centre Accreditation requirements under the National Tourism Accreditation Program (NTAP) were amended to include specific accessibility improvements to counter height, internal layouts, entrances, car parking and toilets.

#### Outcome 3:

*People with disabilities receive information from the public authority in a format that will enable them to access the information as readily as other people are able to access it.*

Tourism WA's website encourages operators to denote their properties and tours as having facilities suitable for disabled people. Tourism WA staff actively encourage operators to provide details of these facilities on their website listings. This assists people with a disability and their families when planning holidays and/or travel to Western Australia.

Accessibility of Tourism WA's website to comply with W3C priority 1 level has been developed.

Involvement in the *You're Welcome WA Access Initiative* with the DSC and others aims to provide people with disabilities, their families and carers with clear information about the levels of access to local facilities such as hotels, cafes, banks, parks and car parks.

#### Outcome 4:

*People with disabilities receive the same level and quality of service from the staff of the public authority as other people receive from the authority.*

The Western Australian Visitor Centre (WAVC) staff induction includes training in disability services. This helps staff provide appropriate advice and assistance to people with disabilities. All front line staff at the WAVC completed training using the materials provided by the DSC, specifically dealing with people with disabilities.

#### Outcome 5:

*People with disabilities have the same opportunities as other people to make complaints to Tourism Western Australia.*

Tourism WA's website provides a variety of feedback mechanisms for people with disabilities to lodge grievances; and generally make comment on tourism related matters.

#### **Outcome 6:**

*People with disabilities have the same opportunities as other people to participate in any public consultation by Tourism Western Australia.*

A public consultation process was conducted during the development of the new DAIP, including community surveys which were advertised in the newspaper, on radio and through Tourism WA's website. The feedback was incorporated into the DAIP.

Tourism WA, in conjunction with the DSC, co-chairs the Accessible Tourism Reference Group which provides an opportunity for the disability sector to participate in, and advise Government, on ensuring the disabled have access to tourism opportunities. This group reviewed existing information, resources and stakeholder feedback to produce a 'Western Australian Accessible Tourism Strategic Directions Plan – Access all Areas' to record their key findings and to provide leadership to the tourism industry on how to develop WA as an accessible tourism destination.

#### **Outcome 7:**

*The tourism industry is aware of the benefits of access and inclusion.*

The 'Western Australian Accessible Tourism Strategic Directions Plan – Access all Areas' (currently in draft) is focused upon achieving improved customer service, business capacity and product, and accurate access to information. Strategies and

activities will be developed to address this outcome and enable Tourism WA to link this corporate and industry goal.

## **THE ENVIRONMENT**

### **Motor Vehicle Fleet Management**

In accordance with Government policy, Tourism WA has implemented a policy of replacing its fleet of vehicles with 4 cylinder or gas fuelled 6 cylinder vehicles unless a business case can justify otherwise. Also a Toyota Hybrid Prius vehicle has replaced one of our 4 cylinder vehicles.

## **GOVERNANCE**

### **Record Keeping Plans**

(*State Records Act 2000*, section 61, & State Records Commission Standards, Standard 2, Principle 6)

The *State Records Act 2000* requires Tourism WA to have a record keeping plan and to comment in the annual report on compliance with the plan.

Tourism WA's record keeping systems training programme was rolled out to all metropolitan staff and the regional tourism offices in 2006 and completed in the first half of 2007. A compliance audit program was devised and is progressively being introduced. The record retention and disposal authority has been approved by the State Records Office. The record keeping plan and recordkeeping compliance policies have also been sent to the State Records Office for consideration. Training in records management is provided to Tourism WA staff who use the records management system, TRIM. Several different training packages are offered, dependent on the user's requirements.

<b>Staff records management training 2006-07</b>		
<b>Total training sessions</b>	<b>TRIM Production training sessions/Thesaurus Sessions</b>	<b>Number of staff trained in records management</b>
40	40	62

The effectiveness of the record keeping training program will be reviewed upon implementation of the electronic document and records management system.

As well as the specialised training packages for TRIM users, Tourism WA provides comprehensive information on records management practices and employee responsibilities through its information management branch and will shortly introduce

an online record management induction program for new employees.

Information management staff conduct quality assurance and compliance audits of administrative files held by each office of Tourism WA at least once a year. They have reported improvements in compliance to Tourism WA's record keeping plan over the past year.

#### Advertising and Sponsorship

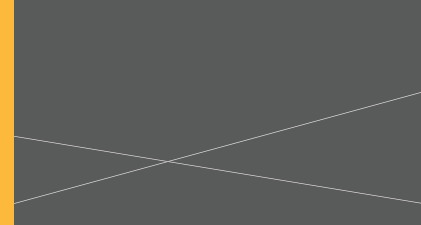
(Electoral Act 1907, S175ZE)

In accordance with section 175ZE of the *Electoral Act 1907*, the Commission incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2006-07 was \$4,746,156.
2. Expenditure was incurred in the following areas:

	\$
<b>(a) Advertising Agencies</b>	<b>984,813</b>
<b>(b) Market Research Organisations</b>	<b>265,732</b>
<b>(c) Polling Organisations</b>	<b>0</b>
<b>(d) Direct Mail Organisations</b>	<b>4,987</b>
<b>(e) Media Advertising Organisations</b>	<b>3,490,624</b>
	<b>4,746,156</b>
<b>(a) Advertising Agencies</b>	
Netx Communications Pty Ltd	620,099
Compac Marketing	174,993
Buspak Advertising Group Pty Ltd	96,443
Marketforce Express	81,592
Jaz Creative	11,686
	<b>984,813</b>
<b>(b) Market Research Organisations</b>	
Roy Morgan Research Pty Ltd	110,628
Patterson Market Research	70,184
CRC Sustainable Tourism	55,000
	<b>265,732</b>
<b>(c) Polling Organisations</b>	<b>0</b>
<b>(d) Direct Mail Organisations</b>	
Impact Publications	4,987
	<b>4,987</b>
<b>(e) Media Advertising Organisations</b>	
Media Decisions WA	2,116,465
Marketforce Pty Ltd	914,875
The Ten Group Limited	336,050
Bnc Television Service Pty Ltd	39,551
Faulkner Media Management Pty	27,500
Shanghai Max Media Co Ltd	22,932
Circling Shark Productions	16,500
Carat Media Services	10,183
Chevron Publishing Group	4,950
Rural Press Regional Media	1,166
	<b>3,490,624</b>





## Sustainability

*(Premier's Circular 2004/14: Sustainability Code of Practice for Government Agencies)*

Tourism WA staff assisted in preparing the first ever assessment of the impacts of tourism on the environment, as part of the draft State of the Environment report, 2006. A committee, assisted by the Department of the Environment, worked over eight months to identify data that would help create a picture of how tourism and the environment interact, including finding indicators that would demonstrate the environmental performance of the

tourism sector. The importance of a sustainable environment to the tourism industry was demonstrated clearly, while in general, the environmental impacts of tourism appeared quite low. Current responses to help achieve sustainability were also identified and included a focus on nature based tourism, regional planning and management, conservation reserves, accreditation and best practice, ecotourism ventures, and research.

During its procurement processes, Tourism WA considers sustainability in the development and evaluation of purchasing and tenders.

## Employee Profile

Employee profile indicators for 30 June 2007 are as follows:

Classification Level	Full Time Equivalents	Males (%)	Females (%)
Level 9 & above	5.6	4.0	1.6
Level 8	10.0	6.0	4.0
Level 7	8.6	5.0	3.6
Level 6	26.7	14.8	11.9
Level 5	30.4	18.0	12.4
Level 4	17.3	3.0	14.3
Level 3	18.9	3.0	15.9
Level 2	31.4	5.0	26.4
Level 1	7.0	2.0	5.0
Overseas	3.0	2.0	1.0
<b>Total</b>	<b>158.9</b>	<b>62.8</b>	<b>96.1</b>

Notes:

Excludes: Casuals, employees seconded-out, employees on parental leave and leave without pay, Indigenous cadets & trainees, and seconded-in personnel not paid by Tourism WA.  
Includes: Seconded-in personnel paid by Tourism WA.

## Industrial Framework

Tourism WA's primary Industrial Award and Agreement, covering approximately 95% of employees, are:

- Government Officers' Salaries, Allowances and Conditions Award 1989
- Government Officers' Salaries, Allowances and Conditions General Agreement 2006

The 2006 General Agreement, negotiated and agreed between the State Government and the Civil Service Association, was registered at the end of July 2006 and will expire on 25 February 2008. This Agreement provided for two salary increases: 4.5% in March 2006 and 4% in March 2007.

## Employee Learning and Development

In addition to 'off-the-job' training of employees, initiated within individual work units, Tourism WA at a whole-of-organisation level has supported employee development through the following organisational initiatives:

- Chairman's scholarships totalling \$22,150 were awarded to 18 employees for recognised courses of study at University or TAFE or for professional development courses through the Australian Institute of Management or the WA Chamber of Commerce & Industry. Each year, scholarships are offered to current employees to ensure Tourism WA equips employees with the skills and expertise needed to drive our industry into the future.

- Continuation of a Management Development Program aimed at third and fourth tier managers, as well as level four to six female employees. A range of management courses were offered including contract management, change management, project management and practical performance management. These courses attracted 54 participants.
- Supporting employee secondments to other public sector agencies (including Department of Treasury and Finance, Department of the Premier and Cabinet, the Office of Shared Services and the Department of Industry and Resources). Secondments provide employees with the opportunity to gain on-the-job knowledge and experience in a different working environment.

Work experience opportunities and structured undergraduate student placements are also part of Tourism WA's development program and are designed to assist individuals considering a career in the tourism industry. Tourism WA provided a total of 16 such opportunities during the year for TAFE and university students.

#### Safe and Healthy Working Environment

Tourism WA continued its commitment to the promotion of a safe and healthy work environment. Initiatives during the year included:

- Conduct of 11 sexual harassment awareness sessions with 157 employees attending.
- Provision of three group ergonomic information sessions and subsequent individual workstation assessments as required. In addition, individual motor vehicle ergonomic assessments were conducted for three employees.
- Influenza vaccinations (35 employees participated).
- Subsidised entry to the City to Surf fun run (35 employees and immediate family members participated).
- On-site therapeutic massages (coordinated by Tourism WA but paid for by employees). Approximately 11 employees accessed this service.

- Subsidised entry to the Freeway Bike Hike (21 employees, family and friends participated).
- On-site yoga sessions (coordinated by Tourism WA but paid for by employees) were provided with approximately 16-20 employees participating.
- The Corporate Sports Challenge attracted a number of staff to participate in Volleyball (2 teams), Croquet (two teams), Soccer (two teams), Squash (one team), Ten Pin (one team) and Flying Disc (one team).

Tourism WA continued to provide employees and their immediate family members with access to a funded employee assistance program. Employee assistance programs enable individuals to discuss work or personal issues in complete confidentiality with professionally qualified psychologists or social workers. Tourism WA's employee assistance program is promoted via information postcards included in employee induction kits and via the intranet.

Occupational safety and health indicators for 2006-2007 are as follows:

Number of lost time injuries/diseases	0
Duration rate (days)	0
Number of workers' compensation claims	1

#### Leave Liability

Leave liability indicators for 2006-2007 are as follows:

Average annual leave weeks per FTE	4.3
Average long service leave weeks per FTE	2.3

Note:

Leave liability is the amount of annual or long service leave owing to an employee if that employee were to resign.





## Equal Opportunity and Valuing Diversity

### Key Equity and Diversity Initiatives for 2006-07

Initiative	Objective	Achievement	Measurement/evaluation
Tourism Industry Indigenous Cadetship Program	To increase the number of Indigenous Australians (with tertiary qualifications) in roles such as marketing, event management, hotel management, etc, within the tourism industry.	Continuation of the program into its second year in partnership with eight major private sector tourism organisations. Four Indigenous cadets commenced in 2007, making a total of eight Indigenous cadets working in the industry.	Number of cadetship placements (8)
Visitor Centre Indigenous Traineeships	To increase the number of Indigenous Australians in roles such as visitor servicing within the tourism industry.	Third round of traineeships with eight visitor centres applying for nine traineeships, including one at Tourism WA's own visitor centre.	Number of traineeship placements (up to 9)
Women in Senior Management Secondment Program	To participate in the WA Public Sector pilot secondment program, coordinated by the Office of Equal Opportunity designed to assist women transition into senior management roles.	One employee seconded to the Department of Agriculture and Food	Number of placements both within Tourism WA (nil) and by Tourism WA employees (1)
Conduct Sexual Harassment awareness sessions	To ensure all employees are aware of their rights and responsibilities associated with sexual harassment and that they are aware of Tourism WA's values stance on the matter.	Conduct of 11 sexual harassment awareness sessions with 157 employees attending (approximately 90% of employees)	Percentage of total employees attending (approx. 90%)





### Distribution of Women

	30 Jun 07 Tourism WA Actual	30 Jun 07 Tourism WA Objective	30 Jun 07 Government Objective <sup>2</sup>	30 June 2006 Public Sector Actual <sup>2</sup>
Distribution (Equity Index) <sup>1</sup>	66	71	70	60
Management Tier 2 & 3	48%	44%	38%	-

#### Notes:

1. The Equity Index is a measure of “compression” or the extent to which a given occupational group is primarily to be found at the lower classification levels. The calculation is usually performed for women as their numbers are such that a meaningful index can be calculated. An index below 100 denotes that women in the group are “compressed” into the lower working levels; the lower the index the greater the degree of compression.
2. Data sourced from the Equity and Diversity Plan for the Public Sector Workforce 2006-2009, First Progress Report January 2007, Office of Equal Employment Opportunity.

### Greater Workforce Diversity

	30 Jun 2007 Tourism WA Actual	30 Jun 07 Tourism WA Objective	30 Jun 07 Government Objective <sup>2</sup>	30 June 2006 Public Sector Actual <sup>2</sup>
	% of Workforce.			
Indigenous Australians	1.1	3	2.8	2.5
People with Disabilities	0.6	1	3.6	1.5
People from Culturally Diverse Backgrounds	6.2	11	10.5	8.1
Youth (<25 yrs)	7.9	13	7.0	5.7
Mature workers (45 yrs and above)	18.6	n/a	n/a	-

#### Notes:

1. Tourism WA equity and diversity data is from information voluntarily supplied by new and existing employees.
2. Data sourced from the Equity and Diversity Plan for the Public Sector Workforce 2006-2009, First Progress Report January 2007, Office of Equal Employment Opportunity.
3. Equity indexes have not been reported as they are not a valid measure for groups of less than 10 employees and in the case of youth, due to the high correlation between age and salary.

