



Government of **Western Australia**
Department of **Commerce**

Department of **Commerce**

Annual report 2009-10



DEPARTMENT OF COMMERCE

Annual Report 2009-10

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STATEMENT OF COMPLIANCE



Hon William (Bill) Marmion MLA
Minister for Commerce; Science and Innovation

In accordance with Section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Department of Commerce for the year ended 30 June 2010.

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

This report also fulfils my obligations pursuant to section 26 of the *Consumer Affairs Act 1971*, section 60(2) of the *Credit (Administration) Act 1984*, section 12A of the *Debt Collectors Licensing Act 1964*, section 33 of the *Electricity Act 1945*, section 10A of the *Employment Agents Act 1976*, section 13CA of the *Gas Standards Act 1972*, section 12(1) of the *Retirement Villages Act 1992*, section 58 of the *Travel Agents Act 1985* and section 59H(2) of the *Water Services Licensing Act 1995*.



Brian Bradley
Accountable Authority

17 September 2010



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GUIDE TO SECTIONS

The Department of Commerce's 2009-10 Annual Report presents information on statutory compliance, financial, non-financial and operational performance. The Annual Report is structured in five sections in accordance with the requirements of the *Financial Management Act 2006*.

Overview

This section provides a review of the year highlighting the department's broad strategic directions and priorities, key issues and achievements. The section details the department's role, services, authority, Ministerial arrangements, organisational structure, legislation administered and the outcome based management framework.

Agency Performance

This section reports on the department's performance and includes a report against our Resource Agreement, a report on divisional activities and information about our people.

Significant Issues and Trends

This section contains information on the significant issues and trends impacting on the delivery of our services to the community of Western Australia.

Disclosures and Legal Compliance

This section contains the audited Financial Statements and Performance Indicator Report for the year ending 30 June 2010. Details of required disclosures and legal compliance obligations including financial and performance management, accountability, governance and reports required under specific legislation are contained in this section.

Appendices

This section provides additional information on the department's activities including agreements, changes to written laws, prosecutions and the functions of boards, commissions, committees, councils and tribunals.

The operations of the department are presented according to the services detailed in the outcome based management framework.

Consumer Protection

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

Safety and Employment Protection

The provision of advice, information, education and regulation services to the Western Australian community in the areas of occupational safety and health, labour relations, and energy safety.

Science, Innovation and Business

The promotion of science, innovation and business through services including supporting the Council for Science and Innovation with science policy development advice; administering research capability and infrastructure grants; supporting industry development through innovation and commercialisation; and administering science and innovation programs and projects.

Overview



This section provides a review of the year, highlighting the department's broad strategic directions and priorities, key issues and achievements.

The section details the department's role, services, authority, Ministerial arrangements, organisational structure, legislation administered and the outcome based management framework.

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YEAR IN REVIEW

From the Director General

I am pleased to present the department's Annual Report for the year ending 30 June 2010. The report shows our achievements over the past year as we worked towards our revitalised vision of a Western Australian business environment that is productive, innovative, fair and safe.

The Department of Commerce redefined its strategic direction through implementation of five key directions. These directions are articulated in the *Corporate Plan 2009-2012*, which was released in September 2009. As a result of the strategic changes, the department is well positioned to respond to the Western Australian Government's policy agenda and the needs of the community.

It was a year of continuing transition for the department as the Building Commission Division was established. Further consolidation of administrative processes in 2010-11 between the constituent entities of the Building Commission Division will generate significant efficiencies in delivering services to the building sector.

Influencing and shaping our commercial environment

The department will continue to face increasing pressure to better deliver its services as a result of a range of factors: global economic conditions; Western Australia's unprecedented current population growth; geographical distribution; shortage of labour and labour mobility; an ageing population; and rapid technology advancements.

State and national Government policy agendas resulted in significant changes to the department's functions and operations since its creation in January 2009. At a State level the review of the State industrial relations system and a review of science and innovation was conducted; the *Reducing the Burden* report by the Red Tape Reduction Group was released; and a Value for Money Audit of the department was undertaken.

National reforms, including Council of Australian Governments' seamless national economy reform initiatives, had significant impacts in the areas of consumer protection, energy safety and occupational health and safety during the financial year. In particular, the regulation of credit providers, finance brokers and trade measurement functions were transferred to the Commonwealth jurisdiction at the close of the financial year.

The department's involvement in a number of significant policy initiatives are expected to deliver long term benefits to the Western Australian economy and its citizens. The State and national policy agendas will continue to be an important focus of the department into the next financial year. Identifying gaps in our services will be vital as we continue to ensure the community of Western Australia continues to receive targeted services.



Investment in key science and innovation programs with sustainable economic, social or environmental benefits to the Western Australian community is facilitated by the department. During the year, the department's activities focused on the launch of the world's most technically advanced floating dock and transfer systems in Henderson. In addition, the joint Australian/New Zealand bid to locate the \$2.5 billion Square Kilometre Array Project in the Mid West of Western Australia continued to be a focus. The project will provide the most advanced radio telescope ever built, with the capacity to see back to the dawn of time. A decision on whether Australia or southern Africa is the successful bidder will be made in 2012.

Empowering business and the community

The department ensures the Western Australian community has access to knowledge and information to enable business and individuals to exercise their rights, meet their obligations and invest in their future. This was achieved through activities such as the launch of the Consumer Protection Twitter account and Facebook page using the popular social networking sites to inform new and younger audiences; advertising campaigns for the compulsory fitting of residual current devices, the rectification and/or removal of pre-1980 domestic natural gas appliances and the introduction of new building regulations for mandatory installation of hardwired smoke alarms; and the delivery of the ThinkSafe Small Business Assistance Program.

Building relationships through timely and appropriate communication and partnering with our stakeholders is essential in the current environment. Communicating our role and purpose is vital to our continued relevance and reputation as an innovator and regulator.

Enforcing the law

The department is more clearly becoming a community and business regulatory hub. The effective, efficient and equitable management of the regulatory environment is paramount. The regulatory divisions continued to enforce the law, while facilitating a regulatory environment where the rights of citizens are protected and community expectations met. In particular the department successfully pursued a diverse range of misconduct matters in the area of consumer protection, energy safety, workplace occupational safety and health and industrial relations.

Strengthening organisational capacity

The department has a strong commitment to improve the transparency and accountability of its operations. During the year, the department undertook a Value for Money Audit which identified service improvements that capitalise on strengths, make savings and streamline processes, leading to better outcomes in the future for customers. As part of the launch of the Corporate Plan 2009-2012, the Corporate Executive reinforced the importance of the department's values.

The safety and wellbeing of our people remains our number one priority. Our 21 safety and health representatives play an important role in this workplace and I thank them for their continuing contribution. During the year the department focused on manager and supervisor safety and injury management training with over 50 per cent trained.

The operating environment is challenging and dynamic, where greater demands are placed on our resources. The department will grow and adapt to the needs of government and the community through innovative approaches to doing business. The ability to attract and retain skilled staff particularly in specialist occupational areas is a continuing challenge.



Our people are our most valuable asset and the quality of the policy advice we provide depends directly on the capability, flexibility and drive of our employees. In recognition of this, we have maintained our investment in learning and development and will continue to do so over the next year. Throughout the year we continued to attract new staff and we welcomed their innovative ideas and approaches.

Outlook

The 2009-10 reporting year was another busy and productive period for the department. The department has responded to the requirements of the Minister, and implemented the Government's broader reform agenda. This work has occurred despite budget pressures, which continue to be addressed through savings reviews, structural reform and process improvements.

The coming year will continue to be one of transition with announcements expected on the State industrial relations review, the science and innovation review and the Red Tape Reduction Group's report; the continued movement of functions to the Commonwealth; and the transition to the State Government's shared services arrangement.

Increasingly, adapting services to suit local needs is an important aspect of how government meets the needs of the community and improves outcomes. Simplified work processes, and technology solutions are key enablers in responding to their needs. Working in partnership with business and other government agencies will lead to new and innovative ways to deliver appropriate regulatory protections to those vulnerable in the community. Joined-up government initiatives such as the proposed one-stop shop will lead to greater efficiencies and seamless service delivery to the community.

Supporting our people through the continuing change is an important focus. Attracting and retaining our people through key workforce planning activities will be undertaken by the Corporate Executive. As our customers and stakeholders require us to deliver services in new ways, we will focus on new and emerging technologies. Information technology systems will provide opportunities for the automation of transactional work and re-focus the department's business. Opportunities for collaboration across the public sector will be explored.

The public sector is evolving and as a department we will grow, change and adapt. Understanding the needs of our customers, stakeholders and employees is essential to the long term success and reputation of the department.

I would most importantly like to acknowledge the dedication, professionalism and commitment of the department's staff over the past year. Their work has ensured that we were able to deliver services effectively and efficiently, resulting in lasting benefits for all Western Australians.

Brian Bradley
Director General



Our highlights

This section provides the department's highlights for the 2009-10 financial year.

Consumer Protection

Harmonisation of laws

Significant progress in the harmonisation of consumer protection laws across Australia was achieved. State Ministers agreed to the content of the Australian Consumer Law in December 2009. This will result in a single, uniform consumer law for business and consumers in place across Australia by 1 January 2011.

The National Occupational Licensing Law, which will establish a single licensing regime for five occupational groups in the department including real estate, building and electrical, was settled by every Australian jurisdiction. The Consumer Protection Division took a lead role in representing the State position on the content of the law. It is expected this will be operational by 1 January 2011 with the first wave of occupations to come under the law from 1 July 2012.

Transfer of functions to the Commonwealth

The *Credit (Commonwealth Powers) Act 2010* and the *Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Act 2010* were drafted and enacted in 2010. Supporting regulations were drafted and made to coincide with the commencement of the Acts. The Trade Measurement Legislation (Amendment and Expiry) Bill 2010 was also drafted and introduced into the Parliament and the Trade Measurement Amendment Regulations (No. 2) 2010 were drafted and implemented.

The Commonwealth Government will be responsible for the regulation of credit providers, finance brokers and trade measurement functions, as a result of implementing a Council of Australian Governments' (COAG) reform commitment from 1 July 2010. Consequently, the department will no longer be responsible for regulating these functions.

The Personal Property Securities (Commonwealth Powers) Bill 2010 and the Personal Property Securities (Consequential Repeals and Amendments) Bill 2010 were drafted and preparation for the transition of the Registration of Encumbered Vehicles (REVS) and the Bills of Sale to the Commonwealth Government in 2011 was significantly advanced.

Establishment of the Building Commission Division

The Building Commission Division of the department was created on 1 July 2009 and comprises of Building Industry Development Group transferred from the Department of Treasury and Finance and the Plumbers' Licensing Board. In September 2009, these entities along with the Builders' Registration Board and Painters' Registration Board were co-located at Troode Street West Perth to provide a one-stop shop for consumers and industry about the building industry.



Home Building Contracts Act 1991

The Building Commission Division assumed responsibility for Home Indemnity Insurance governed by the *Home Building Contracts Act 1991*. This allows the continuation of the existing housing indemnity insurance scheme for a transition period of two to three years during which time a review will be undertaken.

Nigerian eBay Scam

The Consumer Protection Division interviewed a Mandurah woman who had lost \$8,700 to Nigerian scammers after dealing with a bogus buyer for a portable PlayStation she had advertised on eBay. As the victim wished to remain anonymous the audio was disguised with help from ABC Mornings who were first to air the interview.

Safety and Employment Protection

Residual current devices

The Energy *Safety* Division implemented laws that require the compulsory fitting of residual current devices from 9 August 2009 in a dwelling (house or unit) prior to the sale or lease of the premises and within two years in the case of leased premises. A press advertising campaign was delivered informing the public about the benefits of installing residual current devices.

Gas Appliance Rectification Program

The Gas Appliance Rectification Program facilitates the rectification and/or removal of pre-1980 domestic natural gas appliances in order to assist the State Government to promote a broader gas specification into the market and thus allow for more competition in the supply of natural gas. A broader gas specification will have ramifications for some pre-1980 domestic natural gas appliances still operational in homes around the State. The Energy *Safety* Division has legislative responsibility for the program and launched an advertising campaign to encourage owners of pre-1980 gas appliances to have a free safety check of those appliances. Appliances will be inspected and those requiring it will be serviced or replaced free of cost to the owner. All costs of the program are being met by industry.



Wages recovered

The department recovered over \$1.18 million in underpayment of wages after complaints from individual employees alleging their employer had failed to pay appropriate entitlements under State industrial laws, awards or agreements. Significantly, only 13 of the 500 complaints received by the Labour Relations Division required resolution through the initiation of prosecution action.



Public Sector Wages Policy

New agreements were successfully negotiated within the parameters of the Public Sector Wages Policy, which commenced on 1 July 2009. Additionally, the outcome of a significant arbitration test case for two large industrial agreements has confirmed the validity of this policy. This policy seeks to achieve wage outcomes that are industrially and economically fair, with sustainable growth in government wages expenditure.

ThinkSafe Small Business Assistance Program

The ThinkSafe Small Business Assistance Program promotes occupational safety and health systems and policies to small businesses in high risk industries, not-for-profit organisations and Indigenous groups. During the year, as part of the program, the WorkSafe Division:

- Delivered a free and independent safety and health system consultation to 678 small businesses on a one-to-one basis. In addition, 10 safety and health system seminars and one group session were provided. The WorkSafe Division delivered 69 per cent of its services to businesses in the metropolitan area and 31 per cent to businesses in the regions. Additional assistance on key occupational and health issues was provided to 76 small businesses that opted to be part of a program of follow up visits.
- Delivered, under a Service Delivery Arrangement for the Commonwealth Government, a free and independent occupational safety and health consultation to 28 small businesses on Christmas and Cocos Keeling Islands and provided two consultations and two group sessions to remote Indigenous communities in the Pilbara and the Mid West.
- Conducted free and independent shed safety training and assessment to 30 shearing sheds in conjunction with the Western Australian Shearing Contractors Association. More than 49 shed owners and 15 shearing team members participated.

WorkSafe compliance activities

During the year, the WorkSafe Division focused on occupational safety and health compliance and proactive educational programs on nationally agreed priority industries and State priority areas. In implementing the priority approach, the WorkSafe Division completed more than 9,800 investigations, issued more than 10,600 improvement notices and more than 700 prohibition notices and signed 45 prosecution notices.



Science, Innovation and Business

Australian Marine Complex floating dock

The \$60 million floating dock was successfully brought into service in January 2010 as the final major component of a \$170 million infrastructure upgrade to the Common User Facility at the Australian Marine Complex in Henderson. In June 2010, the floating dock and associated self propelled modular transporters were used to lift and transfer to shore its first Royal Australian Navy Submarine into ASC Pty Ltd's purpose built \$35 million submarine maintenance facility. Since becoming operational, the floating dock has undertaken a number of commercial vessel lifts and these are anticipated to grow as the market becomes aware of its capabilities.



Australian Marine Complex floating dock

Square Kilometre Array

The joint Australian/New Zealand bid to locate the \$2.5 billion Square Kilometre Array Project in the Mid West of Western Australia will provide the most advanced radio telescope ever built, with the capacity to see back to the dawn of time. The Murchison Radio-astronomy Observatory has been established as the proposed site for the Square Kilometre Array.

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) is building the Australian Square Kilometre Array Pathfinder, comprising 36 antennae, to demonstrate the quality of the chosen site. The Pathfinder will be a next generation radio telescope in its own right, incorporating new technologies and leading edge information and communication technology systems to answer fundamental questions about the creation and early evolution of the universe. A decision on whether Australia or southern Africa is the successful bidder to host the Square Kilometre Array 3,000 antennae will be made in 2012.

Corporate

Value for Money Audit

In accordance with the recommendations of the Economic Audit Committee, the department engaged an independent consultant to conduct a Value for Money Audit of its activities in 2009-10. The department's Value for Money Audit identified potential savings and efficiencies, principally in the reduction of leasing and infrastructure costs by co-locating the department's existing multiple sites into one location. The department will be working further towards the implementation of the recommendations of the audit in 2010-11.

Corporate Plan 2009-2012

The *Corporate Plan 2009-2012* was launched in September 2009 to the department's metropolitan offices and regional centres. The plan provides framework for the department's operations and articulates the strategic directions over the next three years. The plan sets out the values that will guide our work. The plan shows how the daily work of the employees contributes directly towards the growth, safety and protection of the Western Australian community.



A corporate suite of products including a hard copy and online publication, signage, a corporate calendar, computer wallpaper carrying the department's vision, mission, and values was developed to support the promotion of the plan to employees, stakeholders and customers.

Wellness program

The department's health and wellness program 'Work Safe, Work Well' was featured as a case study in the Department of Sport and Recreation's *A resource kit for physical activity and health in the workplace*. Key activities conducted through the wellness program included a variety of exercise classes, healthy heart checks, an eight week healthy lifestyle program, lunchtime talks, workshops on avoiding burnout and influenza vaccinations. The highlight of the wellness calendar was the inaugural '10,000 step' 10 week corporate challenge during which 236 employees in teams of four, completed a 'virtual walking journey' around Australia and New Zealand.

Supervisor development program

During the year, a six module supervisor development program was developed and piloted for supervisory employees at level three and level four in the Consumer Protection Division as part of succession management and to enhance the management capability of employees. In addition to the six workshops, the program included a 360 degree feedback survey and Myers Briggs profile. Sixteen employees commenced the pilot program which will be evaluated for implementation across the department.

More information on the department's operational highlights for 2009-10 can be found in the Agency Performance (Operational highlights) section of this report.



ABOUT THE DEPARTMENT

Enabling legislation

The Department of Commerce is established as a department under section 35 of the *Public Sector Management Act 1994*.

Responsible Minister

The department is responsible to the Hon William (Bill) Marmion MLA, Minister for Commerce; Science and Innovation; Housing; Minister Assisting the Treasurer.

About us

The department maintains a vital role in facilitating a business environment that is productive, innovative, fair and safe. It works to create a contemporary, diversified economy that provides for the growth, safety and protection of the Western Australian community by promoting innovation and science; enhancing capacity; and ensuring a world class regulatory environment.

The department employs more than 1,000 people to deliver its services to the community of Western Australia across eight divisions:

- Building Commission;
- Consumer Protection;
- Corporate Services;
- Energy Safety;
- Labour Relations;
- Science, Innovation and Business;
- WorkSafe; and
- Office of the Director General.

The department's culture focuses on providing high quality services to customers and stakeholders through standards, policies, practices and procedures.

Changes to the department

On 1 July 2009, the Building Industry Development Group was transferred from the Department of Treasury and Finance to the Department of Commerce. This group joined the Plumbers' Licensing Board to become the Building Commission Division. In September 2009, these entities along with the Builders' Registration Board and Painters' Registration Board were co-located at Troode Street West Perth to provide a one-stop shop for consumers and industry about the building industry.



Our vision, mission and values

The department's vision, mission and values are identified in the *Corporate Plan 2009-2012*.

Vision

A business environment that is productive, innovative, fair and safe.

Mission

To create a contemporary, diversified economy that provides for the growth, safety and protection of the community by:

- promoting innovation and science;
- enhancing capacity; and
- ensuring a world class regulatory environment.

Values

Integrity and professionalism

We are honest, open, fair and equitable in word and action.
We practice consistent behaviours that create confidence and trust in what we do and say.
We are respectful of the rights of individuals and the principles of natural justice.
We strive for excellence and take pride in our work.

Value our people and their contribution

We celebrate our achievements.
We respect and value each other.
We understand the right of every person to participate and encourage the principles of equity and diversity.
We value team work through working positively together with unity of purpose.
We empower, support and develop our people and engage them in discovery and life-long learning.

Making a difference

We strive to make a positive difference by continually improving our services and stakeholder relationships.
We recognise the strength that comes from working collaboratively and in partnership with others.

Innovation

We seek better solutions and strive to improve outcomes and performance.
We learn and improve by questioning, challenging and thinking about the future.



Our strategic direction

The department operates within a challenging and dynamic environment with greater demands placed on its resources. The *Corporate Plan 2009-2012* provides a framework for the department's operations, future directions and clearly sets out the values that will guide how employees work.

The five strategic directions that guide the delivery of the department's services are:



Direction 1: Influencing and shaping our commercial environment;

Direction 2: Empowering business and the community;

Direction 3: Developing a world class regulatory environment;

Direction 4: Enforcing the law; and

Direction 5: Strengthening organisational capacity.

Our services

The department delivers services through divisions that focus on particular areas of its responsibilities. Key functions of the department's divisions are:

- Building Commission**
- leads a process to modernise and streamline the building control system;
 - manages standards to improve community confidence in the building industry;
 - provides information and services for industry and consumers on building matters;
 - enables fair dispute management;
 - sets building and plumbing standards; and
 - develops industry policy and capacity.

- Consumer Protection**
- provides information and advice to consumers and traders about their rights and responsibilities;
 - helps consumers resolve disputes with traders;
 - monitors compliance with consumer protection legislation;
 - investigates complaints about unfair trading practices;
 - prosecutes unscrupulous traders;
 - regulates and licenses a range of business activities; and
 - develops, reviews and amends legislation that protects consumers.

- Corporate Services**
- provides financial and administrative services;
 - provides information technology support services;
 - delivers human resource management services;
 - co-ordinates risk and business continuity management; and
 - delivers corporate information services.



Energy Safety

- administers electricity and gas technical and safety legislation, and provides policy and legislative advice to government;
- enforces safety and technical standards for electricity and gas networks;
- monitors reliability and quality of gas supplies and investigates consumer related complaints;
- sets and enforces safety and energy efficiency standards for consumers' electrical and gas installations and appliances;
- licenses electrical contractors, electrical workers and gas fitters and carries out accident investigations; and
- promotes electrical and gas safety in industry and the community.

Labour Relations

- co-ordinates public sector labour relations;
- facilitates implementation of public sector wages policy in industrial agreement negotiations;
- provides policy and legislative advice to government;
- provides labour relations services to and on behalf of government and public sector employers;
- provides information and education services to private sector employees and employers on their employment rights and obligations; and
- investigates complaints from employees about breaches of State awards, agreements and industrial laws.

Science, Innovation and Business

- supports the Council for Science and Innovation with science policy development advice;
- administers research capability and infrastructure grants;
- supports industry development through innovation and commercialisation; and
- administers science and innovation programs and projects.

WorkSafe

- administers occupational safety and health legislation and provides policy and legislative advice to government;
- provides education and information to employers and employees to assist in preventing work-related injury and disease and improving work safety and health performance; and
- enforces occupational safety and health law and assists with the resolution of issues in workplaces.

Office of the Director General

- provides a strategic focus to assist the Director General and the Corporate Executive to lead the department;
- develops and co-ordinates strategic policy;
- provides corporate development services including policy development, performance evaluation and corporate reporting;
- provides education and communication services including media relations services, campaign and event co-ordination and print and online information;
- provides internal audit services and undertakes and assists in investigations;
- co-ordinates regional services;
- provides regional infrastructure and customer services; and
- co-ordinates ministerial services for the department.

Regional Services



Figure 1: Department's regional offices

The department has offices located in Albany, Bunbury, Geraldton, Kalgoorlie, Karratha and Kununurra providing a range of services to regional Western Australians (Figure 1). There are 45 regionally based officers delivering services for the divisions of the department. Services to regional areas and communities are supplemented by division specific initiatives to meet identified needs or to support core operational activities. These activities see additional specialist employees operate in the regions. Regional employees travel to Perth for training and development as required.

During 2009-10, employees relocated from West Kalgoorlie to a new office within central Kalgoorlie providing improved access for the department's client base. The department committed to delivering future services to the Kimberley from Broome. The delivery of relevant information and services to regional clients through the department's internet site was maintained.

A service delivery arrangement exists between the Department of Commerce, the Commonwealth Attorney General's Department and the Department of the Premier and Cabinet to deliver agency services to the Indian Ocean Territories. This service is funded by and performed on behalf of the Commonwealth Government under enabling legislation.

Our stakeholders

The department provides services to a wide range of stakeholders including:

- the Minister for Commerce;
- the Minister for Tourism (relating to the *Travel Agents Act 1985* until 29 June 2010);
- the community including regional areas of Western Australia;
- departmental employees;
- consumers;
- traders;
- business entities;
- employees;
- employers;
- employee and employer organisations;
- public sector organisations;
- Commonwealth and State Government agencies;
- academic institutions and researchers; and
- a number of boards, commissions, committees, councils and tribunals.

Our organisation

The department's operating structure comprises of a Director General, who oversees the Office of the Director General, and seven Executive Directors responsible for their relevant divisions. The Director General and these seven senior officers form the department's Corporate Executive.

The Corporate Executive operates under a governance structure and meets fortnightly. This ensures authority and accountability is shared between the Director General and each division. While the Director General is ultimately accountable for all the department's activities, each division, through its relevant Executive Director, has significant autonomy in day-to-day decision making, allocation of resources and determination of divisional priorities. Each division has an Executive Management Committee chaired by the relevant Executive Director. The department's organisational structure is presented in Figure 2.

Our organisational structure

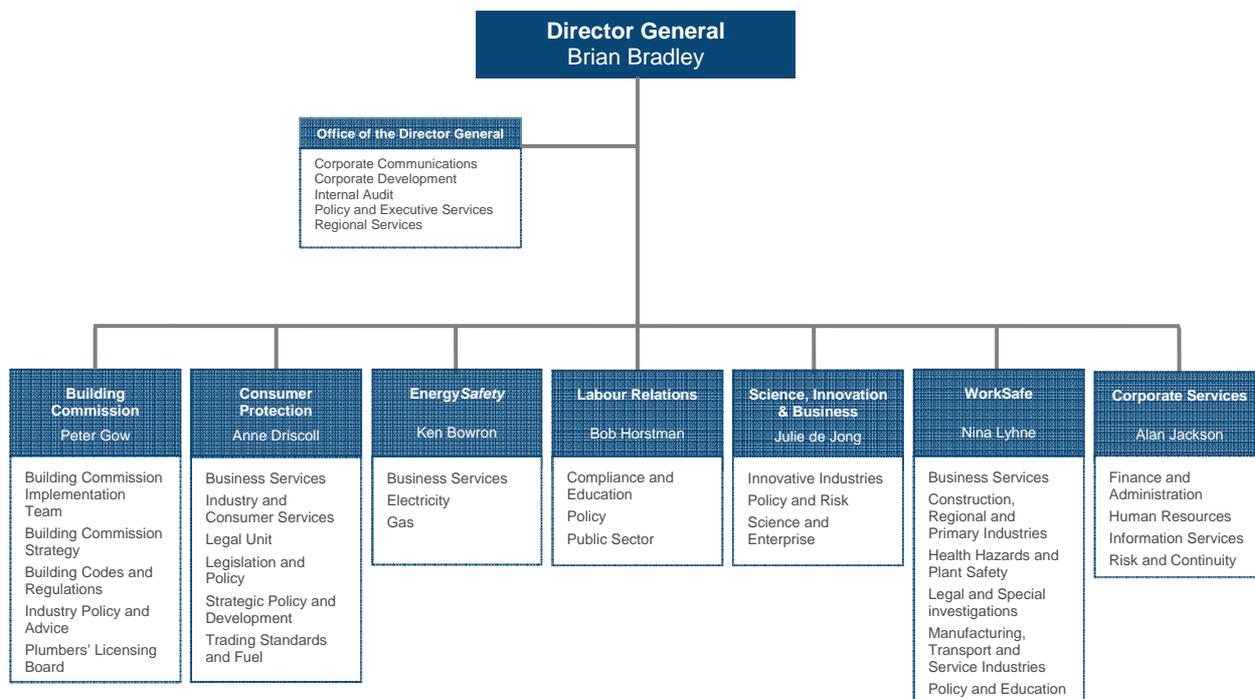


Figure 2: Organisational structure as at 30 June 2010



Our Corporate Executive team



Brian Bradley PSM
Director General

Brian Bradley has over 40 years experience in the Western Australian public sector. He has been involved principally in safety and health since 1983. Brian worked for WorkSafe for more than 20 years and was appointed as Commissioner of WorkSafe Western Australia in October 1998. In 2002, Brian was appointed Director General of the Department of Commerce (formerly the Department of Consumer and Employment Protection) after acting in the position since June 2001.

He is the deputy chair of the Western Australian Commission for Occupational Safety and Health, a member of the WorkCover Western Australia Authority's Board and a member of the Legal Aid Commission. He was the Western Australian member on the Australian Safety and Compensation Council from 2005 to April 2009. Brian was awarded the Public Service Medal in 2003 for his contribution to safety and health in Western Australia.



Anne Driscoll
Executive Director, Consumer Protection
Commissioner for Consumer Protection and Prices Commissioner

Anne Driscoll was appointed the Executive Director for the Consumer Protection Division in August 2008 and holds the statutory position of Commissioner for Consumer Protection and Prices Commissioner. Since graduating from The University of Western Australia with a Bachelor of Arts majoring in Psychology and Commerce, Anne has gained experience in numerous public sector roles.

She worked in the employment and training sector for the Commonwealth Government for more than 20 years involved in both direct service delivery and major funding grants. In 1999, Anne joined the Consumer Protection Division's executive management team as the Director of Business Services performing a diversity of functions from the licensing and regulation of credit providers, mortgage brokers, debt collectors, charities, real estate and settlement agents, to the registration of business names and the provision of consumer protection services to regional Western Australia.



Peter Gow
Executive Director, Building Commission

Peter Gow was appointed as the Executive Director of the Building Commission Division in July 2009. Peter has degrees in Engineering and Arts from The University of Western Australia and has post graduate qualifications in management from Deakin University. He commenced his career as a structural engineer with the Public Works Department in Western Australia and has extensive experience in building and design, construction and project management.

From project work, Peter then specialised in construction and contracts and dispute resolution. In 2003, Peter was appointed to head the Office of Policy and Planning in the Department of Housing and Works where he was responsible for construction industry and housing policy, corporate development and strategic planning and building codes and regulation. Since July 2009, he has led the newly formed division to progress building regulation reform. Peter was appointed to the national Built Environment Industry Innovation Council in 2008.



Ken Bowron

*Executive Director, EnergySafety
Director of Energy Safety*

Ken Bowron is the Executive Director of EnergySafety and holds the statutory position of Director of Energy Safety, which is responsible for all electricity and most gas-related technical and safety regulation in the State. Ken has 35 years broad experience in the Western Australian energy industry.

His recent experience includes his tenure in the EnergySafety Division and senior management roles in generation, networks and the supply of energy services to customers in metropolitan, rural and remote areas. He is an electrical engineer with post graduate business qualifications. He has extensive regulatory, technical and managerial experience ranging across planning, design, construction, operations and maintenance of power generation and transmission and distribution systems.



Robert (Bob) Horstman

Executive Director, Labour Relations

Bob Horstman was appointed as the Executive Director of the Labour Relations Division in June 2009, having initially been appointed as Acting Executive Director in April 2008. He has worked in all three directorates of the division in a variety of roles for 20 years. From 2001 to 2006, Bob was seconded from the department to the Minister's office responsible for State industrial relations as the Principal Labour Relations Policy Advisor.

In this role he was responsible for providing advice on industrial relations, occupational safety and health and workers' compensation issues. He has taught, researched and published in the fields of both industrial relations and human resources management in various tertiary education institutions in Australia and the United Kingdom. Bob holds a Masters Degree in Industrial Relations from Warwick University in the United Kingdom and has 10 years experience in various industrial relations roles in private sector organisations in the United Kingdom.



Nina Lyhne

*Executive Director, WorkSafe
Commissioner of WorkSafe Western Australia*

Nina Lyhne is the WorkSafe Western Australia Commissioner and is a member of Western Australia's Commission for Occupational Safety and Health. She also chairs a number of the Commission's advisory groups. Nina is a member of Safe Work Australia and is involved in a number of national committees and forums. Nina was initially appointed to her current position in April 2004.

Previously, she held the positions of Acting Executive Director, WorkSafe; the Executive Director of the Strategy Division; and the Executive Director of the Office of Road Safety between 1998 and 2000. Nina has extensive experience from having worked in five state government agencies in sectors ranging from commerce and trade, to community development and occupational safety and health. She has been a member of the Corporate Executive in the last three agencies in which she has worked.



Julie de Jong

Acting Executive Director, Science, Innovation and Business

Julie de Jong is the Acting Executive Director of the Science, Innovation and Business Division. Prior to undertaking this role in June 2009, Julie was the Director of the Office of Science, Technology and Innovation. During her time with the division, she worked with Aboriginal Economic Development business projects, mainly in the Pilbara and the remote desert regions of Western Australia with many successful sustainable businesses.

Julie holds an Arts Degree in History and Politics from The University of Western Australia.



Alan Jackson

Executive Director, Corporate Services

Alan Jackson commenced in his current position at the Department of Commerce in October 2004. Previously, he had worked in the public, private and tertiary education sectors. Alan's career has included nine years as a former management and organisational development consultant working with large public and private sector organisations throughout Australia. Prior to joining the department, he was the Director, Corporate Services at the Department of Treasury and Finance for four years.

Alan completed the Executive Fellows Program of the Australian and New Zealand School of Government and holds Associate Fellow and Certified Professional membership status for the Australian Institute of Management and the Australian Human Resource Institute. He has a Masters degree in Commerce from Curtin University and in the past, has been a part time lecturer at both Curtin University and Edith Cowan University over a number of years.

Our people

The department is supported by a wealth of employees from diverse backgrounds, contributing to a broad range of functions established to serve the Western Australian community.

The department's employees are fundamentally governed by the *Public Sector Management Act 1994* and remunerated under the terms and conditions contained in the Public Service General Agreement 2008. Our employees contribution to the department is valued through frequent acknowledgement of their successes and responses to challenges they face in their professional lives.

Further information on our employees is provided in the Agency Performance (Our people) section of this report.

Our awards

2009 WA Engineering Excellence Award

The Department of Commerce and Landcorp were joint winners of the Infrastructure and Building category at the 2009 WA Engineering Excellence Awards, for the Australian Marine Complex floating dock. The \$60 million project, built by Australian Marine Complex based shipbuilder Strategic Marine, was recognised for its exceptional engineering standards and contribution to Western Australia's economy.



The Governor of Western Australia Dr Ken Michael AC (far right) with Brett Chisholm (left) is representing the department and Mark Pasalich (centre) is representing LandCorp

2010 Future Business Counterparts Program

Two officers, Amalia Burmas and Melissa Manuli, from the Science, Innovation and Business Division were among 50 people from around Australia selected for the 2010 Future Business Counterparts Program. The program enables young Australian professionals to visit and experience Japan, to increase their understanding of business between the two countries and strengthen economic relations.