### Significant Opportunities and/or Risks Identified for Attention for 2007/08

- An opportunity exists to align a proposed equity and diversity initiative relating to Indigenous Cultural Awareness for all employees with organisational objectives relating to Western Australia's Indigenous tourism experiences.
- Recruitment, selection and appointment practices will need close review to ensure they are actively contributing to Tourism WA's equity and diversity objectives.

### Compliance with Public Sector Standards and Ethical Codes

In accordance with section 31(1) of the *Public Sector Management Act 1994*, Tourism WA is required to comment

on the extent to which public sector standards, codes of ethics and any relevant code of conduct have been complied with.

Compliance Issues	Significant action taken to monitor and ensure compliance
<b>Public Sector Standards</b> <ul style="list-style-type: none"><li>• Nil breach claims</li></ul>	<ul style="list-style-type: none"><li>• In October 2006 the Office of the Public Sector Standards Commissioner (OPSSC) conducted a survey within Tourism WA of human resource management, ethical conduct, workforce diversity and public interest disclosure. The results of this survey were presented to the Executive Management Team and made available to all employees via the intranet.</li><li>• Human resource recruitment consultants continue to be used for all long term and permanent selection processes and the subsequent reports are reviewed by the internal human resource work unit prior to consideration by senior line management.</li></ul>
<b>WA Code of Ethics</b> <ul style="list-style-type: none"><li>• Nil reports of non compliance with WA Code of Ethics</li></ul>	<ul style="list-style-type: none"><li>• Conduct of the OPSSC survey of ethical conduct in October 2006.</li><li>• WA Code of Ethics is part of induction materials and is accessible from Tourism WA's intranet.</li></ul>
<b>Agency Code of conduct</b> <ul style="list-style-type: none"><li>• Allegations of sexual harassment raised against one employee</li></ul>	<ul style="list-style-type: none"><li>• Conduct of 11 sexual harassment awareness sessions with 157 employees attending.</li><li>• Code of conduct is part of induction materials and is accessible from Tourism WA's intranet.</li></ul>

### Corruption Prevention

(Premier's Circular 2005/02: Corruption Prevention)

Tourism WA has in place the following measures designed to reduce corruption and misconduct:

- Policies on Suspected Official Corruption, Gifts and Benefits and Conflict of Interest have been developed and are available to all staff on the agency intranet.
- Staff responsibilities are outlined in an induction package given to all new staff.
- A register is maintained of all gifts received by staff above a nominal amount.

### Risk Management Framework

An agency risk management framework, with assessment tools, was developed and endorsed by the Board. This framework was applied to the risks of agency corruption during the 2005 - 2006 financial year, with the expectation that Risk Action Plans will be written and actioned for all major risk areas in the future.

### Ministerial Reporting

Tourism WA responded promptly to 681 Ministerial requests. We also responded to 72 Parliamentary Questions (containing 359 questions in all) asked during 2006-2007. Tourism WA also provided 1287 briefing notes, speeches and draft media releases relevant to operational objectives, investment or financing activities to the Minister's office.



**Richard Muirhead**

CHIEF EXECUTIVE OFFICER



## KEY PERFORMANCE INDICATORS

### Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Tourism Commission's performance, and fairly represent the performance of the Western Australian Tourism Commission for the financial year ending 30 June 2007.

**Kate Lamont**

CHAIRMAN  
WESTERN AUSTRALIAN TOURISM COMMISSION

31 August 2007

**Laurie O'Meara**

DEPUTY CHAIRMAN  
WESTERN AUSTRALIAN TOURISM COMMISSION

31 August 2007





## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### WESTERN AUSTRALIAN TOURISM COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2007

I have audited the accounts, financial statements, controls and key performance indicators of the Western Australian Tourism Commission.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement 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.

**Board's Responsibility for the Financial Statements and Key Performance Indicators** The Board 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.

#### Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Western Australian Tourism Commission at 30 June 2007 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 Commission 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 Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2007.

COLIN MURPHY  
AUDITOR GENERAL  
31 August 2007

## KEY PERFORMANCE INDICATORS

The Government goal that is supported by Tourism WA is "Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians." The desired outcomes that support this that have been agreed with the Government are:

1. Western Australia is promoted as an attractive destination; and
2. An enhanced tourist industry, infrastructure and product base.

The key performance indicators (KPIs) provide an indication of whether Tourism WA has achieved these outcomes.

In 2002 Tourism WA reviewed its strategic direction and consequently its KPIs. Measurement of the revised KPIs commenced in July 2003, with the 2003-04 Annual Report containing the first year's results.

### OUTCOME 1.

#### WESTERN AUSTRALIA IS PROMOTED AS AN ATTRACTIVE DESTINATION

Tourism WA currently runs brand campaigns in the United Kingdom, New Zealand and Interstate. In addition to this, trade marketing activities are conducted in Singapore, Malaysia, Japan, China/Hong Kong, South Korea, South Africa, the United Kingdom, Ireland, Central Europe and the Gulf.

The interstate market is the biggest source of external visitors to WA. As a result, it is considered appropriate that awareness of Western Australia as a holiday destination be measured on an annual basis in this market. Due to research costs, only one key international source market can be measured each year. In the four years of research, an approach of alternating international research between short-haul and long-haul international markets has been adopted, commencing with Singapore and continuing on with Germany, Japan and the United Kingdom, respectively.

Effectiveness Key Performance Indicators	Results				
	Five year target	2006-2007	2005-2006	2004-2005	2003-2004
1.1 Destination Marketing:  Awareness among potential visitors that WA offers the iconic tourism experiences that are actively promoted in our major markets	45% (interstate) 20% (short haul) 15% (long haul)	a) 39% (interstate) <sup>i</sup> b) 42% (United Kingdom) <sup>v</sup>	a) 42% (interstate) <sup>ii</sup> b) 31% (Japan) <sup>vi</sup>	a) 41% (interstate) <sup>iii</sup> b) 55% (Germany) <sup>vii</sup>	a) 34% (interstate) <sup>iv</sup> b) 20% (Singapore) <sup>viii</sup>
2.2 Destination Marketing:  WA increase in visitor expenditure as compared to national average increase in visitor expenditure	Growth in WA visitor spend greater than national average	Growth in WA visitor spend 4.7% above national average (WA 13.5%, Aust. 8.8%) <sup>ix</sup>	Growth in WA visitor spend 4.3% above national average (WA 2.9%, Aust. -1.4%) <sup>x</sup>	Growth in WA visitor spend -3.5% below national average (WA -0.7%, Aust. 2.8%) <sup>xi</sup>	Growth in WA visitor spend 5.6% above national average (WA 8.2%, Aust. 2.6%) <sup>xii</sup>





#### Notes:

Regarding 1.2 - In March 2006 a new expenditure methodology for both the International Visitor Survey (IVS) and the National Visitor Survey (NVS) was employed. Due to an increase in annual sample size from 2005 for both IVS (from 20,000 to 40,000 p.a.) and the NVS (from 80,000 to 120,000 p.a.) and a change to Tourism Research Australia's (TRA) provision of regional expenditure estimates in March 2006, WA expenditure estimates are now updated quarterly employing a one year rolling average (compared to previous yearly updates which were based on a 2 year rolling average). These changes were initiated in March 2006 with the new methodology being backdated to include figures from March 2005 onwards. Additional revisions have been made to data prior to March 2005 and these changes have been reflected in this report.

- i. KPI 1.1a (2006-07): Awareness interstate 2006-07 - Population as per 2006 census 7,711,782 (4,119,190 Sydney, 3,592,592 Melbourne); sample size of 300; +/- 5.5% estimated error rate at the 95% confidence level.
- ii. KPI 1.1a (2005-06): Awareness interstate 2005-06 - Population as per 2002-03 census 7,761,200 (4,201,500 Sydney, 3,559,700 Melbourne); sample size of 323; +/- 5.5% estimated error rate at the 95% confidence level.
- iii. KPI 1.1a (2004-05): Awareness interstate 2004-05 - Population as per 2002-03 census 7,761,200 (4,201,500 Sydney, 3,559,700 Melbourne); sample size of 306; +/- 5.6% estimated error rate at the 95% confidence level.
- iv. KPI 1.1a (2003-04): Awareness interstate 2003-04 - Population size of 7,286,719 (3,948,015 Sydney, 3,338,704 Melbourne); sample size of 210; +/- 6.8% estimated error rate at the 95% confidence level.
- v. KPI 1.1b (2006-07): Awareness United Kingdom 2006-07 - Population size of 60,776,238; sample size of 304; +/- 5.6% estimated error rate at the 95% confidence level.
- vi. KPI 1.1b (2005-06): Awareness Japan 2005-06 - Population size of 127,417,244; sample size of 414; +/- 4.8% estimated error rate at the 95% confidence level.
- vii. KPI 1.1b (2004-05): Awareness Germany 2004-05 - Population size of 82,431,000; sample size of 200; +/- 6.9% estimated error rate at the 95% confidence level.
- viii. KPI 1.1b (2003-04): Awareness Singapore 2003-04 - Population size of 3,263,200; sample size of 300; +/- 5.7% estimated error rate at the 95% confidence level.
- ix. KPI 1.2 (2006-07): Expenditure data has been sourced direct from Tourism Research Australia (TRA) Tourism Expenditure Research Programme. Overall estimates for intrastate, interstate and international visitor spend in WA are provided on a quarterly basis.
- x. KPI 1.2 (2005-06): Expenditure data has been sourced direct from Tourism Research Australia (TRA) Tourism Expenditure Research Programme. Overall estimates for intrastate, interstate and international visitor spend in WA are provided on a quarterly basis.

- xi. KPI 1.2 (2004-05): According to TRA, the best method of estimating domestic visitor expenditure in WA during financial year 2004-05 is by multiplying total domestic visitor nights in WA (latest YTD ending March 2005 from the National Visitor Survey (NVS)) by WA daily expenditure estimates from the TRA Domestic Tourism Expenditure Research Programme (2yr average of 2003 and 2004). This programme estimates an average daily spend of \$96 for intrastate visitors, \$110 for interstate visitors and \$77 for international visitors.
- xii. KPI 1.2 (2003-04): According to TRA, the best method of estimating domestic visitor expenditure in WA during financial year 2003-04 is by multiplying total visitor nights in WA (latest YTD ending March 2004 from NVS) by WA daily expenditure estimates from the TRA Domestic Tourism Expenditure Research Programme (2yr average of 2002 and 2003). This programme estimates an average daily spend of \$98.50 for intrastate visitors, \$101.50 for interstate visitors and \$73.50 for international visitors.

### 1.1 Awareness among potential visitors that WA offers the iconic tourism experiences that are actively promoted in our major markets

For people to consider WA attractive as a tourist location, they first need to become aware of the destination. Focusing marketing on iconic experiences that the target market i) finds appealing (importance), ii) associates with WA (awareness), and iii) perceives that WA offers better than other destinations (delivery), will boost the recognition of our State as an attractive destination, both locally and worldwide, and will provide a focal point for each of the five tourism regions.

#### Interstate Results:

Based on this premise, awareness, importance, and delivery of WA's iconic experiences, promoted in the current year in the interstate market, were measured in Tourism WA's major interstate markets of Sydney and Melbourne via an externally commissioned online research survey. In this instance, online data collection was chosen as the preferred approach over telephone data collection due to a combination of cost effectiveness and high sample representativeness. The relative performance of each of these measures in the interstate market during 2006-07, with comparisons against 2005-06, 2004-05 and 2003-04, has been summarised in the table overleaf. Please note that some differences have occurred in the specific iconic experiences promoted in the interstate market from 2003-04 through to 2006-07.



### Standard KPI Score for Interstate market:

WA Iconic Experiences promoted in Interstate market	AWARENESS KPI							
	2006-2007		2005-2006		2004-2005		2003-2004	
	% very strongly associate (8-10/10)	x	% very strongly associate (8-10/10)	x	% very strongly associate (8-10/10)	x	% very strongly associate (8-10/10)	x
Outback and beyond	54%	7.1	53%	7.4	54%	7.0	--	--
Rugged and unusual landscapes	49%	7.0	52%	7.3	49%	6.9	47%	6.7
Sea life/marine animals	36%	6.4	38%	6.4	36%	6.0	--	--
Forests and flowers	30%	5.7	36%	6.4	35%	6.2	30%	5.5
Self drive	41%	6.7	46%	6.9	44%	6.6	34%	5.9
Beach and sun	42%	6.9	50%	7.1	43%	6.4	--	--
Local lifestyle	-		32%	6.3	31%	5.9	--	--
Local food and wine	37%	6.3	32%	6.2	33%	6.0	29%	5.8
Sun sand and surf	--		--	--	--	--	40%	6.5
Escape and unwind	--		--	--	--	--	32%	6.1
City life	21%	5.6	--	--	--	--	24%	5.5
Standard KPI Score	39%		42%		41%		34%	

Based on the results for 2006-07, it was determined that 39% of potential interstate visitors (from Sydney/Melbourne) were aware that WA offers the iconic tourism experiences that were actively promoted in the interstate markets during this period. In comparison, in 2005-06, 42% of potential interstate visitors (from Sydney/Melbourne) were aware that WA offered the iconic tourism experiences that were actively promoted in the interstate markets during this year. This latest result for 2006-07 is below the KPI target of 45% awareness in our interstate market to be achieved five years from when the KPI was first set (ie. 2008-09). It should be noted that different experiences have been promoted each year, with the view of building long term awareness over the five-year period. Notably, marketing activities in 2007 included the traditionally weaker "city life" experience as part of a longer term strategy to enter the growing short break market.

In addition to this KPI measure, it was determined that a more challenging and strategic measure of iconic awareness should combine considerations of awareness,

importance and delivery, rather than simply measuring awareness in isolation. As a consequence, a composite KPI was developed for each iconic experience promoted in Tourism WA's major interstate markets (Sydney/Melbourne) using a combination of all three core measures, as outlined below:

- **Awareness** – extent that WA is associated with each iconic experience (a mean score out of 10, where 0 means 'do not associate WA with that type of experience at all' and 10 means 'very strongly associate WA with that type of experience')
- **Importance** – interest in each of type of iconic experience (a mean score out of 10, where 0 means 'not at all interested' and 10 means 'extremely interested')
- **Delivery** – how well WA provides the iconic experience compared to other competitive destinations (% that perceive WA is better than other destinations) (i)

### Composite KPI Score for Interstate market:

WA Iconic Experiences promoted in Interstate market	AWARENESS ( x )				x	IMPORTANCE ( x )				x	DELIVERY ( % )				=	COMPOSITE SCORE			
	2006-07	2005-06	2004-05	2003-04		2006-07	2005-06	2004-05	2003-04		2006-07	2005-06	2004-05	2003-04		2006-07	2005-06	2004-05	2003-04
Outback and beyond	7.1	7.4	7.0	--		6.3	6.6	6.7	--		50%	51%	56%	--		22.4	24.9	26.3	--
Rugged and unusual landscapes	7.0	7.3	6.9	6.7		7.2	7.5	7.2	7.0		49%	49%	50%	52%		24.7	26.8	24.8	24.4
Sea life/marine animals	6.4	6.4	6.0	--		7.4	7.6	7.5	--		32%	41%	39%	--		15.2	19.9	17.6	--
Forests and flowers	5.7	6.4	6.2	5.5		6.4	7.0	6.8	6.5		43%	44%	42%	40%		15.7	19.7	17.7	14.3
Self drive	6.7	6.9	6.6	5.9		7.3	7.4	7.3	6.8		26%	32%	31%	24%		12.7	16.3	14.9	9.6
Beach and sun	6.9	7.1	6.4	--		7.8	7.7	7.6	--		26%	32%	27%	--		14.0	17.5	13.1	--
Local lifestyle	--	6.3	5.9	--		--	7.8	7.3	--		--	20%	25%	--		--	9.8	10.8	--
Local food and wine	6.3	6.2	6.0	5.8		7.3	7.6	7.4	6.9		22%	20%	19%	28%		10.1	9.4	8.4	11.2
Sun sand and surf	--	--	--	6.5		--	--	--	7.4		--	--	--	27%		--	--	--	13.0
Escape and unwind	--	--	--	6.1		--	--	--	7.8		--	--	--	21%		--	--	--	10.0
City life	5.6	--	--	5.5		6.5	--	--	6.4		12%	--	--	16%		4.4	--	--	5.6
<b>Composite KPI score</b>																<b>15.0</b>	<b>18.1</b>	<b>16.7</b>	<b>12.6</b>

#### Notes:

- (i) In 2006-07, 2005-06 and 2004-05 other competitive destinations were defined as other Australian States and the other short haul destinations in the region. In 2003-04 they were defined as other Australian States or New Zealand.

Based on the combined scores for each iconic experience, a composite KPI score was developed for the interstate market. As it is not feasible to obtain an average of 100% awareness, 100% importance and 100% delivery for any given experience (resulting in a score of 100), a challenging long term benchmark for this composite measure is to strive for an average score of 32 (based on a average of

80% awareness x 80% importance x 50% delivery). Using this composite measure in 2006-07, the promotion of WA iconic tourism experiences in key interstate markets received an average KPI score of 15.0 during this period. This is slightly down on the 2005-06 measure of 18.1, but still up on the 2003-04 measure of 12.6.

### International Results:

Due to research costs, awareness can only be measured in one target international market each year. In previous years, the markets of Japan (2005-06), Germany (2004-05) and Singapore (2003/04) have been tested. In 2006-07 the United Kingdom (UK) was selected as the single international market to be measured. The UK is WA's largest international market, which fully qualifies it as an appropriate market to be tested.

Awareness, importance, and delivery of WA's iconic experiences promoted in the region was measured in the UK via externally commissioned online survey

research. In this instance, online data collection was chosen as the preferred approach over telephone data collection due to a combination of cost effectiveness, sample representativeness and high response rates in the UK market. The relative performance of each of these measures in the UK during 2006-07, along with comparisons against the Japan market results for 2005-06, the Germany market results in 2004-05 and Singapore market results in 2003-04 have been summarised below. Please note that different iconic experiences have been promoted in the UK compared to Japan, Germany and Singapore. As a result, it is not appropriate to make direct comparisons between these four markets.

### Standard KPI Score for International market:

WA Iconic Experiences promoted in International market	AWARENESS KPI							
	2006-07		2005-2006		2004-2005		2003-2004	
	UK % very strongly associate (8-10/10)	x	Japan % very strongly associate (8-10/10)	x	Germany % very strongly associate (8-10/10)	x	Singapore % very strongly associate (8-10/10)	x
Local Wildlife	--	--	46%	6.9	61%	7.2	16%	5.6
Rugged and Unusual Landscapes	48%	7.1	36%	6.5	68%	7.5	--	--
Beaches and Sun	55%	7.5	36%	6.4	59%	7.1	--	--
Sea Life/Marine Animals	48%	7.0	33%	6.2	43%	6.3	--	--
Forests and Flowers	--	--	31%	6.3	--	--	18%	5.7
Local Food and Wine	31%	6.2	27%	5.9	--	--	16%	5.9
Local Lifestyle	36%	6.6	26%	6.0	--	--	16%	5.8
City Life	--	--	12%	4.8				
Outback and Beyond	50%	7.2	--	--	65%	7.4	--	--
Arts, Culture and History	23%	5.6	--	--	46%	6.2	--	--
Self Drive	43%	6.7	--	--	46%	5.7	22%	5.6
Relax and Recharge	--	--	--	--	--	--	34%	6.7
Learn about the local culture	--	--	--	--	--	--	16%	5.7
Standard KPI Score	42%		31%		55%		20%	



Based on the 2006-07 results, it was determined that 42% of potential UK visitors were aware that WA offers the iconic tourism experiences that are actively promoted in the UK. This far exceeds the KPI long haul target of 15% awareness to be achieved within the next 5 years.

As with the interstate market, a composite KPI was also developed for each iconic experience promoted in the UK by combining awareness, importance and delivery results. As stated previously, a challenging long term benchmark

for this composite measure is to aspire to an average score of 32 (based on 8.0 awareness x 8.0 importance v 50% delivery). Based on the 2006-07 results, the promotion of WA iconic tourism experiences in the UK received a KPI score of 13.1. In comparison, Japan (2005-06) received a composite score of 13.5, Germany (2004-05) received a composite KPI score of 15.1 and Singapore (2003-04) received a composite KPI score of 11.6.

#### Composite KPI Score for International market:

WA Iconic Experiences promoted in International market	AWARENESS ( x )				x	IMPORTANCE ( x )				x	DELIVERY ( % )				=	COMPOSITE SCORE			
	UK 2006-07	Japan 2005-06	Germany 2004-05	Sing. 2003-04		UK 2006-07	Japan 2005-06	Germany 2004-05	Sing. 2003-04		UK 2006-07	Japan 2005-06	Germany 2004-05	Sing. 2003-04		UK 2006-07	Japan 2005-06	Germany 2004-05	Sing. 2003-04
Local Wildlife	--	6.9	7.2	5.6		--	6.3	6.8	5.7		--	54%	35%	33%		--	23.5	16.9	10.5
Rugged and Unusual Landscapes	7.1	6.5	7.5	--		6.7	6.9	6.8	--		35%	47%	44%	--		16.6	20.8	22.6	--
Beaches and Sun	7.5	6.4	7.1	--		6.6	6.3	8.0	--		40%	39%	24%	--		19.8	15.7	13.6	--
Sea Life/ Marine Animals	7.0	6.2	6.3	--		6.5	6.1	6.3			38%	41%	30%	--		17.3	15.6	11.8	--
Forests and Flowers	--	6.3	--	5.7		--	6.5	--	5.8		--	34%	--	28%		--	14.0	--	9.3
Local Food and Wine	6.2	5.9	--	5.9		6.9	7.2	--	6.5		17%	17%	--	27%		7.3	7.4	--	10.4
Local Lifestyle	6.6	6.0	--	5.8		7.0	5.8	--	6.3		16%	23%	--	33%		7.4	7.9	--	12.1
City Life	--	4.8				--	5.2				--	11%				--	2.7		
Outback and Beyond	7.2	--	7.4	--		6.3	--	6.6	--		51%	--	51%	--		23.1	--	24.9	--
Arts, Culture and History	5.6	--	6.2	--		6.6	--	7.2	--		9%	--	16%	--		3.3	--	7.1	--
Self Drive	6.7	--	5.7	5.6		5.4	--	6.2	5.5		28%	--	25%	36%		10.1	--	8.9	11.1
Relax and Recharge	--	--	--	6.7			--	--	7.6		--	--	--	34%		--	--	--	17.3
Learn about the local culture	--	--	--	5.7			--	--	6.2		--	--	--	29%		--	--	--	10.2
<b>Composite KPI score</b>																<b>13.1</b>	<b>13.5</b>	<b>15.1</b>	<b>11.6</b>



## 1.2 WA increase in visitor expenditure as compared to national average increase in visitor expenditure

Other things being equal, if WA is successfully promoted as an attractive destination visitor expenditure will increase. This will occur due to an increase in the number of visitors and/or the amount of money spent per visitor. Hence, this KPI measures the result of successful promotion of WA as an attractive destination.

Tourism WA has set a challenging objective, not just to increase tourism in WA but to do so at a rate which is faster than the national average. This is more challenging than just measuring the increase in visitor expenditure, as all Australian States and Territories face similar external impacts and therefore, to grow faster than the national average, can arguably be attributed to successful marketing efforts.

Visitor expenditure is measured through the National and International Visitor Surveys, conducted by TRA. Due to

year ending June data not being available at the time of the Annual Report's publication, performance is based on 12 months ending March. Also, due to data revisions by TRA, there have been some adjustments to historical expenditure data presented in this report.

Accordingly, as shown in the table below, WA experienced a +13.5% increase in total visitor expenditure, from \$4.236 billion in year ending March 2006 to \$4.808 billion in year ending March 2007. In comparison, Australia experienced an +8.8% increase in total visitor expenditure, from \$43.935 billion in year ending March 2006 to \$47.802 billion in year ending March 2007. Therefore, the difference between WA's increase in visitor expenditure and the national average increase in visitor expenditure in 2006-07 reporting period was +4.7%, which meets the KPI target of greater growth in WA visitor expenditure over national visitor expenditure.

	WA Visitor Expenditure (\$B)					Australia Visitor Expenditure (\$B)					Comparative Growth (WA - Aust)	Target
	YTD March 07 \$Billion	YTD March 06 \$Billion	YTD March 05 \$Billion	YTD March 04 \$Billion	Growth	YTD March 07 \$Billion	YTD March 06 \$Billion	YTD March 05 \$Billion	YTD March 04 \$Billion	Growth		
Intrastate	\$2.083	\$2.025	\$1.995	\$1.932	2.9%	\$16.667	\$15.925	\$16.216	\$15.367	4.7%	-1.8%	-ve
Interstate	\$1.302	\$1.024	\$0.999	\$1.137	27.1%	\$17.471	\$16.164	\$16.807	\$16.725	8.1%	19.1%	+ve
International	\$1.423	\$1.187	\$1.121	\$1.073	19.9%	\$13.664	\$11.846	\$11.553	\$11.288	15.3%	4.5%	+ve
<b>Total</b>	<b>\$4.808</b>	<b>\$4.236</b>	<b>\$4.115</b>	<b>\$4.142</b>	<b>13.5%</b>	<b>\$47.803</b>	<b>\$43.935</b>	<b>\$44.575</b>	<b>\$43.380</b>	<b>8.8%</b>	<b>4.7%</b>	<b>+ve</b>

### Notes

Regarding 1.2 - In March 2006 a new expenditure methodology for both the International Visitor Survey (IVS) and the National Visitor Survey (NVS) was employed. Due to an increase in annual sample size from 2005 for both IVS (from 20,000 to 40,000 p.a.) and the NVS (from 80,000 to 120,000 p.a.) and a change to Tourism Research Australia's provision of regional expenditure estimates in March 2006, WA expenditure estimates

are now updated quarterly employing a one year rolling average (compared to previous yearly updates which were based on a 2 year rolling average). These changes were initiated in March 2006 with the new methodology being backdated to include figures from March 2005 onwards. Additional revisions have been made to data prior to March 2005 and these changes have been reflected in this report.



Efficiency Key Performance Indicators	Results				
	One Year Target	2006-2007	2005-2006	2004-2005	2003-2004
1.3 Destination marketing: Ratio of Tourism WA spend to awareness level in our major markets	(a) interstate: \$295,000 per percentage point of aware respondents  (b) international: \$135,000 per percentage point of aware respondents	(a) interstate: \$198,616 per percentage point of aware respondents (Sydney/Melbourne)  and; (b) international: \$108,796 per percentage point of aware respondents (United Kingdom)	(a) interstate: \$289,328 per percentage point of aware respondents (Sydney/Melbourne)  and; (b) international: \$76,709 per percentage point of aware respondents (Japan)	(a) interstate: \$380,258 per percentage point of aware respondents (Sydney/Melbourne)  and; (b) international: \$23,354 per percentage point of aware respondents (Germany)	(a) interstate: \$329,402 per percentage point of aware respondents (Sydney/Melbourne)  and; (b) international: \$40,470 per percentage point of aware respondents (Singapore)
1.4 Event Tourism:					
(a) Ratio of Tourism WA spend on attracting events to the value of projected direct expenditure generated by events (future years)	(a) \$1:\$2.90	a) \$1: \$4.70	(a) \$1: \$2.84	(a) \$1: \$2.19	(a) \$1: \$5.44
(b) Ratio of Tourism WA spend on attracting events to the value of direct expenditure and media impact generated by events (current year)	(b) \$1:\$2.78	(b) \$1:\$3.27	(b) \$1: \$3.01	(b) \$1: \$3.81	(b) \$1: \$3.73
5.5 Convention and Incentive Travel: Ratio of Tourism WA spend on PCB to the value of projected direct expenditure generated by conventions and incentive travel groups to Western Australia	\$1: \$55.00	\$1: \$54.70	\$1: \$65.69	\$1: \$30.20	\$1: \$51.35

Notes:

- i. KPI 1.3a: Awareness interstate (2006-07) - Population size as per 2006 census 7,711,782 (4,119,190 Sydney, 3,592,592 Melbourne) and 60,776,238 for the UK; sample size of 300 Sydney/Melbourne and 304 for the UK; estimated error rate at the 95% confidence level of +/- 5.5% (Sydney/Melbourne) and +/- 5.6% (UK).
- ii. KPI 1.3a: Interstate: The KPI measures the ratio of Tourism WA interstate spend to interstate awareness. It excludes Tourism WA intrastate marketing spend of \$4,222,516 (prior year \$3,243,742).
- iii. KPI 1.3b: International: Due to costs associated with measuring major overseas markets, they are only surveyed once every 5 years. Tourism WA spend in the overseas markets not measured in this year's KPI is \$11,453,118 (prior year \$9,613,774).
- iv. KPI 1.4a: The 'total cost of event tourism output dedicated to event development' includes salary costs, administrative costs and pledged Tourism WA sponsorship funds. The 'value of projected direct expenditure generated by events (future years)' is calculated as a three year moving average.