Travelsmart Award

The Building Commission Division received an award for completing a sustainable travel plan as part of its commitment under the State Government's travel smart workplace program. TravelSmart is a Department of Transport initiative that encourages people to make small changes in their travel choices such as using cars less and choosing alternatives such as walking, cycling, and public transport.



Building Commission Division employees Angela Heymans and Dan Ellis Jones receiving the 2009 Travelsmart Award



Legislation administered

The Department of Commerce administered 84 Acts of Parliament during 2009-10, as listed below. Reviews of legislation, regulations and codes of practice ensure the changing needs and expectations of the community are met, and that the regulatory framework is relevant. A full description of the scope and intent of these Acts is contained on the department's internet site at www.commerce.wa.gov.au.

<i>Architects Act 2004</i>	<i>Disposal of Uncollected Goods Act 1970</i>	<i>New Tax System Price Exploitation Code (Taxing) Act 1999</i>
<i>Associations Incorporation Act 1987</i>	<i>Distress for Rent Abolition Act 1936</i>	<i>New Tax System Price Exploitation Code (Western Australia) Act 1999</i>
<i>Auction Sales Act 1973</i>	<i>Dividing Fences Act 1961</i>	<i>Occupational Safety and Health Act 1984</i>
<i>Bills of Sale Act 1899</i>	<i>Door to Door Trading Act 1987</i>	<i>Painters' Registration Act 1961</i>
<i>Builders' Registration Act 1939</i>	<i>Electricity Act 1945</i>	<i>Petroleum Products Pricing Act 1983</i>
<i>Business Names Act 1962</i>	<i>Employment Agents Act 1976</i>	<i>Petroleum Retailers Rights and Liabilities Act 1982</i>
<i>Charitable Collections Act 1946</i>	<i>Employment Dispute Resolution Act 2008</i>	<i>Public and Bank Holidays Act 1972</i>
<i>Chattel Securities Act 1987</i>	<i>Energy Coordination Act 1994</i>	<i>Real Estate and Business Agents Act 1978</i>
<i>Churches of Christ, Scientist, Incorporation Act 1961</i>	<i>Energy Safety Act 2006</i>	<i>Residential Parks (Long-Stay Tenants) Act 2006</i>
<i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>	<i>Energy Safety Levy Act 2006</i>	<i>Residential Tenancies Act 1987</i>
<i>Companies (Co-operative) Act 1943</i>	<i>Fair Trading Act 1987</i>	<i>Retail Trading Hours Act 1987</i>
<i>Competition Policy Reform (Taxing) Act 1996</i>	<i>Finance Brokers Control Act 1975</i>	<i>Retirement Villages Act 1992</i>
<i>Competition Policy Reform (Western Australia) Act 1996</i>	<i>Fremantle Buffalo Club (Incorporated) Act 1964</i>	<i>Sale of Goods Act 1895</i>
<i>Construction Contracts Act 2004</i>	<i>Gas Standards Act 1972</i>	<i>Sale of Goods (Vienna Convention) Act 1986</i>
<i>Construction Industry Portable Paid Long Service Leave Act 1985</i>	<i>Gas Supply (Gas Quality Specifications) Act 2009</i>	<i>Settlement Agents Act 1981</i>
<i>Conspiracy and Protection of Property Act 1900</i>	<i>Growers Charge Act 1940</i>	<i>Street Collections (Regulation) Act 1940</i>
<i>Consumer Affairs Act 1971</i>	<i>Hairdressers Registration Act 1946</i>	<i>Sunday Entertainments Act 1979</i>
<i>Consumer Credit (Western Australia) Act 1996</i>	<i>Hire Purchase Act 1959</i>	<i>Trade Measurement Act 2006</i>
<i>Consumer Credit (Western Australia) Code</i>	<i>Home Building Contracts Act 1991</i>	<i>Trade Measurement Administration Act 2006</i>
<i>Co-operative and Provident Societies Act 1903</i>	<i>Industrial Relations Act 1979</i>	<i>Transfer of Incorporation (HBF and HIF) Act 2009</i>
<i>Co-operatives Act 2009</i>	<i>Industry and Technology Development Act 1998</i>	<i>Travel Agents Act 1985</i>
<i>Credit Act 1984</i>	<i>Labour Relations Reform Act 2002</i>	<i>Water Services Licensing Act 1995 (Part 5A)</i>
<i>Credit (Administration) Act 1984</i>	<i>Land Valuers Licensing Act 1978</i>	<i>Western Australian Aged Sailors, Soldiers and Airmen's Relief Fund Act 1932</i>
<i>Credit (Commonwealth Powers) Act 2010</i>	<i>Law Reform (Common Employment) Act 1951</i>	<i>Western Australian Products Symbol Act 1972</i>
<i>Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Act 2010</i>	<i>Life Assurance Companies Act 1889</i>	<i>Year 2000 Information Disclosure Act 1999</i>
<i>Debt Collectors Licensing Act 1964</i>	<i>Limited Partnership Act 1909</i>	
<i>Decimal Currency Act 1965</i>	<i>Local Government (Miscellaneous Provisions) Act 1960 (Parts VIII, IX, XV)</i>	
	<i>Long Service Leave Act 1958</i>	
	<i>Metric Conversion Act 1972</i>	
	<i>Minimum Conditions of Employment Act 1993</i>	
	<i>Motor Vehicle Dealers Act 1973</i>	
	<i>Motor Vehicle Repairers Act 2003</i>	

Boards, commissions, committees, councils and tribunals

The boards, commissions, committees, councils and tribunals have a range of functions including regulatory, advisory, licensing of participants in relevant industries, investigating complaints about the conduct of industry participants and taking disciplinary action where appropriate. These boards, commissions, committees, councils and tribunals are identified in Table 1 according to the department's three services. Appendix 4: Functions of boards, commissions, committees, councils and tribunals provides details of their role and functions.

Table 1: Boards, commissions, committees, councils and tribunals

Consumer Protection	Safety and Employment Protection	Science, Innovation and Business
<ul style="list-style-type: none"> ▪ Builders' Registration Board ▪ Building Disputes Tribunal ▪ Building Surveyors Qualification Committee ▪ Charitable Collections Advisory Committee ▪ Consumer Product Safety Committee ▪ Hairdressers Registration Board of Western Australia ⁽¹⁾ ▪ Home Buyers Assistance and Advisory Committee ▪ Land Valuers Licensing Board ⁽²⁾ ▪ Motor Vehicle Industry Board ⁽²⁾ ▪ Painters' Registration Board ▪ Plumbers' Licensing Board ▪ Real Estate and Business Agents Supervisory Board ⁽²⁾ ▪ Retail Shops Advisory Committee ▪ Settlement Agents' Supervisory Board ⁽²⁾ 	<ul style="list-style-type: none"> ▪ Commission for Occupational Safety and Health ▪ Electrical Licensing Board ▪ Gas Licensing Committee 	<ul style="list-style-type: none"> ▪ Australian Marine Complex Business Development Committee ▪ Australian Marine Complex Overarching Committee ▪ Interim Council for Science and Innovation ⁽³⁾ ▪ Western Australian Technology and Industry Advisory Council ⁽⁴⁾

Notes:

- (1) The State Government introduced legislation during 2009-10 to end the requirement for hairdressers to be registered in Western Australia. The legislation will abolish the Hairdressers Registration Board of Western Australia.
- (2) The State Government announced its intention to abolish these Boards by 1 July 2011. Regulatory responsibility will transfer to the Commissioner for Consumer Protection.
- (3) The term of the Premier's Science and Innovation Council expired in 2009. Following the Review of Science and Innovation, the former Minister announced the creation of the interim Council for Science and Innovation in December 2009.
- (4) In November 2009, the former Minister directed the Western Australian Technology and Industry Advisory Council to "cease all activities" and to "transition staff, budgets and resources into the Department of Commerce".



PERFORMANCE MANAGEMENT FRAMEWORK

Outcome based management framework

Western Australia’s performance management framework monitors outcomes through the delivery of services. This is referred to as outcome based management and it assists to monitor the department’s progress towards achievement of specific outcomes. Treasurer’s instruction 904 prescribes the mandatory requirements of outcome based management for agencies.

Agency level outcomes and services

The department delivers services to achieve the agency level desired outcomes, which ultimately contributes to meeting the Government’s goals. The agency level desired outcome is the effect or impact on the community or target clients of government services. The department’s key effectiveness indicators provide information on the extent to which outcomes have been achieved through the funding and delivery of agreed services, while key efficiency indicators are presented for each service. Efficiency indicators relate services to the level of resource inputs required to deliver them. The linkage between the department’s desired outcomes and services to the community, and the Government goals, to which the department makes its most significant contribution, is demonstrated in Figure 3.

GOVERNMENT’S GOALS	AGENCY LEVEL GOVERNMENT DESIRED OUTCOME	SERVICES
Outcomes-Based Service Delivery Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Outcome 1 A fair trading environment that protects consumers and traders in Western Australia.	Service 1: Consumer Protection The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.
Social and Environmental Responsibility Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	Outcome 2 A community in which workplaces are operated in a safe and fair manner.	Service 2: Safety and Employment Protection The provision of advice, information, education and regulation services to the Western Australian community in the areas of: occupational safety and health; energy safety; and labour relations.
Financial and Economic Responsibility Responsibly managing the State’s finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Outcome 3 Enhancement of the State’s economic sustainability and prosperity.	Service 3: Science, Innovation and Business Enhances the State’s prosperity by promoting science, innovation and business. Services include: <ul style="list-style-type: none"> ▪ supporting the Council for Science and Innovation with science policy development advice; ▪ administering research capability and infrastructure grants; ▪ supporting industry development through innovation and commercialisation; and ▪ administering science and innovation programs and projects.

Figure 3: Relationship to the Government’s goals: 2009-10 outcome based management framework

Changes to outcome based management framework

Treasurer's instruction 904 requires disclosure of changes in agency level government desired outcomes, services and key performance indicators.

The Department of Commerce's outcome based management framework was impacted by two developments during the year the discontinuation of the Aboriginal Economic Development Unit and the establishment of the Building Commission Division.

Firstly, as part of the 2009-10 Budget process Economic Audit Policy decision, the Aboriginal Economic Development Unit was discontinued. As such, the key effectiveness indicator 'Number of employment and business opportunities facilitated' was removed from 2009-10. Also the definition of the Science, Innovation and Business Service was amended to remove the reference to 'improving Indigenous prosperity through leadership and innovation in the economic development programs.'

The second change was the transfer of the Building Industry Development Group from the Department of Treasury and Finance to the Department of Commerce on 1 July 2009. This group joined the Plumbers' Licensing Board, which was transferred from the Consumer Protection Division to become the Building Commission Division. This division contributes to the outcome 'A fair trading environment that protects consumers and traders in Western Australia' and the Consumer Protection Service.

Shared responsibilities with other agencies

The Department of Commerce, as the lead agency, is responsible for co-ordinating the delivery and reporting on whole of government and cross-agency initiatives. These initiatives have shared accountability for the successful implementation of whole of government reform initiatives. The shared responsibilities with other agencies, contained in Table 2, are reported against the 2009-10 Resource Agreement established between the responsible Minister, Director General and Treasurer. Further information on Resource Agreement reporting is available in the Agency Performance (Resource Agreement) section of this report.

Table 2: Shared responsibilities with other agencies in 2009-10

Initiative	Related outcome	Contributing agencies	Report against targets
Standardisation and simplification of public sector pay structures and classification systems	A community in which workplaces are operated in a safe and fair manner.	<ul style="list-style-type: none"> ▪ Department of Commerce (Labour Relations Division) ▪ Department of Treasury and Finance ▪ Public Sector Commission 	<p>Target:</p> <p>To inform the Government of options for the reform of the public sector pay structures and classification systems.</p> <p>Result:</p> <p>A number of options for the reform of the public sector pay structures and classification systems were developed. The Labour Relations Division is currently working closely with the Department of Treasury and Finance and the Public Sector Commission on possible implementation strategies.</p>



Initiative	Related outcome	Contributing agencies	Report against targets
Small Business Advisory Services	A community in which workplaces are operated in a safe and fair manner.	<ul style="list-style-type: none"> ▪ Department of Commerce (Labour Relations Division) ▪ Small Business Development Corporation 	<p>Target: Advice on the rights and obligations of employers in the State industrial relations jurisdiction.</p> <p>Result: Co-ordination of services between the two agencies has been enhanced during 2009-10. Facilities have been introduced for Small Business Development Corporation and Peel Business Centres to refer their small business clients directly to the department for one-on-one sessions in which they are provided with comprehensive information and advice on State employment laws.</p>
Review of pre-1980 gas appliances and changes in gas quality specification	A community in which workplaces are operated in a safe and fair manner.	<ul style="list-style-type: none"> ▪ Department of Commerce (Energy Safety Division) ▪ Office of Energy 	<p>Target: Technical advice on contracts and appliances as required.</p> <p>Result: Responsibilities defined in new legislation. Phase one contract let to Alinta Assist for evaluation of appliances and compiling database.</p>
ThinkSafe Small Business Assistance Program	A community in which workplaces are operated in a safe and fair manner.	<ul style="list-style-type: none"> ▪ Department of Commerce (WorkSafe Division) ▪ Small Business Development Corporation ▪ WorkCover Western Australia Authority 	<p>Target: 600 eligible small businesses complete the assistance program.</p> <p>Result: The target was exceeded as 678 small businesses received a free and independent occupational safety and health consultancy service.</p>
Managing Fatigue in the Commercial Vehicle Sector	A community in which workplaces are operated in a safe and fair manner.	<ul style="list-style-type: none"> ▪ Department of Commerce (WorkSafe Division) ▪ Main Roads Western Australia ▪ Western Australia Police 	<p>Target: Minimum of four strategic co-ordinated intervention campaigns on the major east-west and north-south trucking routes.</p> <p>Result: The target was not achieved as only three campaigns were completed: two campaigns were completed in Port Hedland targeting south-north traffic, and one near Merredin targeting east-west traffic.</p>

Initiative	Related outcome	Contributing agencies	Report against targets
Support Australia's bid for the International Square Kilometre Array Project	Enhancement of the State's economic sustainability and prosperity.	<ul style="list-style-type: none"> ▪ Department of Commerce (Science, Innovation and Business Division) ▪ CSIRO (Commonwealth) ▪ Department of Innovation, Industry, Science & Research (Commonwealth) ▪ Department of Mines and Petroleum ▪ Department of Regional Development and Lands ▪ Office of Native Title ▪ State Solicitor's Office 	<p>Target: Liaise with Commonwealth agencies and the Australian New Zealand Square Kilometre Array Co-ordination Committee to establish the Murchison Radio-astronomy Observatory in Western Australia.</p> <p>Result: The Murchison Radio-astronomy Observatory has been established following purchase of the pastoral station and resolution of native title. Radio quiet zones are being established and land tenure issues surrounding the Square Kilometre Array Project are being discussed by State and Commonwealth Governments' legal representatives.</p>

The department recognises the benefits derived from working collaboratively with external parties by negotiating co-agency agreements, Memoranda of Understanding, Instruments of Declaration and inter-governmental arrangements for service delivery with a range of organisations, within the public and private sector. Additional information on jointly delivered services with other organisations is provided at Appendix 1: Agreements of this report.

Fatigue roadblock reveals compliance in most cases

A WorkSafe Division roadblock at Port Hedland in November 2009 revealed generally good compliance with fatigue safety laws, but some continuing problems with rest breaks. The joint roadblock, conducted by WorkSafe inspectors and Western Australia Police, involved commercial vehicles being observed leaving Perth then being pulled over at South Hedland to check whether the required rest breaks had been taken.

A total of 93 commercial vehicles were stopped, with three prohibition notices issued to drivers who had not had the mandatory seven hour rest break. In addition to these notices, inspectors followed up with 22 transport companies on other fatigue-related issues such as medical checks for drivers, training of drivers and keeping proper records.

The operation found there had been continuing improvements in compliance with the fatigue laws for commercial vehicles, but there was still room for improvement. The human body has limitations and adequate sleep and rest is essential to safely undertake long-distance driving.

Agency Performance



This section reports on the department's performance and includes a report against our Resource Agreement, a report on divisional activities and information about our people.

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RESOURCE AGREEMENT

In accordance with section 41 of the *Financial Management Act 2006*, the Department of Commerce has a Resource Agreement between the responsible Minister, Director General and Treasurer. The Resource Agreement articulates the Government's desired outcomes, the services to be delivered and the performance targets to be achieved for both financial and non-financial performance.

The 2009-10 Resource Agreement was prepared in the outcome based management framework as set out in the 2009-10 Budget Papers and the targets were set as part of the State Government's 2009-10 Budget process.

A summary of the department's performance against financial and non-financial targets for the 2009-10 financial year as contained in the 2009-10 Resource Agreement, is reported in accordance with Treasurer's instruction 808.

Financial targets

Table 3 provides a summary of the department's financial performance for 2009-10.

Table 3: Summary of financial performance for 2009-10

Indicator	Target ⁽¹⁾ \$'000	Actual ⁽²⁾ \$'000	Variation \$'000
Total cost of services (expense limit) (details from Statement of Comprehensive Income)	\$166,430 ⁽³⁾	\$171,452	\$5,022 ^(a)
Net cost of services (details from Statement of Comprehensive Income)	\$133,000 ⁽⁴⁾	\$132,358	(\$642)
Total equity (details from Statement of Financial Position)	\$91,825	\$77,680	(\$14,145) ^(b)
Net increase/(decrease) in cash held (details from Statement of Cash Flows)	(\$9,554)	\$854	\$10,408 ^(a)
Indicator	Target ⁽⁵⁾	Actual	Variation
Approved full time equivalent (FTE) staff level	986	949	(37)

Notes:

- (1) The targets were derived from the 2009-10 Budget Papers (No. 2, Volume 2, Part 8).
- (2) As specified in the Financial Statements section of this report.
- (3) This figure included \$47,460,000 for the Consumer Protection Service, \$45,007,000 for the Safety and Employment Protection Service and \$73,963,000 for the Science, Innovation and Business Service.
- (4) This figure included \$29,790,000 for the Consumer Protection Service, \$29,903,000 for the Safety and Employment Protection Service and \$73,307,000 for the Science, Innovation and Business Service.
- (5) During 2009-10 the Economic and Expenditure Review Committee endorsed the adjustment of the department's FTE target from 889 to 986.



Explanations of variances provided in Table 3 are as follows:

- (a) The variance is due to: Royalties for Regions projects; Seamless National Economy Initiative (COAG); the State Government's voluntary severance scheme; and the fact that the target was set prior to the changes to the department in 2009-10, which included the transferring in of the Building Industry Development Group.
- (b) The variance is primarily due to the fact that the target was derived from the 2009-10 Budget Papers and was therefore set prior to the significant changes to the department.

Key performance indicators

This section provides a summary of the department's non-financial performance against targets for key effectiveness indicators and key efficiency indicators as contained in the 2009-10 Resource Agreement. The Overview (About the department and Performance management framework) section of this report provides further information on the changes to the department and the outcome based management framework.

Key effectiveness indicators

Table 4 provides a summary of the department's non-financial performance relating to key effectiveness indicators for 2009-10.

Table 4: Results for the 2009-10 key effectiveness indicators

Indicator	Target ⁽¹⁾	Actual ⁽²⁾	Variation
Outcome 1: A fair trading environment that protects consumers and traders in Western Australia.			
The extent to which traders comply with regulatory requirements	95%	95%	0%
The extent of consumer confidence in Western Australia's trading environment	75%	68%	(7%)
Outcome 2: A community in which workplaces are operated in a safe and fair manner.			
The extent of compliance with safety and employment protection regulatory requirements	82%	70%	(12%) ^(a)
Outcome 3: Enhancement of the State's economic sustainability and prosperity.			
Index of funding leverage obtained for Western Australia from science and innovation research grants	6.1:1	6.8:1	0.7:1

Notes:

- (1) The targets were derived from the 2009-10 Budget Papers (No. 2, Volume 2, Part 8).
- (2) The actual results reflect the changes to the framework, which was impacted by the Building Industry Development Group transferring from the Department of Treasury and Finance to the department to join the Plumbers' Licensing Branch to establish the Building Commission Division.

Explanation of variance provided in Table 4 is as follows:

- (a) The variance is due to the WorkSafe Division, which is a significant contributor to this effectiveness indicator, changing the method of reporting which consequently increased the rate of non-compliance. In addition, when setting the 2009-10 target (82 per cent) there was only a relatively short period for which data was available. This proved to be unreliable as an estimate of actual compliance.

The Disclosures and Legal Compliance (Performance Indicator Report) section of this report provides further information on the results and variances.

Key efficiency indicators

The 2009-10 Resource Agreement was prepared in the outcome based management framework as set out in the 2009-10 Budget Papers. These targets were set prior to the changes to the department in 2009-10, which included the transfer of the Building Industry Development Group. The targets from the 2009-10 Resource Agreement are therefore not comparable to the '2009-10 Actual' results. Detailed information on the department's non-financial performance for the financial year ending 30 June 2010 is presented in the Disclosures and Legal Compliance (Performance Indicator Report) section of this report. The Performance Indicator Report uses the '2009-10 Budget' figures contained in the department's 2010-11 Budget Papers as the targets were adjusted to include expenditure for the Building Commission Division and are comparable to the '2009-10 Actual' results.

Table 5 provides a summary of the department's non-financial performance relating to key efficiency indicators for 2009-10.

Table 5: Results for the 2009-10 key efficiency indicators

Indicator	Target ⁽¹⁾	Actual ⁽²⁾	Variation
Service 1: Consumer Protection			
Average cost per client contact to provide information and advice	\$2.47	\$2.69	\$0.22
Average cost per policy project	\$225,958	\$306,760	\$80,802 ^(a)
Average cost per registration or licence	\$15.72	\$14.54	(\$1.18)
Average cost per inspection or investigation	\$477	\$337.43	(\$139.57) ^(a)
Service 2: Safety and Employment Protection			
Average cost per client contact to provide information and advice	\$5.40	\$4.81	(\$0.59) ^(a)
Average cost per hour of policy advice	\$159	\$260.39	\$101.39 ^(a)
Average cost per inspection or investigation	\$909	\$898.74	(\$10.26)
Average cost per registration or licence	\$81.32	\$75.82	(\$5.50)
Service 3: Science, Innovation and Business			
Average cost per science and innovation project managed	\$242,211	\$174,251	(\$67,960) ^(a)

Notes:

- (1) The targets were derived from the 2009-10 Budget Papers (No. 2, Volume 2, Part 8).
- (2) The actual results reflect the changes to the framework, which was impacted by the Building Industry Development Group transferring from the Department of Treasury and Finance to the department to join the Plumbers' Licensing Board to establish the Building Commission Division.

Explanation of variance provided in Table 5 is as follows:

- (a) The significant variance is primarily due to the fact that the targets were derived from the 2009-10 Budget Papers and were therefore set prior to the changes to the department in 2009-10 including the establishment of the Building Commission Division. The Disclosures and Legal Compliance (Performance Indicator Report) section of this report provides further information on the results and variances.

A summary of the department's performance against whole of government and cross-agency initiatives, as contained in the 2009-10 Resource Agreements is presented in Table 2 of the Overview (Shared responsibilities with other agencies) section of this report.



OPERATIONAL HIGHLIGHTS

This section continues to highlight the department's major operational activities for 2009-10.

Consumer Protection

Consumer Protection Division

About the division

The Consumer Protection Division provides consumers and traders with access to a fair and competitive marketplace by providing advice and assistance to the community.

Highlights

Development of legislation

The Retail Trading Hours Amendment (Joondalup Special Trading Precinct) Bill 2009 was passed by the Parliament establishing a Joondalup special trading precinct. Two additional Bills were also introduced to create special trading precincts in Midland and Armadale. The Consumer Protection Division facilitated the drafting of regulations and orders to expand the boundaries and trading hours of the Perth and Fremantle trading precincts. The division also assisted in developing reforms for retail shop tenancy legislation endorsed by Cabinet, however, further modifications will be required to align with the policy initiatives announced by Government in June 2010.

The Hairdressers Registration (Amendment and Repeal) Bill 2010 was introduced into the Parliament in February 2010 to repeal the *Hairdressers Registration Act 1946* and to wind-up the Hairdressers Registration Board.

The Consumer Protection Division completed a long standing and wide ranging review of the *Associations Incorporations Act 1987*. The review and consultation processes have highlighted some deficiencies in the Act and resulted in a range of amendments being proposed to remove uncertainty, streamline the incorporation process and improve the Commissioner for Consumer Protection's ability to regulate incorporated associations to meet community expectations.

Pool danger

After four year old Luke Lyson of Gosnells was partially disembowelled in an accident involving an old-style skimmer box, the Commissioner for Consumer Protection held a pool-side media conference at his family home. Skimmer boxes can often be found at the side of a fibreglass swimming pool or spa and may look like a potty or seat to a small child. If a child sits down on a skimmer box, the immense suction of the pool's filter pump forms an instant seal between a child's bottom and the edge of the skimmer box resulting in horrific, and sometimes fatal, injuries. There was a demonstration on how to convert older skimmer boxes and make them safe.



Significant investigations

The Consumer Protection Division successfully pursued a diverse range of misconduct matters throughout the year including bringing to finality a long running range of disputes surrounding the mismanagement of a retirement village. Orders obtained through the State Administrative Tribunal required the appointment of an independent Village manager; the implementation of a dispute resolution procedure; the exclusion of a Director from any dealings with residents; and for the rectification of certain flooding problems experienced by residents. Representative actions on behalf of three residents in the District Court for breach of contract were resolved by the payment of compensation to the residents. Representative action was also taken in the State Administrative Tribunal for the imposition of fixed dates for the provision of the Clubhouse and the provision of a swimming pool. The same entity was convicted of making a misleading representation about the provision of facilities associated with land in contravention of the *Fair Trading Act 1987* and fined \$5,000.

The division also acted on complaints about alleged predatory recruitment practices and the unregistered operation of a massage business which resulted in Supreme Court orders being placed on the owners.

The alleged unlicensed money lending activities of a Laverton trader among the Indigenous community of Western Australia and beyond, were also investigated. As a result the Chief Justice of the Supreme Court of Western Australia placed orders restraining various business activities.

Increasing communication with consumers

The Consumer Protection Division undertook a number of new strategies to assist consumers in understanding their rights and responsibilities in the marketplace. From October 2009 media coverage reached a combined audience of 45 million readers, listeners and viewers. This was achieved through the addition of a regular weekly segment on ABC Radio's (720 Perth) morning program to the division's current radio schedule on 6PR's Nightline program; Curtin FM's Afternoon program' regular appearances on Twin Cities Community Radio, Joondalup and Regional Officer segments on regional ABC programs.



More than 10,000 scam letters in Western Australia were intercepted by the department. Media conference held by Anne Driscoll, Executive Director of the Consumer Protection Division.

In January 2010, the division also launched its Twitter account and Facebook page using the popular social networking sites to inform new and younger audiences. The Consumer Protection Division also provided, on average, 15 media statements per month generating a significant amount of consumer-related information by journalists and program producers.

Co-operatives Act 2009

The Consumer Protection Division entered into a partnership agreement with Co-operatives WA to run a number of workshops for industry participants in preparation for new co-operatives legislation. The division also introduced a new *Co-opsInfo* newsletter, educational material and application forms to assist co-operatives through the transitional processes, expected to commence early in 2011.



Monitoring of emerging issues

The Consumer Protection Division has continued to monitor emerging issues, trends and risks collating and analysing information gathered from 144,000 phone calls, 19,000 proactive inspections and 11,000 formal complaints investigated, allowing the division to take a proactive approach to potential problems in the marketplace.

Working with external stakeholders, including State and Commonwealth Government agencies and private enterprise, the division developed a better understanding of marketplace activity and early intervention, and provided businesses with information enabling them to improve practices. This monitoring will be further enhanced with the implementation of data analysis software expected to be in place early in the new financial year.

Compliance and education programs

Five property management seminars held by the Consumer Protection Division around the Perth metropolitan area were attended by more than 1,000 property owners. Attendees were provided information on the key aspects of the *Residential Tenancies Act 1987* and their rights and responsibilities under the Act. The presentation was built around three segments: commencing a tenancy; during a tenancy; and ending a tenancy.

The division also developed a compliance program to enforce the introduction of licensing for the motor vehicle repair industry. The program involved taking a strong approach to businesses not abiding by current legislative requirements with 192 businesses visited. From June 2010 the potential for disciplinary action against traders who refuse to comply with the licensing requirements escalated.

The division also sought and obtained agreement from all States and Territories to develop the methodology for, and co-ordinate the roll-out of, a national 'bait advertising' program leading up to the 2009 Christmas period. The program involved all agencies visiting stores to determine if goods advertised in Christmas catalogues were available for sale.

Regional compliance sweeps

The Consumer Protection Division conducted two major education and compliance visits in regional Western Australia. In November 2009, a sweep of the Avon Valley area was undertaken and in May 2010 a sweep of the South West took place. As part of the sweep, officers approached retailers, car dealers, real estate agents, local associations and charities to discuss consumer issues and educate and assist traders. Community forums were held in Northam, Busselton and Margaret River providing consumers and business operators in the region the opportunity to get information and ask questions about issues that affected them.

Consumer Protection Awards

Denise Brailey, a passionate campaigner for consumer interests was the 2010 winner of the Rona Okely Consumer Protection Award. Ms Brailey has been a strong advocate for the victims of white collar crime for a number of years having prepared a raft of detailed submissions that resulted in four Western Australian based enquiries and four federal investigations into the finance and real estate industries. The Richard (Dick) Fletcher Award went to Willetton-based WA No Interest Loans Inc., a charity which since opening in 2000, has helped 14,000 low income families by offering interest and charge free loans to help purchase essential household items.



Collapse of Clive Peeters Ltd trading as Rick Hart

In May 2010, Clive Peeters Ltd, the parent company for Western Australia's Rick Hart stores, was placed into liquidation putting the orders, deposits and gift vouchers of consumers at risk. In the 72 hours, following the appointment of a liquidator, 678 consumers lodged their details with the department which extended its operating times of the Consumer Protection Division's Contact Centre to meet the demand. Consumers who provided their details were given a written and verbal update as information came to hand. The liquidator of the business resolved to honour all deposits and orders and, as a result of the division's subsequent representations, agreed to honour all vouchers at face value.

Building Commission Division

About the division

The Building Commission Division works to ensure a fair and efficient building industry by consolidating building policy, building standards and practitioner registration.

Highlights

New Regulations for mandatory installation of hardwired smoke alarms

The Building Commission Division introduced new building regulations for mandatory installation of hardwired smoke alarms in existing houses and apartments at the time of sale or lease. These provisions came into effect on 1 October 2009 and are expected to save many lives by increasing the penetration of hardwired smoke alarms in homes and particularly in rental accommodation.

Finalising the building regulation reform package

The Building Commission Division progressed towards finalisation of a major new building industry regulation reform package to be introduced in the Spring 2010 Parliamentary session. The package includes the Building Services (Complaints Resolution and Administration) Bill, the Building Services (Registration Bill) and the Building Bill.

COAG

The Building Commission Division continued to provide policy advice to progress the National Trade Licensing System proposal including impact assessment, provision of information on Western Australian registration arrangements and participation in consultations on development of a registration data system. The division supported the development of the National Construction Code, including consultation and regulation changes to allow the Code to be introduced in 2011. The division also delivered building energy efficiency standards as part of the National Strategy on Energy Efficiency.

Electronic forms

The division introduced a teleform system which enables self-certification for plumbing works undertaken throughout the State. These forms are scanned and the information is automatically populated into the database.



Industry information and consultation

The Building Commission Division delivered seminar updates on the Building Code of Australia (BCA2010) to regional centres across the State. These seminars were well received by the participants and are anticipated to lead to greater compliance with the Building Code of Australia and relevant Australian Standards. During the year, the division also managed stakeholder reference group and working groups as well as developed an integrated internet site to maximise online capabilities and to update information to consumers and industry.

Information and education

The Building Commission Division attended five consumer Expos and home shows across Western Australia including in Broome and Bunbury as well as contributing towards relevant conferences through sponsorships or conference presentations such as Local Government Week and the Australian Institute of Building Surveyors.

The division also provided 10 Building Advisory Notes to industry and local government approving authorities including advice on the need for treatment of susceptible timbers in areas where the European House Borer has been detected. This has led to a significant increase in the future resilience of the new buildings against the threat of the European House Borer as the building industry has begun using treated timbers or other non-susceptible building materials.

The Building Commission Division responded to the collapse of a timber balcony in Ballajura by publishing a guide to maintenance of balconies and decks to help homeowners check that their balconies and decks are in good condition.



Building Commission Division at a consumer expo.

Assessment of qualifications

The Building Commission Division assessed 66 applications for certificates of qualification as a building surveyor during the financial year. The applications were received as part of the efforts in raising the standards of building surveying in Western Australia and adopting the National Accreditation Framework for building surveyors.

Plumbers' licensing regulations

The Plumbers' Licensing Board commenced a review of the Water Services Licensing (Plumbers' Licensing and Plumbing Standards) Regulations 2000 in response to market changes and water use sustainability issues. The review will broaden the scope of protection for consumers by ensuring required plumbing work to be undertaken by skilled and licensed practitioners.



Safety and Employment Protection

Energy *Safety* Division

About the division

The Energy *Safety* Division is industry funded and carries out the technical and safety regulation of electricity transmission, electricity distribution, electricity utilisation (consumers' installations and appliances), gas distribution and gas utilisation (consumers' installations and appliances).

Highlights

Wood pole audit

The Energy *Safety* Division published in May 2009 an audit review of Western Power's management of its wood pole assets used for electricity distribution throughout the South West interconnected system. The Chief Electrical Inspector issued Order No. 01-2009 on Western Power in September 2009 to correct major deficiencies identified in the review. To date Western Power has complied with the terms of the Order but the Energy *Safety* Division remains concerned about the condition of the old, untreated and unsupported jarrah wood distribution poles.

Toodyay bushfire

A major bushfire occurred at Toodyay on 29 December 2009 causing significant loss of homes and other property damage. The area of origin was in the vicinity of a Western Power wood pole power line. The Energy *Safety* Division investigated whether electricity had started the fire but, from the available evidence, was not able to reach a definitive conclusion. A report on this finding was released in February 2010. Subsequently, new witnesses have been identified and investigations have continued to check all available evidence and conduct technical investigations as necessary.

National Regulatory Reform projects

Significant progress has been made in developing uniform national regimes to harmonise electrical appliance safety approvals; gas appliance safety approvals; electrical and gas occupational licensing; and the gas and electrical supply technical and safety regulation.

Bush fire investigations

The Energy *Safety* Division carried out major investigations into significant wild fires allegedly caused by Western Power's electricity distribution system. The investigation reports will be published on the Energy *Safety* Division's internet site during 2010-11.



Gas fitter training standards

The EnergySafety Division has recognised that compliance with national competency standards for training of gas fitters complies with the requirements to obtain a Class G gas fitting permit in Western Australia. The introduction of the CPC08 competency training package provided the opportunity to evaluate all existing gas fitting training in Western Australia. It was determined that the current training was not to the standard required by the EnergySafety Division for applicants to be awarded a gas fitting permit. The EnergySafety Division in consultation with the gas fitting training providers has provided input that has resulted in a significant improvement in the training being provided by the training organisations.

Guidelines

A guideline on the 'Use of gas appliances in public venues' was prepared and published by the EnergySafety Division with the intention to assist event organisers, venue organisers, asset managers and catering vendors in complying with the requirements for the use of gas appliances in public venues. Guidelines such as the 'Guidelines for approval of Type B (Industrial) gas appliances in Western Australia' and the 'Code of Practice for Inspectors (Gas) in Western Australia' were extensively reviewed, amended and published by the EnergySafety Division.

Inspections of domestic installations

Steady progress has been made to implement a scheme, developed by the EnergySafety Division, whereby home owners may choose to have their electrical installations inspected for safety on a fee-for-service basis, using participating electrical contractors. A similar service for gas consumers is planned subject to approval from the State Government.

Omnibus Bill to control vegetation near power lines

Legislation is being prepared to replace simplistic provisions of Section 54 of the *Energy Operators (Powers) Act 1979* (dealing with the control of vegetation near powerlines) with a new regulatory regime under the *Electricity Act 1945*.

Standards development

The first major revision of the Australian Standard (AS) 5601-2004: Gas installations, since 2004 has now been completed and it is expected to be published in September 2010. The EnergySafety Division had significant input into the revisions. This standard is the primary compliance requirement for domestic and commercial gas installations. AS 3814-2005: Industrial and commercial gas-fired appliances was reviewed, amended and released during 2009. This standard is the primary compliance requirement for large commercial and all industrial gas appliances. Work on important revisions to gas appliance standards was commenced and made possible by interim joint funding of this project by Technical Safety Regulators around Australia which was co-ordinated by the EnergySafety Division.

Improved safety for gas network operators

A safety gap analysis on networks in reference to AS 4645-2008: Gas Distribution Networks was performed leading to improved work procedures for network personnel.

Liquefied petroleum gas (LPG) cylinder fire evaluation

An LPG cylinder fire behaviour research and testing programme of automotive and residential cylinders was undertaken. This has led to an improved understanding of the behaviours of thin walled LPG cylinders in fires. These outcomes can now be used to help validate revision of relevant standards in the future as well as provide interim guidelines for securing residential 45kg cylinders, particularly in bushfires as well as normal residential house fire situations.

Labour Relations Division

About the division

The Labour Relations Division aims to promote and encourage flexible, balanced and productive employment practices in Western Australian workplaces that recognise the rights and obligations of both employees and employers.

Highlights

Connecting with regional communities

The Labour Relations Division has successfully completed its 'Connecting with Regional Communities' program in the State's South West, Avon Valley and Beverly areas. This program has resulted in the department bringing its services to a client base, that would otherwise have limited access to our information and advice.

Pay Equity Audit Tool

The department's Pay Equity Audit Tool was adopted by the Commonwealth Equal Opportunity for Women in the Workplace Agency as a best practice tool. During 2009-10 at least nine Western Australian organisations have implemented a pay equity audit using the audit tool and at least three organisations have used it at the national level.



Underpaid workers in the food services industry

A targeted proactive compliance campaign in the food services industry was conducted during 2009-10 where 30 employers, all of which had previously been investigated by the department, were audited for compliance with State employment laws. The campaign resulted in identifying 16 employers who were failing to comply with their obligations and the recovery of \$26,867 for 45 employees in underpaid wages.



Labour market statistics internet portal

The Labour Relations Division launched the labour market statistics internet portal which assists businesses, employer associations, unions, other government departments and the media to access relevant information on key Western Australian labour market indicators specific to the industries and the occupations they work within. Over the year, additional statistical products have been developed and added to the internet portal, including a series of industry and occupation overviews and a graphical presentation of Western Australia's labour market over a 10 year period.

Labour Relations Division internet site

The Labour Relations Division's internet site content and structure was redeveloped and is now more client focused and easier to navigate. All pages have been written in plain English and content has been arranged to provide greater relevance to client needs.

Underpaid workers in a major retail chain

An investigation into a major retail chain was completed after several employees raised allegations that the employer failed, on daily a basis, to pay them for work performed 30 minutes prior to outlets opening and a further 15 minutes after the outlets closed. In total 23 employees alleged that they were underpaid a total exceeding \$80,000. Subsequent to the department's investigation, the employer reached private settlements with all of the employees and the matter was resolved.

WorkSafe Division

About the division

The WorkSafe Division operates to promote safe and healthy workplaces in Western Australia by enforcing occupational safety and health laws, providing education and information about occupational safety and health matters to workers and employers, and aiming to achieve a workplace safety culture through industry and community awareness programs.

Highlights

Introduction of asbestos removal licensing

During the year, regulations were introduced requiring that from 1 June 2010 business operators removing more than 10 square metres of bonded asbestos, including asbestos cement material, in a workplace to have completed an approved training course and hold an asbestos licence. This will ensure that the removal of asbestos is only undertaken by workers who possess the required knowledge, skills and safe systems of work to do the job safely. Asbestos cement products do not pose a risk to health if they are left undisturbed in buildings. However, there is a serious risk of exposure to asbestos fibres during the disturbance or removal of asbestos-containing materials unless basic safety precautions are followed. The WorkSafe Division displays a list of asbestos removal licence holders on the department's internet site so anyone who needs asbestos removed can identify properly licensed operators.

Communicating with customers and the community

As part of a continuing customer service approach, the WorkSafe Division:

- Hosted the Perth Work Safe Forum in October 2009 at the Perth Convention Exhibition Centre. The forum was targeted at elected safety and health representatives and attended by approximately 600 delegates. A Work Safe Regional Forum was held in Albany in May 2010, attended by approximately 100 delegates.
- Presented 25 free lunchtime information sessions, '4thought sessions', at various locations on a range of occupational safety and health topics, to give participants information on workplace safety issues and provide an opportunity to discuss solutions. Over 1,300 participants attended these sessions.
- Conducted more than 50 information sessions at individual workplaces to support workplace risk management processes.
- Provided over 115 information sessions to safety and health representative training courses, industry associations, schools and TAFEs, and other customers.
- Responded to 41,655 requests for occupational safety and health information, received 1,747 notifications of injuries and disease, answered 3,654 emails to the Customer Help Centre, and efficiently issued more than 46,700 classes of high risk work licences.
- Revised the information provided to some 10,000 subscribers through the email subscriptions service, to make it more specific to the stakeholder group.
- Distributed newsletters and risk management materials to workplaces in various industry sectors to support proactive compliance campaigns.
- Restructured the WorkSafe Division's internet site to make it more accessible and user friendly. Some of these changes were a response to feedback received through the Customer Help Centre.

National and State based campaigns

As part of a national intervention approach developed under the *National Occupational Health and Safety Strategy 2002-2012*, the division participated in targeted occupational safety and health education and enforcement drives to improve scaffolding safety in the construction industry, and concerning forklift safety in the fruit and vegetable and grocery wholesale industries.



During the year, the WorkSafe Division completed key intervention campaigns concerning mental health facilities, laundries and dry-cleaners, noise management and manufacturing in the Wangara industrial area. There were also proactive team projects in various industry sectors including home-based care, fish wholesalers, aircraft maintenance and breweries. Other projects focused on hazards relating to powder coating, tilt-up construction, overhead cranes and the manufacturer of aluminium frame security products. Newsletters and risk management materials were distributed to workplaces to support these projects.



Reduction in work-related injury and disease rates

According to the most recent preliminary workers' compensation claims data, the downward trend continues for lost time injuries and diseases in Western Australia with a 2.8 per cent reduction in overall frequency rate, from 10.4 in 2007-08 to 9.8 in 2008-09 (preliminary). The total rate of improvement for all injuries and diseases since the *Occupational Safety and Health Act 1984* came into effect 21 years ago in 1988-89 is 72.1 per cent.

Due to the volatility of work-related fatalities, averages over five years are used to provide clear trend data. The most recent data shows the average traumatic work-related fatality incidence rate for the five year period from 2005-06 to 2009-10 is 16.8. This is a 14.3 per cent improvement from 19.6 for the five year period of 2004-05 to 2008-09 indicating a significant downward trend.

Table 6 shows the number of traumatic work-related fatalities and incidence rates during the last five years, demonstrating the volatility of this measure.

Table 6: Work-related fatalities between 2005-06 and 2009-10

Year	2005-06	2006-07	2007-08	2008-09	2009-10
Number of work-related fatalities	12	25	27	21	9
Annual fatality incidence rate	11.3	23.0	24.0	18.0	7.7

Regional compliance activities

As part of a continuing regional focus, the WorkSafe Division delivered to key regional areas a range of targeted occupational safety and health intervention campaigns in line with nationally agreed priority industries and priority issues. These included targeted inspection of construction sites in the South West, Mid West, Goldfields (Kalgoorlie) and Peel regions; a campaign in the Gascoyne to improve safety in agriculture, commercial fishing and sandalwood harvesting; and inspections throughout the Kimberley region of the infrastructure maintenance and service provisions provided to Indigenous communities. Three major enforcement drives were held in relation to commercial driver fatigue with two campaigns completed in Port Hedland and another near Merredin.

Company fined \$100,000 over loss of worker's leg

Giacci Bros Pty Ltd, a Bunbury company, was fined \$100,000 over an incident in which a 19 year old worker's leg was amputated. He began work for the day with the intention of operating a reconstituted limestone block making machine but, after starting the machine, realised that it needed cleaning following the previous day's use. As he cleaned the machine the hydraulics engaged and the feed tray of the machine moved, causing him to fall under the moving parts. As the machine went through its block making cycle, the employee's right leg was torn from his body at the hip. The young man and his family suffered terribly and he was permanently disabled because his employer failed to ensure that safe systems of work were in place. He was shown how to operate the machine, but was never instructed in the safe system of work when cleaning the machine.

Awards

The WorkSafe Plan is an assessment process that rates safety management systems and directs attention to areas that can be improved. The WorkSafe Plan is promoted by the WorkSafe Division to help workplaces introduce occupational safety and health management systems that support the practices required to establish and maintain safe systems of work. In 2009-10, seven platinum, eight gold and eight silver awards were awarded.

The Work Safety Awards Western Australia recognise outstanding occupational safety and health management, solutions and innovation in Western Australian workplaces that reduce the risk of work-related injury and disease.

In 2009, the award winners were Perth Clinic, Public Transport Authority of Western Australia, Joondalup Lotteries House, PPC Linley Valley Fresh, Rob Greenhalgh and Gerard Overdijk.



Public Transport Authority, winner of the Best Safety and Health Management System for Public Sector at the 2010 Work Safety Awards.

SafetyLine Institute short films

The WorkSafe Division commenced the production of a series of short films, as a means to more effectively deliver information and increase understanding of workplace safety and health risk management. Short films titled *Hazardous substances risk management* and *Manual tasks risk management* were completed and will be made available online from the SafetyLine Institute internet site. The SafetyLine Institute provides learning materials and resources to assist the development of competencies in occupational safety and health.

Code of Practice: Man overboard, prevention and response

A Code of Practice was developed to provide general guidance and an overview of the risk management processes for all commercial fishing industry vessels in Western Australia on the management of occupational safety and health issues relevant to the prevention of and response to, man overboard incidents. Accidentally falling overboard from a commercial fishing vessel has led to the death of many workers over the years.

Wangara inspection campaign reveals problems with workplace safety

A team of WorkSafe inspectors conducted 91 inspections of manufacturing businesses in the Wangara industrial area over a two week period. The aim of the campaign was to identify risks to the safety and health of workers in the manufacturing industry and to provide employers with information on how to comply with workplace safety laws, though inspectors took enforcement action if they found breaches of the laws. Inspectors issued a total of 261 improvement notices, four prohibition notices and 49 verbal directions in the course of the 91 inspections. The major areas of concern were machine guarding, hazardous substances, forklift safety, electrical safety, and edge protection on mezzanine levels.



Science, Innovation and Business

Science, Innovation and Business Division

About the division

The Science, Innovation and Business Division enhances the State's prosperity by promoting the expansion of science, innovation and business.

Highlights

Interim Council for Science and Innovation

Following the Review of Science and Innovation, the former Minister for Commerce announced the establishment of an interim Council for Science and Innovation, to provide recommendations on the review implementation. The department has provided ongoing executive support to the interim Council which has submitted its recommendations to the Minister and is now working on permanent arrangements for the establishment of the Council for Science and Innovation.

Keeping people safe

The Science, Innovation and Business Division managed the Community Emergency Mobile Communications project, which has increased safety for communities in the Blackwood Valley. Mobile communications systems in Balingup and Quongup now underpin effective operation of the State-wide early warning system in this high risk bushfire area. Emergency response organisations such as the Fire and Emergency Services Authority, the Department of Environment and Conservation and the Western Australia Police can place their radio equipment on newly installed transmission towers for the purposes of emergency radio communications. The resulting coverage decreases the risk of loss of life from bushfires similar to those in the area in recent years. The infrastructure and provision of services operate on a commercial basis without ongoing support from the State.

Export facilitation services

TradeStart is a program of export facilitation services to assist small to medium sized enterprises with significant growth potential to commence exporting, or to convert irregular sales to sustainable export activity. In 2009-10, the division was contracted by Austrade to deliver export facilitation services to the resource equipment and services sector. The tailored assistance provided often encompasses the provision of market intelligence, specialist advice on business requirements in specific countries or the mechanics of overseas transactions. Under the contract, the department facilitated advice or assistance to over 300 Western Australian companies, helped with strategic international planning for over 50 companies, facilitated 40 specific business itineraries for overseas missions or exhibitions, resulting in \$45 million worth of exports which can be directly attributed to this Tradestart contract.

Maximising local industry involvement in major projects

The Science, Innovation and Business Division managed the ProjectConnect contract that provides a service to link major project developers with local Western Australian suppliers. During 2009-10 more than 472 contracts listed on ProjectConnect were awarded to Western Australian and Australian companies. The Science, Innovation and Business Division also managed the Industry Capability Network Western Australia contract, providing a service that promotes Western Australia and Australian industry capability to major project developers. In 2009-10, tenders to the value of \$794.4 million, with the Gorgon project being the major project contributor, were placed with Australian suppliers nominated by the Industry Capability Network Western Australia through its enquiry process. Western Australian companies were awarded \$597.4 million of these tenders.

Science and innovation investment

Since 2000, the State Government has provided over \$12 million in support to the Interactive Virtual Environment Centre (iVEC). In 2009-10 this continued support resulted in the provision of \$80 million of federal funding to create the Pawsey High Performance Computing Centre for Square Kilometre Array Science, which will house one of the world's top 20 supercomputers and underpin most of the State's radio astronomy research.

Continued growth of local oil and gas support industry

As one of the lead sponsors of the Australian oil and gas exhibition and conference, the department continues to successfully promote the burgeoning oil and gas support industry in Western Australia. This major conference and exhibition is held in Perth annually every February and is now Australia's largest exhibition of its kind. It attracts over 9,000 visitors and more than 500 exhibitors. The Science, Innovation and Business Division also facilitated the associated Subsea Australasia Conference that was run in conjunction with the event. The subsea cluster within the Australian Marine Complex continues to build, with major facilities by Matrix Composites and Engineering and FMC Technologies under construction.

Science and industry promotion and recognition

In 2009-10, the Science, Innovation and Business Division facilitated a number of science, industry and innovation award programs such as sanofi-aventis BioGENEius Challenge; Western Australian Industry and Export Awards; and Western Australian Science Awards, as well as provided sponsorship for the Science and Engineering Challenge. The prestigious Western Australian Science Awards recognise the outstanding and groundbreaking achievements of the State's scientists, science teachers and facilitators of science outreach initiatives.



Brian Bradley, Director General presents an award to Peter Rossdeutscher, Chief Executive Officer of Micromine at the 2009 Industry and Export Awards Gala Dinner.

The Science, Innovation and Business Division secured Western Australia's position as the first region outside of North America to participate in the sanofi-aventis International BioGENEius Challenge. The Challenge aims to introduce biotechnology to bright, motivated high school students by enabling them to spend a year working on a biotechnology research project with world-class biotechnology scientists. The Western Australian winners travel to the United States of America, for judging against finalists from the United States and Canada.



Facilitating increased industry capability

The Science, Innovation and Business Division worked with Enterprise Connect and AusIndustry to undertake industry briefings and client visits throughout metropolitan and regional Western Australia. These briefings promoted State and Commonwealth Government programs, policies and awards to increase the commercial capability of small to medium sized enterprises. Over 100 companies were assisted in 2009-10.

Corporate

Corporate Services Division

About the division

The Corporate Services Division supports the department's outcomes by providing effective governance and policies and procedures for a range of activities. Primarily this division is responsible for financial and asset management, procurement, information technology, human resources, corporate information, freedom of information, and facilities planning and management. The division also co-ordinates the risk and business continuity management planning and practices across the department. All policies and procedures are aligned to government policy and industry best practice.



Highlights

Shared Services transition

During the year, the department was engaged in preparation for transition of human resources (payroll and recruitment), finance and procurement to the Department of Treasury and Finance's Shared Services. The shared services arrangement allows standardisation, simplification and automation through the use of common systems. The online based systems allow for accessing information, processing transactions and producing reports. A small team of staff within the Corporate Services Division is working to facilitate the internal transition. The department is scheduled to commence under the arrangement in November 2010.

Risk management program

The rollout of the risk management program throughout the department has seen the adoption of 'RiskBase' as a department-wide database for the management and reporting of operational risks. Operational risk profiles and management plans have been developed for the Consumer Protection Division, the WorkSafe Division, the Office of the Director General and are currently in progress for the Science, Innovation and Business Division, the Energy Safety Division and the Corporate Services Division. Throughout this process a deliberate effort has been made to ensure linkages between risk management, operational planning activities and the prioritisation of corporate and divisional projects.



Compliance to legislative obligations

The department's Recordkeeping Plan was approved by the State Records Commission in October 2009, in accordance with the *State Records Act 2000*. In addition, the Retention and Disposal Schedules for Consumer Protection Division and the Labour Relations Division were approved by the State Records Commission. Records that have reached the end of their prescribed life cycle can be disposed of, upon receipt of a signed disposal authorisation from the relevant business unit. To date 5,440 boxes have been disposed of which has significantly reduced the department's storage costs and holdings at commercial offsite storage facilities.

Increased information services to the public

The Corporate Services Division actively delivered additional information services to the public with the redesign and revision of the department's freedom of information internet pages; the provision of real estate and settlement industry licence renewals at Australia Post; improved professional development course attendances lodgement for the Real Estate and Business Agents Supervisory Board and the Settlement Agents' Supervisory Board; provision of access to motor vehicle licence holder details on the department's internet site; and the automatic delivery of email tenancy bond reports to property managers.

Implemented a strategic information technology initiative

The Corporate Services Division made the strategic decision to invest and establish a new Oracle software technology server environment that will host key business software applications to 2018. To reduce the cost of establishing this environment, the department consolidated and rationalised older software licences. This dedicated Oracle technology server stack meets the current needs of the department and also provides a solid foundation for future expansion to maximize the department's technology investment and provide an enterprise application hosting environment well into the future.

Increased department productivity and service management practices

The Corporate Services Division continued to implement productivity and service management best practices with the introduction of automated scanning of compliance documentation for the Plumbers' Licensing Board; governance and processes to improve the effectiveness and management of project delivery, asset management, service desk, incident management and large scale deployment of technology; and the increased adoption and use of the corporate electronic document and records management system.

Upgrade of the electronic document and records management system

Objective is the department's primary data storage and record keeping electronic document and records management system that is used by all employees to capture corporate records including emails and any information relating to business transactions, activities and decisions. Objective has been in place since 2006 and was successfully upgraded to provide greater functionality and integration. The deployment now provides opportunities to introduce workflow, document imaging and provide a more seamless integration between divisions to facilitate better use, access and retention of corporate information retained and used by the department.



Office of the Director General

About the division

The Office of the Director General provides strategic and executive support to the Director General and the Corporate Executive. This includes governance; whole of government policy co-ordination; parliamentary liaison; regional services; internal audit; strategic policy co-ordination; corporate development initiatives; strategic planning; corporate performance reporting; special investigations; corporate communications and public affairs.

Highlights

Chinese delegation: Memorandum of Understanding

In November 2009, the department hosted a visit to Western Australia by a delegation of 20 senior occupational health and safety officers from the Bureau of WorkSafe Supervision and Administration, Zhejiang Provincial Government in the People's Republic of China.

During the visit a three year Memorandum of Understanding was signed by the Director General of the department and the Director General of the Bureau of WorkSafe Supervision and Administration, Zhejiang Provincial Government, acknowledging an ongoing common objective of collaboration in work safety.

The delegation participated in a five day program which focused on occupational health and safety within Western Australian workplaces, including a component on mine safety. The program was supported by the department's WorkSafe Division, the Department of Mines and Petroleum's Resources Safety Division; and Edith Cowan University. The delegation visited coal mining operations in Collie and a helicopter simulator and escape facility in Fremantle.



Brian Bradley, Director General signs the Memorandum of Understanding



Chinese delegates visit APC Storage Solutions in Bassendean

Building the Department of Commerce's brand

The Department of Commerce brand was revitalised during the year, with a broad range of publications, events, campaigns and the online environment promoting the department's wide ranging services and responsibilities to the Western Australian community. This included a corporate suite of products, including publications, signage, a corporate calendar and computer wallpaper carrying the department's vision, mission, and values.

Connecting with customers

The Office of the Director General partnered with the divisions to deliver educational and informative programs through online, media, promotional and information products. During the year, the division assisted in:

- The development of new internet sites with revised and updated presentation layers for the Real Estate and Business Agents Supervisory Board and Settlement Agents Supervisory Board; and development of a new online service allowing public access to information on successful prosecutions by the WorkSafe Division to increase learning and education about safety at work. An internet site and products were developed to promote and support the Innovator of the Year competition and the Western Australian Science Awards competition.
- The delivery of events including the 2009 Safe Work Australia Week, which had a record 444 organisations registered who held workplace activities and hosted the Work Safe Regional Forum in Albany. The Industry and Export Awards and BioGENEius Awards were also supported by the division.
- The development of a new design for flagship publications for the Science, Innovation and Business Division including *State of the future* newsletter and the Australian Marine Complex's *AMC newsletter*. The Square Kilometre Array style guide and associated products supporting the Australian and New Zealand bid were also developed. Over 65 products were managed on behalf of the Consumer Protection Division. Two new information products were *Safety for babies and toddlers in the home* and *A guide for property managers*.



Public sector safety, health and injury management: Annual reporting award

The Institute of Public Administration Australia Western Australia's W.S. Lonnie Awards annually recognise excellence and improved accountability standards in annual reporting across the Western Australian public sector. A special award, co-sponsored by the Department of Commerce, Public Sector Commission, RiskCover and WorkCover WA, recognises accountability and excellence in occupational safety, health and injury management reporting.



Anne Driscoll, Acting Director General presents award to Zoological Parks Authority

More than 130 public sector agency annual reports were reviewed for compliance with the *Public Sector Commissioner's Circular 2009-11: Code of practice: Occupational safety and health in the Western Australian public sector*, with the award for excellence in occupational safety, health and injury management reporting being awarded to Zoological Parks Authority in June 2010.

OUR PEOPLE

Department's profile

The department employs a diverse range of talented people who work together to provide a broad range of services to the Western Australian community. The department works to create workplaces where business outcomes are achieved, diversity is encouraged, health and safety is paramount, the wellbeing of employees is supported and the development of our people is championed.

The Department of Commerce employs 1,028 employees or 949 full time equivalents (FTEs). Table 7 provides a summary of the department's profile for 2009-10.

Table 7: Department of Commerce's employment profile (FTEs) for 2009-10

Category	Female	Male	Total
Permanent full time	331	387	718
Permanent part time	73	7	80
Fixed term full time	88	45	133
Fixed term part time	17	1	18
Total FTEs	509	440	949

Administratively, the department regularly reviews human resource policies and processes to keep up-to-date with current demographic and environmental influences affecting our workforce.

Attracting and retaining

The department aims to recruit, develop and retain high calibre, skilled and motivated people. Improved employment options have been developed to ensure that the needs of our talented employees are met while fulfilling our business needs. To attract and retain the best possible people the department offers a range of employee benefits including flexible working arrangements; work-life balance initiatives; a comprehensive health and wellness program; learning and development opportunities; and study assistance.

Public service as a career

The department was one of 65 exhibitors at the National Careers and Employment Expo held at the Perth Convention and Exhibition Centre and attended by more than 11,000 people. The department showcased its services and career opportunities to the community and job seekers. The Corporate Services Division and WorkSafe Division worked to promote the work and career opportunities of a WorkSafe inspector. The Expo was also used to promote opportunities available through the graduate program.



Human Resources employees at the National Careers and Employment Expo



Four day breach claim period

During the year, the department participated in the Office of the Public Sector Standards Commissioner trial of a four day breach claim period for advertised vacancies. This initiative has assisted in reducing recruitment timeframes and the retention of good candidates through the selection process.

Pool recruitment

The department advertised a recruitment pool to fill permanent and temporary entry level vacancies and received a record 321 applicants. The recruitment pool has proven to be a valuable recruitment method enabling managers to fill vacancies quickly as the candidates have been pre-screened. Applicants only needed to submit a current resume and were able to do this online. This streamlined process has been highly successful in attracting applicants who would not normally apply for public sector positions. The pool attracted a diverse range of applicants including young people under 25 years of age, people from non-English speaking backgrounds, and people with a disability.

Graduate recruitment

In partnership with the Department of Mines and Petroleum and the Department of State Development, the department supports and operates a joint graduate program. The graduate program is unique as it offers graduates the opportunity for placements in the three departments. The placements are designed to provide exposure to each department's diverse operations, while also providing an opportunity for the graduates to develop valuable skills and experience. The graduates undergo a comprehensive induction process, are given a sponsor and a mentor and are provided with comprehensive training. The graduate program is part of the department's strategy to attract youth and develop future management and leadership capability. The department participated in a number of University Career Fairs and Expos to promote the program and recruited three graduates.

Valuing equity and diversity

The department acknowledges differences in the workforce and adapts work practices to create an inclusive environment in which diverse skills, perspectives and backgrounds are valued. The department aims to achieve an equitable and diverse workforce that is representative of the community at all levels of employment, and which enables employees to combine work and family responsibilities. An Equity and Diversity Plan 2010-2012 was developed in accordance with the *Equal Opportunity Act 1984*.

Activities during the year that supported the Equity and Diversity Plan included:

- new employees attended a one day workshop on equal opportunity law, workplace culture and bullying and equal employment opportunity as part of the department's induction process;
- Indigenous Cross Cultural Awareness training that was attended by 42 employees;
- equal employment opportunity and key diversity days were promoted;
- three different women's development programs were conducted with 48 participants; and
- a demographic analysis of the department's workforce was undertaken.



Learning and development

Employee learning and development

A wide variety of workshops were conducted through the internal training calendar. These included written and interpersonal communications skills, creative thinking, career development, equal employment opportunity, work life balance and management training. A total of 41 workshops were conducted with 612 participants.

With about half of our workforce aged 45 years or older, the department worked closely with the Government Employees Superannuation Board (GESB) to provide employees with opportunities to increase their understanding of their superannuation entitlements and to maximise superannuation benefits. Twenty four superannuation information sessions were conducted on 10 different topics and these were attended by 247 employees. In addition, 37 employees attended an individual half hour session with a GESB representative.

Leadership development

Department's leadership team

The department continued to focus on developing a positive corporate culture with clear leadership and open communication through presentations and workshops for the department's leadership team. These sessions are designed to enhance the team's abilities to build and sustain effective workplace relationships and to contribute to a more positive working environment for all employees.

Supervisor and management development program

The Consumer Protection Division investigated options to provide structured development for supervisory employees as well as address succession management and retention. During the year, the department commenced a project that will provide for level five and level six employees to be given the opportunity to undertake a Diploma of Management. The diploma is being offered to support to enhance the management capability of employees and to provide structured training that will result in a formal qualification. The tender process has been completed and the diploma program will commence early in 2010-11.

A six module supervisor development program was designed for supervisory employees at level three and level four in the Consumer Protection Division as part of succession management and to enhance management capability. The six modules cover managing people, teams and employee performance; coaching skills; managing customer service; and human resource skills for supervisors. In addition to the six workshops, the program includes a 360 degree feedback survey and Myers Briggs profile. The pilot program was attended by sixteen employees and will be evaluated for implementation across the department.



Management workshops

A variety of management skills workshops were delivered through the internal training calendar including building and leading teams, coaching skills, managing employee performance, giving and receiving feedback, and the six module management program titled 'Managerial Effectiveness'. These workshops were attended by 74 employees.

Communicating with our employees

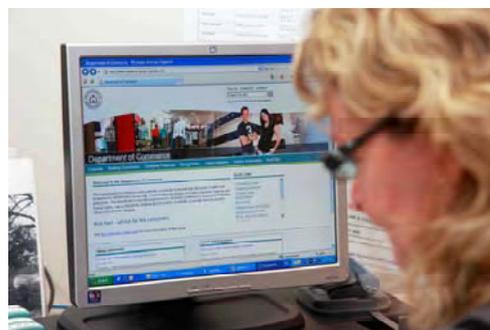
Employee committees

Effective workplace consultation relies on information sharing, access to facilities and training for all participants, and a commitment from both management and employee representatives to achieve workable and acceptable solutions to workplace issues. A joint consultative forum exists between workplace union delegates and the Director General met every six weeks. The department also has an Occupational Safety and Health Committee and details of their activities are provided in the Disclosures and Legal Compliance (Government policy requirements) section of this report.



Internal communication

News on activities among the department's divisions and staff is communicated through *Comm.News*, an online news service. In addition, the monthly internal *HR Matters* publication provides advice, information and updates to management and employees on a wide range of issues and topics including employee entitlements; changes to human resource processes and procedures; occupational safety and health; the wellness program; learning and development; and equity and diversity.





Employee services

Employee assistance

The department's employee assistance program provides a range of personal and professional support services for employees, managers and their families. This includes programs for the whole organisation as well as for specific situations such as traumatic workplace incidents. The employee assistance providers are a resource for managers and team leaders to effectively address challenging employee issues, as well as supporting personal functioning through solution-focused professional assistance, including short term counselling.

Support for charities and community groups

The department continued to provide ongoing support to local charities and community groups through a range of fundraising activities including casual dress days. During the past year, \$5,178 was raised and donated to three charities: the Cancer Council Australia (Daffodil Day), the Toodyay Bushfire Appeal and SIDS and Kids (Red Nose Day). In addition, individual employees also supported various community groups and charities such as St Vincent De Paul by donating goods and food for their Annual Christmas Appeal and Telethon.



Employees at Telethon 2009

Workplace wellness

The department encourages healthy lifestyles and supports work life balance to assist employees in dealing effectively with the stresses of everyday work and life problems. The department has a comprehensive health and wellness program 'Work Safe, Work Well'. Healthy lifestyle choices are promoted through *Comm.News* and articles in *HR Matters*.

Key activities conducted through the wellness program included healthy heart checks; an eight week healthy lifestyle program; lunchtime talks; workshops on avoiding burnout; and influenza vaccinations. A variety of exercise classes are offered at lunch time or after work, including yoga, pilates, tai chi, bellydancing and boot camp.

Significant Issues and Trends



This section contains information on the significant issues and trends impacting on the delivery of our services to the community of Western Australia.

Significant Issues and Trends

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SIGNIFICANT ISSUES AND TRENDS

Consumer Protection

- The Department of Commerce has a leading role in delivering a significant number of the COAG seamless national economy reform initiatives in the areas of consumer protection, energy safety and occupational health and safety. These initiatives, particularly COAG's Personal Properties Security reforms pertaining to the transfer of both the REVS and business names functions to the Commonwealth Government in 2011, will continue to drive the department's legislative program. This will also create activity around the transition of staff and systems when moving functions to Commonwealth control.
- The new Australian Consumer Law, anticipated to be introduced as Western Australian law from 1 January 2011, will see a single, uniform consumer law for traders and consumers in place across Australia. The introduction of the Australian Consumer Law will require increased co-ordination with other jurisdictions, educational initiatives to inform consumers and traders of the new law, and new internal processes for the effective implementation of new provisions, in particular unfair contract terms provisions.
- In January 2010 the former Minister for Commerce announced the Government's intention to abolish the Land Valuers Licensing Board, Motor Vehicle Industry Board, Real Estate and Business Agents Supervisory Board, and Settlement Agents' Supervisory Board, by 1 July 2011. When the Boards are abolished it is intended the licensing and regulatory functions will be managed by the Commissioner for Consumer Protection.
- The reform of the State's retail trading laws remains a significant issue for the Government and generates considerable community debate. The department will continue to advise and implement the Government's policy directions for retail trading hours and retail shop tenancy, including progression of Bills before the Parliament and policy announcements made during June 2010.
- The Red Tape Reduction Group's report has recommended changes to a number of occupational licensing Acts administered by the Consumer Protection Division, specifically the *Motor Vehicle Repairers Act 2003*, the *Motor Vehicle Dealers Act 1973* and the *Employment Agents Act 1976*. The department will seek to implement the Government's decisions in response to the report's recommendations.
- Businesses continue to experience trading difficulties associated with the uncertain economic climate. The collapse of a major electrical retailer, health club and various other businesses during 2009-10 has highlighted this concern. The Consumer Protection Division will continue to proactively identify early warning signs of businesses encountering difficulties and remind consumers of the risks associated with paying large deposits for goods and services.
- The increase in the ageing population will see a growing emphasis on seniors' issues, particularly in relation to seniors' housing options. There will be an emphasis on the effectiveness of regulation in this sector and on the priority legislative review relating to retirement villages. The implementation of a seniors' housing accommodation information service through the Consumer Protection Division will widen the nature of services provided by the department.