- v. KPI 1.4b: The total cost of event tourism output dedicated to hosting events equals the government funding plus the operating revenue. Government funding includes Tourism WA sponsorship provided to events in the current year. The 'value of projected direct expenditure and media impact generated by events (current year)' is calculated as a three year moving average as the direct expenditure and media impact generated for an event may cross over financial years depending on the timing of the event that it relates to. Prior year comparative has been restated to correctly reflect the rolling average basis of calculation.
- vi. KPI 1.5: The 'value of projected direct expenditure generated by conventions and incentive travel groups to Western Australia' is calculated as a three year moving average. Expenditure by Western Australian delegates is not included.

### 1.3 *Ratio of Tourism WA spend to awareness level in our major markets*

This KPI measures the efficiency with which Tourism WA uses destination marketing government funds and operating revenue to raise potential visitors' awareness of WA. The rationale for measuring the level of awareness is explained in the first effectiveness KPI for outcome one.

In 2006-07, the ratio of Tourism WA spend to awareness level in our major markets was i) \$198,616 per percentage point of aware respondents in Sydney/Melbourne, and ii) \$108,796 per percentage point of aware respondents in UK. The interstate market fell significantly below (outperformed) the one year target awareness per dollar ratio of \$295,000 and the international markets result outperformed the target awareness per dollar ratio of \$135,000. With several years of consistent brand marketing, results indicate improved efficiencies in the interstate market.

### 1.4 *Event Tourism*

#### 1.4(a) *Ratio of Tourism WA spend to the value of projected direct expenditure generated by events (future years).*

This KPI measures the efficiency with which Tourism WA uses funds to maximise the value of projected direct expenditure generated by future WA events.

Note that this KPI measures projected direct expenditure for WA events in all future years. It is not directly comparable to the KPI which measures the value of direct expenditure and media impact generated events held in the current year.

In 2006-07 EventsCorp was successful in securing a range of events for WA that will deliver economic and/or media impact. A new four year deal with the Australian Rugby Union (ARU) from 2007–2010 was secured which will deliver significant economic impact from four Test matches over the next few years.

In addition to the Test matches, other new events secured in 2006-07 include Lexus Cup International Golf, the Interhash 2008, and the Australian Safari from 2007-2009. The event calendar was further diversified through securing the UNIMA 2008 Puppetry Festival and the Biennale of Electronic Arts 2007 (BEAP).

The above events secured in the 2006-07 year are estimated to deliver an economic return of \$4.70 for every dollar invested (calculated on a three year rolling average), representing an increase of \$1.86 on the 2005-06 year. This improved result is due in large part to securing high impact events including the Rugby Tests and the Lexus Cup.

This measures whether or not the last financial year was a successful one from a bidding perspective with annual fluctuations smoothed by using a 3 year moving average.

#### 1.4(b) *Ratio of Tourism WA spend to the value of direct expenditure and media impact generated by events (current year).*

This KPI measures the efficiency with which Tourism WA uses government funds and operating revenue to maximise the value of direct expenditure and media impact generated by WA events in the current financial year. This result is also calculated on a 3 year rolling average.

'Media Impact' is defined as the dollar value of Western Australian tourism imagery and branding (including video postcards of WA tourism destinations, on-screen graphics and signage) integrated into television production related to the events. It is measured by an independent media evaluation company.

Note that media impact is only measured where exposure is secured in one or more of Tourism WA's active or active emerging markets. The majority of television product secures significant exposure in a broad-range of markets outside of Tourism WA's identified priorities.

The 2006-07 calendar was a strong one and the events staged in WA in 2006-07 generated an economic impact of \$77.41 million and an estimated media impact of \$14.29 million. The return therefore on the Government's investment of \$14.69 million was \$91.70 million, a significant increase on the recorded return of \$56.64 million for an investment of \$12.7 million in the 2005-06 year. When EventsCorp's overheads are taken into account, this represents a return of \$3.27 for every dollar invested. The target of \$1:\$2.78 was exceeded due to better than expected results from events including the 'Aussies' Australian Surf Life Saving Championships, the Red Bull Air Race, and the Cricket City Perth (The Ashes) events.





### 1.5 Convention and Incentive Travel: Ratio of Tourism WA spend to the value of projected direct expenditure generated by conventions and incentive travel groups to Western Australia

This KPI measures the efficiency with which Tourism WA uses convention and incentive government funding and operating revenue to maximise the value of direct expenditure generated by conventions and incentive travel groups to Western Australia.

52 conventions and 16 corporate groups were secured for Western Australia last financial year. These meetings are expected to attract approximately 31,700 delegates over the next 4 years, representing \$55.6 million in direct delegate expenditure. It should also be noted that as at 30 June 2007, decisions were pending on meetings worth an additional \$21.4 million.

Based on a rolling 3 year average, the target ratio for this sector was \$1: \$55.00, while the actual achieved was \$1:\$57.40.

## Outcome 2.

### AN ENHANCED TOURIST INDUSTRY, INFRASTRUCTURE AND PRODUCT BASE

Effectiveness Key Performance Indicators	Five year target	Results			
		2006-2007	2005-2006	2004-2005	2003-2004
1.1 Visitor Servicing: Visitor satisfaction with WA experience	50% highly satisfied	44.2% highly satisfied	48.7% highly satisfied	53.1% highly satisfied	48.8% highly satisfied
1.2 Industry Development: Percentage of targeted investors who consider that the tourism investment attraction services improved their view of Western Australia as an investment location	30% highly improved view	25.6% highly improved view	17.1% highly improved view	16.7% highly improved view	8.5% highly improved view
1.3 Industry Development: Percentage of investors satisfied with the facilitation services provided.	50% very satisfied	26.9% very satisfied	39.1% very satisfied	33.3% very satisfied	18.9% very satisfied

- KPI 2.1 (2006-07): Population size of 7,388,000 domestic and international visitors in year ending December 2006 (based on TRA IVS and NVS data); sample size of 566; +/- 4.1% estimated error rate at the 95% confidence level
- KPI 2.1 (2005-06): Population size of 6,604,200 domestic and international visitors in year ending December 2005 (based on TRA IVS and NVS data); sample size of 533; +/- 4.2% estimated error rate at the 95% confidence level
- KPI 2.1 (2004-05): Population size of 7,045,800 domestic and international visitors in year ending March 2005 (based on TRA IVS and NVS data); sample size of 500; +/- 4.4% estimated error rate at the 95% confidence level
- KPI 2.1 (2003-04): Population size of 6,993,005 domestic and international visitors in year ending March 2004 (based on BTR IVS and NVS data); sample size of 504; +/- 4.4% estimated error rate at the 95% confidence level
- KPI 2.2 (2006-07): Population size of 92; sample size of 43; response rate 47%; +/- 11.0% estimated error rate at the 95% confidence level

- KPI 2.2 (2005-06): Population size of 72; sample size of 41; response rate 57%; +/- 10.1% estimated error rate at the 95% confidence level
- KPI 2.2 (2004-05): Population size of 86; sample size of 36; response rate 42%; +/- 12.4% estimated error rate at the 95% confidence level
- KPI 2.2 (2003-04): Population size of 113; sample size of 47; +/- 6.1% estimated error rate at the 95% confidence level
- KPI 2.3 (2006-07): Population size of 92; sample size of 41; response rate 45%; +/- 11.5% estimated error rate at the 95% confidence level
- KPI 2.3 (2005-06): Population size of 72; sample size of 41; response rate 57%; +/- 10.1% estimated error rate at the 95% confidence level
- KPI 2.3 (2004-05): Population size of 86; sample size of 33; response rate 38%; +/- 13.4% estimated error rate at the 95% confidence level
- KPI 2.3 (2003-04): Population size of 113; sample size of 37; +/- 10.4% estimated error rate at the 95% confidence level

## 2.1 Visitor satisfaction with WA experience

If the tourism infrastructure, tourism products and service delivery capacity are enhanced, then visitors will have a higher quality experience. This will result in greater visitor satisfaction, increased return visitation and positive word of mouth marketing. In the 21st century consumer sovereignty is at its highest point ever and experience sharing via a variety of online mechanisms is increasingly forming an important part of the holiday purchase decision making process. It is therefore essential that Western Australia's visitors receive experiences that live up to the State's marketing promises.

Visitor satisfaction was measured via an externally commissioned State-wide face-to-face survey conducted by Patterson Market Research, as per the methodology recommended by the Sustainable Tourism Cooperative Research Centre. In 2006-07, 44.2% of respondents were highly satisfied with their visit to WA which falls just short of the 5 year target of 50% highly satisfied.

Specifically, using a scale of 1 to 7, where 1 means "very dissatisfied" and 7 means "very satisfied", respondents

were asked how satisfied they were with their holiday in WA. This approach inferred that a response of 1 to 3 meant "dissatisfied", 4 meant "neutral" and 5 to 7 meant "satisfied". As illustrated in the table below, 44.2% of respondents gave a maximum score of 7 out of 7, indicating that they were "very satisfied" during 2006-07. More broadly, 95.6% of respondents gave a score of 5 or higher, indicating that they were at least "somewhat satisfied".

These results represent a decline in performance over 2004-05 and 2005-06, in which 53.1% and 48.8% of respondents gave a maximum score of 7 out of 7. The result for visitors rating their experience with a five, six or seven was 95.6% which is very similar to previous years. It is expected that the skills shortages experienced across the Western Australian tourism industry in the midst of the current economic boom were a key factor in the reduction of visitors providing a 7 out of 7 score. It has universally been recognized that this labour shortage is putting both small and large tourism businesses under pressure. Tourism WA commenced actively working on this issue in 2006-07.

		Very dissatisfied 1	2	3	4	5	6	Very satisfied 7
Overall, how satisfied are you with your holiday in Western Australia?	2006-2007	0.2%	0.2%	0.9%	3.0%	14.5%	36.9%	44.2%
	2005-2006	0.2%	0.4%	0.4%	3.7%	12.9%	33.7%	48.8%
	2004-2005	0.2%	0.0%	0.6%	1.9%	13.0%	31.2%	53.1%
	2003-2004	0.0%	0.0%	0.4%	3.9%	11.1%	35.9%	48.8%

## 2.2 Percentage of targeted investors who consider that the tourism investment attraction services improved their view of Western Australia as an investment location

Investment in tourism is required to enhance both infrastructure and the product base. Tourism WA needs to ensure that WA's advantages are better understood in the investment marketplace. Without this awareness, investors will not consider WA as a potential investment location.

A targeted investor is an individual/organisation which has been identified by Tourism WA as a potential significant investor in Western Australia tourism. An externally commissioned telephone survey was undertaken by Synnovate, using a comprehensive list

of targeted investors, to determine the percentage who considers that Tourism WA's tourism investment attraction services improved their potential investment perceptions of WA.

Specifically, using a scale of 1 to 9, where 1 means "have not improved at all" and 9 means "greatly improved", respondents were asked to what extent tourism investment attraction services provided by Tourism WA improved their view of Western Australia as an investment location. As illustrated in the table overleaf, in 2006-07 25.6% of respondents felt that Tourism WA tourism investment attraction services highly improved their view of Western Australia as an

investment location (based on a score of 8 or 9 out of 9), which is on target to meet the 5 year target of 30% highly improved. More broadly, 65.1% of respondents gave a score of 6 or higher, indicating that their view of WA was at least somewhat improved.

These results represent an improvement over 2005-06, in which 17.1% of respondents felt that Tourism WA's tourism investment attraction services highly improved their view of Western Australia as an investment location (score of 8 or 9 out of 9).

		Not improved at all 1	2	3	4	5	6	7	8	Greatly improved 9
To what extent did tourism attraction services provided by Tourism WA improve your view of Western Australia as an investment location?	2006-07	4.7%	7.0%	9.3%	0.0%	14.0%	18.6%	20.9%	23.3%	2.3%
	2005-06	2.4%	0.0%	0.0%	7.3%	17.1%	17.1%	39.0%	12.2%	4.9%
	2004-05	2.8%	2.8%	11.1%	11.1%	25.0%	11.1%	19.4%	13.9%	2.8%
	2003-04	6.4%	6.4%	8.5%	21.3%	14.9%	12.8%	21.3%	6.4%	2.1%

### 2.3 Percentage of investors satisfied with the facilitation services provided

Tourism WA needs to ensure that appropriate services are provided to potential investors to facilitate investment in WA.

Using the same methodology outlined in the previous KPI, individuals and organisations who used Tourism WA's investment facilitation services during 2006-07 were surveyed by telephone to determine the percentage who were satisfied with Tourism WA's tourism investment facilitation services. Specifically, using a scale of 1 to 9, where 1 means "very dissatisfied" and 9 means "very satisfied", respondents were asked how satisfied they were with the facilitation services provided by Tourism WA. This approach inferred that a response of 1 to 4 meant "dissatisfied", 5 meant "neutral" and 6 to 9 meant "satisfied". As illustrated in the table overleaf,

in 2006-07, 26.9% of respondents indicated that they were very satisfied with the facilitation services provided (based on a score of 8 or 9 out of 9). More broadly, 85.5% of respondents gave a score of 6 or higher, indicating that they were at least somewhat satisfied.

These results represent a decline in performance over 2004-05 and 2005-06, in which 33.3% and 39.1% of respondents gave a very satisfied score (based on a score of 8 or 9 out of 9). In 2006-07 Tourism WA's regional destination development efforts were reviewed and whilst this review was undertaken, not all offices were fully manned. It is expected that this contributed to the decline in the results in 2006-07. With the review completed and minor amendments implemented it is anticipated that this result will improve again in 2007-08.