- The Consumer Protection Division has taken an active role in the development and implementation of a Standard Chart of Accounts for incorporated associations registered in Western Australia due to the Business Regulation and Competition Working Group's focus on a nationally consistent approach to fundraising legislation. A working group comprising representatives from a range of not-for-profit community groups has been established with the aim of developing an education and advisory program to support these groups during the implementation of the Standard Chart of Accounts throughout the State.
- The regulatory framework that licenses travel agents is being reviewed across Australia along with the travel related services market. The review is to provide proposals for reforms that include regulatory and non-regulatory options. The recommendations of the review will have implications for Western Australia that the department will need to consider in developing a policy position for Western Australia.
- Slow uptake of new business licensing requirements under the *Motor Vehicles Repairers Act 2003* by a segment of the industry will require the department to commence an intensive compliance program involving personal visits to unlicensed business followed by disciplinary action for those remaining non-compliant.
- Continuing high numbers of complaints regarding warranties have identified the need for the development of a compliance and education program to reinforce the new consumer guarantee law.
- On 1 July 2009, the Building Industry Development Unit joined the Plumbers' Licensing Board to form the Building Commission Division. In December 2009, the Building Commission Division was assigned responsibility for the administration of Western Australia's home indemnity insurance. Major projects for building industry reform include: the creation of three new building industry bills; the development of a new building disputes and resolution process; and participation in national and state policy and regulation initiatives. Further consolidation of administrative processes between the constituent entities of the Building Commission Division will generate significant efficiencies in delivering services to the building sector.
- The Plumbers' Licensing Board has undertaken a review of the Water Services Licensing (Plumbers' Licensing and Plumbing Standards) Regulations 2000 that has been driven by industry activity in sustainability issues in water and energy usage.





Safety and Employment Protection

- The Ministerial Council on Energy agreed to the development of an Intergovernmental Agreement for all jurisdictions to adopt a common Energy Network Safety Scheme and to establish an Energy Supply Industry Safety Committee to oversee the safety in the gas and electricity supply networks and to provide advice to the Ministerial Council on Energy. The EnergySafety Division is working closely with the Office of Energy and will represent Western Australia on the Energy Supply Industry Safety Committee.
- The COAG reforms will affect the EnergySafety Division's occupational licensing responsibilities in 2010-11 and subsequent years. Electrical and gas licences have been chosen as part of the first group for the National Licensing System. A national database and information technology system will be needed to cope with the change. In addition, the uncertainties associated with integration of the existing information technology system from each jurisdiction with the new system are likely to affect the division's financial resources. The EnergySafety Division is involved in National Interim Advisory Committees to develop new uniform national regulations for licensing and related enforcement, which may also affect the level of resources.
- During recent years concerns have been raised about the safety of overhead lines in the Western Power electricity distribution system covering the South West of the State. These concerns were exacerbated by the findings of the 2008 audit of Western Power's distribution wood pole management systems. An order was issued by the EnergySafety Division in mid-2009 requiring Western Power to correct the problems identified in the audit. The division also commenced a formal audit of two other aspects during 2009-10 in relation to pole top fires and conductor clashing causing wildfires.
- The department depends heavily on data collection and reporting to provide services and fulfil legislative obligations. The management of corporate information through information technology is critical to service delivery. The EnergySafety Division commissioned a review of its licensing and compliance management systems which identified that the legacy systems are antiquated and unable to cope with current requirements. As a result, a new Compliance Management System will be developed to replace the existing system. The EnergySafety Division will need to make a significant financial commitment to the project over the next three years.
- Population growth and its geographical distribution have driven the demand for the housing and construction industry. As a result it stimulated strong demand for electricians and gas fitters, which in turn has increased the amount of licensing activity. There may be a marked increase in emphasis on Pilbara and Kimberley centres, given the major resource projects particularly for electricians. In the extreme, this may require the EnergySafety Division to establish a presence in areas such as Karratha, to increase our expenditure considerably.
- The occurrence of electrical fatalities and accidents that could be prevented with a residual current device (RCD) is still a concern. In view of the importance of RCDs in preventing electrical fatalities, the EnergySafety Division will be launching a major public relations campaign in 2010-11 to encourage home owners and businesses to install RCDs. The campaign, while beneficial in terms of safety outcomes, will impose an additional workload on the division because it will generate a significant increase in telephone and email enquiries about electrical and gas safety issues.

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- Currently there is no database that can provide information about electrical appliances approved for sale in Australia. The Energy Safety Division has been involved with a high-level working group to oversee the implementation of the Electrical Equipment Safety System that will be a mix of pre-market registration and post-market enforcement. The system will include a national database to register all forms of electrical equipment and appliances approved for sale in Australia.
 - The independent review of the State industrial relations system was completed in October 2009 and a final report submitted to Government. The department will continue to provide advice to Government on the Review outcomes and the progression of associated legislative reforms.
 - The implementation of the Government's Public Sector Wages Policy has required the reallocation of resources within the Labour Relations Division in order to ensure the compliance of public sector agencies with the policy's content and process. This reallocation is expected to continue over 2010-11.
 - The department will assist in addressing impending skills and labour shortages in Western Australia by developing and implementing the Workplace Flexibility and Participation Program promoting flexible work practices to increase workforce participation. The department is also supporting the Department of Training and Workforce Development's Workforce Development Plan for Western Australia through involvement in the cross-agency Workforce Development Committee.
 - The State Government has committed to legislate for State Employment so that the Western Australian public sector labour force is retained in the Western Australian industrial relations jurisdiction. State Employment will enhance public sector workforce flexibility while retaining an appropriate level of governance and accountability. The department is finalising drafting of the Bill which is expected to be progressed through Parliament during 2010-11.
 - Western Australia is participating in the occupational health and safety reform agenda aimed at harmonising occupational health and safety legislation across Australia. In December 2009, the Workplace Relations Ministers' Council approved the proposed Model Work Health and Safety Bill, allowing further technical amendments to be made beyond that date. The Western Australian Government has agreed to most of the model laws proposed for national harmonisation, but will retain some settings where the model laws are not considered to be in the best interests of Western Australian workers and businesses.

Work has commenced at the national level on the development of the model regulations and codes of practice to support the operation of the model Work Health and Safety Bill. The development of the draft model regulations is expected to be finalised and released for a four month period of public comment commencing in late 2010.

The department is contributing to this initiative by working to have the model work health and safety provisions, model regulations and appropriate supporting material finalised by the end of December 2011, as required by the Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety.



- The WorkSafe Division is participating in the reform process to advance the interests of Western Australian workers and workplaces by providing input for Western Australia's position on issues in relation to the proposed laws via meetings of Safe Work Australia members and its advisory body the Strategic Issues Group. This participation is progressing the proposed structure and content of the laws and encouraging stakeholders to engage in the process by providing regular internet site updates, emails to key stakeholder groups and reports to the Commission for Occupational Safety and Health.

Science, Innovation and Business

- The interim Council for Science and Innovation was established by the former Minister for Commerce to provide greater clarity on the vision, goals and strategic direction for science and innovation in Western Australia. The interim Council has recommended the implementation of a rigorous evaluation, prioritisation and impact assessment of government innovation investment in Western Australia. The interim Council has also recommended the adoption of a metrics framework for the Western Australian innovation system.
- Funding of \$80.3 million has been allocated in the 2010-11 Budget through Royalties for Regions for the Regional Communications Project. This project will address issues with the Police regional radio networks by replacing the existing networks with fit for purpose reliable radio communications. It will provide benefits to the Community through a more informed, responsive and co-ordinated emergency service capability in metropolitan and major regional population areas and a communications network platform in regional Western Australia to enable the future migration of other emergency services.
- In February 2010, the new floating dock at the Australian Marine Complex in Henderson was launched. The dock represents a \$170 million commitment by the State Government to upgrade capacity to enable Western Australia to gain further significant defence, marine, and offshore oil and gas-related construction and maintenance projects. This is significant given the opportunities offered by the Commonwealth Government's recent Defence White Paper.
- The department has undertaken a range of activities to support the Australian and New Zealand bid to host the International Square Kilometre Array Project in Western Australia. A key step has been the establishment of the Murchison Radio-astronomy Observatory in the Mid West region and creating a radio quiet zone to facilitate pre-Square Kilometre Array trialling activities. The department has also commenced land tenure processes for remote arrays sites using existing legislation to accommodate the project in Western Australia. Additionally, a commitment of \$20 million saw the establishment of the International Centre for Radio Astronomy Research as a Joint Venture between The University of Western Australia and the Curtin University of Technology in Perth.



Square Kilometre Array project

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- State Government funding of \$10 million has resulted in the opening in April 2010 of a Clinical Trials Facility at Sir Charles Gairdner Hospital. The facility will be managed by the Western Australian Institute of Medical Research and will participate in the growing market for trials of pharmaceutical products.
 - The department oversaw the urgent construction of two new telecommunications base stations to provide improved mobile phone services in the Blackwood Valley to assist in emergency circumstances. The department will be consulting with the Commonwealth regarding the roll-out of the \$43 billion National Broadband Network. In December 2009, funding was announced, as an initial part of this roll-out, to upgrade backhaul linkages between Perth and Geraldton.

Corporate

- The department plans to transition to the Department of Treasury and Finance's Shared Services in November 2010. To date this project has been managed within existing resources in the areas of human resources, finance and administration branches. The move to provide a centralised approach for all finance, human resource and procurement transactions will be a major cultural change for the department.
- In accordance with the recommendations of the Economic Audit Committee, the department undertook a Value for Money Audit of its activities. The audit identified potential savings and efficiencies, principally in the reduction of leasing and infrastructure costs by co-locating the department's existing multiple sites into one location. This audit indicated that once the department was co-located, there were a number of synergies that could be achieved and this could realise better value for money and/or operational efficiencies. The department will be working towards the implementation of the recommendations of the audit.

Disclosures and Legal Compliance



This section contains the audited Financial Statements and Performance Indicator Report for the year ending 30 June 2010. Details of required disclosures and legal compliance obligations including financial and performance management, accountability, governance and reports required under specific legislation are contained in this section.

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AUDIT OPINION



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT OF COMMERCE FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010

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

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, a summary of significant accounting policies and other explanatory Notes, including Administered transactions and balances.

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

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

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards 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. This document is available on the OAG website under "How We Audit".

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



**Department of Commerce
Financial Statements and Key Performance Indicators for the year ended 30 June 2010**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Department of Commerce at 30 June 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;
- (ii) the controls exercised by the Department provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Department are relevant and appropriate to help users assess the Department's performance and fairly represent the indicated performance for the year ended 30 June 2010.


COLIN MURPHY
AUDITOR GENERAL
16 September 2010



FINANCIAL STATEMENTS

Certification of Financial Statements for the year ended 30 June 2010

The accompanying financial statements of the Department of Commerce 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 2010 and the financial position as at 30 June 2010.

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.



David Goodwin
Chief Finance Officer
14 September 2010



Brian Bradley
Accountable Authority
14 September 2010

Financial Statements

Department of Commerce Statement of Comprehensive Income for the year ended 30 June 2010

	Note	2010 \$'000	2009 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	4	83,043	77,807
Supplies and services	5	25,307	24,689
Depreciation and amortisation expense	6	1,606	1,510
Finance costs	7	17	16
Accommodation expenses	8	12,629	11,832
Grants and subsidies	9	47,842	19,377
Revaluation decrements expense	14	-	88
Impairment Expense	15	497	-
Loss on disposal of non-current assets	15	175	-
Other expenses	10	336	1,393
Total cost of services		171,452	136,712
Income			
Revenue			
User charges and fees	11	36,058	30,120
Commonwealth grants and contributions	12	800	-
Other revenue	13	4,915	2,450
Total revenue		41,773	32,570
Total income other than income from State Government		41,773	32,570
NET COST OF SERVICES		129,679	104,142
Income from State Government			
Service appropriation	16	123,301	99,765
Resources received free of charge		1,427	864
Total income from State Government		124,728	100,629
SURPLUS/(DEFICIT) FOR THE PERIOD		(4,951)	(3,513)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	29	(1,328)	3,951
Total other comprehensive income		(1,328)	3,951
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(6,279)	438

Refer to the 'Schedule of Income and Expenses by Service'.
The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Department of Commerce
Statement of Financial Position
as at 30 June 2010

	Note	2010 \$'000	2009 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	30	9,179	10,760
Restricted cash and cash equivalents	17	10,803	8,668
Receivables	18	14,023	11,374
Amounts receivable for services	19	1,267	1,120
Other current assets	20	135	54
Total Current Assets		35,407	31,976
Non-Current Assets			
Restricted cash and cash equivalents	17	1,449	1,149
Receivables	18	7,304	14,346
Amounts receivable for services	19	12,831	13,003
Property, plant and equipment	21	49,370	39,236
Intangible assets	22	5,152	3,395
Total Non-Current Assets		76,106	71,129
TOTAL ASSETS		111,513	103,105
LIABILITIES			
Current Liabilities			
Payables	24	5,282	7,059
Unearned revenues	27	2,596	3,279
Provisions	26	14,898	13,523
Other current liabilities	28	849	160
Total Current Liabilities		23,625	24,021
Non-Current Liabilities			
Payables	24	860	483
Unearned revenues	27	2,689	1,812
Borrowings	25	771	771
Provisions	26	5,888	5,789
Total Non-Current Liabilities		10,208	8,855
TOTAL LIABILITIES		33,833	32,876
NET ASSETS		77,680	70,229
EQUITY			
Contributed equity	29	75,695	61,965
Reserves		2,623	3,951
Accumulated surplus/(deficit)		(638)	4,313
TOTAL EQUITY		77,680	70,229

Refer to the 'Schedule of Assets and Liabilities by Service'.
The Statement of Financial Position should be read in conjunction with the accompanying notes.

Department of Commerce
Statement of Changes in Equity
for the year ended 30 June 2010

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/ (deficit) \$'000	Total equity \$'000
Balance at 1 July 2008	29	30,595	5,494	4,452	40,541
Changes in accounting policy or correction of prior period		-	-	(2,120)	(2,120)
Asset revaluation reserve adjustment - Section 25		-	(5,494)	5,494	-
Restated balance at 1 July 2008		<u>30,595</u>	<u>-</u>	<u>7,826</u>	<u>38,421</u>
Total comprehensive income for the year		-	3,951	(3,513)	438
Transactions with owners in their capacity as owners:					
Capital appropriations		4,325	-	-	4,325
Other contributions by owners		45,317	-	-	45,317
Distribution to owners		(18,272)	-	-	(18,272)
Total		<u>31,370</u>	<u>3,951</u>	<u>(3,513)</u>	<u>31,808</u>
Balance at 30 June 2009		<u>61,965</u>	<u>3,951</u>	<u>4,313</u>	<u>70,229</u>
Balance at 1 July 2009		61,965	3,951	4,313	70,229
Total comprehensive income for the year		-	(1,328)	(4,951)	(6,279)
Transactions with owners in their capacity as owners:					
Capital appropriations		1,611	-	-	1,611
Transfer of asset from administered to controlled		11,351	-	-	11,351
Other contributions by owners		1,036	-	-	1,036
Distribution to owners		(268)	-	-	(268)
Total		<u>13,730</u>	<u>(1,328)</u>	<u>(4,951)</u>	<u>7,451</u>
Balance at 30 June 2010		<u>75,695</u>	<u>2,623</u>	<u>(638)</u>	<u>77,680</u>

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

Department of Commerce
Statement of Cash Flows
for the year ended 30 June 2010

	Note	2010	2009
		\$'000	\$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		122,059	96,184
Capital appropriations		1,611	4,325
Holding account drawdowns		1,267	1,120
Cash transferred from other State Government agency		2,011	514
Net cash provided by State Government		126,948	102,143
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(81,569)	(75,392)
Supplies and services		(24,672)	(23,437)
Finance costs		(17)	(16)
Accommodation		(12,629)	(11,832)
Grants and subsidies		(47,842)	(19,377)
GST payments on purchases		(9,011)	(5,339)
Other payments		(336)	(1,393)
Receipts			
User charges and fees		41,996	33,004
Commonwealth grants and contributions		800	-
GST receipts on sales		1,084	627
GST receipts from taxation authority		6,576	2,810
Other receipts		4,915	2,450
Net cash (used in) operating activities	30	(120,705)	(97,895)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		685	-
Purchase of non-current physical assets		(5,874)	(3,708)
Net cash (used in) investing activities		(5,189)	(3,708)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(200)	-
Net cash (used in) financing activities		(200)	-
Net increase in cash and cash equivalents		854	540
Cash and cash equivalents at the beginning of the period		20,577	20,037
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	30	21,431	20,577

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

Department of Commerce
Schedule of Income and Expenses by Service
for the year ended 30 June 2010

	Consumer Protection		Safety & Employment Protection		Science, Innovation and Business		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
COST OF SERVICES								
Expenses								
Employee benefits expenses	37,004	32,401	33,279	38,928	12,760	6,478	83,043	77,807
Supplies and services	11,276	10,281	10,142	12,352	3,889	2,056	25,307	24,689
Depreciation and amortisation expense	716	629	644	755	246	126	1,606	1,510
Finance costs	-	-	-	-	17	16	17	16
Accommodation expenses	5,627	4,927	5,061	5,920	1,941	985	12,629	11,832
Grants and subsidies	262	12	440	564	47,140	18,801	47,842	19,377
Revaluation decrement	-	37	-	44	-	7	-	88
Impairment Expense	222	-	199	-	76	-	497	-
Loss on disposal non current asset	78	-	70	-	27	-	175	-
Other expenses	149	580	135	697	52	116	336	1,393
Total cost of services	55,334	48,867	49,970	59,260	66,148	28,585	171,452	136,712
Income								
User Charges and Fees	18,953	16,956	15,000	12,808	2,105	356	36,058	30,120
Commonwealth grants and contributions	800	-	-	-	-	-	800	-
Other revenue	2,583	1,379	2,045	1,042	287	29	4,915	2,450
Total income other than income from State Government	22,336	18,335	17,045	13,850	2,392	385	41,773	32,570
NET COST OF SERVICES	32,998	30,532	32,925	45,410	63,756	28,200	129,679	104,142
INCOME FROM STATE GOVERNMENT								
Service appropriation	31,376	29,249	31,306	43,501	60,619	27,015	123,301	99,765
Resources received free of charge	636	360	572	432	219	72	1,427	864
Total income from State Government	32,012	29,609	31,878	43,933	60,838	27,087	124,728	100,629
SURPLUS/(DEFICIT) FOR THE PERIOD	(986)	(923)	(1,047)	(1,477)	(2,918)	(1,113)	(4,951)	(3,513)

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

Department of Commerce
Schedule of Assets and Liabilities by Service
as at 30 June 2010

	Consumer Protection		Safety & Employment Protection		Science, Innovation and Business		General - Not Attributed		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Assets										
Current assets	514	1,415	9,110	7,142	-	-	25,783	23,419	35,407	31,976
Non-current assets	-	-	-	-	29,518	24,504	46,588	46,625	76,106	71,129
Total assets	514	1,415	9,110	7,142	29,518	24,504	72,371	70,044	111,513	103,105
Liabilities										
Current liabilities	789	1,750	-	1,529	-	-	22,836	20,742	23,625	24,021
Non-current liabilities	1,857	456	1,288	-	771	771	6,292	7,628	10,208	8,855
Total liabilities	2,646	2,206	1,288	1,529	771	771	29,128	28,370	33,833	32,876
NET ASSETS	(2,132)	(791)	7,822	5,613	28,747	23,733	43,243	41,674	77,680	70,229

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

The assets and liabilities classified as 'General Not Attributed' are applied across multiple services and therefore it is not possible to attribute to any individual service.

Department of Commerce
Summary of Consolidated Account Appropriations and Income Estimates
for the year ended 30 June 2010

	2010 Estimate \$'000	2010 Actual \$'000	Variance \$'000	2010 Actual \$'000	2009 Actual \$'000	Variance \$'000
DELIVERY OF SERVICES						
Item 111 Net amount appropriated to deliver services	123,930	121,293	(2,637)	121,293	76,622	44,671
Section 25 transfer of service appropriation (a)						
- From Commerce to DMP	-	(1,196)	(1,196)	(1,196)	(4,103)	2,907
- From DMP to Commerce	-	-	-	-	26,544	(26,544)
- From DTF to Commerce	-	2,504	2,504	2,504	-	2,504
Amount Authorised by Other Statutes						
- Salaries and Allowances Act 1975	721	700	(21)	700	702	(2)
Total appropriations provided to deliver services	124,651	123,301	(1,350)	123,301	99,765	23,536
CAPITAL						
Item 164 Capital Contribution	1,611	1,611	-	1,611	2,770	(1,159)
Section 25 transfer of capital appropriation						
- From Commerce to DMP	-	-	-	-	(120)	120
- From DMP to Commerce	-	-	-	-	1,675	(1,675)
Total capital appropriations	1,611	1,611	-	1,611	4,325	(2,714)
ADMINISTERED TRANSACTIONS						
Section 25 transfer of service appropriation						
- From DMP to Commerce	5	-	(5)	-	-	-
Total administered transactions	5	-	(5)	-	-	-
GRAND TOTAL	126,267	124,912	(1,355)	124,912	104,090	20,822
Details of Expenses by Service						
Consumer Protection	47,460	52,830	5,370	52,830	48,867	3,963
Add adjustment for Consumer Protection transfer from DTF	-	2,504	2,504	2,504	-	2,504
Total Consumer Protection	47,460	55,334	7,874	55,334	48,867	6,467
Safety and Employment Protection	45,007	49,970	4,963	49,970	59,260	(9,290)
Total Safety and Employment Protection	45,007	49,970	4,963	49,970	59,260	(9,290)
Science, Innovation & Business	73,963	66,148	(7,815)	66,148	28,585	37,563
Total Science, Innovation & Business	73,963	66,148	(7,815)	66,148	28,585	37,563
Total Cost of Services	166,430	171,452	5,022	171,452	136,712	34,740
Less total income	(33,430)	(39,094)	(5,664)	(39,094)	(35,249)	(3,845)
Net Cost of Services	133,000	132,358	(642)	132,358	101,463	30,895
Adjustments (b)	(8,349)	(9,057)	(708)	(9,057)	(1,698)	(7,359)
Total appropriations provided to deliver services	124,651	123,301	(1,350)	123,301	99,765	23,536
Capital Expenditure						
Purchase of non-current physical assets	4,845	5,376	531	5,376	3,708	1,668
Capital appropriations	4,845	5,376	531	5,376	3,708	1,668
Details of Income Estimates						
Income disclosed as Administered Income	10,025	11,258	1,233	11,258	10,520	738
Total income estimates	10,025	11,258	1,233	11,258	10,520	738

(a) On the 1st of January 2009 the Science, Innovation and Technology Division was transferred from the Department of Mines and Petroleum (formerly the Department of Industry and Resources) to the Department of Commerce (formerly the Department of Consumer and Employment Protection). The Building Commission Implementation Group was transferred from the Department of Treasury and Finance to the Department of Commerce from 1 July 2009.

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

Note 34. Explanatory statement provides details of any significant variations between estimate and actual results for 2010 and between the actual results for 2009 and 2010.

Machinery of Government changes to the Department

Effective from 1 July 2009 the following Machinery of Government change occurred with the following function being transferred as follows:

- Building Industry Development Group from Department of Treasury and Finance to Department of Commerce.

1. Australian Accounting Standards

General

The Department's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Department has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Department for the annual reporting period ended 30 June 2010.

2. Summary of significant accounting policies

(a) General Statement

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

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

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

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land and buildings 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 Department of Commerce.

Mission

The Department of Commerce is an agency of the Government of Western Australia and seeks to create a contemporary, diversified economy that provides for the growth, safety and protection of the community by: promoting innovation and science, enhancing capacity, and ensuring a world class regulatory environment.

Services

The Department provides the following services:

Service 1: Consumer Protection

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

Service 2: Safety and Employment Protection

The provision of advice, information, education and regulation services to the Western Australian community in the areas of occupational safety and health, energy safety and labour relations.

Service 3: Science, Innovation and Business

Enhances the State's prosperity by promoting science, innovation and business. Services include supporting the Council for Science and Innovation with science policy development advice; administering research capability and infrastructure grants; supporting industry development through innovation and commercialisation and administering science and innovation programs and projects.

The Department administers assets, liabilities, income and expenses on behalf of Government that are not controlled by, nor integral to the function of the Department. These administered balances and transactions are not recognised in the principal financial statements of the Department but schedules are prepared using the same basis as the financial statements and are presented at note 42 'Disclosure of Administered Income and Expenses' and note 43 'Administered Assets and Liabilities'.

(d) Contributed Equity

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, 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 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.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 29 'Equity'.

(e) Income

Revenue Recognition

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

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. See note 16 'Income from State Government' for further detail.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2009-2010 Budget Statements, the Department retained \$36.532 million in 2010 (\$38.288 million in 2009) from the following:

- proceeds from fees and charges;
- sale of goods;
- Commonwealth specific purpose grants and contributions; and
- Other departmental revenue.

Provision of services

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

Sale of goods

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

Grants, donations, gifts and other non-reciprocal contributions

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

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

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) Borrowing and Borrowing Costs

All borrowing costs are expensed.

All loans payable are initially recognised at cost being the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method.

(g) Property, plant and equipment

Capitalisation/Expensing of assets

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

Initial recognition and measurement

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

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

Subsequent measurement

Subsequent to initial recognition as an asset, the Department uses the revaluation model 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.

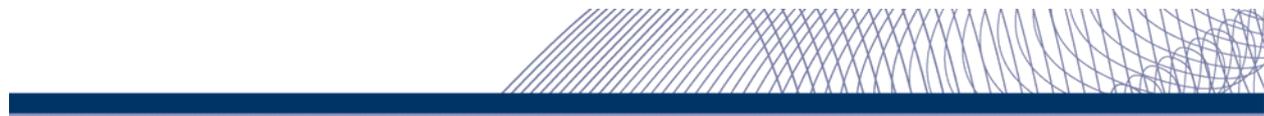
Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated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

Where market-based 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 building 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 basis, the gross carrying amount and the accumulated depreciation are restated proportionally.

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 end of the reporting period.

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.

Refer to note 21 'Property, plant and equipment' for further information on revaluations.



Department of Commerce
Notes to the Financial Statements
for the year ending 30 June 2010

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset Revaluation Surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 21 'Property, plant and equipment'.

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 method, using rates that are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	40 years
Property Infrastructure	5-15 years
Computer hardware	3 years
Computer software ^(a)	3 years
Furniture and fittings	10 years
Office equipment	5 years
Motor vehicles	5 years
Plant & Machinery	10 years

^(a) Software that is integral to the operation of related hardware.

(h) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets over \$5,000 and internally developed intangible assets costing \$100,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

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 of 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 that are reviewed annually. All intangible assets controlled by the department have a finite useful life and zero residual value.

Intangible assets held by the Department are amortised on a straight-line basis using rates that are reviewed annually.



Department of Commerce
Notes to the Financial Statements
for the year ending 30 June 2010

The expected useful lives for intangible software assets are:

Internally developed systems	8 years
All other intangible software assets	3 years

Computer Software

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

Systems Development

For system developments, research costs are expensed as incurred. Development costs incurred on an individual project are carried forward when their future recoverability can reasonably be regarded as assured and where the total capitalised costs are likely to exceed \$100,000. Other development expenditures are expensed as incurred.

Web site costs

Web site costs are expensed when they are incurred unless the cost exceeds \$100,000. In this instance they are capitalised and amortised over their useful life.

(i) Impairment of Assets

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

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

Intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

See note 23 'Impairment of assets' for the outcome of impairment reviews and testing.

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

(j) Non-Current Assets (or Disposal Groups) Classified as Held for Sale

The Department does not hold any non-current assets classified as held for sale.

(k) Leases

The Department does not have any finance leases.

The Department holds operating leases for head office and a number of branch office accommodation. 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.

(l) Financial Instruments

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

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities

- Payables
- Landcorp Borrowings

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

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

(m) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, 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.

(n) Accrued Salaries

Accrued salaries (refer note 24 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to the net fair value.

The accrued salaries suspense account (see note 17 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 paydays occur instead of the normal 26. No interest is received on this account.

(o) Amounts Receivable for Services (Holding Account)

The Department 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.

See also note 16 'Income from State Government' and note 19 'Amounts receivable for services'.

(p) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Department will not be able to collect the debts. The carrying amount is equivalent to fair value, as it is due for settlement within 30 days. See note 18 'Receivables'.

(q) Payables

Payables are recognised at the amounts payable when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 24 'Payables'.

(r) 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 the end of each reporting period. See note 26 'Provisions'.

(i) Provisions - Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 12 months after the reporting period 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 reporting period 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 end of the reporting period.

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 end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Superannuation

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members

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

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

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

See also note 2(s) 'Superannuation Expense'.

(ii) Provisions - Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Department's 'Employee benefits expense'. The related liability is included in Employment on-costs provision. (See note 10 'Other expenses' and note 26 'Provisions').

(s) Superannuation Expense

The superannuation expense in the Statement of Comprehensive Income comprises of employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS). The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

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

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

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

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(u) Comparative Figures

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

(v) Loans converted to grants

The Department's range of assistance to industry includes loans, which are incrementally convertible to grants at prescribed intervals upon the recipients meeting performance milestones. The loans are recognised as loans receivable and an offsetting provision is made for the conversion of the loans to grants at the time of assistance.

3. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Department has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the Department.

- | | |
|---------------------|---|
| AASB 101 | <i>Presentation of Financial Statements (September 2007)</i> . This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard. |
| AASB 2007-10 | <i>Further Amendments to Australian Accounting Standards arising from AASB 101</i> . This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the <i>Framework</i> to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard. |
| AASB 2008-13 | <i>Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]</i> . This Standard amends AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Department where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The Department does not expect any financial impact when the Standard is first applied prospectively. |

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AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments AASB 4, AASB 7, AASB 1023 & AASB 1038. This Standard amends AASB 7 *Financial Instruments: Disclosures* and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

Changes in Accounting Estimates

There were no changes in accounting estimates for the financial year.

Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Department has not applied early any following Australian Accounting Standards that have been issued that may impact the Department. Where applicable, the Department plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
<i>AASB 2009-11</i>	<i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].</i>	1 Jan 2013
	The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Department does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.	
<i>AASB 1053</i>	<i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013
	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	
	The Standard does not have any financial impact on the Department. However it may affect disclosures in the financial statements of the Department if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.	



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		Operative for reporting periods beginning on/after
<i>AASB 2010-2</i>	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i> This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities. The Standard is not expected to have any financial impact on the Department. However, this Standard may reduce some note disclosures in financial statements of the Department. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.	1 July 2013

Department of Commerce
Notes to the Financial Statements
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	2010	2009
	\$'000	\$'000
4. Employee benefits expense		
Wages and salaries (a)	72,170	66,894
Superannuation - defined contribution plans (b)	6,648	6,209
Long service leave (c)	1,504	1,380
Annual leave (c)	478	960
Other related expenses	2,243	2,364
	<u>83,043</u>	<u>77,807</u>

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

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

(c) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at Note 10 'Other expenses'. The employment on-costs liability is included at Note 26 'Provisions'.

5. Supplies and services		
Communications	2,230	2,546
Consultants and contractors	11,448	9,621
Consumables	5,392	4,492
Materials	904	1,094
Insurance	324	319
Motor vehicles	1,763	2,345
Maintenance	581	739
Travel	926	1,420
Other	1,739	2,113
	<u>25,307</u>	<u>24,689</u>

6. Depreciation and amortisation expense

<u>Depreciation</u>		
Computer Hardware	352	359
Computer Software	270	269
Furniture and Fittings	760	599
Vehicles	-	18
Office Equipment	75	103
Buildings	102	90
Property Infrastructure	-	13
Plant & Machinery	1	7
Total Depreciation	<u>1,560</u>	<u>1,458</u>
<u>Amortisation</u>		
Intangible assets	46	52
Total amortisation	<u>46</u>	<u>52</u>
Total depreciation and amortisation	<u>1,606</u>	<u>1,510</u>

7. Finance costs		
Interest paid	17	16
Finance costs expensed	<u>17</u>	<u>16</u>

8. Accommodation expenses		
Lease rentals	12,058	11,245
Repairs and maintenance	247	285
Cleaning	324	302
	<u>12,629</u>	<u>11,832</u>

Department of Commerce
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for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
9. Grants and subsidies		
Farmsafe WA	70	69
Asbestos Diseases Society	100	100
Chamber of Commerce & Industry WA	17	70
Unions WA	7	63
Unions & Associations	10	130
Employment Law Centre	236	130
Industry Development Financial Assistance	-	1,626
Science and Innovation	46,540	17,178
Department of Regional Development and Lands	601	-
Other Miscellaneous	261	11
	<u>47,842</u>	<u>19,377</u>
10. Other expenses		
Employment on-costs (a)	243	1,313
Other (b)	93	80
Total other expenses	<u>336</u>	<u>1,393</u>
(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 26 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		
(b) Includes Audit Fee, refer to note 37 'Remuneration of auditor'.		
11. User charges and fees		
User charges and fees	<u>36,058</u>	<u>30,120</u>
The user charges and fees arise from the department's services in the following areas:		
Real Estate, Settlement Agents Boards & Rental Accommodation Account	12,045	11,486
Business Names	730	751
Register of Encumbered Vehicles	1,366	1,256
Trading Standards	507	538
Worksafe	7,360	2,002
Energy Safety	9,255	9,719
Motor Vehicle Repairers	806	178
Plumbers	3,957	3,408
Resources Safety	-	756
Other	32	26
Total User Charges and Fees	<u>36,058</u>	<u>30,120</u>
12. Commonwealth grants and contributions		
Commonwealth funding was received during the year - COAG Reforms	800	-
	<u>800</u>	<u>-</u>
13. Other revenue		
Miscellaneous revenue for various recoups, contributions, interest, refunds etc.	4,915	2,450
	<u>4,915</u>	<u>2,450</u>
14. Revaluation decrements		
Revaluation decrements	-	88
	<u>-</u>	<u>88</u>

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
15. Net gain/(loss) on disposal of non-current assets		
<u>Costs of Disposal of Non-Current Assets</u>		
Land	720	-
Buildings	140	-
	<u>860</u>	<u>-</u>
<u>Proceeds from Disposal of Non-Current Assets</u>		
Land	685	-
	<u>685</u>	<u>-</u>
Net gain/(loss)	<u>(175)</u>	<u>-</u>
Intangibles - Software (recognition of impairment)	<u>497</u>	<u>-</u>
See also Note 21 'Property, plant and equipment'.		
See also Note 22 'Intangible assets'.		

16. Income from State Government

Appropriation received during the year:		
Service appropriations (a)	<u>123,301</u>	<u>99,765</u>
	<u>123,301</u>	<u>99,765</u>
Resources received free of charge (b)		
Determined on the basis of the following estimates provided by agencies:		
Department of Treasury & Finance	271	305
State Solicitor's Office	1,133	347
Western Australian Land Information Authority	<u>23</u>	<u>212</u>
Total resources received free of charge	<u>1,427</u>	<u>864</u>
	<u>124,728</u>	<u>100,629</u>

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

(b) Where assets or services have been received free of charge or for nominal cost, the Department recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contributions of assets or services are in the nature of contributions by owners, the Department makes an adjustment direct to equity.

17. Restricted cash and cash equivalents

<u>Current</u>		
Consumer Credit Act (WA) (a)	445	445
Departmental Receipts in Suspense (a)	405	28
Safetyline Institute (a)	370	210
Indian Ocean Territories - Commonwealth Government (a)	84	84
Motor Vehicle Repairers (MVR) Industry Operating Account (a)	-	949
Motor Vehicle Repairers (MVR) Industry Education and Research Account (a)	29	10
Motor Vehicle Repairers (MVR) Industry Compensation Account (a)	29	10
Co-operatives Companies Liquidation	10	-
Energy Safety Restricted Cash (a)	8,741	6,932
Gas Producers Contribution Account	<u>690</u>	<u>-</u>
	<u>10,803</u>	<u>8,668</u>

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
17. Restricted cash and cash equivalents (continued)		
<u>Non-Current</u>		
Accrued salaries suspense account (b)	1,449	1,149
	<u>1,449</u>	<u>1,149</u>
Total restricted cash and cash equivalents	<u>12,252</u>	<u>9,817</u>

(a) Refer to Note 40 'Special Purpose Accounts and Restricted Cash Accounts' for explanation of nature of restriction.

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

18. Receivables

<u>Current</u>		
Trade debtors (a)	12,707	9,213
Allowance for impairment of receivables	(11)	(11)
GST receivables	367	1,055
Prepayments	720	905
Sub total current	<u>13,783</u>	<u>11,162</u>
Loans and advances	240	212
Total current	<u>14,023</u>	<u>11,374</u>
<u>Non Current</u>		
Loans and advances (b)	7,304	14,346
Total non current	<u>7,304</u>	<u>14,346</u>
Total receivables	<u>21,327</u>	<u>25,720</u>

(a) Includes recoup of costs incurred, \$10.1m, for administering the Rental Accommodation Account in accordance with the *Residential Tenancies Act 1987* subject to approval from the Treasurer.

(b) The carrying amount of loans receivable approximates their net fair value.

Reconciliation of changes in the allowance for impairment of receivables.

Balance at start of year	11	11
Doubtful debts expense - Statement Of Comprehensive Income	-	-
Amounts written off during the year	-	-
Amount recovered during the year	-	-
Balance at the end of the year	<u>11</u>	<u>11</u>

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

19. Amounts receivable for services

Current	1,267	1,120
Non-Current	12,831	13,003
Total amounts receivable for services	<u>14,098</u>	<u>14,123</u>

Represents the non-cash component of service appropriations. See Note 2(o) 'Amounts Receivable for Services (Holding Account)'. It is restricted in that it can only be used for asset replacement or payment of leave liability.

20. Other assets

<u>Current</u>		
Miscellaneous assets such as credit card and travel clearing accounts etc.	135	54
	<u>135</u>	<u>54</u>

Department of Commerce
Notes to the Financial Statements
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	2010	2009
	\$'000	\$'000
21. Property, plant and equipment		
<u>Land (a)</u>		
At fair value	18,303	20,401
Buildings (a)		
At fair value	3,911	4,103
Property Infrastructure		
At cost	-	-
Accumulated depreciation	-	-
<u>Plant & Machinery</u>		
At cost	8	8
Accumulated depreciation	(1)	-
	7	8
<u>Fixed Asset under Construction</u>		
Construction costs	20,007	9,699
<u>Computer hardware</u>		
At cost	3,315	3,178
Accumulated depreciation	(2,642)	(2,290)
	673	888
Computer software		
At cost	1,060	935
Accumulated depreciation	(891)	(623)
	169	312
<u>Furniture and fittings</u>		
At cost	10,235	6,961
Accumulated depreciation	(4,083)	(3,323)
	6,152	3,638
Vehicles		
At cost	80	80
Accumulated depreciation	(80)	(80)
	-	-
<u>Office equipment</u>		
At cost	956	920
Accumulated depreciation	(808)	(733)
	148	187
Total		
At cost/fair value	57,875	46,285
Accumulated depreciation	(8,505)	(7,049)
Total Property, plant and equipment	49,370	39,236

(a) Land and buildings were revalued as at 1 July 2009 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2010 and recognised at 30 June 2010. In undertaking the revaluation, fair value was determined by reference to market values, where appropriate (land \$18,302,621, buildings \$3,911,384). See note 2(g) 'Property, plant and equipment'.

Department of Commerce
Notes to the Financial Statements
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	2010 \$'000	2009 \$'000
21. Property, plant and equipment (continued)		
Reconciliations		
Reconciliations of the carrying amounts of property, plant and equipment and vehicles at the beginning and end of the reporting period are set out below.		
Land		
Carrying amount at start of year	20,401	12,599
Transfer (to) other government agency - Resources Safety	-	(12,599)
Transfer from other government agency - Science Innovation	-	16,450
Disposal	(720)	-
Revaluation	(1,378)	3,951
Carrying amount at end of year	<u>18,303</u>	<u>20,401</u>
<u>Buildings</u>		
Carrying amount at start of year	4,103	2,829
Transfer (to) other government agency - Resources Safety	-	(2,792)
Transfer from other government agency - Science Innovation	-	4,244
Disposal	(140)	-
Revaluation	50	(88)
Depreciation	(102)	(90)
Carrying amount at end of year	<u>3,911</u>	<u>4,103</u>
<u>Property Infrastructure</u>		
Carrying amount at start of year	-	370
Additions	-	-
Transfer from (to) other government agency	-	(353)
Capitalisation threshold from \$1,000 to \$5,000	-	(4)
Depreciation	-	(13)
Carrying amount at end of year	<u>-</u>	<u>-</u>
Plant & Machinery		
Carrying amount at start of year	8	106
Additions	-	8
Transfer (to) other government agency - Resources Safety	-	(90)
Capitalisation threshold from \$1,000 to \$5,000	-	(9)
Depreciation	(1)	(7)
Carrying amount at end of year	<u>7</u>	<u>8</u>
Fixed Assets under Construction		
Carrying amount at start of year	9,699	2,017
Additions	27	91
Transfer (to) other government agency - Resources Safety	-	(1,986)
Transfer from other government agency - Science Innovation	-	9,577
Transfer from administered to controlled	10,281	-
Carrying amount at end of year	<u>20,007</u>	<u>9,699</u>
Computer hardware		
Carrying amount at start of year	888	2,819
Additions	137	350
Transfer (to) other government agency - Resources Safety	-	(35)
Transfer from other government agency - Science Innovation	-	21
Adjustments	-	(51)
Capitalisation threshold from \$1,000 to \$5,000	-	(1,857)
Depreciation	(352)	(359)
Carrying amount at end of year	<u>673</u>	<u>888</u>

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	2010	2009
	\$'000	\$'000
21. Property, plant and equipment (continued)		
Reconciliations		
Computer software		
Carrying amount at start of year	312	614
Additions	127	4
Transfer (to) other government agency - Resources Safety	-	(4)
Adjustments	-	3
Capitalisation threshold from \$1,000 to \$5,000	-	(36)
Depreciation	(270)	(269)
Carrying amount at end of year	<u>169</u>	<u>312</u>
Furniture and fittings		
Carrying amount at start of year	3,638	5,139
Additions	3,274	932
Transfer (to) other government agency - Resources Safety	-	(1,813)
Transfer from other government agency - Science Innovation	-	41
Capitalisation threshold from \$1,000 to \$5,000	-	(62)
Depreciation	(760)	(599)
Carrying amount at end of year	<u>6,152</u>	<u>3,638</u>
Vehicles		
Carrying amount at start of year	-	55
Transfer (to) other government agency - Resources Safety	-	(33)
Capitalisation threshold from \$1,000 to \$5,000	-	(4)
Depreciation	-	(18)
Carrying amount at end of year	<u>-</u>	<u>-</u>
Office equipment		
Carrying amount at start of year	187	405
Additions	36	30
Transfer (to) other government agency - Resources Safety	-	(39)
Transfer from other government agency - Science Innovation	-	51
Transfer from other government agency - Science Innovation (expensed)	-	(22)
Capitalisation threshold from \$1,000 to \$5,000	-	(136)
Adjustments	-	1
Depreciation	(75)	(103)
Carrying amount at end of year	<u>148</u>	<u>187</u>
Total - Property, plant and equipment		
Carrying amount at start of year	39,236	26,953
Additions	3,601	1,415
Transfer (to) other government agency - Resources Safety	-	(19,744)
Transfer from other government agency - Science Innovation	-	30,384
Transfer from other government agency - Science Innovation (expensed)	-	(22)
Transfer from administered to controlled	10,281	-
Adjustments	-	(47)
Disposal	(860)	-
Revaluation	(1,328)	3,863
Capitalisation threshold from \$1,000 to \$5,000	-	(2,108)
Disposals	-	-
Depreciation	(1,560)	(1,458)
Carrying amount at end of year	<u>49,370</u>	<u>39,236</u>

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	2010	2009
	\$'000	\$'000
22. Intangible assets		
<u>Computer software</u>		
At cost	1,146	1,146
Accumulated amortisation	(1,143)	(1,097)
	<u>3</u>	<u>49</u>
<u>Software development in progress</u>		
At cost	5,646	3,346
Impairment	(497)	-
	<u>5,149</u>	<u>3,346</u>
Total		
At cost/fair value	6,792	4,492
Accumulated amortisation	(1,143)	(1,097)
Impairment	(497)	-
Total Intangible assets	<u>5,152</u>	<u>3,395</u>
<u>Computer software</u>		
Carrying amount at start of year	49	118
Capitalisation threshold adjustment	-	(12)
Addition corrections	-	(2)
Transfer from/(to) other government agency	-	(3)
Amortisation expense	(46)	(52)
Carrying amount at end of year	<u>3</u>	<u>49</u>
<u>Software development in progress</u>		
Carrying amount at start of year	3,346	1,051
Additions	2,300	2,295
Impairment	(497)	-
Carrying amount at end of year	<u>5,149</u>	<u>3,346</u>
<u>Total - Intangibles assets</u>		
Carrying amount at start of year	3,395	1,169
Capitalisation threshold adjustment	-	(12)
Additions	2,300	2,293
Impairment	(497)	-
Transfer from/(to) other government agency	-	(3)
Amortisation	(46)	(52)
Carrying amount at end of year	<u>5,152</u>	<u>3,395</u>
23. Impairment of assets		
As required under the department's policies, software under development projects are reviewed annually. The Compliance Management Program Board identified some projects that would no longer achieve the intended outcomes. A decision was made to cancel these projects and as such an impairment was recognised. An impairment expense of \$497,000 (2009: NIL) was recognised in the current financial year in respect of cancelled software under development projects.		
24. Payables		
<u>Current</u>		
Trade payables	2,058	1,161
Accrued expenses	2,076	5,081
Accrued salaries (a)	1,148	817
	<u>5,282</u>	<u>7,059</u>
<u>Non-current (b)</u>		
Trust Account - Consumer Credit Act (WA)	445	445
Trust Account - Departmental Receipts in Suspense	404	28
Co-operatives - Companies Liquidation account	11	10
	<u>860</u>	<u>483</u>

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	2010	2009
	\$'000	\$'000

Refer to Note 35 'Financial Instruments' and Note 2(r) 'Payables'.

(a) Amount owing for 2010, 4 working days \$1,147,868.19, as last pay falls on 24 June 2010. Amount owing for 2009 was \$816,917.13. Accrued salaries are settled within a few working days of the financial year end. The carrying amount of accrued salaries is equivalent to the net fair value.

(b) Refer to Note 40 'Special Purpose Accounts and Restricted Cash Accounts' for explanation.

25. Borrowings

Non-current		
WA Land Corp (Enterprise Units Development Agreement)	771	771
Total	<u>771</u>	<u>771</u>

26. Provisions

Current		
Employee benefits provision		
Annual leave (a)	6,065	5,779
Long service leave (b)	7,879	6,768
Other provisions		
Employment on-costs (c)	954	976
Total current provisions	<u>14,898</u>	<u>13,523</u>
Non-current		
Employee benefits provision		
Long service leave (b)	5,862	5,737
Other provisions		
Employment on-costs (c)	26	52
Total non-current provisions	<u>5,888</u>	<u>5,789</u>

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	3,572	3,451
More than 12 months after the reporting period	2,493	2,328
	<u>6,065</u>	<u>5,779</u>

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	5,379	4,736
More than 12 months after the reporting period	8,362	7,769
	<u>13,741</u>	<u>12,505</u>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, is disclosed in note 10 'Other expenses'.

Movements in Other Provisions

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

<u>Employment on-cost provision</u>		
Carrying amount at start of year	1,028	864
Additional provisions recognised	(48)	164
Carrying amount at end of year	<u>980</u>	<u>1,028</u>

Department of Commerce
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	2010	2009
	\$'000	\$'000
27. Unearned revenues		
Current		
Unearned revenue (a)	2,596	3,279
	<u>2,596</u>	<u>3,279</u>
Non-Current		
Unearned revenue (a)	2,689	1,812
	<u>2,689</u>	<u>1,812</u>

(a) Unearned revenues is revenue received in advance for plumbers licences and compliance certificates, and multiple year licences for Energy Safety and Motor Vehicle Repairers. This revenue will be recognised in the 2010-11 and subsequent years.

28. Other liabilities

Current

Miscellaneous liabilities such as stale & returned cheques, refunds, intercompany fund etc.

849	160
<u>849</u>	<u>160</u>

29. Equity

Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

Balance at the start of the year	61,965	30,595
Contributions by owners		
Capital appropriation (b)	1,611	4,325
Other contributions by owners		
Transfer of assets from Administered to Controlled (d)	11,351	-
Transfer of net assets from other agencies: (a) (c)		
Department of Mines & Petroleum (Section 25)	-	45,317
Department of Treasury and Finance	1,036	-
Total contributions by owners	<u>13,998</u>	<u>49,642</u>
Distributions to owners		
Transfer of net assets to other agencies: (a) (c)		
Department of Treasury and Finance	(200)	-
Department of Mines and Petroleum (Section 25)	(68)	(18,272)
Total distributions to owners	<u>(268)</u>	<u>(18,272)</u>
Balance at the end of the year	<u>75,695</u>	<u>61,965</u>

(a) Under AASB 1004 'Contributions', transfers of net assets as a result of a restructure of administrative arrangements are to be accounted for as contributions by owners and distributions to owners.

(b) Under the Treasurer's Instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' Capital appropriations have been designated as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

(c) Under TI 955, non-discretionary (non-reciprocal) transfers of net assets between State government agencies have been designated as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary (non-reciprocal) transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners.

(d) Refer to Note 21 - fixed assets under construction.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
29. Equity (continued)		
Reserves		
Asset revaluation surplus:		
Balance at the start of the year	3,951	5,494
Revaluation reserve for assets transferred to other government agency	-	(5,494)
Net revaluation increments/(decrements):		
Land	(1,378)	3,951
Buildings	50	-
Balance at the end of the year	<u>2,623</u>	<u>3,951</u>
Accumulated surplus/(deficit)		
Balance at the start of the year	4,313	4,452
Change in accounting policy	-	(2,120)
Revaluation reserve for assets transferred to other government agency	-	5,494
Result for the period	(4,951)	(3,513)
Balance at the end of the year	<u>(638)</u>	<u>4,313</u>
30. Notes to the Statement of Cash Flows		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	9,179	10,760
Restricted cash and cash equivalents (refer to note 17)	12,252	9,817
	<u>21,431</u>	<u>20,577</u>
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	(129,679)	(104,142)
Non-cash items:		
Depreciation and amortisation expense (note 6)	1,606	1,510
Resources received free of charge (note 16)	1,427	864
Revaluation decrements (note 14)	-	88
Net (gain)/loss on sale of property, plant and equipment (note 15)	175	-
Impairment expense (note 23)	497	-
(Increase)/decrease in assets:		
Current receivables (a)	5,744	(3,152)
Other current assets	(81)	217
Increase/(decrease) in liabilities:		
Current payables (a)	(1,777)	273
Current unearned revenue	(683)	4,227
Current provisions	1,375	1,752
Other current liabilities	689	(14)
Non-current payables	377	(88)
Non-current unearned revenue	877	1,812
Non-current provisions	99	660
Net GST receipts/(payments) (b)	(1,351)	(1,902)
Net cash (used in) operating activities	<u>(120,705)</u>	<u>(97,895)</u>

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received ie. Cash transactions.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
31. Commitments		
Lease commitments		
Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statement are payable as follows:		
Within 1 year	12,027	13,920
Later than 1 year and not later than 5 years	32,871	41,034
Later than 5 years	618	23,614
	<u>45,516</u>	<u>78,568</u>
Representing:		
Non-cancellable operating leases	<u>45,516</u>	<u>78,568</u>

Non cancellable operating lease commitments

The Department has a number of property leases for its operations both within the metropolitan area and country regions. The leases have various terms and conditions and expiry dates including rent reviews. Also included is the fleet motor vehicle lease costs.

Commitments for minimum lease payments are payable as follows:

Within 1 year	12,027	13,920
Later than 1 year and not later than 5 years	32,871	41,034
Later than 5 years	618	23,614
	<u>45,516</u>	<u>78,568</u>

The property leases are non-cancellable leases with various terms, with rent payable monthly in advance. Contingent rent provisions within the lease agreements require that the minimum lease payments shall be increased by the lower of CPI or 4% per annum. An option exists to renew the leases at the end of the various terms for additional terms.

32. Contingent Liabilities and Contingent Assets

Contingent Liabilities

The Department does not have any contingent liabilities in addition to those included in the financial statements.

Contingent Assets

The Department does not have any contingent assets in addition to those included in the financial statements.

33. Events occurring after the end of the reporting period

The Department is not aware of any events occurring after the reporting date that materially affect these financial statements.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

34. Explanatory statement

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled 'Summary of Consolidated Account Appropriations and Income Estimates' are shown below. Significant variations are considered to be those greater than 10% or \$5 million.

Total appropriations provided to deliver services

Significant variances between estimate and actual for 2010

Although there was no significant variance in the total appropriation, there were significant of setting variances in the following service expenditure:

	2010 Estimate \$000	2010 Actual \$000	Variance \$000
Total appropriation provided to deliver services for the year	124,651	123,301	(1,350)
Total income	33,430	41,773	8,343

Total appropriation provided to deliver services for the year

The variation is mainly due to savings achieved across government and the repositioning of some of the science, innovation and business grants program to the outyears.

Total income

The variation is mainly due to additional monies being received for Seamless National Economy Initiatives, Section 25 transfer of Building Commission Implementation Group from Department of Treasury and Finance, and the finalisation of the Section 25 transfer of Resources Safety to Department of Mines and Petroleum.

Significant variances between actual results for 2009 and 2010

	2010 Actual \$000	2009 Actual \$000	Variance \$000
Total appropriation provided to deliver services for the year	123,301	99,765	23,536
Total income	41,773	32,570	9,203

Total appropriation provided to deliver services for the year

The variation is mainly due to the Science, Innovation and Business (SIB) division being with the Department of Commerce for a full financial year. SIB transferred from the Department of Mines and Petroleum from 1 January 2009, therefore only six months of appropriation was reported as part of the 2009 Actual figure. The Building Commission Implementation (BID) Group also transferred in to Commerce from 1 July 2009.

Total income

The variation is mainly due to additional monies being received for Seamless National Economy Initiatives, Section 25 transfer of Building Commission Implementation Group from Department of Treasury and Finance, and the finalisation of the Section 25 transfer of Resources Safety to Department of Mines and Petroleum.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

Service expenditure

Significant variances between estimate and actual for 2010

	2010 Estimate	2010 Actual	Variance
	\$000	\$000	\$000
Consumer Protection	47,460	55,334	7,874
Safety and Employment Protection	45,007	49,970	4,963
Science, Innovation and Business	73,963	66,148	(7,815)

The variation is mainly due to additional funding being received for Seamless National Economy Initiatives, Government Voluntary Severance Schemes, Section 25 transfer of Building Commission Implementation Group from Department of Treasury and Finance, and the finalisation of the Section 25 transfer of Resources Safety to Department of Mines and Petroleum, repositioning of some of the Science, Innovation and Business grants program to the outyears.

Significant variances between actual results for 2009 and 2010

	2010 Actual	2009 Actual	Variance
	\$000	\$000	\$000
Consumer Protection	55,334	48,867	6,467
Safety and Employment Protection	49,970	59,260	(9,290)
Science, Innovation and Business	66,148	28,585	37,563

The variation is mainly due to additional funding being received for Seamless National Economy Initiatives, Government Voluntary Severance Schemes, Section 25 transfer of Building Commission Implementation Group from Department of Treasury and Finance, and the finalisation of the Section 25 transfer of Resources Safety to Department of Mines and Petroleum, the Science, Innovation and Business grants program was substantially increased from 2009.

Capital contribution

Significant variances between estimate and actual for 2010 and actuals for 2009 and 2010

No significant variance in Capital Contribution.

Total administered transactions

Significant variances between estimate and actual for 2010 and actuals for 2009 and 2010

No significant variances in total administered transactions.

Administered Income

Significant variances between estimate and actual for 2010 and actuals for 2009 and 2010

No significant variances in administered income.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

35. Financial instruments

(a) Financial Risk Management Objectives and Policies

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

Credit risk

Credit risk arises when there is the possibility of the Department's receivables defaulting on their contractual obligations resulting in financial loss to the Department.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 35(c) 'Financial instruments disclosures' and note 18 'Receivables'.

Credit risk associated with the Department's financial assets is mainly comprised of receivables that are in the nature of loans to third parties. For receivables other than government, the Department trades only with recognised, creditworthy third parties. The Department has policies in place to ensure that sales of products, services and loans are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. There are no significant concentrations of credit risk other than a receivable of \$19 million to a company, receivable in 2014.

Allowance for impairment of financial assets is calculated based on objective evidence such as observable data in client credit ratings. For financial assets that are either past due or impaired, refer to Note 35(c).

Liquidity risk

The Department is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due. The Department has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

The Department does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes). The Department's exposure to market risk for changes in interest rates relates primarily to the long term debt obligations. The Department's borrowings are through Landcorp and have variable rates. Other than as detailed in the Interest rate sensitivity analysis table at Note 35(c), the Department is not exposed to interest rate risk because all cash and cash equivalents and restricted cash are non-interest bearing.

(b) Categories of Financial Instruments

In addition to cash and cash equivalents, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2010 \$000	2009 \$000
Financial Assets		
Cash and cash equivalents	9,263	10,760
Restricted cash and cash equivalents	12,252	9,817
Loans and Receivables (a)	20,960	24,665
Financial Liabilities		
Financial liabilities measured at amortised cost	6,913	8,313

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

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

(c) Financial Instrument Disclosures

Credit Risk and Interest Rate Risk Exposure

The following tables disclose the Department's maximum exposure to credit risk, interest rate exposures and ageing analysis of financial assets. The Department's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Department.

The Department holds collateral as security relating to some of the financial assets it holds.

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

Interest rate exposure and ageing analysis of financial assets

	<u>Interest Rate Exposure</u>		<u>Past due but not impaired</u>		
	Carrying Amount	Non-interest bearing	Up to 3 months	3-12 months	1-2 years
Financial Assets	\$000	\$000	\$000	\$000	\$000
2010					
Cash and cash equivalents	9,263	9,263	-	-	-
Restricted cash and cash equivalents	12,252	12,252	-	-	-
Receivables (a)	13,416	13,416	1,974	127	113
Loans and advances	7,544	7,544	-	-	-
Amounts receivable for services	14,098	14,098	-	-	-
	56,573	56,573	1,974	127	113
2009					
Cash and cash equivalents	10,760	10,760	-	-	-
Restricted cash and cash equivalents	9,817	9,817	-	-	-
Receivables (a)	9,213	9,213	1,261	49	125
Loans and advances	14,558	14,558	-	-	-
Amounts receivable for services	14,123	14,123	-	-	-
	58,471	58,471	1,261	49	125

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

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the end of the reporting period. The table includes interest and principle cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	<u>Interest Rate Exposure</u>			<u>Maturity dates</u>
		Carrying Amount	Variable interest rate	Non-interest bearing	More than 5 years
Financial Liabilities	%	\$000	\$000	\$000	\$000
2010					
Payables		6,142	-	6,142	-
Borrowings	4.29%	771	771	-	771
		6,913	771	6,142	771
2009					
Payables		7,542	-	7,542	-
Borrowings	4.10%	771	771	-	771
		8,313	771	7,542	771

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

Department of Commerce
Notes to the Financial Statements
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Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Department's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying Amount	-100 basis points		+100 basis points	
		Profit	Equity	Profit	Equity
Financial Liabilities	\$000	\$000	\$000	\$000	\$000
2010					
Borrowings	771	(8)	(8)	8	8
Total increase/(decrease)		(8)	(8)	8	8
2009					
Borrowings	771	(8)	(8)	8	8
Total increase/(decrease)		(8)	(8)	8	8

Fair Values

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

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
36. Remuneration of Senior Officers		
The number of senior officers, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
\$	<u>2010</u>	<u>2009</u>
20,001 - 30,000	1	1
110,001 - 120,000	2	4
120,001 - 130,000	1	1
130,001 - 140,000	1	1
140,001 - 150,000	-	1
150,001 - 160,000	3	1
160,001 - 170,000	2	-
190,001 - 200,000	-	2
200,001 - 210,000	1	1
210,001 - 220,000	2	-
280,001 - 290,000	-	1
290,001 - 300,000	1	-
The total remuneration of senior officers is:	<u>2,226</u>	<u>2,003</u>

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

No senior officers are members of the Pension Scheme.

37. Remuneration of auditor

Remuneration payable to the Auditor General in respect of the audit for the current financial year is as follows:

Auditing the accounts, financial statements and performance indicators	<u>93</u>	<u>80</u>
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38. Related bodies

The Department has no related bodies.

39. Affiliated bodies

Western Australian Technology and Industry Advisory Council (TIAC)

The Technology and Industry Advisory Council (TIAC), which was established by the *Technology Development Amendment Act 1987* and continued under the *Industry Technology Development Act 1988*, was totally funded by the Department. The TIAC was transferred from the Department of Mines and Petroleum on 1 January 2009 and ceased operation with effect from 4 December 2009.

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts		
Summary Details		
Special Purpose Accounts section 16(1)(c) of FMA (Controlled)		
Consumer Credit Act (WA)	445	445
Departmental Receipts in Suspense	405	28
	<u>850</u>	<u>473</u>
Restricted Cash Accounts		
Safetyline Institute	370	210
Indian Ocean Territories - Commonwealth Government	84	84
Mine Safety Handbooks	-	-
Petroleum Conferences	-	-
Motor Vehicle Repairer's (MVR) Industry Operating Account	-	949
Motor Vehicle Repairer's (MVR) Industry Education & Research Acct	29	10
Motor Vehicle Repairer's (MVR) Industry Compensation Account	29	10
Co-operatives Companies Liquidation	10	10
Energy Safety Restricted Cash	8,741	6,932
Gas Producers Contribution Account	690	-
	<u>9,953</u>	<u>8,205</u>
Western Australian Industry and Technology Development Account	<u>-</u>	<u>-</u>
Special Purpose Accounts section 16(1)(b) of FMA (Administered)		
Rental Accommodation Account	189,960	163,010
Regional Headworks Development Scheme	5,007	5,007
	<u>194,967</u>	<u>168,017</u>
Detailed Breakdown		
Special Purpose Accounts		
Consumer Credit Act (WA) (a)		
Balance at the start of the year	445	442
Receipts:	-	3
Payments:	-	-
Balance at the end of the year	<u>445</u>	<u>445</u>
Departmental Receipts in Suspense (b)		
Balance at the start of the year	28	129
Receipts:	405	28
Payments:	(28)	(129)
Balance at the end of the year	<u>405</u>	<u>28</u>
Restricted Cash Accounts		
Safetyline Institute (c)		
Balance at the start of the year	210	108
Receipts:	179	130
Payments:	(19)	(28)
Balance at the end of the year	<u>370</u>	<u>210</u>
Indian Ocean Territories (d)		
Balance at the start of the year	84	137
Receipts - Commonwealth	306	238
Payments:	(306)	(291)
Balance at the end of the year	<u>84</u>	<u>84</u>

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010 \$'000	2009 \$'000
40. Special Purpose Accounts and Restricted Cash Accounts (continued)		
Restricted Cash Accounts		
<u>Mine Safety Handbooks (e)</u>		
Balance at the start of the year	-	24
Receipts:	-	-
Payments:	-	(24)
Balance at the end of the year	<u>-</u>	<u>-</u>
<u>Petroleum Conferences (f)</u>		
Balance at the start of the year	-	121
Receipts:	-	-
Payments:	-	(121)
Balance at the end of the year	<u>-</u>	<u>-</u>
<u>MVR Industry Operating Account (g)</u>		
Balance at the start of the year	949	225
Receipts:	341	724
Payments:	(1,290)	-
Balance at the end of the year	<u>-</u>	<u>949</u>
<u>MVR Industry Education & Research Account (g)</u>		
Balance at the start of the year	10	2
Receipts:	988	8
Payments:	(969)	-
Balance at the end of the year	<u>29</u>	<u>10</u>
<u>MVR Industry Compensation Account (g)</u>		
Balance at the start of the year	10	2
Receipts:	19	8
Payments:	-	-
Balance at the end of the year	<u>29</u>	<u>10</u>
<u>Co-operatives Companies Liquidation (h)</u>		
Balance at the start of the year	10	-
Receipts:	-	10
Payments:	-	-
Balance at the end of the year	<u>10</u>	<u>10</u>
<u>Energy Safety Restricted Cash (i)</u>		
Balance at the start of the year	6,932	4,226
Receipts:	12,809	11,995
Payments:	(11,000)	(9,289)
Balance at the end of the year	<u>8,741</u>	<u>6,932</u>
<u>Gas Producers Contribution Account (j)</u>		
Balance at the start of the year	-	-
Receipts:	800	-
Payments:	(110)	-
Balance at the end of the year	<u>690</u>	<u>-</u>

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010 \$'000	2009 \$'000
40. Special Purpose Accounts and Restricted Cash Accounts (continued)		
Restricted Cash Accounts		
<u>Western Australian Industry and Technology Development Account (k)</u>		
Balance at the start of the year	-	-
Receipts:		
20,325	20,325	11,426
Payments:		
(11,426)	(20,325)	(11,426)
Balance at the end of the year	-	-

(a) Holds funds pending distribution in accordance with the *Consumer Credit (WA) Act 1996* or court direction.

(b) Holds funds pending identification of the purpose for which the monies were received.

(c) The fund was created under the *State Trading Concerns Act 1916* and controls income received in respect of the provisions of copyright materials and a relevant trade mark advertising opportunities or similar arrangements.

(d) The Department of Commerce has a service delivery agreement with the Commonwealth Government to undertake to provide its normal service to the Christmas and Cocos Islands.

(e) Holds funds for use in updating and amending the national CCIM Minerals Industry Safety Handbook.

(f) Holds funds used for the Petroleum Industry Safety and Environment Conference.

(g) Holds funds used for the Motor Vehicle Repairers Industry in accordance with the *Motor Vehicle Repairers Act 2003*.

(h) Holds unclaimed funds pending redistribution in accordance with the *Companies (Co-operative) Act 1943* Section 290(1).

(i) Holds funds used for the operation of the Energy Safety division of the Department of Commerce in accordance with the *Energy Safety Act 2006*.

(j) Holds funds used for the gas rectification program in accordance with section 23 of the *Gas Supply (Gas Quality Specifications) Act 2009*.

(k) Records funds received and expenditure charged in accordance with the *Industry and Technology Act 1998* (ITDA). The Western Australian Industry and Technology Development account was transferred from the Department of Mines and Petroleum on 1 January 2009 and ceased operation with effect from 4 December 2009.

Administered

Rental Accommodation Account (l)

Balance at start of the year	163,010	130,764
Receipts:		
Bonds received	100,380	87,777
Interest received	7,753	11,433
Other	603	165
Total receipts	108,736	99,375
Payments:		
Bonds disbursed	(76,954)	(67,141)
Administration costs	-	(1,817)
Grants	(2,772)	(1,873)
Other	(2,060)	3,702
Total Payments	(81,786)	(67,129)
Balance at the end of the year	189,960	163,010

Regional Headworks Development Scheme (m)

Balance at the start of the year	5,007	-
Receipts:		
5,007	-	5,007
Payments:		
(5,007)	-	-
Balance at the end of the year	5,007	5,007

(l) Holds rental security bonds and the interest income in accordance with clause 3(1) of schedule 1 of the *Residential Tenancies Act 1987*.

(m) Holds funds appropriated for the purpose of providing assistance under the Regional Headworks Development Scheme (RHDS). The RHDS was transferred from the Department of Mines and Petroleum on 1 January 2009.



Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
41. Supplementary financial information		
Write-Offs		
During the financial year \$664,667 (2009 - \$23,497) of debts due to the State was written off. The debtors written off were mainly in the areas of Business Names comprising of numerous individual debts of such small amounts that would not be economical to pursue and an irrecoverable loan. The amounts were written off under the authority of:		
The Accountable Authority	23	23
Executive Council	642	-
	<u>665</u>	<u>23</u>
<u>Losses through Theft, Defaults and Other Causes</u>		
Losses of public moneys and, public and other property through theft or default	8	123
Amounts recovered	<u>(8)</u>	<u>(123)</u>
	<u>-</u>	<u>-</u>

Gifts of Public Property

The Department received no gifts of public property.

Acts of Grace

The Department made no Act of Grace payments.

Department of Commerce
Disclosure of administered income and expenses by service
for the year ended 30 June 2010

42. Disclosure of Administered Income and Expenses

	Consumer Protection		Safety & Employment Protection		Science, Innovation and Business		General - Not Attributed		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
COST OF SERVICES										
Expenses										
Employee benefits expenses	-	-	-	-	215	111	-	-	215	111
Supplies and services	-	-	-	-	1,179	111	-	-	1,179	111
Grants and subsidies	-	-	-	-	865	3,198	-	-	865	3,198
Receipts paid into Consolidated account	9,644	9,281	116	253	-	-	-	-	9,760	9,534
Total administered expenses	9,644	9,281	116	253	2,259	3,420	-	-	12,019	12,954
Income										
For transfer:										
Regulatory fees	9,644	9,281	116	253	-	-	-	-	9,760	9,534
Commonwealth grants and contributions	-	-	-	-	776	-	-	282	776	282
Other	-	-	-	-	663	-	-	704	663	704
Total administered income	9,644	9,281	116	253	1,439	-	-	986	11,199	10,520

Payments of fees and charges to the Consolidated Account

The Department of Commerce is responsible for the collection of certain fees and fines. These are not classified as controlled revenue and expenses and are credited to the Consolidated Account.