		Very dissatisfied 1	2	3	4	5	6	7	8	Very satisfied 9
How satisfied are you with the facilitation services provided by Tourism WA?	2006-07	0.0%	4.9%	0.0%	7.3%	2.4%	29.3%	29.3%	17.1%	9.8%
	2005-06	0.0%	0.0%	7.3%	4.9%	19.5%	12.2%	17.1%	29.3%	9.8%
	2004-05	0.0%	3.0%	9.1%	6.1%	12.1%	15.2%	21.2%	24.2%	9.1%
	2003-04	5.4%	10.8%	2.7%	10.8%	16.2%	24.3%	10.8%	13.5%	5.4%

Efficiency Key Performance Indicators		One year target	Results			
			2006-07	2005-06	2004-05	2003-04
1.4	Industry Development: Ratio of Tourism WA spend to the value of tourism projects progressed	\$1: \$42.84	\$1: \$75.41	\$1: \$86.00	\$1: \$97.95	\$1: \$42.02
1.5	Visitor Servicing: Ratio of Tourism WA spend to the level of visitor satisfaction with visitor servicing	\$124,203 per percentage point	\$109,052 per percentage point	\$116,652 per percentage point	\$56,125 per percentage point	\$108,216 per percentage point

Notes:

- i. KPI 2.5: Population size of 251,320 visitors to WA Visitor Centre in 2006-07; sample size of 112; +/- 9.3% estimated error rate at the 95% confidence level
- ii. KPI 2.5: Population size of 189,044 visitors to WA Visitor Centre in 2005-06; sample size of 99; +/- 9.9% estimated error rate at the 95% confidence level
- iii. KPI 2.5: Population size of 196,127 visitors to WA Visitor Centre in 2004-05; sample size of 136; +/- 8.4% estimated error rate at the 95% confidence level
- iv. KPI 2.5: Population size of 251,320 visitors to WA Visitor Centre in 2003-04; sample size of 79; +/- 11.0% estimated error rate at the 95% confidence level

## 2.4 Industry Development: Ratio of Tourism WA spend to the value of tourism projects progressed

This KPI is a measure of the efficiency with which Tourism WA uses industry development government funding and operating revenue to progress tourism development projects.

In 2006-07, the ratio of Tourism WA spend to the value of tourism projects progressed was \$75.41, which is lower than the result achieved in 2005-06 of \$1: \$86.00 and higher than against the target established for the year. This can be attributed to the fact that Tourism WA has maintained its direct involvement in some significant projects in alignment with increased economic activity and encouraging investor confidence in the State. The target of doubling the efficiency with which we progress projects was a challenging one.

## 2.5 Visitor Servicing: Ratio of Tourism WA spend to the level of visitor satisfaction with visitor servicing

This KPI measures the efficiency with which Tourism WA uses visitor servicing funds to increase visitor satisfaction with the service provided.

Satisfaction with visitor servicing was measured via an externally commissioned State-wide face-to-face survey, as per the methodology outlined in Outcome 2.1. In 2006-07 the ratio of Tourism WA spend to the level of visitor satisfaction with visitor servicing was \$109,052 per percentage point. This latest result is lower than the ratio of Tourism WA spend to the level of visitor satisfaction with visitor servicing obtained in 2005-06 of \$116,652 per percentage point and well within the target of \$124,203 per percentage point. The results across the 2004-05 and 2005-06 years are affected by special funding to conduct the Visitor Servicing Study, which will be continued into 2006-07.



More specifically, of the 566 visitors interviewed as part of a State-wide visitor satisfaction survey during 2006-07, 112 visitors (19.8%) had visited the WA Visitor Centre. The 112 visitors were asked on a scale of 1 to 7 (where 1 is "very dissatisfied", and 7 is "very satisfied"), how satisfied they were with the overall service provided at the WA Visitor Centre. The results of this survey indicate that: 46.9% were "very satisfied" with the service provided, giving a score of 7 out of 7. More broadly, 84.0% of

respondents gave a score of 5 or higher, indicating that they were at least somewhat satisfied. This is a very positive result for the first full year of operation of the new model for the WA Visitor Centre where Tourism WA provides information to visitors and retail sales are undertaken by the private company, Best of Western Australia. In addition, sales revenue in this first full year was up 20% on 2005-06, which is another testimony to the success of the new arrangement and the relationship.

		Very dissatisfied 1	2	3	4	5	6	Very satisfied 7
How satisfied are you with the service provided by the WA Visitor Centre?	2006-2007	0.9%	4.4%	1.8%	8.9%	12.3%	24.8%	46.9%
	2005-2006	0.0%	5.4%	1.3%	5.4%	15.6%	31.6%	40.6%
	2004-2005	0.6%	0.7%	3.1%	3.3%	5.2%	18.0%	69.1%
	2003-2004	1.7%		3.8%	7.5%	12.0%	36.0%	39.0%



## NOTES TO THE FINANCIAL STATEMENTS

### **Certification of Financial Statements for the year ended 30 June 2007**

The accompanying financial statements of the Western Australian Tourism Commission (WATC) 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 2007 and the financial position as at 30 June 2007.

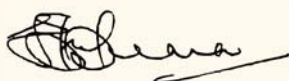
At the date of signing, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



**Kate Lamont**

CHAIRMAN

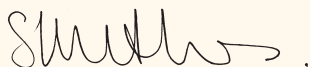
Date: 31 August 2007



**Laurie O'Meara**

DEPUTY CHAIRMAN

Date: 31 August 2007



**Stephanie Withers**

EXECUTIVE DIRECTOR  
CORPORATE AND BUSINESS SERVICES  
CHIEF FINANCIAL OFFICER

Date: 31 August 2007

## INCOME STATEMENT

	Note	2007 \$'000	2006 \$'000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	4	11,923	10,651
Supplies and services	5	11,410	10,330
Depreciation and amortisation expense	6	1,314	1,161
Accommodation expenses	7	1,548	1,490
Grants and subsidies	8	1,223	1,316
Capital user charge	9	273	221
Loss on disposal of non-current assets	10	-	10
Event operations expenses	11	18,185	18,904
Other expenses	12	16,027	15,956
<b>Total Cost of Services</b>		<b>61,903</b>	<b>60,039</b>
<b>Income</b>			
<b>Revenue</b>			
User charges and fees	13	323	335
Commonwealth contributions	14	42	-
Interest revenue	15	665	554
Other revenue	16	7,209	8,124
<b>Total Revenue</b>		<b>8,239</b>	<b>9,013</b>
<b>Gains</b>			
Gain on disposal of non-current assets	10	14	-
<b>Total Gains</b>		<b>14</b>	<b>-</b>
<b>Total income other than income from State Government</b>		<b>8,253</b>	<b>9,013</b>
<b>NET COST OF SERVICES</b>		<b>53,650</b>	<b>51,026</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	17	52,763	51,932
Resources received free-of-charge		103	101
Grants received		1,000	1,000
Liabilities assumed by the Treasurer		28	35
<b>Total income from State Government</b>		<b>53,894</b>	<b>53,068</b>
<b>SURPLUS FOR THE PERIOD</b>		<b>244</b>	<b>2,042</b>

See also note 39 'Schedule of Income and Expenses by Service'.

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



## BALANCE SHEET

	Note	2007 \$'000	2006 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		6,630	7,600
Restricted cash and cash equivalents	18, 31	-	29
Receivables	19	1,441	1,450
Prepayments	20	2,356	1,341
Amounts receivable for services	24	424	424
Other current assets	21	108	101
<b>Total Current Assets</b>		<b>10,959</b>	<b>10,945</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	18, 31	93	41
Amounts receivable for services	24	1,762	644
Property, plant and equipment	22	3,787	4,152
Intangible assets	23	1,508	1,137
Investments	26	109	299
<b>Total Non-Current Assets</b>		<b>7,259</b>	<b>6,273</b>
<b>TOTAL ASSETS</b>		<b>18,218</b>	<b>17,218</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	27	852	1,791
Provisions	28	3,029	2,208
Other current liabilities	29	3,787	4,651
<b>Total Current Liabilities</b>		<b>7,668</b>	<b>8,650</b>
<b>Non-Current Liabilities</b>			
Provisions	28	903	897
Other non-current liabilities	29	962	1,116
<b>Total Non-Current Liabilities</b>		<b>1,865</b>	<b>2,013</b>
<b>TOTAL LIABILITIES</b>		<b>9,533</b>	<b>10,663</b>
<b>NET ASSETS</b>		<b>8,685</b>	<b>6,555</b>
<b>EQUITY</b>			
Contributed equity	30	6,273	4,200
Reserves		1,833	2,020
Accumulated surplus		579	335
<b>TOTAL EQUITY</b>		<b>8,685</b>	<b>6,555</b>

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

## STATEMENT OF CHANGES IN EQUITY

	Note	2007 \$'000	2006 \$'000
<b>Balance of equity at start of period</b>		<b>6,555</b>	<b>(1,707)</b>
<b>CONTRIBUTED EQUITY</b>	30		
Balance at start of period		<b>4,200</b>	3,610
Capital contribution		<b>2,073</b>	590
<b>Balance at end of period</b>		<b>6,273</b>	<b>4,200</b>
<b>RESERVES</b>	30		
Asset Revaluation Reserve			
Balance at start of period		<b>2,020</b>	1,665
Gains/(losses) from asset revaluation		<b>(187)</b>	355
<b>Balance at end of period</b>		<b>1,833</b>	<b>2,020</b>
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>	30		
Balance at start of period		<b>335</b>	(1,707)
Surplus for the period		<b>244</b>	2,042
<b>Balance at end of period</b>		<b>579</b>	<b>335</b>
<b>Balance of equity at end of period</b>		<b>8,685</b>	<b>6,555</b>
<b>Total income and expense for the period (a)</b>		<b>57</b>	<b>2,397</b>

(a) The aggregate net amount attributable to each category of equity is: surplus for the period \$244,000 less loss on asset revaluation \$187,000 (2006: surplus \$2,042,000 plus gain from asset revaluation \$355,000).

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

## CASH FLOW STATEMENT

	Note	2007 \$'000	2006 \$'000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		51,221	50,864
Capital contributions	30	2,073	590
Grants received		1,000	1,000
Holding account drawdowns		424	424
<b>Net cash provided by State Government</b>		<b>54,718</b>	<b>52,878</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(11,891)	(10,155)
Supplies and services		(11,495)	(9,800)
Accommodation		(1,561)	(1,331)
Grants and subsidies		(1,756)	(1,995)
Capital user charge		(273)	(221)
GST payments on purchases		(3,732)	(3,350)
GST payments to taxation authority		(624)	(793)
Other payments		(31,825)	(30,426)
<b>Receipts</b>			
User charges and fees		254	341
Interest received		646	545
GST receipts on sales		472	735
GST receipts from taxation authority		3,945	3,906
Commonwealth contributions		42	-
Other receipts		3,436	5,273
<b>Net cash used in operating activities</b>	31	<b>(54,362)</b>	<b>(47,271)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of non-current physical assets	10	28	3
Purchase of non-current physical and intangible assets	22,23	(1,331)	(1,347)
<b>Net cash used in investing activities</b>		<b>(1,303)</b>	<b>(1,344)</b>
Net increase/(decrease) in cash and cash equivalents		(947)	4,263
Cash and cash equivalents at the beginning of period		7,670	3,407
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	31	<b>6,723</b>	<b>7,670</b>

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



# NOTES TO THE FINANCIAL STATEMENTS

## 1. *Australian equivalents to International Financial Reporting Standards*

### General

The Western Australian Tourism Commission's (WATC) financial statements for the year ended 30 June 2007 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 WATC 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).

The Australian Accounting Interpretations are adopted through AASB 1048 'Interpretation and Application of Standards' and are classified into those corresponding to IASB Interpretations and those only applicable in Australia.

The AASB has decided to maintain the statements of accounting concepts (SAC 1 and SAC 2) and has continued to revise and maintain accounting standards and the interpretations that are of particular relevance to the Australian environment, especially those that deal more specifically with not-for-profit entity issues and/or do not have an equivalent IASB Standard or Interpretation.

### Early adoption of standards

The WATC 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 WATC for the annual reporting period ended 30 June 2007.

## 2. *Summary of significant accounting policies*

### (a) *General Statement*

The financial statements constitute a general purpose financial report which has been prepared in accordance with the 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 (TI). 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 the 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.

Modifications or clarifications to accounting standards through the TIs are to provide certainty and ensure consistency and appropriate reporting across the public sector.

### (b) *Basis of Preparation*

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and available-for-sale financial assets which have been measured at fair value.

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).

### (c) *Reporting Entity*

The reporting entity comprises the WATC.

### (d) *Contributed Equity*

UIG Interpretation 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 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.

(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 on 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 at nominal value in the period in which the WATC gains control of the appropriated funds. The WATC gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury.

**Grants, donations, gifts and other non-reciprocal contributions**

Revenue is recognised at fair value when the WATC obtains control over the assets comprising the contributions, 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 and some revaluations of non-current assets.

(f) *Property, Plant and Equipment*

**Capitalisation/Expensing of assets**

Items of property, plant and equipment costing \$1,000 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 \$1,000 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**

After recognition as an asset, the revaluation model is used for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

## NOTES TO THE FINANCIAL STATEMENTS

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

### 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.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line basis using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture, fittings and equipment	5–10 years
Computer equipment	3–5 years
Leasehold improvements	Term of lease
Motor vehicles	3–7 years

### (g) Intangible Assets

#### Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$1,000 or more and internally generated intangible assets costing over \$50,000 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 WATC have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software(a)	3–5 years
Website costs	3–5 years

(a) Software that is not integral to the operation of any related hardware.

#### 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 \$1,000 is expensed in the year of acquisition.

#### Web site costs

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

### (h) Impairment of Assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is written down to the recoverable amount and an impairment loss is recognised. As the WATC 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 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 the 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.

**(i) Leases**

Finance lease rights and obligations are initially recognised, at the commencement of the lease term, as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated over the period during which the WATC is expected to benefit from their use. Minimum lease payments are allocated between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

The WATC holds operating leases for head office and a number of branch office buildings. Lease payments are expensed on a straight-line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

**(j) Financial Instruments**

The WATC has three categories of financial instrument:

- Receivables (includes cash and cash equivalents); and
- Non-trading financial liabilities (payables)
- Available for sale asset (investment).

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent to initial recognition financial instruments are recognised as described below.

**Receivables and Payables**

Subsequent measurement of receivables and payables is at amortised cost using the effective interest method.

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

**Available-for-sale**

Subsequent measurement for available-for-sale financial assets is at fair value and changes therein, other than impairment losses, are recognised as a separate component of equity. When an investment is derecognised, the cumulative gain or loss is transferred to profit and loss.

**(k) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise 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, and bank overdrafts.

**(l) Accrued Salaries**

The accrued salaries suspense account 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 in that year instead of the normal 26. No interest is received on this account.

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

**(m) Amounts Receivable for Services (Holding Account)**

The WATC receives 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.