Collections made during the year:	2010 \$'000	2009 \$'000
Business Names Registrations	5,406	5,068
Other Registration Fees	139	117
Credit Providers	852	984
Employment Agents	250	258
Finance Brokers	999	1,177
Land Valuers	81	143
Motor Vehicle Dealers	816	766
Travel Agents	244	103
Plumbers	9	5
Petroleum Pricing	3	27
Product Safety	6	12
Resources Safety	-	19
Other	955	855
Total	9,760	9,534

Department of Commerce
Notes to the Financial Statements
for the year ended 30 June 2010

	2010	2009
	\$'000	\$'000
43. Administered Assets and Liabilities		
Current Assets		
Cash and cash equivalents	1,897	4,056
Receivables	418	3,715
Total administered current assets	<u>2,315</u>	<u>7,771</u>
Non Current Assets		
Property, Plant and Equipment	-	10,597
Loans and Advances	11,592	11,679
Total administered non current assets	<u>11,592</u>	<u>22,276</u>
Total Administered Assets	<u><u>13,907</u></u>	<u><u>30,047</u></u>
Current Liabilities		
Payables	192	4
Accrued Expenses	-	98
Loans and Advances	-	1,964
Total administered current liabilities	<u>192</u>	<u>2,066</u>
Non Current Liabilities		
Loans and Advances	400	602
Total administered non current liabilities	<u>400</u>	<u>602</u>
Total Administered Liabilities	<u><u>592</u></u>	<u><u>2,668</u></u>

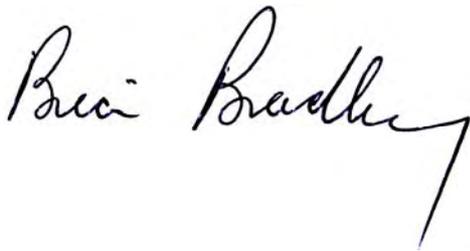
The administered assets, liabilities, expenses and income are those which the Government requires the Department to administer on its behalf.



PERFORMANCE INDICATOR REPORT

Certification of Performance Indicator Report for the year ended 30 June 2010

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Commerce's performance, and fairly represent the performance of the Department of Commerce for the financial year ended 30 June 2010.



Brian Bradley

Accountable Authority

14 September 2010



Performance Indicator Report

The linkage of the Department of Commerce’s desired outcome and services to the community and the Government’s goals is demonstrated in Figure 4.

GOVERNMENT’S GOALS	AGENCY LEVEL GOVERNMENT DESIRED OUTCOME	SERVICES
Outcomes-Based Service Delivery Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Outcome 1 A fair trading environment that protects consumers and traders in Western Australia.	Service 1: Consumer Protection The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.
Social and Environmental Responsibility Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	Outcome 2 A community in which workplaces are operated in a safe and fair manner.	Service 2: Safety and Employment Protection The provision of advice, information, education and regulation services to the Western Australian community in the areas of: occupational safety and health; energy safety; and labour relations.
Financial and Economic Responsibility Responsibly managing the State’s finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Outcome 3 Enhancement of the State’s economic sustainability and prosperity.	Service 3: Science, Innovation and Business Enhances the State’s prosperity by promoting science, innovation and business. Services include: <ul style="list-style-type: none"> ▪ supporting the Council for Science and Innovation with science policy development advice; ▪ administering research capability and infrastructure grants; ▪ supporting industry development through innovation and commercialisation; and ▪ administering science and innovation programs and projects.

Figure 4: Relationship to the Government’s Goals for 2009-10

Information on the changes to the department and the outcome based management framework can be found in the Overview (Performance management framework) section of this report.

Treasurer’s instruction 904 requires a disclosure of comparison of actual results against budget targets for the key performance indicators, together with explanations of any material variations between actual results and budget targets. As the Building Industry Development Group was transferred to the department, the targets used are the ‘2009-10 Budget’ figures contained in the department’s 2010-11 Budget Papers. These targets were revised from the ‘2009-10 Budget Target’ figures from the 2009-10 Budget Papers as they were adjusted to include expenditure for the Building Commission Division and are comparable to the ‘2009-10 Actual’ results in this report.

Key effectiveness indicators

The department has adopted four key performance indicators of effectiveness to measure the extent to which the department achieves its three outcomes. Each of the operational divisions of the department has underpinning measures that contribute to the results reported for these effectiveness indicators.

Outcome one

A fair trading environment that protects consumers and traders in Western Australia.

Key effectiveness indicator one

The extent to which traders comply with regulatory requirements

Result

Table 8: Key effectiveness indicator one

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Target	2009-10 Actual ⁽¹⁾
Number inspections	17,515	17,231	10,918	18,403		20,578
Number compliant	16,402	16,637	10,141	17,825		19,584
	94%	97%	93%	97%	95%	95%

Note:

- (1) The number of elements for 2009-10 consists of 512 inspections undertaken by the Plumbers' Licensing Board of the Building Commission Division and 20,066 inspections undertaken by the Consumer Protection Division. The number compliant consists of 297 and 19,287 respectively.

The department's effectiveness in relation to the extent to which consumers are protected and businesses operate fairly is assessed in terms of the proportion of traders that comply with regulatory requirements. The extent to which breaches of a significant nature were identified is the basis for monitoring and reporting compliance. The extent of compliance is ascertained by assessing businesses against criteria established by the department, in particular priority areas regarding compliance with consumer protection legislation. During the course of inspections, inspectors verify traders' compliance against a list of regulatory requirements. Only those areas for which the Consumer Protection Division and the Building Commission Division are directly responsible are used to ascertain the extent of compliance within the community. During 2009-10, 20,578 consumer protection routine and proactive inspections were undertaken to provide the result reported. Of these inspections, 95 per cent of traders were found to be compliant with the regulatory requirements.

Key effectiveness indicator two

The extent of consumer confidence in Western Australia's trading environment

Result

Table 9: Key effectiveness indicator two

Underpinning Measures	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Target	2009-10 Actual
The extent to which consumers believe businesses generally act fairly towards consumers.	82%	77%	78%	77%		75%
The extent to which consumers believe they are well informed about their rights and responsibilities.	68%	71%	66%	64%		60%
	75%	74%	72%	71%	75%	68%

The extent of consumer confidence is measured by the extent to which consumers believe businesses generally act fairly to them and the extent to which they believe they are well informed about their rights and responsibilities. Results reported were determined by an independent survey, which has been conducted for the last 12 years. A total of 400 surveys were completed (a response rate of 40 per cent) achieving a maximum standard error ratio of +/-4.9 per cent at the 95 per cent confidence level. A total of 4,231 calls were made to achieve 400 completed surveys. Calling occurred over a two week period from 19 April 2010 to 29 April 2010. All respondents were aged 18 years or over and interviews were conducted in both the Perth metropolitan area and regional Western Australia.

Three quarters (75 per cent) of total respondents believed that businesses act fairly towards consumers in 2009-10. This is comparable to 77 per cent result for last year. In 2009-10 the proportion of respondents who were either 'reasonably' or 'well' aware of their rights and responsibilities as a consumer was 60 per cent, compared with 64 per cent in 2008-09.

Analysis of this result should take into account the public awareness campaign run by the Consumer Protection Division in 2009-10. Further details on this campaign can be found in the Agency Performance (Operational highlights) section of this report. In the nine-month period from October 2009 media coverage from the Consumer Protection Division had a combined audience reach of 45 million readers, listeners and viewers. Research has shown that a heightened awareness of an issue can have the effect of exposing a lack of personal knowledge, which in turn contributes to undermining a person's confidence on that topic. Also the recent financial crisis saw the collapse of some high profile retailers in the marketplace. When consumers encounter problems in their transactions with a trader, that knowledge of their rights is tested and can be undermined by the experience.

Outcome two

A community in which workplaces are operated in a safe and fair manner.

Key effectiveness indicator three

The extent of compliance with safety and employment protection regulatory requirements

Result

Table 10: Key effectiveness indicator three

Underpinning Measures		2005-06	2006-07	2007-08	2008-09	2009-10	2009-10
		Actual	Actual	Actual	Actual	Target	Actual
The extent to which employers comply with the requirements of labour relations laws.	No. elements	660	928	1,180	885		902
	No. compliant	476	690	898	624		679
The extent to which workplaces meet occupational safety and health criteria in priority areas (to indicate that workplaces are operated in a safe and healthy manner).	No. elements/ No. Priority Inspection Reports	59,231	48,598	45,361	11,904 ⁽¹⁾		15,285⁽²⁾
	No. compliant	49,266	39,913	37,416	9,141 ⁽¹⁾		10,683⁽²⁾
The extent to which electricity and gas suppliers comply with approved inspection practices.	No. elements	95	N/A	248	11 ⁽³⁾⁽⁴⁾		83⁽⁵⁾
	No. compliant	87	N/A	238	4 ⁽³⁾⁽⁴⁾		44⁽⁵⁾
Total assessments contributing to result		59,986	49,526	46,789	12,800		16,270
Total occasions of compliance found		49,829	40,603	38,552	9,769		11,406
		83%	82%	82%	76%	82%	70%

Notes:

- (1) The system of recording changed from compliance against elements to compliance against Priority Inspection Reports (PIRs) from 15 August 2008, consequently increasing the recorded rate of non-compliance. Therefore, the results for 2008-09 are not comparable to previous years and only cover the period 15 August 2008 to 30 June 2009.
- (2) As a consequence of the change in Note 1, the full year results for 2009-10 are not comparable to past years.
- (3) During 2008-09 the audit criteria changed to key areas of concerns, as opposed to previous audits which related to general and a larger number of elements.
- (4) During 2008-09 resources were allocated to assist gas network operators to develop acceptable inspection plans and this impacted the number of gas audits undertaken by the Energy Safety Division. Audits of electricity suppliers were ongoing at the end of 2008-09 and therefore the 2008-09 results represent audits conducted for gas suppliers only.
- (5) The number of elements for 2009-10 consists of 34 electricity and 49 gas elements and the number compliant consists of 3 electricity and 41 gas.



This effectiveness indicator has three underpinning measures (Table 10). The first being, the department's effectiveness regarding the extent to which employers comply with the requirements of the labour relations legislation. This is assessed in terms of the degree to which workplaces meet set criteria for priority areas. The five key elements assessed include payment of appropriate ordinary time rates; providing employees with annual leave and sick leave entitlements; recording start and finishing times; recording total hours worked; and recording employment under correct status. During 2009-10 the department finalised a total of 450 investigations into complaints by individual employees alleging that their employer had failed to pay appropriate entitlements under State industrial laws, awards and agreements. As part of its investigative process, the department reviewed the time and wage records for 221 employment matters out of the sample of 479 and Industrial inspectors assessed the employers for five key elements, resulting in a total of 902 elements being checked and of these 679 or 75 per cent were found to be compliant.

The second, measures the department's effectiveness in ensuring workplaces operate in a safe and healthy manner. This is assessed in terms of the extent to which workplaces meet occupational safety and health criteria in priority areas. During the course of investigations Inspectors complete Priority Inspection Reports (PIRs). These PIRs contain a checklist of elements that constitute the minimum requirements for WorkSafe inspectors to assess when the workplace being visited falls within one of the priority areas. All investigations for PIRs were conducted using a standard format introduced during 2000-01. The checklist of elements, used as the assessment tool, is not a full compliance check, but represents the key elements established for the relevant priority area.

For the third underpinning measure, the Energy Safety Division conducts regular compliance audits on various elements of approved inspection plans to ensure that electricity and gas network operators and Liquefied Petroleum Gas (LPG) suppliers comply with their inspection obligations. Electricity and gas network operators and LPG suppliers are required to conduct targeted inspections of electrical installing and gasfitting work in accordance with an inspection plan, to ensure that the work by licensed industry operatives has been completed to the required standard and the installations are safe.

The variance between the 2009-10 result (70 per cent) and the target (82 per cent) is mainly due to the change of system for recording (Table 10, Note 1) from compliance against elements to compliance against PIRs to measure the extent to which workplaces meet occupational safety and health criteria in priority areas. In setting the 2009-10 target there was only a relatively short period available of recording compliance against PIRs and this short period proved to be unreliable as an estimate of actual compliance.

Outcome three

Enhancement of the State's economic sustainability and prosperity.

Key effectiveness indicator four

Index of funding leverage obtained for Western Australia from science and innovation research grants

Result

Table 11: Key effectiveness indicator four

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Target	2009-10 Actual
Index of funding leverage obtained for Western Australia from science and innovation research grants	6.7:1	7.3:1	8.3:1	7.4:1	6.1:1	6.8:1

The department contributes to the enhancement of the State's economic sustainability and prosperity by leveraging additional research funding to assist industry to become more competitive. This key effectiveness indicator reports the ratio of dollars provided by the Commonwealth and other sources (such as industry, universities, etc) against every dollar provided by the State in the form of grants to Centres of Excellence. The indicator relates to concluded grants for Centres of Excellence established since 2000. The 2009-10 result is comparable to past years.



Key efficiency indicators

Efficiency performance indicators have been formulated for each of the department's service areas: Consumer Protection, Safety and Employment Protection and Science, Innovation and Business. Each of these service areas is supported by a number of programs, which in turn are comprised of various underpinning activities carried out within the department.

Each indicator shows the average cost per program. The indicators are calculated based on the department's cost allocation model to reflect the full cost, including overheads, of conducting the department's activities. The amount of the department's expenditure attributed to the provision of each program is determined by the amount of staff time allocated to undertaking projects and tasks associated with that program. The total cost of the program is then divided by the quantity of activities achieved. Efficiency indicators exclude grants paid to external parties.

Service 1: Consumer Protection

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

Key efficiency indicator one

Average cost per client contact to provide information and advice

Descriptor

The Consumer Protection Division and the Building Commission Division respond to enquiries from members of the public and provides them with customised information or education. Responses are usually on a one to one basis and of a short duration. The response can be a result of telephone, front counter, email or letter enquiry or a request for an encumbrance check, a Register of Encumbered Vehicles (REVS) certificate issued, or an enquiry for FuelWatch price information.

The divisions deliver non customised and mass produced services that provide members of the public with information and raise awareness within the community. Many of these activities are automated and include online visitors to the department's internet sites and the delivery of mass produced services including publication distribution and visitor attendance at shows, expos or seminars. A key element of the department's role is to provide advice and assistance to the community. The divisions provide customers with advice or assistance in relation to specific matters, typically on a one-to-one basis.

Result

Table 12: Key efficiency indicator one

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per client contact to provide information and advice	\$2.66	\$2.57	\$2.60	\$2.69

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result includes the Building Industry Development Group which had been transferred from the Department of Treasury and Finance on 1 July 2009. This group joined the Plumbers' Licensing Board, which was transferred from the Consumer Protection Division, to become the Building Commission Division, and which contributes to Service 1: Consumer Protection. The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 12 illustrates the average cost per client contact to provide information and advice. In 2009-10 the divisions provided 5,457,111 information and advice services compared to 5,427,144 in 2008-09. The 2009-10 result (\$2.69) is comparable to the target (\$2.60) published in the 2010-11 Budget Papers.

Key efficiency indicator two

Average cost per policy project

Descriptor

Major policy projects are aimed at enhancing the regulatory environment and are usually of significant duration, complexity and often involve public consultation. Major policy projects include: Cabinet submissions to print a new Bill; a new mandatory code; amendments to an existing Act or mandatory code to implement a Government policy change which requires consultation with parties external to the agency; or new Government policy that requires extensive consultation with parties external to the agency.

Other policy projects which are of notable duration, moderate complexity and aimed at enhancing the regulatory environment or developing a new policy position are also included. These policy projects produce: new or amended subsidiary legislation (such as a Regulation or Order); voluntary code, guidance note or equivalent; briefing notes or policy submissions to a Minister or other external bodies; Cabinet submissions; or new or significant amendments to Government policy.

Result

Table 13: Key efficiency indicator two

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per policy project	\$177,650	\$209,387	\$232,293	\$306,760

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result includes the Building Industry Development Group which had been transferred from the Department of Treasury and Finance on 1 July 2009. This group joined the Plumbers' Licensing Board, which was transferred from the Consumer Protection Division, to become the Building Commission Division, and which contributes to Service 1: Consumer Protection. The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 13 illustrates the average cost per policy project. In 2009-10, the Consumer Protection Service divisions undertook 36 policy projects, which was greater than the anticipated 28, and comparable to the 32 completed in 2008-09. Despite the greater than expected number of policy projects completed, the 2009-10 result (\$306,760) varies significantly from the target (\$232,293) published in the 2010-11 Budget Papers. This was due to expenditure relating to the implementation of the Building Commission Division being allocated to only this indicator for the 2009-10 result, as compared to the target, which had been distributed across all the Consumer Protection Service's indicators.



Key efficiency indicator three

Average cost per registration or licence

Descriptor

As required under the laws administered by the department, the Consumer Protection Service divisions maintain public registers which record specific information and other necessary details regarding REVS, business names, incorporated associations, tenancy bonds, co-operative companies, limited partnerships and fuel price changes from retailers. These divisions administer and process applications, which authorise individuals, employers or traders for certain occupations or purposes. Generally, the process of administering the occupational licence involves the customer being provided with a licence, being issued with a renewed licence, or having their licence cancelled or details updated.

Result

Table 14: Key efficiency indicator three

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per registration or licence	\$11.98	\$13.78	\$17.62	\$14.54

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result includes the Building Industry Development Group which had been transferred from the Department of Treasury and Finance on 1 July 2009. This group joined the Plumbers' Licensing Board, which was transferred from the Consumer Protection Division, to become the Building Commission Division, and which contributes to Service 1: Consumer Protection. The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 14 illustrates the average cost per registration or licence. During 2009-10, 928,914 registrations and licences were issued by the Consumer Protection Service divisions. The 2009-10 result (\$14.54) is lower than the target (\$17.62) published in the 2010-11 Budget Papers, due to the greater than expected number of registrations or licences (797,021). This was mainly due to the increase in encumbrance transactions (REVS) occurring from a divisional focus on improving the quality of the Register of expired encumbrances, and in tenancy bond transactions which were a result of Western Australia's active rental market.

Key efficiency indicator four

Average cost per inspection or investigation

Descriptor

Undertaking inspections and audits is an important role of the department. These inspections and audits compare a current state or situation to acceptable standards, measures or practices. Compliance inspections and audit reports assess an employers or traders level of compliance with a set standard and usually involve a one to one transaction, such as an inspector undertaking an assessment regarding a trader or employer meeting specified criteria.

A key element of the department's regulatory enforcement regime is investigations and compliance conciliation activities. Departmental employees determine if a breach of the law has occurred or is occurring, and facilitate settlement of a dispute.

Prosecutions, legal actions and proceedings are undertaken in response to the department's determination that a breach of the law has occurred. Actions include: prosecutions seeking the imposition of penalties; court action seeking injunctions; the development and progression of matters for adjudication; and the implementation of outcomes such as sanctions.

Result

Table 15: Key efficiency indicator four

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost inspection or investigation	\$407	\$541	\$552.88	\$337.43

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result includes the Building Industry Development Group which had been transferred from the Department of Treasury and Finance on 1 July 2009. This group joined the Plumbers' Licensing Board, which was transferred from the Consumer Protection Division, to become the Building Commission Division, and which contributes to Service 1: Consumer Protection. The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 15 illustrates the average cost per inspection or investigation. In 2009-10, the Consumer Protection Service divisions conducted 46,901 inspections or investigations. The 2009-10 result (\$337.43) varies from the target (\$552.88) published in the 2010-11 Budget Papers due to the greater than expected number of inspections or investigations (33,539). This was mainly due to the larger than expected number of inspections undertaken by the Trading Standards Branch prior to the transfer of the function to the National Measurement Institute.



Service 2: Safety and Employment Protection

The provision of advice, information, education and regulation services to the Western Australian community in the areas of occupational safety and health, labour relations, and energy safety.

Key efficiency indicator five

Average cost per client contact to provide information or advice

Descriptor

The safety and employment divisions (Energy Safety Division, Labour Relations Division and WorkSafe Division) respond to enquiries from industry and members of the public and provide them with customised information or education. Responses vary from routine to complex technical enquiries. Responses to enquiries can be a result of telephone, in person or front counter, email or letter.

Information delivered may be non customised and mass produced and provide members of the public with information and raise awareness within the community. Education is delivered through a variety of mediums including presentations, road shows, expos and seminars. This indicator also reflects the Labour Relations Division's responsibilities in providing tailored advice and assistance to public sector agencies in relation to industrial disputes, policies and industrial agreements.

Result

Table 16: Key efficiency indicator five

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per client contact to provide information and advice	\$3.81	\$5.14	\$5.31	\$4.81

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 16 illustrates the average cost per client contact to provide information and advice by the safety and employment protection divisions. In 2009-10 the divisions provided 3,148,213 information and education services compared to 2,857,114 in 2008-09. The 2009-10 result (\$4.81) is comparable to the target (\$5.31) published in the 2010-11 Budget Papers.

Key efficiency indicator six

Average cost per hour of policy advice

Descriptor

This indicator reflects the development and amendment of labour relations policy, legislation and regulations; preparing submissions on behalf of the Minister and Government to State and federal industrial tribunals, Senate Inquiries, etc in relation to the regulatory framework; providing policy advice to the Minister on labour relations and labour market trends; and policy support to the Minister.

Result

Table 17: Key efficiency indicator six

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per hour of policy advice	\$140	\$107	\$158.68	\$260.39

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 17 illustrates the average cost per hour of policy advice provided by the Labour Relations Division. In 2009-10 the Labour Relations Division undertook 12,356 hours of policy advice, which was significantly less than the anticipated 19,100 hours. The 2009-10 result (\$260.39) varies from the target (\$158.68) published in the 2010-11 Budget Papers, due to the redirection of resources to information and advice activities in respect to the implementation of the Public Sector Wages Policy, coupled with the higher than expected cost relating to the Review of the State industrial relations system. However the number of policy hours was understated due to the non recording of some policy work. This has been estimated as 1,469 hours, which would amend the average cost per hour of policy advice to \$232.75.

Key efficiency indicator seven

Average cost per inspection or investigation

Descriptor

Undertaking inspections, investigations and audits is an important role for the safety and employment protection divisions. Inspections, investigations and audits compare a current state or situation to acceptable standards, measures or practices to check compliance. These are conducted on a regular basis or can be a result of a complaint, and can involve a site visit or be complex in nature.

A key element of the safety and employment divisions' regulatory enforcement regime is to determine if a breach of the law has occurred or is occurring, and facilitate a settlement of a dispute. Compliance conciliations undertaken by the Labour Relations Division are to resolve issues between employees and employers, such as underpayment, without referral to formal redress procedures. Prosecutions, legal actions and proceedings are undertaken in response to the safety and employment protection divisions' determination that a breach of the law has occurred. Actions include prosecutions seeking the imposition of penalties or court action seeking injunctions.



Result

Table 18: Key efficiency indicator seven

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per inspection or investigation	\$926	\$854	\$905.60	\$898.74

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 18 illustrates the average cost per inspection or investigation. In 2009-10, the safety and employment protection divisions conducted 28,720 inspections or investigations, which is comparable to 27,824 in 2008-09 but greater than the expected number of inspections or investigations (24,770). The 2009-10 result (\$898.74) is comparable to the target (\$905.60) published in the 2010-11 Budget Papers.

Key efficiency indicator eight

Average cost per registration or licence

Descriptor

EnergySafety Division and WorkSafe Division administer and process applications, which authorise individuals or employers for certain occupations or purposes. Generally, the processing of the application for a licence results in the customer being provided with a licence (frequently with conditions attached), being issued with a renewed licence, or having their licence refused or cancelled or details updated.

Result

Table 19: Key efficiency indicator eight

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per registration or licence	\$53.68	\$66.51	\$81.00	\$75.82

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 19 shows the average cost per registration or licence issued to the community for the safety divisions. During 2009-10, 70,866 registrations or licences were issued. The 2009-10 result (\$75.82) is comparable to the target (\$81.00) published in the 2010-11 Budget Papers.

Service 3: Science, Innovation and Business

Enhances the State's prosperity by promoting science, innovation and business. Services include:

- supporting the Council for Science and Innovation with science policy development advice;
- administering research capability and infrastructure grants;
- supporting industry development through innovation and commercialisation; and
- administering science and innovation programs and projects.

Key efficiency indicator nine

Average cost per science and innovation project managed

Descriptor

This key efficiency indicator illustrates the average cost per science and innovation project managed. This includes science and innovation projects in: Innovative WA programs; Centres of Excellence; science initiatives; specific purpose funding; policy; marine and defence; broadband; Technology Parks, industry participation; and other.

Result

Table 20: Key efficiency indicator nine

Indicator	2007-08 Actual ⁽¹⁾	2008-09 Actual ⁽¹⁾	2009-10 Target	2009-10 Actual ⁽²⁾
Average cost per science and innovation project managed	\$196,800	\$210,642	\$241,510	\$174,251

Notes:

- (1) The 2007-08 and 2008-09 results shown are as published in the department's 2008-09 Annual Report.
- (2) The 2009-10 result is based on the same costing methodology as the 2009-10 Target figure.

Table 20 illustrates the average cost per science and innovation project managed. During 2009-10, 109 projects were managed, which is compared to 97 projects managed in 2008-09. The 2009-10 result (\$174,251) varies from the target (\$241,510) published in the 2010-11 Budget Papers, due to the greater than expected number (78) of science and innovation projects.



MINISTERIAL DIRECTIVES

Treasurer's instruction 903(12) requires the department to disclose information on any Ministerial directives relevant to the setting and achievement of desired outcomes or operational objectives, investment activities and financing activities. There were no directives issued by the responsible Minister during 2009-10.

OTHER FINANCIAL DISCLOSURES

Pricing policies for services

Statutory fees are charged for various licensing and other services provided by the Department of Commerce. Fees are increased in line with government policy. The fee changes for 2009-10 were published in the Government Gazette on 23 June 2009 and came into effect on 1 July 2009. The fees are available on the department's internet site.

Capital works projects

The capital works program provides essential infrastructure support for the department to implement a range of projects that assist in the delivery of services. Table 21 identifies the capital works projects that remain ongoing at the end of the financial year and Table 22 the projects completed during the year.

Table 21: Capital works projects ongoing

Project title	Estimated total cost	Estimated cost to complete	Planned year of completion
Asset replacement	\$1,275,000	\$1,275,000	2011-12
Associations system ⁽¹⁾	\$2,600,000	\$1,143,234	2010-11
Bentley Technology Park – Stage 1 implementation ⁽²⁾	\$5,771,000	\$1,957,000	2010-11
COAG initiatives	\$5,143,742	\$5,001,589	2012-13
Corporate Licensing Build ⁽³⁾	\$2,883,558	\$375,202	2010-11
Service improvement	\$536,000	\$327,096	2010-11
System stabilisation	\$3,989,485	\$3,322,266	2011-12
WISE enhancements ⁽⁴⁾	\$800,000	\$800,000	2010-11

Notes:

- (1) The Business Names project is now the Associations system. The Association system is being delivered in line with expected legislation and is anticipated to be delivered in December 2010.
- (2) This capital works project has been discontinued.
- (3) The Corporate Licensing Build project was previously part of the Compliance Management System.
- (4) The WISE enhancements project was previously part of the Compliance Management System.

Table 22: Capital works completed during 2009-10

Project title	Cost	Year completed
Compliance Management System ⁽¹⁾	\$4,671,503	2009-10
Computer and software program	\$4,417,988	2009-10
Integrated Document Management System	\$1,600,000	2009-10

Note:

- (1) The Compliance Management System project was restructured during 2009-10 following the Resources Safety Division's transfer to the Department of Mines and Petroleum. The remaining work has been repackaged as the WISE enhancements project and the Corporate Licensing Build project.

GOVERNANCE DISCLOSURES

Disclosure of contracts by senior officers

In accordance with the Treasurer's instruction 903 (14(iii)), senior officers of the department are required to disclose particulars, other than normal contracts of employment of service, of any interest in any existing or proposed contract which a senior officer; or a firm of which a senior officer is a member; or an entity in which a senior officer has a substantial financial interest, has made with the agency or any subsidiary body, related body or affiliated body of the agency.

For 2009-10, other than normal contracts of employment of service, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the department and senior officers.

In accordance with the Treasurer's instruction 903 (14(ii)), senior officers of the department are required to disclose the particulars of any shares in any subsidiary body of the agency held as a nominee or held beneficially. In 2009-10, no senior officers held shares in any subsidiary body of the agency held as a nominee or held beneficially.

Governance framework

The department's Corporate Charter is regularly reviewed and sets out its governance principles covering:

- accountability and decision making;
- role and operation of Corporate Executive;
- strategic planning and reporting;
- financial and human resource management; and
- Ministerial communications and correspondence.

The department has a culture designed to provide high quality services to customers and stakeholders through standards, policies, practices and procedures. Industry funding is sought where necessary to supplement the department's resource base and to integrate corporate functions, systems and services.



Internal audit

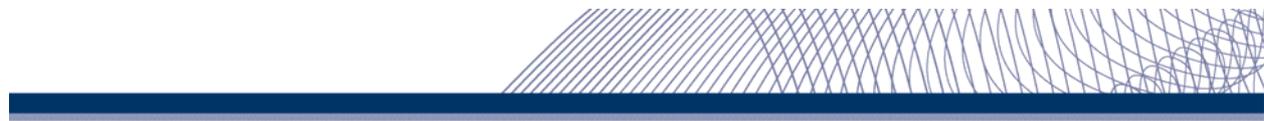
The department's internal audit function assists management to effectively discharge their responsibilities by providing independent analysis, appraisals, advice and recommendations concerning departmental functions, activities and systems. Internal audit provides appraisals and advice to the Director General, Executive Directors, directors and managers to promote and achieve sound management and control over activities of the department and to promote efficient and effective operations. These appraisals include:

- comprehensive audits of the department's management information systems, control systems and activities;
- providing assessments of compliance with legislative requirements and regulations, departmental and Government policies;
- assessments of controls over accounting and financial records and to ensure public property, money, and resources are properly safeguarded;
- management oriented appraisals of the department's operations and activities;
- undertaking special investigations into allegations of breaches of legislation, policies, the department's *Code of Conduct* or alleged misconduct; and
- follow up reported audit recommendations.

An annual risk based audit plan was developed to review departmental functions and operations and was endorsed by the department's Audit Committee. The majority of internal audit work in 2009-10 was undertaken in-house as a result of the ability to recruit and retain experienced internal audit employees.

The Office of the Director General's Internal Audit Branch has provided advice on proposed processes and controls required under the Department of Treasury and Finance's Shared Services arrangements. Review of controls and processes post transition will also be required to provide the Director General and the Corporate Executive with assurance that these are adequate and/or identify areas where these require strengthening.

The Audit Recommendation Management System (ARMS) became operational during the year. In 2009-10, ARMS became operational throughout the department. ARMS is an online database to record, manage and update all audit recommendations, both internal and external. ARMS was developed by the former Department of Planning and Infrastructure (Western Australia) which has granted permission for the Department of Commerce to make use of the application. The system enables those officers with responsibility for actioning audit recommendations to view, update and request to clear audit issues at any time. The system also produces detailed and summary reports for management of audit issues outstanding, those overdue and those that have been cleared. The system has enhanced transparency and accountability for actioning audit recommendations and has been well received by users and managers.



Freedom of Information

The *Freedom of Information Act 1992* enables the public to participate more effectively in governing the State and to make Western Australia more accountable to the public. It gives people a right of access to documents held by a government agency. The spirit and intent of this Act is to provide access to applicants promptly and at the lowest possible cost. The department's philosophy is that it will endeavour to make as much information as possible available. The Manager of Corporate Information oversees the management of Freedom of Information (FOI), and is the nominated departmental contact for the Office of the Information Commissioner.

Each division has a nominated FOI officer, who co-ordinates the processing of FOI requests. The Corporate Information area arranges training for FOI officers, provides advice to FOI officers or applicants and maintains statistical information according to legislative requirements of the Act. The department's Information Statement, together with departmental FOI contact details, are made available on the department's internet site. The Information Statement was updated during the year and is available on the department's FOI internet page.

Risk and business continuity management

In accordance with the Australian and New Zealand Standard for risk management (AS/NZS 4360:2004), the department continues to implement the policy, process and procedures outlined in its risk management framework. This ensures operational areas identify and assess key risks and develop and implement risk treatment plans, where necessary.

The department has a comprehensive suite of business continuity plans to ensure functionality is restored to its vital business services should a critical incident or disaster occur. These continuity plans are supported by recovery procedures for critical information technology systems and applications and, more recently, plans to protect department employees and customers in the event of an influenza pandemic.



OTHER LEGAL REQUIREMENTS

Advertising

In accordance with section 175ZE of the *Electoral Act 1907*, the department incurred expenditure in advertising, direct mail, market research, media advertising and polling. Total expenditure for 2009-10 was \$170,398.01. Expenditure was incurred in the areas outlined in Table 23.

Table 23: Expenditure 2009-10 reported in accordance with the *Electoral Act 1907*

Expenditure category and organisations	Total cost
Advertising agencies	\$139,097.64
Adcorp Marketing Communications	\$78,503.63
Marketforce Productions	\$1,001.58
Media Decisions	\$17,247.29
Mitchell & Partners Australia Pty Ltd	\$42,345.14
Market research organisations	NIL
Polling organisations	NIL
Direct mail organisations	NIL
Media advertising organisations	\$31,300.37
Chamber of Commerce and Industry Western Australia	\$1,200.00
City of Perth	\$909.09
Department of the Premier and Cabinet	\$1,979.28
Galvins Plumbing Plus	\$500.00
Job Media Pty Ltd	\$360.00
Linkletters Graphic Design	\$410.00
Persona Holdings Pty Ltd	\$5,250.00
Roxby Media Pty Ltd	\$4,000.00
Sensis Pty Ltd	\$9,392.00
Small Business Centre Peel	\$300.00
Western Australian Newspapers Ltd	\$7,000.00

Compliance with public sector standards and ethical codes

In accordance with section 31(1) of the *Public Sector Management Act 1994*, I confirm:

1. In the administration of the Department of Commerce, I have complied with the *Public Sector Standards* in Human Resource Management, the *Western Australian Public Sector Code of Ethics* and the department's *Code of Conduct*.
2. I have put in place procedures designed to ensure such compliance and conducted an appropriate internal assessments to satisfy myself that the statement made above (in number one) is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Table 24: Compliance with *Public Sector Standards* for 2009-10

Applications for breach of standard and outcomes	Number
Number lodged	4
Number of breaches found (including details of multiple breaches per application)	Nil
Number still under review	2



Brian Bradley

Accountable Authority

17 September 2010

Table 25 provides details on activities undertaken by the department relating to ensuring compliance with *Public Sector Standards* and ethical codes in 2009-10. This information has also been provided to the Office of the Public Sector Standards Commissioner for inclusion in the Commissioner's Annual Compliance Report. Human resources policies and ethical codes in relation to these standards and codes are available to all employees through the department's intranet site and online induction package.