## NOTES TO THE FINANCIAL STATEMENTS

### (n) *Receivables*

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectibility 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 WATC 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.

### (o) *Payables*

Payables are recognised at the amounts payable when the WATC 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.

### (p) *Provisions*

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal 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.

#### (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 WATC 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 WATC has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the WATC to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

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 WATC 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.

(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 WATC's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(q) *Superannuation Expense*

The following elements are included in calculating a 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 and 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 transfer benefits are recognised as expenses. As these liabilities are assumed by the Treasurer, a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement.

(r) *Resources Received Free-of-Charge or for Nominal Cost*

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

(s) *Foreign currency translation*

The WATC has offices in Singapore and Japan. These offices maintain local bank accounts, the balances of which are included in the balances of cash-on-hand and permanent advances. Transactions in foreign currencies are translated at the foreign exchange rate ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Australian dollars at the closing

foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

(t) *Comparative Figures*

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

**3. *Disclosure of changes in accounting policy and estimates***

**Initial application of an Australian Accounting Standard**

The WATC has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2006:

1. AASB 2005-9 'Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an "insurance contract" under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The WATC does not currently undertake these types of transactions, resulting in no financial impact in applying the Standard.
2. UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease' as issued in June 2005. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At balance sheet date, the WATC has not entered into any arrangements as specified in the Interpretation, resulting in no impact in applying the Interpretation.
3. UIG Interpretation 9 'Reassessment of Embedded Derivatives'. This Interpretation requires an embedded derivative that has been combined with a non-derivative to be separated from the host contract and accounted for as a derivative in certain circumstances. At balance sheet date, the WATC has not entered into any contracts as specified in the Interpretation, resulting in no impact in applying the Interpretation.

## NOTES TO THE FINANCIAL STATEMENTS

The following Australian Accounting Standards and Interpretations are not applicable to the WATC as they have no impact or do not apply to not-for-profit entities:

### AASB Standards and Interpretations

2005-1 'Amendments to Australian Accounting Standard' (AASB 139 – Cash flow hedge accounting of forecast intragroup transactions)

2005-5 'Amendments to Australian Accounting Standards [AASB 1 & AASB 139]'

2006-1 'Amendments to Australian Accounting Standards [AASB 121]'

2006-3 'Amendments to Australian Accounting Standards [AASB 1045]'

2006-4 'Amendments to Australian Accounting Standards [AASB 134]'

2007-2 'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraph 9

UIG 5 'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'

UIG 6 'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment'

UIG 7 'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'

UIG 8 'Scope of AASB 2'

### Future impact of Australian Accounting Standards not yet operative

The WATC 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 WATC has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1. AASB 7 'Financial Instruments: Disclosures' (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. The Standard is considered to result in

increased disclosures, both quantitative and qualitative of the WATC's exposure to risks, enhanced disclosure regarding components of the WATC's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

The WATC does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

2. 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)'. The amendments are as a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the financial instrument disclosure requirements in these standards. The WATC does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
3. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The WATC is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
4. AASB 2007-4 'Amendments to Australian Accounting Standards arising from Exposure Draft 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. This will result in no impact as a consequence of application of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

5. AASB 2007-5 'Amendment to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities (AASB 102)'. This amendment changes AASB 102 'Inventories' so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The WATC does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.
6. AASB Interpretation 4 'Determining whether an Arrangement Contains a Lease [revised]'. This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007, it would not be within the scope of Interpretation 4. At balance sheet date, the WATC has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.
7. AASB 2007-6 "Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]". This Standard was issued on 14 June 2007 and applies to annual reporting periods beginning on or after 1 January 2009; and
8. AASB 2007-7 "Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]". This standard was issued on 28 June 2007 and applies to annual reporting periods beginning on or after 1 July 2007.
9. AASB Interpretation 12 'Service Concession Arrangements'. This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the WATC if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the WATC has not entered into any public-to-private service concession

arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

10. AASB Interpretation 129 'Service Concession Arrangements: Disclosures [revised]'. This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the WATC has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

The following Australian Accounting Standards and Interpretations are not applicable to the WATC as they will have no impact or do not apply to not-for-profit entities:

#### **AASB Standards and Interpretations**

AASB 8	'Operating Segments'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraphs 1 to 8
AASB 2007-3	'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'
Interpretation 10	'Interim Financial Reporting and Impairment'
Interpretation 11	'AASB 2 – Group and Treasury Share Transactions'



## NOTES TO THE FINANCIAL STATEMENTS

	2007 \$'000	2006 \$'000
<b>4. Employee benefits expense</b>		
Wages and salaries (a)	9,341	8,427
Superannuation – defined contribution plans (b)	975	918
Superannuation – defined benefit plans (c) (d)	28	35
Long service leave (e)	388	211
Annual leave (e)	968	873
Redundancy	164	136
Other related expenses	59	51
	<b>11,923</b>	<b>10,651</b>

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

(b) Defined contribution plans include West State and Gold State (Contributions paid).

(c) Defined benefit plans include Pension Scheme and Gold State (pre-transfer benefit).

(d) An equivalent notional income is also recognised.

(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 28 'Provisions'.

## 5. Supplies and services

Commissioner's fees and charges	259	264
Communications expenses	319	404
Computer expenses	667	671
Contract for service	4,062	3,155
General administration expenses	2,352	1,950
Insurance	26	66
Printing and stationery	159	145
Professional and legal services	1,381	1,458
Research	637	705
Shareholding expense	239	197
Taxation	175	138
Travel	612	655
Vehicles	522	522
	<b>11,410</b>	<b>10,330</b>

	2007 \$'000	2006 \$'000
<b>6. Depreciation and amortisation expense</b>		
Depreciation		
Computer equipment	291	315
Furniture and fittings	103	134
Leasehold improvements	211	218
Motor vehicles	8	19
Total depreciation	613	686
Amortisation		
Intangible assets	701	475
Total amortisation	701	475
Total depreciation and amortisation	1,314	1,161

#### **7. Accommodation expenses**

Cleaning	20	17
Lease rentals	1,137	1,130
Rates and taxes	4	4
Repairs and maintenance	387	339
	1,548	1,490

#### **8. Grants and subsidies**

##### **Recurrent**

Regional Tourism Organisations	505	896
Visitor Centres	517	420
Other grants	201	-
	1,223	1,316

#### **9. Capital user charge**

Capital User Charge	273	221
	273	221

The charge was a levy applied by Government for the use of its capital. In 2006-07, the final year in which the

charge was levied, a single payment was made equal to the appropriation for 2006-07 less any adjustment relating to 2005-06.

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

##### **Costs of disposal of non-current assets**

Plant, equipment and vehicles	14	13
-------------------------------	----	----

##### **Proceeds from disposal of non-current assets**

Plant, equipment and vehicles	28	3
-------------------------------	----	---

Net gain/(loss)	14	(10)
-----------------	----	------

## NOTES TO THE FINANCIAL STATEMENTS

	2007	2006
	\$'000	\$'000

### 11. Event operations expenses

Bidding and event sponsorship	7,932	8,248
Event management	10,253	10,656
	<b>18,185</b>	<b>18,904</b>

### 12. Other expenses

Advertising – production and placement	4,036	3,695
Collateral – production and distribution	231	402
Employment on-costs (a)	744	590
Electronic distribution	360	576
Familiarisation visits	1,699	2,268
General administration	1,108	1,204
Promotions and co-operative campaigns	6,200	6,478
Restoration costs	650	-
Travel shows, seminars, etc.	999	743
	<b>16,027</b>	<b>15,956</b>

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 '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

Network memberships	323	335
	<b>323</b>	<b>335</b>

### 14. Commonwealth contributions

Indigenous cadetship	42	-
	<b>42</b>	<b>-</b>

### 15. Interest revenue

Interest – general bank account	665	554
	<b>665</b>	<b>554</b>

	2007 \$'000	2006 \$'000
<b>16. Other revenue</b>		
Event operations (a)	4,438	4,748
Industry contributions (b)	2,159	2,609
Travel agents' commissions	49	287
Sundry	563	480
	<b>7,209</b>	<b>8,124</b>

(a) Event operations revenue is comprised of cash, as well as the value of goods and services received in lieu of cash for the management and sponsorship of events conducted by EventsCorp, a division of the WATC.

(b) The amount shown for Industry contributions is the value the tourist industry contributes to participate in the WATC's co-operative marketing activities and the familiarisation program.

## 17. Income from State Government

Appropriation received during the year:

Service appropriation (a)	52,763	51,932
	<b>52,763</b>	<b>51,932</b>

The following liabilities have been assumed by the Treasurer:

- Superannuation (b)	28	35
	<b>28</b>	<b>35</b>

The following grants have been received from other state government agencies during the year:

- Department of Local Government and Regional Development	1,000	1,000
	<b>1,000</b>	<b>1,000</b>

Resources received free of charge:

Determined on the basis of estimates provided by agencies:

- Department of Treasury and Finance (c)	103	101
	<b>103</b>	<b>101</b>
	<b>53,894</b>	<b>53,068</b>

(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.

(c) Where assets or services have been received free of charge or for nominal consideration, the WATC recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the WATC shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.



## NOTES TO THE FINANCIAL STATEMENTS

	2007 \$'000	2006 \$'000
<b>18. Restricted cash and cash equivalents</b>		
<b>Current</b>		
- Western Australian Visitor Centre (a)	-	29
	-	29
<b>Non-current</b>		
- Accrued salaries suspense account (b)	93	41
	93	41

(a) The Restricted Cash Assets related to the Western Australian Visitor Centre (WAVC) operations and comprised the deposits held on behalf of clients and amounts due to operators. In April 2006, the reservation and booking function previously

undertaken by the WAVC was outsourced to Best of Western Australia Pty Ltd.

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

## 19. Receivables

<b>Current</b>		
Receivables	951	829
Allowance for impairment of receivables	(19)	(21)
GST receivable	400	497
Hopman Cup (a)	109	145
	1,441	1,450

(a) Receivable – Hopman Cup

The Hopman Cup is an international tennis event. Since February 2002, the organisation of the event is undertaken by the International Tennis Federation. Under contract, the WATC is entitled to 25% of the profits of the venture.

Distribution due at start of period	145	129
- Adjustment to prior event	-	6
Plus Share of Profits for the current event	109	145
	254	280
Less Distribution Received	(145)	(135)
Balance due at end of period	109	145

	2007 \$'000	2006 \$'000
<b>20. Prepayments</b>		
Prepayments	2,356	1,341
	<b>2,356</b>	<b>1,341</b>
<b>21. Other assets</b>		
<b>Current</b>		
Accrued income	108	101
	<b>108</b>	<b>101</b>
<b>22. Property, plant and equipment</b>		
Land & buildings – at fair value (a)	1,834	1,831
Leasehold improvements – at cost	2,259	2,259
Less accumulated depreciation	(866)	(655)
	<b>1,393</b>	<b>1,604</b>
Furniture, fittings and equipment – at cost	1,146	1,111
Less accumulated depreciation	(937)	(834)
	<b>209</b>	<b>277</b>
Motor vehicles – at cost	-	48
Less accumulated depreciation	-	(26)
	<b>-</b>	<b>22</b>
Computer equipment – at cost	1,986	1,779
Less accumulated depreciation	(1,635)	(1,361)
	<b>351</b>	<b>418</b>
	<b>3,787</b>	<b>4,152</b>

- (a) Freehold land and buildings were revalued as at 1 July 2006 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2007 and recognised at 30 June 2007. In undertaking the revaluation, fair value was determined by reference to market values for land: \$445,000 and buildings: \$1,389,000

To ensure the valuations provided by Valuation Services were compliant at 30 June 2007 with the fair value requirements under AASB 116, Valuation Services provided the Department of Treasury and

Finance (DTF) with information that tracked the general movement in the market value of land and in building construction costs from the 1 July 2006 (the date of valuation) to 31 March 2007. DTF reviewed the information and determined that the valuations provided by Valuation Services (as at 1 July 2006) were compliant with fair value requirements for 30 June 2007 reporting without further adjustment.

Reconciliation of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current year and the reporting period are set out below.

## NOTES TO THE FINANCIAL STATEMENTS

2007	Land & buildings	Leasehold improvement	Furniture, fittings and equipment	Computer equipment	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	1,831	1,604	277	418	22	4,152
Additions	-	-	35	224	-	259
Disposals	-	-	-	-	(14)	(14)
Depreciation	-	(211)	(103)	(291)	(8)	(613)
Revaluation increments	3	-	-	-	-	3
Carrying amount at end of year	1,834	1,393	209	351	-	3,787

2006	Land & buildings	Leasehold improvement	Furniture, fittings and equipment	Computer equipment	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	1,665	1,781	318	472	41	4,277
Additions	-	41	105	261	-	407
Disposals	-	-	(12)	-	-	(12)
Depreciation	-	(218)	(134)	(315)	(19)	(686)
Revaluation increments	166	-	-	-	-	166
Carrying amount at end of year	1,831	1,604	277	418	22	4,152

	2007	2006
	\$'000	\$'000

### 23. Intangible assets

Software and web site development	3,164	2,092
Less accumulated amortisation	(1,656)	(955)
	1,508	1,137

#### Reconciliation

Carrying amount at start of year	1,137	672
Additions	1,072	940
Amortisation expense	(701)	(475)
Carrying amount at end of year	1,508	1,137

	2007	2006
	\$'000	\$'000

#### 24. Amounts receivable for services

Current	424	424
Non-current	1,762	644
	<b>2,186</b>	1,068

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

#### 25. Impairment of assets

There were no indications of impairment of property, plant and equipment and intangible assets at 30 June 2007.

The WATC 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.

All surplus assets at 30 June 2007 have been classified as assets held for sale or written-off.

#### 26. Investment

Investment (a)	109	299
	<b>109</b>	299

(a) The WATC holds an 11.94% (2006: 11.94%) interest in Australian Tourism Data Warehouse Pty Ltd (ATDW), which is classified as an available-for-sale asset in accordance with AASB139. Its principal

activity is the development of a database for Australian tourism products. Since there is no active market, the fair value is its liquidation value being working capital plus property, plant and equipment.

#### 27. Payables

Trade payables	852	1,791
	<b>852</b>	1,791



## NOTES TO THE FINANCIAL STATEMENTS

	2007 \$'000	2006 \$'000
<b>28. Provisions</b>		
<b>Current:</b>		
<b>Employee benefits provision</b>		
Annual leave (a)	1,328	1,135
Long service leave (b)	899	835
Retirement benefit	-	102
Purchased annual leave	3	9
Deferred salary scheme	25	18
	<b>2,255</b>	<b>2,099</b>
<b>Other Provisions</b>		
Employment on-costs (c)	124	109
Restoration costs (d)	650	-
	<b>774</b>	<b>109</b>
	<b>3,029</b>	<b>2,208</b>
<b>Non-current:</b>		
<b>Employee benefits provision</b>		
Long service leave (b)	855	834
Deferred salary scheme	-	16
	<b>855</b>	<b>850</b>
<b>Other Provisions</b>		
Employment on-costs (c)	48	47
	<b>48</b>	<b>47</b>
	<b>903</b>	<b>897</b>
(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	789	708
More than 12 months after balance sheet date	539	427
	<b>1,328</b>	<b>1,135</b>

	2007 \$'000	2006 \$'000
(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. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	597	536
More than 12 months after balance sheet date	1,157	1,133
	1,754	1,669

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation premiums. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 12 'Other expenses'.

(d) During the year the WATC reported one suspected contaminated site to the Department of Environment and Conservation (DEC). This site has yet to be classified. The WATC has assessed the likelihood of the outcome of the classification process as probable, and, accordingly has estimated the potential financial effect of \$650,000 which has been received from government as a capital appropriation. A tender for the financial outflows has been signed creating an obligation and as such, the cost can be reliably measured. A provision has been raised for the costs associated with the restoration of the contaminated site.

#### Movement in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

#### Employment on-costs provision

Carrying amount at start of year	156	140
Additional provisions recognised	16	16
Carrying amount at end of year	172	156

#### Restoration costs provisions

Carrying amount at start of year	-	-
Additional provisions recognised	650	-
Carrying amount at end of year	650	-

## NOTES TO THE FINANCIAL STATEMENTS

	2007 \$'000	2006 \$'000
<b>29. Other liabilities</b>		
<b>Current</b>		
Accrued expenses	2,541	2,203
Income in advance	415	823
Deferred grants	561	1,281
Accrued salaries	113	186
Lease incentive liability (a)	157	158
	<b>3,787</b>	<b>4,651</b>
<b>Non-current</b>		
Lease incentive liability (a)	893	1,051
Unclaimed monies	69	65
	<b>962</b>	<b>1,116</b>

(a) The amounts shown against lease incentive liabilities represent the inducement offered by the WATC's lessor to enter into a non-cancellable operating lease and re-locate to the lessor's building. The incentive is

comprised of a rent-free period and the assumption by the lessee of certain fit-out costs. The liability will be reduced on a straight-line basis over the term of the lease.

## 30. Equity

Equity represents the residual interest in the net assets of the WATC. The Government holds the equity interest

in the WATC 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 start of year	4,200	3,610
<b>Contributions by owners</b>		
Capital contributions	2,073	590
Total contributions by owners	<b>2,073</b>	<b>590</b>
<b>Balance at end of year</b>	<b>6,273</b>	<b>4,200</b>

### Reserves

#### Asset revaluation reserve

Balance at start of year	2,020	1,665
Net revaluation increments/(decrements)		
Land	3	166
Investments	(190)	189
<b>Balance at end of year</b>	<b>1,833</b>	<b>2,020</b>

	2007 \$'000	2006 \$'000
<b>Accumulated surplus/(deficit)</b>		
Balance at start of year	335	(1,707)
Results for the period	244	2,042
<b>Balance at end of year</b>	<b>579</b>	<b>335</b>

### 31. 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	6,630	7,600
Restricted cash and cash equivalents	93	70
	<b>6,723</b>	<b>7,670</b>

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

<b>Net cost of services</b>	<b>(53,650)</b>	<b>(51,026)</b>
<b>Non-cash items:</b>		
Depreciation and amortisation expense	1,314	1,161
Doubtful debt expense	11	9
Resources received free-of-charge	103	101
Net (gain)/loss on sale of property, plant and equipment	(14)	10
Liabilities assumed by the Treasurer	28	35
<b>(Increase)/decrease in assets:</b>		
Current receivables	(87)	771
Other current assets	(1,023)	765
<b>Increase/(decrease) in liabilities:</b>		
Current payables	(877)	1,234
Current provisions	820	446
Other current liabilities	(863)	(923)
Non-current provisions	6	23
Other non-current liabilities	(158)	(158)
Net GST receipts/(payments)	62	498
Change in GST in receivables/payables	(34)	(217)
<b>Net cash used in operating activities</b>	<b>(54,362)</b>	<b>(47,271)</b>



## NOTES TO THE FINANCIAL STATEMENTS

	2007 \$'000	2006 \$'000
--	----------------	----------------

### 32. Commitments

#### Lease commitments

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

Within one year	1,716	1,603
Later than one year and not later than five years	4,399	4,561
Later than five years	1,682	2,758
	<b>7,797</b>	<b>8,922</b>

The WATC leases its motor vehicle fleet from Statefleet, a Division of the Department of Treasury and Finance. Property is rented under lease to the Honourable Minister for Housing and Works. The property leases are non-cancellable leases with terms of up to ten years; rent is payable monthly in advance.

Contingent rent provisions within the lease agreements require that minimum lease payments shall be increased by the lower of CPI or a nominated percentage per annum. Options exist to renew some of the leases at the end of their terms for additional periods.

Other expenditure commitments in relation to sponsoring sporting events within Western Australia and the funding of Regional Tourism Organisations for intrastate marketing that were contracted for at the reporting date but not recognised as liabilities, are payable as follows:

Within one year	8,557	5,600
Later than one year and not later than five years	13,466	7,745
Later than five years	-	-
	<b>22,023</b>	<b>13,345</b>

These commitments are all exclusive of GST.

### 33. Contingent liabilities and contingent assets

#### Contingent liabilities

In addition to the liabilities included in the financial statements, there are the following contingent liabilities:

The WATC has a contingent liability under an agreement with Hopman Cup Pty Ltd in respect to the Hopman Cup,

an annual international mixed teams tennis event. Under the agreement, the WATC is required to meet the first \$2,000,000 of any loss or deficit.

#### Contingent assets

The WATC had no contingent assets at 30 June 2007.

### 34. Explanatory statement

Significant variations between estimates and actual results for income and expense are shown below.

Significant variations are considered to be those greater than 15% or \$250,000.

#### Significant variations between estimated and actual result for 2007

Classification	Estimate 2007 \$'000	Actual 2007 \$'000	Variance \$'000
Expenditure			
Supplies and services	11,100	<b>11,410</b>	(310)
Depreciation and amortisation	1,565	<b>1,314</b>	251
Event operations expense	19,040	<b>18,185</b>	855
Other expenses	16,408	<b>16,027</b>	381

#### Supplies and services

The difference in the totals is due to:

- Additional costs associated with the Australian Tourism Data Warehouse Pty Ltd (\$27,500),
- The purchase of additional research (\$40,000), and
- Advance expenditure on conducting tourism blitzes. Funding for the blitz program commences in 2007-08 (\$150,000).

#### Depreciation and amortisation

There was a timing variance associated with the Tourism e'Marketplace project. Amortisation commenced when individual modules were completed and deployed. The estimate forecast that the amortisation would occur earlier than when the deployment occurred.

#### Event operations expense

The surplus relates to amounts budgeted to leverage the Red Bull air race and the 5 Oceans international yacht race not being fully expended. Planned activities for both the events were not undertaken.

#### Other expenses

The variance is mainly due to funding budgeted for Aviation Development not being expended. The WATC provides co-operative funding for marketing activities to support and attract major international and domestic airlines and to encourage existing airlines to increase air services and capacity. The unexpended balance of the allocation will be carried forward to meet future commitments.

#### Significant variances between actual results for 2006 and 2007.

CLASS	ACTUAL 2007 \$'000	ACTUAL 2006 \$'000	VARIANCE \$'000
<b>Income</b>			
Other revenue	<b>7,209</b>	8,124	(915)
<b>Expenditure</b>			
Employee benefits expense	<b>11,923</b>	10,651	1,272
Supplies and services	<b>11,410</b>	10,330	1,080
Event operations expenditure	<b>18,185</b>	18,904	(719)

## NOTES TO THE FINANCIAL STATEMENTS

### Other revenue

The major variances between the years resulted from:

- Reduction of \$615,000 in event revenue mainly due to retaining and securing new sponsors for the final Rally Australia event.
- In 2005-06 the tourism industry contributed \$202,000 to support a familiarisation program that was conducted to coincide with Western Australia hosting the Australian Tourism Exchange (ATE).

### Employee benefits expense

The difference between the totals is due to a number of factors:

- General pay increase \$450,000
- Structural changes \$310,000
- In-house development of Tourism e'Marketplace \$120,000
- Additional temporary assistance \$260,000
- Increase in paid parental leave \$110,000
- Coverage of extended staff sick leave \$55,000
- Redundancy payments \$135,000

### Supplies and services

The major variances between the years resulted from:

- In 2006-07 new contracts with the regional tourism organisations (RTO) commenced under which the total funding was provided on a fee-for-service basis, the previous agreements classified a portion of the funding as a grant. Additionally, the 2006-07 expense included payment to the RTOs of the 2005-06 contingency amount that was unexpended in that year. Total variances due to RTOs is \$813,152.
- The 2006-07 expense included recurrent costs associated with support of the Tourism e'Marketplace that was not undertaken in the prior year.

### Event operations expense

The number and cost of events vary from year to year. The most significant variation between these years is that the Johnnie Walker Golf Tournament was held in 2005-06 but was not held in 2006-07.

## 35. Financial instruments disclosures

### (a) Financial risk management objectives and policies

Financial instruments held by the WATC are cash and cash equivalents, receivables and payables and investments. The WATC has limited exposure to financial risks. The WATC's overall risk management program focuses on managing the risks identified below.

#### Credit risk

The WATC trades only with recognised, creditworthy third parties. The WATC 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 WATC's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

#### Liquidity risk

The WATC 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.

#### Cash flow interest rate risk

The WATC is not exposed to interest rate risk other than cash and cash equivalents and restricted cash which are non-interest-bearing.

#### Foreign exchange risk

The WATC's activities expose it to a variety of financial risks/market risk, including currency risks. The WATC's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the WATC. The WATC uses derivative financial instruments such as foreign exchange contracts to hedge certain exposures.

Risk management is carried out by a central Audit and Finance Committee (AFC) under policies approved by the Board of the WATC. The AFC identifies, evaluates and hedges financial risks in close co-operation with the WATC's operational divisions, as well as written policies covering specific areas, such as mitigating foreign exchange exposures.

### Market Risk – Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the WATC's functional currency.

WATC operates internationally and is exposed to foreign exchange risk arising from currency exposures to a number of foreign currencies.

Forward contracts, transacted via the Western Australian Treasury Corporation, are used to manage risk. The AFC is responsible for managing exposures in each foreign currency by using external forward currency contracts.

The WATC risk management policy is to hedge foreign currency exposures for contracted amounts in excess of Australian dollars (AUD50,000).

### (b) Financial instrument disclosures

#### Interest rate risk exposure

The following table details the WATC's exposure to interest rate risk as at the balance sheet date.

	Weighted average effective interest rate	Variable Interest rate	Fixed interest rate maturities						Non- Interest- bearing	Total
			Within 1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years		
2007	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>										
Cash and cash equivalents	5.98	6,560	-	-	-	-	-	-	70	6,630
Restricted cash and cash equivalents	5.75	93	-	-	-	-	-	-	-	93
Receivables		-	-	-	-	-	-	-	1,441	1,441
Amounts receivable for services		-	-	-	-	-	-	-	2,186	2,186
		6,653	-	-	-	-	-	-	3,697	10,350
<b>Financial Liabilities</b>										
Payables									853	852
		-	-	-	-	-	-	-	852	852



## NOTES TO THE FINANCIAL STATEMENTS

### 35. Financial instruments disclosures (continued)

	Weighted average effective interest rate	Variable Interest rate	Fixed interest rate maturities						Non- Interest- bearing	Total
			Within 1 Year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years		
2006	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>										
Cash and cash equivalents	5.48	7,568	-	-	-	-	-	-	32	7,600
Restricted cash and cash equivalents	5.25	70	-	-	-	-	-	-	-	70
Receivables		-	-	-	-	-	-	-	1,450	1,450
Amounts receivable for services		-	-	-	-	-	-	-	1,068	1,068
		7,638	-	-	-	-	-	-	2,550	10,188
<b>Financial Liabilities</b>										
Payables		-	-	-	-	-	-	-	1,791	1,791
		-	-	-	-	-	-	-	1,791	1,791

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 notes.

### 36. Supplementary financial information

	2007 \$'000	2006 \$'000
<b>Write-Offs</b>		
Bad debts written off by the Accountable Authority	8	-
<b>Losses through theft, defaults and other causes</b>		
Losses of public monies and public and other property through theft or default.	-	6

### 37. Remuneration of members of the Accountable Authority and senior officers

#### Remuneration of members of the Accountable Authority

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

\$1 - \$10,000	1	-
\$10,001 - \$20,000	9	9
\$40,001 - \$50,000	1	-
\$50,001 - \$60,000	-	1

The total remuneration of the members of the Accountable Authority is:	207	214
--	-----	-----

The total remuneration includes the superannuation expense incurred by the WATC in respect of members of the Accountable Authority.

No members of the Accountable Authority are members of the Pension Scheme.

#### Remuneration of senior officers

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

\$90,001 - \$100,000	1	-
\$110,001 - \$120,000	1	-
\$120,001 - \$130,000	-	3
\$140,001 - \$150,000	4	2
\$280,001 - \$290,000	-	1
\$310,001 - \$320,000	1	-
Total remuneration of senior officers is:	1,083	930

The total remuneration includes the superannuation expense incurred by the WATC in respect of senior officers other than senior officers reported as members of the Accountable Authority.

No senior officers are members of the Pension Scheme.