Table 25: Activities relating to monitoring compliance with *Public Sector Standards* and ethical codes for 2009-10

Significant action taken to monitor and ensure compliance
<i>Public Sector Standards</i>
<ul style="list-style-type: none">▪ Provided information to new employees as part of the induction program.▪ Published articles in the internal <i>HR Matters</i> newsletter to remind line managers and employees on compliance requirements in accordance with <i>Public Sector Standards</i>.▪ Assessed compliance with Standards through internal audits and reviews of breach claims.
<i>Western Australian Public Sector Code of Ethics</i>
<ul style="list-style-type: none">▪ Monitored compliance with the <i>Western Australian Public Sector Code of Ethics</i> through the Director General and Executive Director performance agreements.▪ Provided information to new employees as part of the induction program.
<i>Code of Conduct</i>
<ul style="list-style-type: none">▪ Provided information to new employees as part of the induction program.▪ Ensured employees affirmed their commitment to the department's <i>Code of Conduct</i> as part of the performance review and development system.

Disability access and inclusion

The Department of Commerce is committed to improving access and equity for all its customer groups and ensuring that people who have a disability are included, and participate in, shaping the range of services and initiatives of the department. The *Disability Services Act 1993* requires that public authorities develop and implement a Disability Access and Inclusion Plan to achieve the six access and inclusion outcomes specified by the Disability Services Commission and report on these achievements.

The department's Disability Access and Inclusion Plan 2007-2011 details the department's overarching strategies and tasks supporting the Disability Services Commission's desired outcomes and is compliant with legislative requirements.

Table 26 provides a summary of how the department improved access to its services, buildings and information for people with a disability in accordance with the Disability Access and Inclusion Plan's annual implementation plan.

Table 26: Disability access and inclusion outcomes for 2009-10

Outcome 1
People with disabilities have the same opportunities as other people to access the services of, and any events organised by, the relevant public authority.
<ul style="list-style-type: none">▪ Developed and communicated the 2009-10 annual implementation plan to the department's employees.▪ Provided a mechanism for agents and contractors engaged by the department to indicate their compliance with the legislation and the department's plan by the ongoing use of enhanced departmental quotation/purchasing forms. The forms also assist in capturing details for annual reporting to the Disability Services Commission.



Outcome 2

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

- Ensured that designs for any building fit outs complied with accessibility requirements. Accommodation changes at 172 St Georges Terrace Perth and 31 Troode Street West Perth were compliant with the *Disability Services Act 1993* as reviewed by the Department of Treasury and Finance's Building Management and Works Division.
- Continued to ensure new leases or renewal of existing leases take into account the needs of people with disabilities. The new departmental premise in Kalgoorlie meets disability access requirements with ramps and is equipped with disabled toilets. The renewal of the lease for premises in Osborne Park is contingent on access improvements to the disabled toilets.
- Undertook a cost analysis of conducting access audits across the department's metropolitan locations. An internal access (building and amenities) audit of the head office was conducted with this process to be extended to other metropolitan offices during 2010-11.
- Promoted the importance of considering access issues when selecting a venue for departmental events and meetings. An events checklist was available for this purpose.
- Developed maps to facilitate disability access to the department's metropolitan offices in conjunction with the department's general communication strategy to provide geo-location information on the department's internet site.

Outcome 3

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

- Continued promotion of the National Relay Service number and the availability of information and services in alternative formats in new publications.
- Completed integration of procedures for providing guidance to employees as to how they can obtain information in alternative formats into business unit processes.

Outcome 4

People with disabilities receive the same level and quality of service from the staff of the relevant public authority.

- Continued to ensure that employees are aware of, and understand the needs of people with disabilities to provide advice and services accordingly. Resources continue to be available to support employees in delivering appropriate services to people with disabilities.
- Completed integration of information on the department's Disability Access and Inclusion Plan in the induction process for new employees.

Outcome 5

People with disabilities have the same opportunities as other people to make complaints to the relevant public authority.

- Continued to ensure people with disabilities, using the department's services or accessing premises, can provide feedback through the department's customer service feedback forms or through a specific feedback form regarding the plan. The forms are available in hard copy and online. The department's processes allow for a representative of the complainant to complete the form on their behalf, and to identify whether the complainant requires information in alternative formats or has special requirements.



Outcome 6

People with disabilities have the same opportunities as other people to participate in any public consultation by the relevant public authority.

- Continued to seek comment, as appropriate, from people with disabilities and/or appropriate representative groups as part of consultative strategies.

International Labour Organisation Convention 81 - Labour inspections

Australia is a member nation of the International Labour Organisation. The International Labour Organisation is the peak international organisation responsible for setting international labour standards through the development and monitoring of International Conventions and Recommendations. The Australian Government ratified *International Labour Organisation Convention 81 - Labour inspections* on 24 June 1975. Article 21 of Convention 81 requires certain information to be published in annual reports for each of the central inspection authorities.

In Western Australia, the Department of Commerce is the 'central authority' responsible for conducting labour inspections for workplace safety, and wages and conditions of employment. The reporting in this section relates to the inspection services delivered by the Labour Relations Division and the WorkSafe Division for 2009-10.

Article 21 of Convention 81 requires the department to report on a number of matters namely:

(a) Laws and regulations relevant to the work of the inspection service

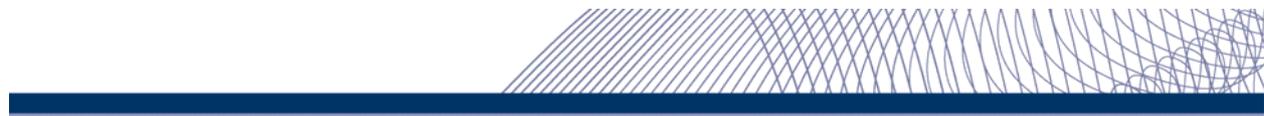
Legislation administered by the department is provided in the Overview section of this report. Changes to written laws during 2009-10, relevant to the work of the inspection service, are provided in Appendix 2: Changes to written laws (Table 35). The Significant Issues and Trends section of this report also provides information on issues and trends impacting the department and the inspection environment.

(b) Staff of the labour inspection service

The department currently employs 18 industrial inspectors in the Labour Relations Division. The WorkSafe Division has a full time equivalent complement of 103 inspectorate positions.

(c) Statistics of workplaces liable to inspection and the number of workers employed

There were a total of 204,701 businesses liable for inspection by Western Australia's workplace inspectors according to the Australian Bureau of Statistics - *Counts of Australian Businesses, including Entries and Exits* (June 2003 to June 2007) 8165.0 (table 4). These businesses employed an estimated 1,192,200 employees according to the Australian Bureau of Statistics *Labour Force Australia, Quarterly* (May 2010) 6291.0.55.003 (table 5).



(d) Statistics of inspections visits

During 2009-10, the Labour Relations Division undertook 309 inspection visits and the WorkSafe Division undertook 10,800 workplace visits.

(e) Statistics of violations and penalties imposed

Information on the number of violations and penalties imposed is provided in Appendix 3: Prosecutions section of this report. Details of prosecutions for the Labour Relations Division are published in Table 51 and prosecutions for the WorkSafe Division are published in Table 52. During the year, the WorkSafe Division issued more than 10,600 improvement notices and over 700 prohibition notices. The Labour Relations Division found that out of the 309 employers inspected, 393 separate breaches of awards, agreements or legislation were identified and 13 prosecutions were undertaken and three penalties imposed.

(f) Statistics of industrial accidents and occupational diseases

The lost time injury and disease (LTI/D) frequency rate is the principal measure of safety performance in Western Australia, and is also used to monitor performance against national targets. The frequency rate is calculated using the formula: Number of LTI/D divided by number of hours worked multiplied by 1,000,000. A lost time work-related injury or disease is counted where there is at least one complete day or shift off work.

Information on work-related injury or disease frequency rates for Western Australia is provided in the Agency Performance (Operational Highlights) section of this report. Information on disease groups that are being monitored at a national level are contained in *Occupational Disease Indicators* published by Safe Work Australia. A copy can be accessed on the Safe Work Australia internet site.

Specific agency reporting

Construction Contracts Act 2004

The *Construction Contracts Act 2004* provides for a rapid independent adjudication to resolve payment disputes associated with construction contracts, whether they are written or oral. A decision is made on the information available and can be enforced as it were an order of the court. This process does not inhibit parties from seeking other legal remedies but this process cannot be used if the dispute is the subject of an order, judgement or other finding dealing with the matter.

Credit (Administration) Act 1984

The *Credit (Administration) Act 1984* (the CA Act) sets out a licensing regime for individuals providing credit regulated in Western Australia by the *Credit Act 1984* or *Consumer Credit (Western Australia) Code* (the Code). The Commissioner for Consumer Protection (the Commissioner) is the responsible licensing authority under this Act.

As at 30 June 2010, there were 171 licensed credit providers operating in Western Australia. Over the course of the year 22 licences were surrendered or cancelled and 10 new licences were granted. A number of classes of persons who provide consumer credit but are otherwise regulated, such as banks, are exempt from the licensing requirements of the Act.

Section 60(2) of the CA Act requires the Commissioner to report on a number of matters namely:

- (a) the number, nature and outcome of –
- (i) investigations and inquiries undertaken by, or at the direction of, the Commissioner for the purposes of this Act;

The CA Act provides that the Commissioner may make investigations or inquiries into the conduct of a licensed credit provider. However, the Commissioner is also responsible for enforcing the requirements of the Code, which apply to all persons providing consumer credit to residents of Western Australia, not just persons licensed as credit providers under the Act. Additionally, the Code provides that the department may assist a debtor in negotiating a change to the terms of a credit contract on the basis of hardship.

Table 27: Credit (Administration) Act 1984: Investigation summary for 2009-10

	Investigations of licensing matters related directly to the Act	Investigations of conduct matters generally relating to the Code	Conciliations generally concerning the negotiation of a change to a credit contract under the Code	Total
Ongoing matters as at 1 July 2009	1	4	6	11
Matters commenced	8	41	85	134
Matters concluded	7	43	91	141
Ongoing matters as at 30 June 2010	2	2	0	4

Of the 141 matters concluded in 2009-10, the following outcomes were recorded:

- fifty-nine agreements were reached;
- sixty-three resulted in no action being taken including complaints lapsed or withdrawn;
- fourteen were referred to another agency;
- four administrative warnings, cautions, education or advice issued; and
- one licence was cancelled.

- 
- (ii) matters that have been brought before the State Administrative Tribunal under this Act;

No proceedings were commenced in the State Administrative Tribunal during this financial year. However on 11 December 2009, the State Administrative Tribunal delivered a decision in favour of the Commissioner regarding an allegation that Chequecash Pty Ltd had contravened the Code. Chequecash was ordered to pay a civil penalty of \$10,000 and the Commissioner's costs of \$4,867.50.

As a result of the department's investigations, the Supreme Court of Western Australia placed orders restraining various areas of the business activities of Mr Salvatore Tomarchio of Laverton. A decision is being made in the Supreme Court as to the permanency of those orders.

- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

Of the four investigations ongoing at the end of the period two relate to the licensing requirements under the CA Act and two relate to general conduct concerns. There are no conciliations outstanding. In relation to these matters, the Commissioner is considering commencing prosecution in relation to one matter and three matters will be transferred to the Australian Securities and Investments Commission as part of the transfer of credit regulation to the Commonwealth Government on 1 July 2010.

- (c) any trends or special problems that may have emerged;

In October 2008, COAG agreed to transfer the responsibility for consumer credit regulation to the Commonwealth. Departmental representatives met with industry and consumer representatives throughout the year to discuss credit matters. These meetings have provided a forum for the department to facilitate discussions between the Australian Securities and Investments Commission and industry and consumer representatives regarding arrangements for the transfer of responsibility for consumer credit regulation to the Commonwealth Government on 1 July 2010.

Over the year, the department worked towards putting measures in place to facilitate a smooth transition of regulation to the Commonwealth Government. Initiatives included the development of procedures to wind-down the licensing function. The department also continued its educative responsibilities by keeping licensees informed of the changes to their compliance obligations.

On 1 July 2010, the department's responsibilities in relation to credit regulation will cease.

- (d) forecasts of the workload of the Commissioner in performing functions under this Act in the year after the year to which the report relates; and

The Credit (Administration) Amendment Regulations 2010 was introduced, to coincide with the regulation of credit being transferred to the Commonwealth Government, to accommodate a pro-rata refund of licence fees under the CA Act, paid prior to 1 July 2010. Former licensees have until 30 September 2010 to apply for a refund.

- (e) any proposals for improving the performance of the Commissioner's functions under this Act.

The Commissioner's functions will cease after 30 September 2010. This is the last day the pro-rata refund will be available.

Debt Collectors Licensing Act 1964

The *Debt Collectors Licensing Act 1964* (the DCL Act) sets out a licensing regime for debt collectors and prescribes procedures for the handling of trust account money. The Commissioner for Consumer Protection (the Commissioner) is the responsible licensing authority under the DCL Act.

As at 30 June 2010, there are 73 licensed debt collectors operating in Western Australia. Over the course of the year 16 licences expired or were surrendered and 12 new licences were granted.

Nineteen investigations were commenced this financial year. Where a complaint is received about the conduct of a debt collector that cannot be treated as a breach of the DCL Act it may be dealt with as a potential breach of other legislation including the *Fair Trading Act 1987* and the *Trade Practices Act 1974*. On occasions when a serious breach of these Acts is established, the Commissioner is empowered to make an allegation to the State Administrative Tribunal that a licensee is not a fit and proper person to hold a licence under the DCL Act.

Section 12A of the DCL Act requires the Commissioner to report on a number of matters namely:

- (a) the number, nature and outcome of –
- (i) investigations and inquiries undertaken by, or at the direction of, the Commissioner for the purposes of this Act;

Table 28: *Debt Collectors Licensing Act 1964*: Investigation summary for 2009-10

	Licensing issues relating directly to the DCL Act	Conduct issues	Conciliations generally concerning confirmation of whether debt owed	Total
Number ongoing as at 1 July 2009	0	1	1	2
Number commenced	2	7	10	19
Number concluded	2	8	10	20
Number ongoing as at 30 June 2010	0	0	1	1

Of the 20 matters concluded in 2009-10, the following outcomes were recorded:

- seven agreements were reached;
- ten resulted in no action being taken including complaints lapsed or withdrawn; and
- three administrative warnings, cautions, education letters or letters of advice were issued.

- 
- (ii) matters that have been brought before the State Administrative Tribunal under this Act;

No proceedings were commenced in the State Administrative Tribunal during this financial year.

- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

One conciliation matter is ongoing at 30 June 2010.

- (c) any trends or special problems that may have emerged;

Proactive compliance visits identified that collectors would benefit from guidance in the area of trust account practices and procedures. The Consumer Protection Division developed the *Debt collectors trust accounting: A reference manual* in consultation with the Institute of Mercantile Agents Ltd, targeting licensed debt collectors. The manual was aimed at smaller firms and sole traders to promote operators establishing and maintaining appropriate trust account recording systems. The manual was published on the department's internet site in August 2009.

- (d) forecasts of the workload of the Commissioner in performing functions under this Act in the year after the year to which the report relates; and

The Commissioner will continue to handle the licensing of debt collectors and related compliance and proactive matters.

- (e) any proposals for improving the performance of the Commissioner's functions under this Act.

The department would welcome the introduction of nationally consistent regulation of the debt collection industry and has previously proposed to the Productivity Commission and the COAG Business Regulation and Competition Working Group that the regulation of debt collection should be part of a national framework.

Electricity Act 1945

Section 33 of the *Electricity Act 1945* requires the Director of Energy Safety (the Director) to report on a number of matters, namely:

- (a) in relation to the discipline of electrical licensees, the number, nature, and outcome, of the -

- (i) investigations and inquiries undertaken under this Act by, or at the direction of, the Director and referred to the Electrical Licensing Board; and

There were 6 matters.

- (ii) matters undertaken by the Director that have been brought before the State Administrative Tribunal under this Act by the Director;

There were no matters.

- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

There were no matters outstanding.

- (c) any trends or special problems that may have emerged;

There were no trends or special problems that require reporting.

- (d) forecasts of the workload of the Director in performing functions under this Act in the year after the year to which the report relates; and

There are no forecasts of workload to report.

- (e) any proposals for improving the performance of the Director's functions under this Act.

There are no proposals for improving performance to report.

Employment Agents Act 1976

The Department of Commerce administers a range of functions under the *Employment Agents Act 1976* (the EA Act) including the granting and renewal of licenses, compliance activities and a range of education and advisory services. The Consumer Protection Division undertakes the conciliation of disputes involving employment agents and consumers. As at 30 June 2010, there were 612 licensed employment agents operating in Western Australia. Over the course of the year, 99 licences expired or were surrendered, 132 licences were renewed and 78 new licences were granted.

Section 10A of the EA Act requires the Commissioner for Consumer Protection (the Commissioner) to report on a number of matters namely:

- (a) the number, nature and outcome of –
- (i) investigations and inquiries undertaken by, or at the direction of, the Commissioner for the purposes of this Act;

During 2009-10, the department completed seven investigations related to employment agents. Four of these investigations related to possible unlicensed trading which after investigation established that no licence was required by each business. The remaining investigations related to claims from the public that certain jobs being advertised did not exist. Investigations revealed no breach of legislation, however the employment agents who were the subject of the complaints were reminded of their advertising obligations under fair trading legislation.

Table 29: *Employment Agents Act 1976*: Investigations and inquiries in 2009-10

	Employment agent licence holder or unlicensed activity	Conduct issues	Conciliations	Total
Number ongoing as at 1 July 2009	1	0	1	2
Number commenced	4	4	8	16
Number concluded	4	3	9	16
Number ongoing as at 30 June 2010	1	1	0	2



The department continued its successful proactive compliance program that was first implemented in 2005-06. In 2009-10, the proactive program focused on visits to those employment agents which had newly granted licences in order to determine compliance with the EA Act.

In 2009-10, 61 licensed employment agents were visited. This resulted in 57 being found fully compliant with the EA Act with four having minor administrative issues, which all have since been rectified. The areas of non-compliance were of an administrative nature, and whilst a legislative requirement, they were not considered to be serious or systemic breaches of the EA Act. The breaches related to failure to notify the department of change of address and using scale of fees that were not approved by the Commissioner.

One business was visited in response to allegations of unlicensed trading. In this case the business provided a satisfactory explanation as to why a licence was not required and no further action was taken.

- (ii) matters that have been brought before the State Administrative Tribunal under this Act;

There were no matters brought before the State Administrative Tribunal.

- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

As at 30 June 2010, there were two ongoing investigations relating to possible unlicensed trading.

- (c) any trends or special problems that may have emerged;

The majority of investigations related to allegations of unlicensed trading. In each case it was revealed that for the type of business being conducted no licence was required. Allegations of non-existent jobs were investigated and no evidence found to support the allegations. However the department will continue to monitor and investigate any future claims of this nature.

- (d) forecasts of the workload of the Commissioner in performing functions under this Act in the year after the year to which the report relates; and

The Commissioner will continue to manage the licensing and compliance matters referred to above, although it is anticipated that the continuing economic climate will have an impact on employment agents. This may result in a decrease in licence applications and a trend toward business closure or non-commencement of trade.

Employment agents will continue to be monitored for any compliance issues related to potential breaches of the *Fair Trading Act 1987* and the new Australian Consumer Law which is scheduled for introduction on 1 January 2011.

A Red Tape Reduction Group was established by the State Government to identify excessive or unnecessary regulation in Western Australia and has recommend measures that would reduce the compliance burden of such regulation on business. In its report, the Red Tape Reduction Group recommended changes to a number of occupational licensing Acts administered by the department, including the EA Act. The department will seek to implement the Government's decision in response to the report's recommendations.

- 
- (e) any proposals for improving the performance of the Commissioner's functions under this Act.

The Consumer Protection Division will continue with its proactive program. The email notification database implemented in 2006-07 has continued to improve the dissemination of information relating to licensing and compliance matters. The Consumer Protection Division will continue this service in order to keep licensees informed of developments and areas of concern. A new referral process between the licensing team and the proactive area has been implemented which will result in more effective and efficient referrals.

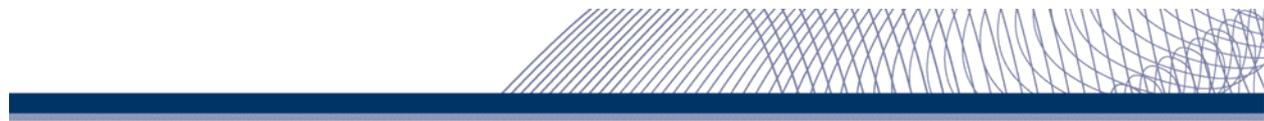
Gas Standards Act 1972

Section 13CA of the *Gas Standards Act 1972* requires the Director of Energy Safety (the Director) to report on a number of matters, namely:

- (a) in relation to the discipline of holders of gasfitting permits and authorisations, the number, nature, and outcome, of the -
 - (i) investigations and inquiries undertaken under this Act by, or at the direction of, the Director; and
There were no matters.
 - (ii) matters undertaken by the Director and referred to the State Administrative Tribunal under this Act by the Director;
There were no matters.
- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;
There were no matters outstanding.
- (c) any trends or special problems that may have emerged;
There were no trends or special problems that require reporting.
- (d) forecasts of the workload of the Director in performing functions under this Act in the year after the year to which the report relates relating to licensing discipline matters; and
There are no forecasts of workload to report.
- (e) any proposals for improving the performance of the Director's functions under this Act.
There are no proposals for improving performance to report.

Retirement Villages Act 1992

The *Retirement Villages Act 1992* (the RV Act) was established to regulate retirement villages and the rights of residents in such villages. The Commissioner for Consumer Protection (the Commissioner) is responsible for several functions under this Act, including compliance activities and the conciliation of disputes between residents and retirement village owners. A comprehensive review of the RV Act and its operations is being finalised.



This financial year, the department conciliated or investigated 32 complaints regarding retirement villages. These reflected a diverse range of matters including issues about fees, rates and charges; strata titles; dispute resolution processes; the meaning of contract terms; misrepresentation; disclosure and provision of information; construction of facilities and maintenance; marketing; sale of units; and budget expenditures.

In the previous financial year, a report (June 2008) from an Economics and Industry Standing Committee Inquiry into matters related to disputes between management and residents at the Karrinyup Lakes Lifestyle Village was tabled in the Legislative Assembly. The department's response to this report was tabled on 4 December 2008. In 2009-10, the Consumer Protection Division finalised a range of disputes surrounding the Karrinyup Lakes Lifestyle Village. This has included representative actions in the State Administrative Tribunal and District Court resulting in the provision of facilities and financial compensation for residents. Other proceedings in the State Administrative Tribunal resulted in orders requiring Moss Glades Pty Ltd and its two directors to observe a Deed of Undertaking recognising their obligations under the Code of Practice for Retirement Villages.

The department has continued with the proactive compliance program which commenced in 2008, to encourage retirement village operators to comply with the requirements set out in the RV Act. The aim of this program is to provide assistance to retirement villages where issues of non-compliance are identified. This financial year the division visited 65 retirement villages, with no major issues identified.

Travel Agents Act 1985

The department administers a range of functions under the *Travel Agents Act 1985* (the TA Act) including the granting and renewal of licences, compliance activities and a range of education and advisory services. The department also undertakes the conciliation of disputes involving travel agents and consumers. The Minister for Tourism held the portfolio responsibilities of the TA Act until 29 June 2010.

As at 30 June 2010, there were 379 licensed travel agents operating in Western Australia. Over the course of the year, 43 licences were surrendered, 146 licences were renewed and 20 new licences were granted.

Section 58 of the TA Act requires the Commissioner for Consumer Protection (the Commissioner) to report on a number of matters namely:

- (a) the number, nature and outcome of –
 - (i) investigations and inquiries undertaken by, or at the direction of, the Commissioner for the purposes of this Act;

During 2009-10, the department completed 20 investigations related to travel agents. Two of these investigations related to agents that had been suspended from the Travel Compensation Fund and subsequently surrendered their licence. Five investigations related to alleged unlicensed trading, which resulted in education to those businesses. One investigation related to an overseas scam that portrayed itself as a licensed online travel agent. The department issued a warning to the public via a media release and successfully shut down the internet site. The remaining files related to advertising of fares and administrative issues which were all resolved.



Table 30: *Travel Agents Act 1985*: Investigations and inquiries in 2009-10

	Travel agents and tour operator services	Airlines, tour coach, cruise ships, ferry or train services	Holder of travel agent licence or unlicensed activity	Conciliations	Total
Number ongoing as at 1 July 2009	3	1	2	17	23
Number commenced	9	5	4	279 ⁽¹⁾	297
Number concluded	10	5	5	286	306
Number ongoing as at 30 June 2010	2	1	1	10	14

Notes:

(1) Thirty-four per cent of this figure was as result the collapse of Indojet Asia Pty Ltd trading as Indojet Asia.

Allegations of unlicensed activity are examined by the Consumer Protection Division prior to formal investigation, which assists to clarify or obtain licensing compliance in many cases. This process significantly reduced the number of formal investigations required.

The proactive compliance program continues to provide information to travel agents about compliance with the TA Act leading to improved practices throughout the industry. In 2009-10, 177 travel agents were visited including those with newly granted licences. Of those visited, 155 were fully compliant with the TA Act, 22 non-compliant.

The areas of non-compliance were administrative matters under the legislation and were not considered to be serious or systemic breaches of the TA Act. In most instances compliance with the legislation was achieved quickly and related to issues such as:

- business name certificate not on display;
- travel agent licence certificate not on display;
- 'Licensed Travel Agent' sticker not displayed;
- nominated manager not in attendance;
- failure to notify of a new manager within 14 days; and
- failure to notify a change of licence particulars within 14 days.

(ii) matters that have been brought before the State Administrative Tribunal under this Act;

There were no matters brought before the State Administrative Tribunal.

- 
- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

There were four investigations outstanding. Three complaints relate to allegations of misleading pricing and one of those is in relation to an advertised airfare by a licensed travel agent. The other complaint relates to possible misappropriation of consumer funds and possible unlicensed trading.

- (c) any trends or special problems that may have emerged;

The department remains concerned about complaints relating to advertised fares not being available and misrepresented terms and conditions conveyed to clients. The Consumer Protection Division will continue to monitor these issues, particularly given the current economic climate and the tight competition within the tourism sector. The department will continue to investigate all creative and/or false advertising claims. In administrative matters, there continues to be an increase in industry compliance with statutory requirements for agents to advise the department of changes of particulars relating to their agencies.

- (d) forecasts of the workload of the Commissioner in performing functions under this Act in the year after the year to which the report relates; and

The Consumer Protection Division will continue to focus its proactive program visits on newly licensed agents, providing detailed information to agents regarding their legislative requirements.

An increasing number of businesses are operating as mobile travel agents with virtual offices and office managers. The department continues to liaise with other licensing jurisdictions in regard to their policies relating to these modern practices and at times has obtained legal advice to ensure that businesses operating in this manner are adhering to legislative requirements.

Led by the Commonwealth Government, the regulatory framework that licenses travel agents is being reviewed across Australia along with the travel related services market. In particular, the effectiveness of the current regulations is being considered against the adequacy of other consumer protection measures that now apply in the marketplace. The review is to provide proposals for reforms that include regulatory and non-regulatory options. Recommendations that will come as a result of the review will have implications for Western Australia. The department will support the development of a policy position for the State.

- (e) any proposals for improving the performance of the Commissioner's functions under this Act.

The department will continue with its proactive program both in the metropolitan area and throughout regional Western Australia. Assistance with the program from the Consumer Protection Division's regional employees has been invaluable and their services will be utilised for further visits in their regions in 2010-11.

The department will also continue with email bulletins providing information to travel agents, promoting the nomination of proxy managers and raising awareness of the administrative requirements of the TA Act. A new internal referral process was implemented which will result in more effective and efficient referrals.



Water Services Licensing Act 1995

Part 5A of the *Water Services Licensing Act 1995* (the WSL Act) establishes the Plumbers' Licensing Board (the Board) to regulate the plumbing trade that serves the Western Australian community. The Board forms part of the Building Commission Division.

At the end of the year, there were 5,377 plumbers licensed by the Board to carry out water supply, sanitary and drainage plumbing work for residential, commercial and industrial purposes and for other sectors of the economy. This specialised workforce comprised 2,601 licensed plumbing contractors, 2,657 licensed tradespersons, who work under the general direction and control of the licensed plumbing contractors, and 119 restricted plumbing permit holders who replace certain hot water units.

Section 59H(2) of the WSL Act requires the department's Annual Report to include details of:

- (a) the number, nature, and outcome, of –
 - (i) investigations and inquiries undertaken by, or at the direction of, the Board into licensing under this Act;

Table 31: *Water Services Licensing Act 1995*: Compliance investigations and complaints in 2009-10

	Alleged unsatisfactory workmanship	Alleged unlicensed plumbing	Other regulation breaches	Total
Ongoing matters as at 1 July 2009	12	5	5	22
Matters commenced	56	28	39	123
Matters concluded	45	27	33	105
Ongoing matters as at 30 June 2010	23	6	11	40

Investigations undertaken by the Board in cases of unsatisfactory workmanship or breaches of relevant regulations resulted in infringements or rectification notices issued to the respective licensed plumbing contractor. In cases of unlicensed plumbing, the Board's investigations to protect the interest of consumers and the integrity of the trade brought several prosecutions before the Magistrates' Court. Details of action taken can be found in Appendix 3: Prosecutions, Table 45.

- (ii) matters that have been brought before the State Administrative Tribunal under this Act;

There were no cases brought before the State Administrative Tribunal in 2009-10.

- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

The 40 matters outstanding (Table 31) as at 30 June 2010 comprised of complaints relating to workmanship, alleged unlicensed plumbing and other regulatory breaches identified through the Board's proactive audits or through a direct consumer complaint.



The Board has expanded its compliance workforce and issued rectification and infringement notices to further control potential breaches by licensed plumbers. Licensed plumbers will be required to attend technical nights, inductions and other information sessions to remain aware of their obligations under the Water Services Licensing (Plumbers' Licensing and Plumbing Standards) Regulations 2000 (the Regulations). In relation to unlicensed plumbing, the Board will continue to investigate and prosecute cases of illegal plumbing.

- (c) any trends or special problems that may have emerged;

The plumbing trade is a key service supporting all building activity including new construction, redevelopment and maintenance throughout the State. The supply of licensed plumbers to meet this sustained demand in terms of numbers, skills and availability is an ongoing issue for the Board. In 2009-10 there was an eight per cent growth or a net growth of 376 in plumbing contractors and tradespersons licensed by the Board.

The Board continues to consider ways to assist the plumbing industry add new skilled plumbing contractors and tradespersons at the apprenticeship and migrant level and tradespersons upgrading their licence to contractor status. Of particular importance is the ongoing skills development requirements of new tradespersons and existing licensed plumbers in plumbing new buildings designed on sustainability principles involving alternate water sources and recycling.

- (d) forecasts of the workload of the Board in the year after the year to which the report relates;

Subject to Government agreement, the Board's review of the Regulations until mid-2010 is likely to expand the coverage of plumbing work under the Board's jurisdiction. Additional workload will arise from the transition to national licensing, the implementation of the Plumbing Code of Australia, as well as the challenges and risk controls of new property developments using plumbing sourcing alternate water supply and recycling waste. These matters will require the Board to liaise with the education and training sector to quickly develop new courses for new and existing licensed plumbers as well as Board compliance staff to effectively deal with these changes.

As part of that process, the Board will further engage with the Training Accreditation Council to ensure registered training organisations are delivering relevant and consistent educational and training content at all entry levels for potential licensed plumbers and their continuing professional development.

The development of common policy for the Building Commission Division in key areas, such as sustainability in new construction and in response to the National Construction Code, is also major work responsibilities in the coming year.

The Board's register of licensed plumbing contractors and tradespersons will continue to grow dependent on the health of building activity and the State's attractiveness to potential licensed persons from interstate and overseas.

The Board will be expanding its technical compliance services to support the standards for licensed plumbing work and the guarantee of this work. This plan will involve a particular focus in regional areas to support mining activity, regional and remote communities. The initiative will be reinforced by an education campaign on regulation awareness for local practitioners and consumer groups.

- 
- (e) any proposals for improving the operation of the Board.

The Board's transition into the Building Commission will be completed in 2010-11. This regulatory agency will combine resources from other building sectors to ensure that plumbing aspects of any building proposal are considered as a fundamental requirement in all planning, design and approvals prior to construction. The Building Commission will also accommodate the Board's strategic targets to apply technologies to improve the effectiveness of its licensing regime, field operations and business practices via internet enhancements, online lodgement and the use of specialised software.

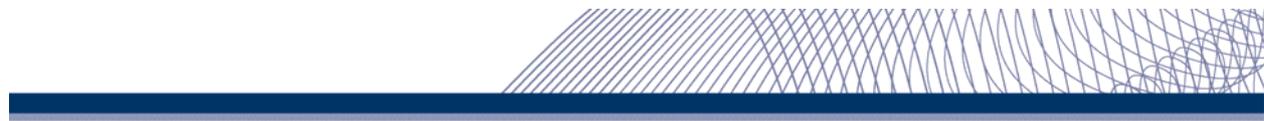
Recordkeeping Plan

The Department of Commerce's Recordkeeping Plan codifies record keeping practices and ensures compliance with the regulatory obligations. The management of the department's corporate documents and information is conducted within the framework of the *State Records Act 2000*, and the *Principles and Standards 2002* (incorporating Standard 2, Principle 6) produced by the State Records Commission of Western Australia in accordance with Section 61 of the Act.

It is a requirement under this Standard that the department's Recordkeeping Plan be reviewed and updated every five years. The Recordkeeping Plan has been reviewed and updated to reflect the changes during the past five years including the acquisition of the Science, Innovation and Business Division and the Building Commission Division and the transfer of the Resources Safety Division to the Department of Mines and Petroleum. The plan was approved by the State Records Commission of Western Australia in October 2009 and is due for review in October 2014.