### 38. Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators	88	73
--	----	----

## NOTES TO THE FINANCIAL STATEMENTS

### 39. Schedule of Income and Expenses by Service

	Destination Marketing		Event Tourism		Convention and Incentive Travel	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<b>COST OF SERVICES</b>						
<b>Expenses</b>						
Employee benefits expense	5,787	4,940	1,444	1,556	-	-
Supplies and services	6,003	5,549	812	853	1,111	1,010
Depreciation and amortisation expense	650	512	157	177	-	-
Accommodation expenses	711	663	123	158	-	-
Grants and subsidies	5	396	-	-	-	-
Capital user charge	131	98	33	41	-	-
Loss on disposal of non-current assets	-	4	-	2	-	-
Event operations expense	5	20	18,179	18,878	-	-
Other expenses	13,684	14,906	583	312	-	-
<b>Total cost of services</b>	<b>26,976</b>	<b>27,088</b>	<b>21,331</b>	<b>21,977</b>	<b>1,111</b>	<b>1,010</b>
<b>Income</b>						
User charges and fees	-	-	-	-	-	-
Commonwealth contribution	18	-	4	-	-	-
Other revenue	2,174	2,137	4,589	5,263	-	-
Interest revenue	319	247	80	103	-	-
Gain on disposal of non-current assets	2	-	12	-	-	-
<b>Total income other than income from State Government</b>	<b>2,513</b>	<b>2,384</b>	<b>4,685</b>	<b>5,366</b>	<b>-</b>	<b>-</b>
<b>Net cost of services</b>	<b>24,463</b>	<b>24,704</b>	<b>16,646</b>	<b>16,611</b>	<b>1,111</b>	<b>1,010</b>
<b>Income from State Government</b>						
Service appropriation	24,835	25,525	16,912	17,132	1,110	1,010
Liabilities assumed by the Treasurer	14	17	3	6	-	-
Resources received free-of-charge	49	45	12	19	-	-
<b>Total income from State Government</b>	<b>24,898</b>	<b>25,587</b>	<b>16,927</b>	<b>17,157</b>	<b>1,110</b>	<b>1,010</b>
<b>Surplus/(deficit) for the period</b>	<b>435</b>	<b>883</b>	<b>281</b>	<b>546</b>	<b>(1)</b>	<b>-</b>

This follows on from the table on page 81		Industry Development		Visitor Servicing		Total	
		2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits expense		2,857	2,380	1,835	1,775	11,923	10,651
Supplies and services		2,458	1,819	1,026	1,099	11,410	10,330
Depreciation and amortisation expense		284	230	223	242	1,314	1,161
Accommodation expenses		301	259	413	410	1,548	1,490
Grants and subsidies		216	-	1,002	920	1,223	1,316
Capital user charge		60	41	49	41	273	221
Loss on disposal of non-current assets		-	2	-	2	-	10
Event operations expense		1	5	-	1	18,185	18,904
Other expenses		1,489	424	271	314	16,027	15,956
<b>Total cost of services</b>		<b>7,666</b>	<b>5,160</b>	<b>4,819</b>	<b>4,804</b>	<b>61,903</b>	<b>60,039</b>
<b>Income</b>							
User charges and fees		-	-	323	335	323	335
Commonwealth contribution		8	-	12	-	42	-
Other revenue from operating activities		360	152	86	572	7,209	8,124
Interest revenue		145	102	121	102	665	554
Gain on disposal of non current assets		-	-	-	-	14	-
<b>Total income other than income from State Government</b>		<b>513</b>	<b>254</b>	<b>542</b>	<b>1,009</b>	<b>8,253</b>	<b>9,013</b>
<b>Net cost of services</b>		<b>7,153</b>	<b>4,906</b>	<b>4,277</b>	<b>3,795</b>	<b>53,650</b>	<b>51,026</b>
<b>Income from State Government</b>							
Service appropriation		6,339	5,034	3,567	3,231	52,763	51,932
Liabilities assumed by the Treasurer		6	6	5	6	28	35
Grants received		-	-	1,000	1,000	1,000	1,000
Resources received free-of-charge		23	19	19	18	103	101
<b>Total income from State Government</b>		<b>6,368</b>	<b>5,059</b>	<b>4,591</b>	<b>4,255</b>	<b>53,894</b>	<b>53,068</b>
<b>Surplus/(deficit) for the period</b>		<b>(785)</b>	<b>153</b>	<b>314</b>	<b>460</b>	<b>244</b>	<b>2,042</b>

#### 40. Affiliated body

On 1 October 1998, the WATC entered into a contract for service with the Perth Convention Bureau Inc. (PCB) for the provision of the Convention and Incentive Travel Output previously undertaken by a division of the WATC.

The WATC controls the activities of the PCB to the extent that it provides the majority of the PCB's funding and that the PCB has contracted to submit their annual operational plan and budget for approval by the WATC prior to implementation. The PCB is not subject to operational control by the WATC.

Payments inclusive of GST made to PCB in 2006-07 totalled \$1,837,231; comprised of service fee \$1,221,007, accrued service fee from 2005-06 \$92,499 and deferred grants totalling \$523,725. By comparison, payments totalling \$1,406,622 were made in 2005-06.

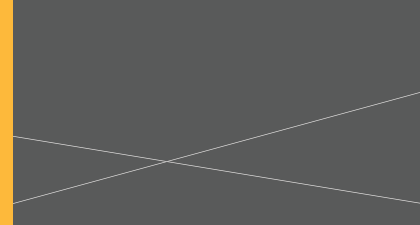
#### 41. Events occurring after balance sheet date

The Income Statement and the Balance Sheet have been prepared on the basis of conditions existing at reporting date. There is no other additional evidence of events or conditions occurring after balance date that may have an effect on the financial statements.

#### 42. Direction by the Minister

Section 16 (2) of the *Western Australian Tourism Commission Amendment Act 1994* requires that the text of any written directions from the Minister are to be included as a note to the Financial Statements. There were no such directions received during 2006-07.





## PUBLICATIONS

Tourism Western Australia produced a range of publications. Copies of publications are available by contacting Tourism

Western Australia or by visiting **[westernaustralia.com](http://westernaustralia.com)** and **[tourism.wa.gov.au](http://tourism.wa.gov.au)**. All publications are free to download.

- ATE Regional Press Kit Fact Sheet
- Broome Accommodation Study Future Needs Analysis
- Brand WA Guidelines
- Buyers and Sellers Prospectus – Issue 1 and 2
- 2007 Country Pubs Campaign Flyer
- Designing Tourism Naturally (\$35 for hard copy)
- Destination Development Strategies (5 Regions and State)
- Domestic Visitor Review 2005
- Eastcoast Roadshow Web Ads
- Economic contribution of Tourism to the State of WA: A tourism satellite account based analysis (fact sheet and/or full report available)
- Experience Fact Sheets
- Experience Perth Development Opportunities
- Western Australia Events Calendar
- Golden Oldies Newsletter
- Go West Now Flyer
- Guidelines for Tourism Signs – a set of guidelines for sign-posting tourist attractions and visitor service facilities
- Heritage and Tourism Themes for Western Australia
- Hip Guide to Perth
- Information Statement (FOI Act requirement)
- In Touch Newsletter
- Innovations Newsletter
- In the City Brochure
- International Visitor Review 2005
- Johnny Walker Fact Sheet
- Journeys magazine
- Journey Further; An Arts and Cultural Tourism Strategy
- Keep-up-to-date – online newsletters flyer
- Landbank Investment Opportunities
- Latest Domestic Findings (latest quarterly data)
- Latest International Findings (latest quarterly data)
- Local Government Area (LGA) Research Fact Sheets 2005 (26 localities)
- Ningaloo Development Opportunities
- No if or Butts Interactive PDF
- Online Industry Marketing Calendar
- Passport to Perth
- Quickstart Guide to a Tourism Business
- Regional Fact Sheets
- South West Development Opportunities
- Strategic Plan 2005 – 2010 Free
- Strategic Plan 2005 – 2010 Summary
- Tourism Hospitality – Skills that take you places – Brochure
- Tourism Advantage: Education Resource Kit
- Tourism Accommodation Development Register
- Tourism Infrastructure and Product Development Plans 2004 – 2013
- Understanding WA Visitor Information needs
- Understanding the Caravan Industry in Western Australia – Research Report
- Visitor Servicing Study
- Western Australian Tourism Network – Real Exposure for your Business
- WA Treasure Hunt Agent and Supplier Manuals
- Western Australia – A Real Australian Holiday (in conjunction with AIM Holidays)
- West OZ Welcomers TAFE Flyer
- 2007 Wildflower Prospectus
- Wildflower Holiday Guide

## HOW TO CONTACT TOURISM WESTERN AUSTRALIA

### PERTH

#### HEAD OFFICE

2 Mill Street, Perth, Western Australia 6000  
Tel: (08) 9262 1700 Fax: (08) 9262 1702  
Web site: [westernaustralia.com](http://westernaustralia.com)  
E-mail: [info@westernaustralia.com](mailto:info@westernaustralia.com)

#### WESTERN AUSTRALIAN VISITOR CENTRE

Forrest Place (Ground Floor Albert Facey House,  
cnr Wellington Street),  
Perth, Western Australia 6000  
Tel: 1300 361 351 Fax: (08) 9481 0190  
E-mail: [TravelNews@westernaustralia.com](mailto:TravelNews@westernaustralia.com)

### REGIONAL

#### KIMBERLEY

Unit 3 & 4  
10 Fredrick Street  
Broome, Western Australia 6725  
PO Box 7420 Broome WA 6725  
Tel: (08) 9192 7686 Fax: (08) 9193 6662  
Email: [kimberley@westernaustralia.com.au](mailto:kimberley@westernaustralia.com.au)

#### PILBARA

Lot 3,  
Anderson Road,  
Karratha Industrial Estate  
Karratha, Western Australia 6714  
Tel: (08) 9192 7686 Fax: (08) 9193 6662  
Email: [pilbara@westernaustralia.com](mailto:pilbara@westernaustralia.com)

#### GASCOYNE

15 Stuart Street,  
Carnarvon, Western Australia 6701  
Tel: (08) 9941 2406 Fax: (08) 9941 4713  
Email: [gascoyne@westernaustralia.com](mailto:gascoyne@westernaustralia.com)

#### MID WEST

SGIO Building, cnr Chapman Road and Cathedral Avenue,  
Geraldton, Western Australia 6530  
Tel: (08) 9921 0716 Fax: (08) 9921 0707  
Email: [midwest@westernaustralia.com](mailto:midwest@westernaustralia.com)

#### WHEATBELT

2 Mill Street  
Tel: (08) 9262 1700 Fax: (08) 9262 1944  
Perth Western Australia 6000  
Email: [heartlands@westernaustralia.com](mailto:heartlands@westernaustralia.com)

#### PEEL

Unit 11, 55 Mandurah Terrace,  
Mandurah, Western Australia 6210  
Tel: (08) 9535 6167 Fax: (08) 9535 4678  
Email: [peel@westernaustralia.com](mailto:peel@westernaustralia.com)

#### SOUTH WEST

10th Floor, Bunbury Tower,  
61 Victoria Street, Bunbury, Western Australia 6230  
Tel: (08) 9791 9000 Fax: (08) 9791 7077  
Email: [southwest@westernaustralia.com](mailto:southwest@westernaustralia.com)

#### GREAT SOUTHERN

Pymont House,  
110 Serpentine Road, Albany, Western Australia 6330  
Tel: (08) 9841 8599 Fax: (08) 9841 3319  
Email: [southern@westernaustralia.com](mailto:southern@westernaustralia.com)

#### GOLDFIELDS/ESPERANCE

377 Hannan Street,  
Kalgoorlie, Western Australia 6430  
PO Box X2261  
Perth WA 6847  
Tel: (08) 9262 1700 Fax: (08) 9262 1944  
Email: [goldfields@westernaustralia.com](mailto:goldfields@westernaustralia.com)

#### EVENTSCORP – REGIONAL OFFICE

10th Floor, Bunbury Tower  
61 Victoria Street,  
Bunbury, Western Australia 6230  
Tel: (08) 9791 9400 Fax: (08) 9791 7077  
Email: [chris.tate@westernaustralia.com](mailto:chris.tate@westernaustralia.com)

### INTERSTATE

#### NEW SOUTH WALES

Tourism Western Australia  
Level 18, Tower 2, Darling Park  
201 Sussex Street  
SYDNEY NSW 2000  
Email: [ross.gregory@westernaustralia.com](mailto:ross.gregory@westernaustralia.com)

## INTERNATIONAL

### UK/EUROPE

Tourism Western Australia  
C/- Destination Australia Partnership  
6th Floor  
Australia Centre  
Strand  
London WC2B 4LG  
United Kingdom  
Tel: 0011 44 207 438 4647 Fax: 0015 44 207 240 6690  
Email: leonie.groves@westernaustralia.com

### GERMANY

Tourism Western Australia  
C/- Destination Australia Partnership  
Sonnenstrasse 9  
80331 Munich  
Germany  
Tel: 0011 49 89 23 66 21 811 Fax: 0015 89 23 66 21 99  
Email: di.below@westernaustralia.com

### JAPAN

Tourism Western Australia  
New Otani Garden Court Building  
Level 28F  
4-1 Kioi-cho  
Chiyoda-ku  
Tokyo Japan 102-0094  
Tel: 0011 81 3 5214 0797 Fax: 0015 81 3 5214 0799  
Email: hideki.yoshizawa@westernaustralia.com

### SINGAPORE

Tourism Western Australia  
101 Thomson Road  
United Square  
#08-2A  
Singapore 307591  
Tel: 0011 65 6255 4098 Fax: 0015 65 6255 4093  
Email: nancy.mah@westernaustralia.com

### CHINA

Tourism Western Australia  
Shanghai Representative Office  
Room 2208  
CITIC Square  
1168 Nanjing Road West  
Shanghai  
China 200041  
Tel: 0011 86 21 5298 4547 Fax: 0015 86 21 5292 5889  
Email: allen.cheng@westernaustralia.com

### KOREA

Tourism Western Australia  
C/- PROMAC Partnership  
Suite 717  
Yongbi Eocheon-ga Building  
75 Naesoo-dong  
Chongro-ku  
Seoul 110-070  
Korea  
Tel: 0011 82 2 6351 5156 Fax: 0015 82 2 6230 9355  
Email: ssohn@promackorea.com

### NEW ZEALAND

Tourism Western Australia  
C/- Discover Pacific  
PO Box 112  
Greenhithe  
Auckland  
New Zealand  
Tel: 0011 64 9 413 9178  
Fax: 0015 64 9 413 9178  
Email: karen.priest@westernaustralia.com

**Tourism Western Australia**

Level 9

2 Mill Street

PERTH WA 6000

GPO Box X2261

PERTH WA 6847

Tel: 08 9262 1700

Fax: 08 9262 1702

[info@westernaustralia.com](mailto:info@westernaustralia.com)

**[westernaustralia.com](http://westernaustralia.com)**  
**[tourism.wa.gov.au](http://tourism.wa.gov.au)**

ISSN 1834-2418