The department has mandatory records and document management training for employees as part of the induction process. Additional training and relevant training material has been made available to employees upon request and has been tailored to meet business unit needs. Regular information in the form of emails to employees and short presentations to business units and divisions were held to ensure that they are familiar with their record keeping roles and responsibilities.

In addition, the department has in place recordkeeping policies and standards including the management of emails. The *Commerce Record Keeping Standards 2010* was reviewed and updated. They are provided to employees and are also available on the intranet for ease of use and reference by employees. A booklet titled *Corporate Information: Record keeping essentials* is also available on the intranet. It is provided to new employees attending the mandatory, full day electronic document and records management system training session. The Corporate Services Division has representatives at the various department offices that provide regular advice, inductions and also provide this booklet to new employees.



GOVERNMENT POLICY REQUIREMENTS

Corruption prevention

The department maintained its effort towards promoting and encouraging a culture built on ethical decision making and corruption resistance. The department continued to foster positive working relationships with key integrity agencies such as the Office of the Auditor General and the Corruption and Crime Commission, meeting officers on a regular basis to discuss governance related issues.

The department's risk management plan outlines the key risk management strategies, plans and procedures with a component being the agency's internal audit function as well as corruption and misconduct processes. The operational risks profiles and risk management plans are inclusive of corruption and misconduct risks and the framework ensures that regular review and update of these risks and controls occur.

In 2009-10, several activities were undertaken to minimise the potential for corrupt behaviour and included:

- A revised Code of Conduct was developed and is expected to be released in early 2010-11.
- The audit program focused on governance and operational risks ensuring sufficient controls were in place. A follow up audit on a previous review to assess the department's governance framework and the financial, operational and fraud related risks of the contracting process. The audit examined governance, risks and controls in place to effectively manage the process. In addition, during the year audits were undertaken of:
 - the storage of customers credit card details both in hard copy and masking of credit card numbers in information technology systems;
 - the controls of corporate credit cards including a review of a sample of credit card transactions;
 - the approval and issue of occupational licenses for construction and safety awareness cards, travel agents licensing and real estate and settlements agents' licensing; and
 - the collection of fines and costs across the department including controls in relation to the issue and accounting, payment, follow up and withdrawal of fines and costs.
- A number of employees attended Corruption and Crime Commission workshops on misconduct resistance and corruption prevent strategies including Misconduct Resistance Practitioner Forums and Dealing with Misconduct: Tips for Managers which were promoted through the department's *Comm.News* and *HR Matters*.
- Negotiations were undertaken with the Corruption and Crime Commission on the feasibility of developing and delivering training modules for managers and supervisors on corruption prevention, which are expected to be finalised in 2010-11.
- The department investigated a number of matters referred by the Corruption and Crime Commission.

Customer feedback

The department is committed to understanding and striving to exceed our customer service standards and encouraging customer feedback to improve our services. Customers can provide feedback in a number of ways including the internet, by telephone, by informing our counter service employees, or by writing an email or letter to the department. The feedback recorded is used to understand our customer expectations, determine the extent to which we can deliver, address systemic shortfalls which will improve our service delivery, streamline our processes and acknowledge the good efforts of our employees.

The department's *Customer Service Charter* reflects our operations and delivery services to customers. The Charter specifies how employees are expected to conduct themselves and details the standards we endeavor to meet. The Charter is available on the department's internet site. During 2009-10, the Charter was reviewed and updated. The department has a Customer Service Policy as required by the *Public Sector Commissioner's Circular 2009-27: Complaints management*. The department's performance in relation to customer feedback is monitored by the Corporate Executive.



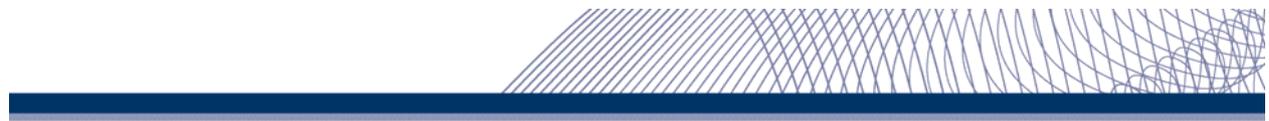
In 2009-10, the department received 367 pieces of feedback on services in both metropolitan and regional offices. Sixty-nine per cent were compliments, 23 per cent were complaints and eight per cent were suggestions. Some of the compliments received included:

- 'efficient, professional service';
- 'it was such a relief to speak with someone who was so helpful and answered everyone of my queries with ease';
- 'Thank you very much for looking into it. I was very impressed with the professionalism of yourself and the WA Department of Commerce when considering this matter. With you looking into it for us, we felt that someone out there does care and that we weren't left entirely to fend for ourselves'; and
- 'Fast and efficient service. Haven't used a government department for years! Very impressed with the gent on duty'.

The department responds to complaints in a systematic way, within agreed timeframes with the aim of resolving the issue. Some of the complaints received included:

- A customer made an appointment with a staff member, who was unavailable that day and the customer was not notified of the appointment's cancellation. The customer felt insulted by the 'lack of compassion'. *Outcome:* The staff member contacted the customer and apologised for missing the meeting. The customer was satisfied with the response.
- A customer complained about the cost of a licence. *Outcome:* The department provided a response to the customer which explained the fee structure and process.

As a result of customer feedback, employee development and training needs and service improvements including updating a number of forms were identified. One complaint received during the year related to the automated response from the Customer Feedback System and as a result the automated reply was changed to clearly advise of the department's response times and when contact would be made by a staff member. During the year, a review of the policy was commenced and customer service feedback escalation summary was developed to provide a simple flow chart on the internal process and timeframes.



Occupational safety, health and injury management

In accordance with the *Public Sector Commissioner's Circular 2009-11: Code of practice: Occupational safety and health in the Western Australian public sector* (the Circular), the department complies with the requirements of the *Occupational Safety and Health Act 1984*, the *Workers' Compensation and Injury Management Act 1981* and the *Code of practice: Occupational safety and health in the Western Australian public sector*.

Our commitment to our employees

The department recognises the value of its employees and is committed to preventing injury and illness by providing a safe and healthy work environment. The department recognises the success of occupational safety, health and injury management activities and relies on the active participation and co-operation of both management and employee. The department's occupational safety and health commitment is designed to raise awareness of safety and health obligations and to promote safer work practices.

In the event that a workplace injury occurs, the department has an established injury management system, which details the steps taken when a workplace injury occurs to assist injured employees to return to work as soon as medically appropriate. The system ensures that injury management intervention occurs promptly and effectively, so that injured employees can remain at work or return to work at the earliest appropriate time. The department's injury management system is compliant with the requirements of the *Workers' Compensation and Injury Management Act 1981* and the Code of Practice (Injury Management) 2005.

The department's occupational safety and health system and injury management system are available to employees on the department's intranet site. Information is communicated as part of occupational safety and health training for employees, managers and supervisors; specific articles on topics as part of *HR Matters* and through the Occupational Safety and Health Committee (the Committee).

Consultation mechanisms

Both management and employees are committed to improved and effective consultation in the workplace. Consultation provides employees with an opportunity to participate fully in decisions which impact on their working lives. The establishment of an appropriate forum to consult has resulted in better decision making with shared decisions leading to more effective implementation.

The Committee comprises of safety and health representatives and management representatives and is focused on the continuous improvement of occupational safety and health performance. The Committee meets every six weeks to discuss matters relating to workplace matters that affect the health and welfare of employees. The department's executive, safety and health representatives and employees are committed to the goal of a workplace that is free of work-related injuries and disease and to achieve a standard of excellence in occupational safety and health management.

During the year, the Committee discussed and resolved issues raised by employees, reviewed accident and incident forms to ensure that hazards were addressed to eliminate or reduce future issues, and discussed injury trends and identified preventative measures that promote a safe working environment.

Our performance

An internal audit of the occupational safety and health management system was conducted in March 2010. The findings of this audit provided both positive findings and areas for improvement. The recommendations for improvement have been detailed in an Action Plan with responsibilities and target dates set for completion. The audit found that the department provides a generally safe working environment. The main positive findings identified were:

- the Occupational Safety and Health Toolkit on the intranet has an Occupational Safety and Health Management Plan, policies and procedures;
- the occupational safety and health training includes induction training for new employees and occupational safety and health and injury management for managers and supervisors; and
- physical injuries are generally recorded and investigated.

However, there were some areas that can be further improved including:

- the Occupational Safety and Health Management Plan and the need for more regular reviews of the occupational safety and health policies and guidelines;
- risk assessments should be performed on reported hazards/incidents to determine a level of priority for action;
- occupational safety and health training records and requirements should be maintained on the mainframe human resource system;
- greater access of occupational safety and health information on the intranet;
- workplace inspections to be carried out on a more regular basis;
- ensuring that stress-related incidents are investigated in order to prevent possible future occurrences; and
- the recording of near misses and all incidents where first aid treatment was administered.

The majority of the above recommendations for improvement were addressed and implemented at the close of the financial year.

In 2009-10, the following occupational safety, health and injury management training programs were reviewed and improved:

- occupational safety and health and injury management for managers and supervisors training sessions were combined into one training session;
- manual handling and occupational safety and health induction training sessions were combined into one session; and
- sessions were undertaken at the individual divisions which allowed for a greater number of managers to attend.



Additional safety and injury management activities undertaken included:

- completing and implementing the actions recommended from a recent internal audit, which included the audit of the safety management system;
- providing coaching sessions for Safety and Health Representatives as part of an ongoing professional development process;
- the Committee were actively involved in the reviewed new policies (i.e. Asbestos Management Policy and the Personal Protective Prescription Safety Glasses Policy);
- increasing the awareness of occupational safety and health and injury management obligations to employees which contributed towards a reduction of lost-time injury claims lodged in 2009-10;
- workplace inspections are now conducted more regularly (i.e. once every three months) to ensure the effectiveness of the hazard management process; and
- actively promoting work station safety by conducting workstation ergonomic assessments, which are readily available to all employees.

The department's performance against targets contained in the Circular is demonstrated in Table 32.

Table 32: Occupational safety, health and injury management performance

Measure	Actual Results		Results against Target	
	2008-09 ⁽¹⁾	2009-10	Target	Result
Number of fatalities	0	0	0 (zero)	Target achieved.
Lost time injury and/or disease incidence rate	0.92	0.21 ⁽²⁾	0 or 10% reduction	Target achieved. There was a 77 per cent reduction in the rate. This was attributed to a reduction in the number of lost time claims and the number of full time equivalents in 2009-10.
Lost time injury and/or disease severity rate	11.11	50.00	0 or 10% reduction	Target not achieved. This was a result of one out of two claims being greater than 60 days. Overall, the number of lost time claims reduced significantly as did the number of severe claims.
Percentage of injured workers returned to work within 28 weeks	100%	100%	Actual percentage result	100% achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities	3.91%	56.68% ⁽³⁾	Greater than or equal to 50%	Target achieved

Notes:

- (1) The results are sourced from the department's Annual Report 2008-09.
- (2) The number of lost time claims lodged decreased from nine in 2008-09 to two in 2009-10, while the number of full time equivalents decreased from 983 in 2008-09 to 949 in 2009-2010
- (3) The training for managers and supervisors related to their occupational safety and health and injury management responsibilities. Both occupational safety and health for managers and Injury management were undertaken as separate training sessions until they were rolled into one session in April 2010.



Whole of government Public Sector Safety and Injury Management Initiative

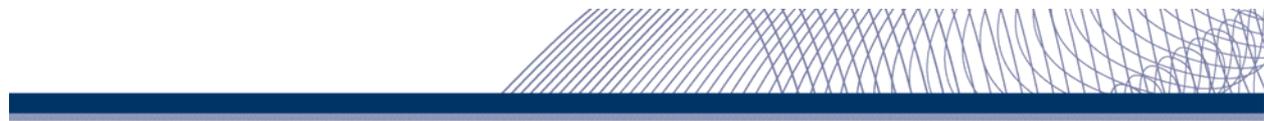
The Public Sector Safety and Injury Management Initiative provides a whole of government approach to workplace safety and injury management. The initiative supports a commitment by all Australian jurisdictions to the achievement of the *National Occupational Health and Safety Strategy 2002-2012* in particular Priority Five, which is to strengthen the capacity of government to influence occupational health and safety outcomes.

The initiative is an example of how the public sector can work together to develop a culture that advocates and supports a workplace free of work-related injuries and diseases. The initiative is designed to promote the Western Australian public sector as a leader in safety, health and injury management by fostering a co-ordinated approach across public sector agencies. The Department of Commerce is the lead agency responsible for the initiative. A steering committee was established to foster senior management commitment and provide guidance to public sector agencies. The Steering Committee has senior officers from the Department of Commerce, the Public Sector Commission, RiskCover, WorkCover WA and a UnionsWA nominee.

The key activity of the initiative includes identifying and developing strategic initiatives to assist agencies to improve safety and injury management performance and thereby reduce workers' compensation costs. The initiative also promotes best practice safety, health and injury management across the public sector through the *Code of Practice: Occupational Safety and Health in the Western Australian Public Sector* and the *Public Sector Commissioner's Circular 2009-11: Code of practice: Occupational safety and health in the Western Australian public sector*.

In 2009-10, activities undertaken in support of the initiative were:

- participated in the National Occupational Safety, Health and Injury Management Forum's review of the *Safe and Sound: A discussion paper on safety leadership in government workplaces* and a benchmarking project;
- reviewed over 130 public sector agencies for annual reporting compliance with the *Public Sector Commissioner's Circular 2009-11: Code of practice: Occupational safety and health in the Western Australian public sector*;
- acknowledged excellence in annual reporting through a special Occupational Safety, Health and Injury Management award at the Institute of Public Administration Australia Western Australia W.S. Lonnie Awards. The winner of the 2009 award was Zoological Parks Authority, with Venues West (Western Australian Sports Centre Trust) highly commended;
- arranged in collaboration with the Public Sector Commission for the ability for Chief Executive Officers to include safety, health and injury management performance measures in the 2010-11 Chief Executive Officer Performance Agreements; and
- organised one Occupational Safety, Health and Injury Management Network sessions for public sector practitioners.



Reconciliation Action Plan

The department's Reconciliation Action Plan aims to build positive relationships between Indigenous and non-Indigenous people. The plan was endorsed by the Department of Indigenous Affairs, and approved by Reconciliation Australia in 2008. It contains key strategies including creating career development opportunities, such as Indigenous business traineeships, developing educational initiatives for employees and customers and liaising with Indigenous support groups and services. The Reconciliation Action Plan is available on the department's internet site.

In 2009-10, activities relating to the plan included:

- continued education on reconciliation and substantive equality for new employees through the department's induction program and made available specific training courses in cultural awareness to employees on a regular basis;
- provided, through the department's internet site, access to a comprehensive and informative section devoted to Indigenous consumers which includes advice on renting property obtaining credit, purchasing vehicles and general consumer advice;
- continued liaison with Indigenous community groups by the department's two Indigenous Community Education Officers to increase awareness of consumer issues and consumer services;
- commenced civil and criminal action against a trader offering unregulated credit to Indigenous Australians in the Laverton area;
- continued the successful ThinkSafe Small Business Assistance Program for remote Indigenous communities through the WorkSafe Division; and
- continued to set agreed standards to enable Horizon Power's Work Practice Co-ordinator to deliver training and support for Indigenous operators.

Other initiatives within the plan are of an ongoing nature and their progression is on track.



Substantive equality

In accordance with the *Equal Opportunity Act 1984* and the *Public Sector Commissioner's Circular 2009-23: Implementation of the Policy Framework for Substantive Equality*, the department ensures the Substantive Equality Policy Framework is reflected appropriately in operational, strategic and departmental plans.

The policy framework is designed to eliminate systemic direct and indirect discrimination against ethnic and Indigenous communities in the provision of public sector services and to promote sensitivity to the different needs of these client groups. The policy framework is complemented by the activities instigated under the department's Reconciliation Action Plan.

The department's Substantive Equality Committee (the Committee) is responsible for monitoring both the Reconciliation Action Plan and the Policy Framework for Substantive Equality. The Committee reviews client needs and service delivery to ensure equal outcomes for Indigenous and culturally diverse client groups. The Committee has placed emphasis on enhancing customer service delivery to these groups by the provision of specific information and education resources.

Achievements in implementing the framework during 2009-10 included:

- provision of migrant services to Culturally and Linguistically Diverse (CaLD) groups as part of the Labour Relations Migrant Program. In 2009-10, 30 seminars were provided to 1,382 participants, informing migrant students about State industrial laws and "Your rights at work". These seminars have been conducted mostly at Institutes of Training, Migrant Resource Centres, and Universities;
- ongoing involvement of the Labour Relations Division in CaLD group committee meetings, which provide a forum for consultation with the major migrant community groups represented;
- establishment of a tenancy reference group consisting of key CaLD groups by the Consumer Protection Division and two focus groups with CaLD tenants conducted to provide input for an innovative tenancy education program under consideration; and
- continued participation by the department in the Office of Multicultural Interests Implementation Committee on Settlement Issues for African Humanitarian Entrants.

Progress against the policy framework continues through the review of current policies and projects and maintaining effective communication networks with relevant Indigenous community organisations

Appendices



This section provides additional information on the department's activities including agreements, changes to written laws, prosecutions and the functions of boards, commissions, committees, councils and tribunals.

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APPENDICES

Appendix 1: Agreements

The Department of Commerce recognises the benefits derived from working collaboratively with external parties by negotiating co-agency agreements, Memoranda of Understanding, Instruments of Declaration and inter-governmental arrangements for service delivery with a range of organisations, within the public and private sector.

Agreements

Agreements provide a structured and formal arrangement for information sharing and are designed to improve the flow of information between parties, where the two have a common interest or legislative responsibility. In most cases the scope of agreements is limited to selected areas of mutual interest, so there are limited powers of request and exchange. At all times the information exchanged is in accordance with a legislative power, and always with regard to other governing legislation, such as the *Commonwealth Privacy Act 1988*.

Co-agency agreements

Co-agency agreements in place during 2009-10:

- Australian Maritime Safety Authority
- Department of Transport, Marine Safety
- Department of Transport, (monitoring fatigue in the omnibus industry)
- Department of Transport, Office of Rail Safety.

Memoranda of Understanding

Memoranda of Understanding in place during 2009-10:

- .au Domain Administration Limited
- Australian Competition and Consumer Commission
- Australian Government agencies responsible for enforcement of occupational safety and health legislation
- Australian Securities and Investments Commission
- Australian Securities and Investments Commission regarding co-operation, access to and use of information, referral of matters, and co-operation in education activities following the transfer of regulation of consumer credit under Western Australian credit legislation from the Western Australian Department of Commerce, Consumer Protection Division to the Australian Securities and Investments Commission, and other matters to support the National Credit Law
- Biotechnology Institute for sanofi-agentis BioGENEius Challenge of Western Australia
- Bureau of WorkSafe Supervision and Administration Zhejiang Provincial Government
- City of Kalgoorlie Boulder and the Plumbers' Licensing Board
- Commonwealth of Australia and the State of Western Australia regarding the Square Kilometre Array Project
- CSIRO and the State of Western Australia regarding the Square Kilometre Array and Australian Square Kilometre Array Pathfinder Projects (Collaborative Agreement)

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- Confidentiality Undertaking with the Australian Securities and Investments Commission regarding credit provider and finance broker licensee and complaint information provided prior to the transition of credit regulation to the Commonwealth
 - Confidentiality Undertaking with the Attorney-General's Department of the Australian Government regarding the provision of sample personal property securities (PPS) data to facilitate the transition of the Western Australian PPS register to the Commonwealth
 - Consumers' Association of WA (Inc)
 - Daedeok Innopolis, Korea and Technology Park Bentley, Western Australia
 - Department for Child Protection regarding referrals of suspected breaches of children in employment laws; notification of potential child protection issues arising from investigations; and joint responses to circumstances where the nature of a child's employment may jeopardise their wellbeing
 - Department of Education Services, Office of the Training Accreditation Council
 - Department of Environment, Water, Heritage and the Arts regarding the monthly provision of complaint information around the Home Insulation Program
 - Department of Environment and Conservation; Western Australia Police; and Fire and Emergency Services Authority of Western Australia for Emergency Connect WA
 - Department of Environment and Conservation; Department of Education; Western Australia Police; and WA Country Health Services for Bush Medivac WA
 - Department of Immigration and Citizenship
 - Department of Mines and Petroleum, Resources Safety Division
 - Department of Mines and Petroleum and Department of State Development regarding a Graduate Program Partnership Agreement
 - Department of Transport regarding the Department of Commerce's access to the Transport Executive and Licensing Information System and vice versa the Department of Transport's access to Complaints and Licensing System
 - Department of Regional Development and Lands for Community Emergency Mobile Communications Project
 - Economic Regulation Authority
 - Energy Ombudsman
 - Hairdressers Registration Board
 - Hangzhou National Hi-Tech Industry Development Zone and Technology Park Bentley of Western Australia
 - Healthways and the Department of Commerce regarding the exchange of information on incorporated associations
 - National Industrial Chemicals Notification and Assessment Scheme
 - National Offshore Petroleum Safety Authority
 - Office of Energy
 - State Administration of Work Safety, People's Republic of China
 - State Library for National Partnership for Remote Indigenous Public Internet Access
 - Water Corporation and the Plumbers' Licensing Board
 - Western Australian Agriculture Authority regarding Western Australia's 'Buy West, Eat Best' food marketing program
 - Western Australia Police regarding the application of *Occupational Safety and Health Act 1984* to police officers
 - Western Australia Police and Building Industry and Special Projects Inspectorate.



Instruments of Declaration

Construction work at mine sites falls under the jurisdiction of the *Mines Safety and Inspection Act 1994* (the MSI Act) and the *Mining Act 1978*. Section 4(3) of the *Occupational Safety and Health Act 1984* (the OSH Act), provides that the Minister administering the OSH Act and the Minister administering the MSI Act and *Mining Act 1978* may declare, in an 'instrument of declaration', that the OSH Act or provisions of it apply to, or in relation to, a workplace normally falling under the jurisdiction of the MSI Act or the *Mining Act 1978*.

Instruments of Declarations in place during 2009-10:

- BHP Transport Marine Slipway on Special Lease 3116/3690, Burgess Point, BHP Iron Ore Nelson Point
- Boodarie Power Station, Port Hedland
- Brockman 4
- Duketon Gold Project mine site
- Griffin Coal Company Pty Limited - Premier Mine
- Karara Mining Project
- Newman Power Station
- Pilbara Infrastructure Pty Ltd railway
- Pilbara Iron Pty Ltd railway
- Sino Iron mine site
- Spinifex Ridge Molybdenum (Moly Mines Australia Pty Ltd) mine site
- Wesfarmers Coal Limited - Premier Mine.
- Yandi mine site.

Inter-governmental arrangements for service delivery

Inter-governmental arrangements for service delivery clearly articulate accountability and funding for the delivery of services by the department to a government authority.

Arrangements in place during 2009-10:

- Commonwealth of Australia and State of Western Australia regarding the delivery of services to the Christmas Island and Cocos (Keeling) Islands.
- Department of Environment, Water, Heritage and the Arts (Commonwealth) regarding the provision of fuel quality sampling services
- Real Estate and Business Agents Supervisory Board regarding the delivery of regulatory services to the Board
- Settlement Agents Supervisory Board regarding the delivery of regulatory services to the Board.

Appendix 2: Changes to written laws

Changes in written law initiated by the department during 2009-10 are outlined according to the responsible division in Table 33 to 35.

Consumer Protection

Consumer Protection Division

Table 33: Amendments to written laws for the Consumer Protection Division in 2009-10

Written law / Title	Number	Effective or Gazettal date
Associations Incorporation Amendment Regulations 2009	2 of 2009	1 July 2009
Builders' Registration Amendment Regulations 2009	1 of 2009	1 July 2009
Builders' Registration Amendment Regulations (No. 2) 2009	2 of 2009	1 July 2009
Companies (Co-operative)(Fees) Regulations 2009	2 of 2009	1 July 2009
Consumer Affairs Revocation Order 2010	94 of 2010	28 May 2010
Consumer Affairs Revocation Order (No. 2) 2009	15 of 2010	2 February 2010
<i>Co-operatives Act 2009</i>	24 of 2009	22 October 2009
Credit (Administration) Amendment Regulations 2010	129 of 2010	30 June 2010
<i>Credit (Commonwealth Powers) Act 2010</i>	13 of 2010	30 June 2010
<i>Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Act 2010</i>	14 of 2010	30 June 2010
Debt Collectors Licensing Amendment Regulations 2009	1 of 2009	1 July 2009
Employment Agents Amendment Regulations 2009	1 of 2009	1 July 2009
Fair Trading (Product Safety Standard) Amendment Regulations (No. 2) 2009	15 of 2010	2 February 2010
Fair Trading (Product Safety Standard) Amendment Regulations (No. 2) 2010	112 of 2010	25 June 2010
Fair Trading (Product Safety Standard) Amendment Regulations 2010	95 of 2010	28 May 2010
Fair Trading (Retirement Villages Code) Regulations 2009	167 of 2009	21 September 2009
Finance Brokers Control (General) Amendment Regulations 2010	129 of 2010	30 June 2010
Land Valuers Licensing Amendment Regulations 2009	1 of 2009	1 July 2009
Limited Partnership Amendment Rules	1 of 2009	1 July 2009
Motor Vehicle Dealers (Licensing) Amendment Regulations 2009	1 of 2009	1 July 2009
Motor Vehicle Repairers Amendment Regulations (No. 2) 2009	2 of 2009	1 July 2009



Written law / Title	Number	Effective or Gazettal date
Motor Vehicle Repairers Amendment Regulations (No. 3) 2009	140 of 2009	28 July 2009
Order Prohibiting Supply Of Goods containing more than 1% DEHP	42 of 2010	23 March 2010
Order Prohibiting Supply Of Goods, Balls Manufactured From Fire Resistant Material, To Be Doused In Flammable Liquid And Ignited	17 of 2010	9 February 2010
Order Prohibiting Supply Of Goods, Toy-Like Novelty Cigarette Lighters	16 of 2010	5 February 2010
Order Prohibiting The Supply Of Goods, Sky Lanterns	177 of 2009	2 October 2009
Order Restricting The Supply Of Goods, Protective helmets for Pedal Cyclists	7 of 2010	15 January 2010
Order Restricting The Supply Of Goods, Treadmills	140 of 2009	28 July 2009
Painters' Registration Board Amendment Rules 2009	2 of 2009	1 July 2009
Real Estate And Business Agents (General) Amendment Regulations (No. 3) 2009	155 of 2009	28 August 2009
Real Estate and Business Agents (General) Amendment Regulations (No. 4) 2009	4 of 2009	1 July 2009
Real Estate And Business Agents (General) Amendment Regulations (No. 5) 2009	204 of 2009	10 November 2009
Real Estate And Business Agents (General) Amendment Regulations 2010	94 of 2010	28 May 2010
Retail Trading Hours (Busselton) Variation Order 2009	231 of 2009	11 December 2009
Retail Trading Hours (City Of Albany) Order 2010	15 of 2010	2 February 2010
Retail Trading Hours (City Of Bunbury) Order 2009	231 of 2009	11 December 2009
Retail Trading Hours (City Of Bunbury) Variation Order 2009	244 of 2009	24 December 2009
Retail Trading Hours (City Of Geraldton-Greenough) Order 2009	231 of 2009	11 December 2009
Retail Trading Hours (Rockingham Holiday Resort) Variation Order 2009	242 of 2009	22 December 2009
Retail Trading Hours (Shire Of Collie) Order 2009	231 of 2009	11 December 2009
Retail Trading Hours (Shire Of Katanning) Order (No. 2) 2009	245 of 2009	24 December 2009
Retail Trading Hours (Shire Of Katanning) Order 2009	231 of 2009	11 December 2009
Retail Trading Hours (Tourism Precincts And Holiday Resorts) Amendment Regulations (No. 2) 2009	215 of 2009	24 November 2009
Retail Trading Hours (Tourism Precincts And Holiday Resorts) Amendment Regulations 2009	133 of 2009	14 July 2009
Retail Trading Hours (Tourism Precincts And Holiday Resorts) Amendment Regulations 2010	46 of 2010	26 March 2010
Retail Trading Hours (Tourism Precincts) Order 2009	244 of 2009	24 December 2009

Written law / Title	Number	Effective or Gazettal date
Retail Trading Hours (Tourism Precincts) Variation Order (No. 2) 2009	210 of 2009	20 November 2009
Retail Trading Hours Regional Variation Order 2009	231 of 2009	11 December 2009
Retail Trading Hours Variation Order 2009	210 of 2009	20 November 2009
Settlement Agents Amendment Regulations 2009	2 of 2009	1 July 2009
Trade Measurement Amendment Regulations 2010	94 of 2010	28 May 2010
Trade Measurement Amendment Regulations (No. 2) 2010	110 of 2010	22 June 2010
Transfer Of Incorporation (HBF) Order 2009	151 of 2009	21 August 2009
Transfer Of Incorporation (HIF) Order 2009	210 of 2009	20 November 2009
Travel Agents Amendment Regulations (No. 2) 2009	7 of 2010	15 January 2010

Building Commission Division

There were no changes to written laws in 2009-10 for the Building Commission Division.

Safety and Employment Protection

EnergySafety Division

Table 34: Amendments to written laws for the EnergySafety Division in 2009-10

Written law / Title	Number	Effective or Gazettal date
Gas Standards (Infringement Notices) Amendment Regulations	70 of 2010	4 May 2010
<i>Gas Supply (Gas Quality Specifications) Act 2009</i>	46 of 2010	26 March 2010
Electricity (Licensing) Amendment Regulations (No. 4) 2009	4 of 2009	1 July 2009
Electricity Amendment Regulations (No. 5) 2009	33 of 2010	5 March 2010
Electricity (Licensing) Order 2010	16 of 2010	5 February 2010
Electricity (Declared Apparatus) Notice 2010	11 of 2010	22 January 2010
Electricity (Prescribed Appliances & Published Specifications) Notice 2010	11 of 2010	22 January 2010
Electricity (Recognised Persons and Marks) Notice 2010	11 of 2010	22 January 2010
Electricity (Specified Laws) Notice 2010	11 of 2010	22 January 2010
Energy Coordination (General) Amendment Regulations 2009	203 of 2009	6 November 2009
Gas Standards (Gas Supply and System Safety) Amendment Regulations 2000	203 of 2009	6 November 2009
Electricity Amendment Regulations (No. 3) 2009	193 of 2009	27 October 2009



Written law / Title	Number	Effective or Gazettal date
Electricity (Supply Standards and System Safety) Regulations (No. 2) 2009	173 of 2009	29 September 2009
Electricity Amendment Regulations (No. 4) 2009	173 of 2009	29 September 2009
Electricity (Licensing) Regulations (No. 5) 2009	157 of 2009	1 September 2009
Electricity (Licensing) Amendment Regulations 2010	112 of 2010	25 June 2010
Gas Standards (Gasfitting and Consumer Gas Installations) Amendment Regulations 2009	1 of 2009	1 July 2009
Gas Standards (Gasfitting and Consumer Gas Installations) Amendment Regulations (No. 2) 2010	112 of 2010	25 June 2010

Labour Relations Division

There were no changes to written laws in 2009-10 for the Labour Relations Division.

WorkSafe Division

Table 35: Amendments to written laws for the WorkSafe Division in 2009-10

Written law / Title	Number	Effective or Gazettal date
Occupational Safety and Health Amendment Regulations	4 of 2009	31 July 2009
Occupational Safety and Health Amendment Regulations	5 of 2009	25 Aug 2009
Occupational Safety and Health Amendment Regulations	3 of 2009	22 Dec 2009
Occupational Safety and Health Amendment Regulations	7 of 2009	15 Jan 2010
Occupational Safety and Health Amendment Regulations	2010	25 May 2010
Occupational Safety and Health Amendment Regulations	3 of 2010	25 June 2010

Science, Innovation and Business

Science, Innovation and Business Division

There were no changes to written laws in 2009-10 for the Science, Innovation and Business Division.

Appendix 3: Prosecutions

Consumer Protection

Consumer Protection Division

Table 36 - 41 provides details of action undertaken in 2009-10 by the Consumer Protection Division. For the purposes of Table 36 - 41, the Commissioner is the Commissioner for Consumer Protection.

Civil applications - Court of Appeal

Table 36: Court of Appeal proceedings for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Nature	Outcome
Bluesky Healthcare Pty Ltd, George Michael Papos, Damien Ryan v Commissioner	Appeal against Supreme Court decision reversing Magistrates' acquittal, convicting respondents on prosecution under the <i>Door to Door Trading Act 1987</i> .	Appeal allowed. Costs to be determined.
Maxwell John Nevermann v Land Valuers Licensing Board	Appeal against orders of the State Administrative Tribunal suspending appellant from holding a licence.	Appeal dismissed. No order as to costs.
Pasquale Minitti v Motor Vehicle Industry Board	Appeal from orders of the State Administrative Tribunal disqualifying appellant from holding a licence.	Matter is pending.

Civil applications - Supreme Court

Table 37: Supreme Court proceedings for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Nature	Outcome
Commissioner v Alwyn Robert Healy	Application for banning order and injunctions under <i>Fair Trading Act 1987</i> & contempt proceedings.	Defendant gave undertaking to the Court. Contempt proceedings pending.
Alwyn Robert Healy v Commissioner	Appeal against conviction for two offences under the <i>Fair Trading Act 1987</i> .	Matter pending.



Name/ defendant/ parties	Nature	Outcome
Commissioner v Bon Levi, Colin Burton, & Leigh Currie (trading as 'Bikini Girls Massage')	Application for interlocutory injunctions under the <i>Fair Trading Act 1987</i> , alleging contraventions of the <i>Business Names Act 1982</i> , and misleading conduct in respect of employment under the <i>Fair Trading Act 1987</i> .	Interlocutory application granted against Bon Levi and Colin Burton. Application for final orders pending. Final orders by consent against Leigh Currie.
Commissioner v Steve Preston	Contempt proceedings.	Application dismissed. No order as to costs.
Commissioner v Salvatore Tomarchio	Application for interlocutory injunctions under the <i>Fair Trading Act 1987</i> , alleging contraventions of the <i>Credit (Administration) Act 1984</i> and alleged unconscionable conduct contravening the <i>Fair Trading Act 1987</i> .	Interlocutory application granted. Application for final orders pending.
Commissioner v Iceland Pty Ltd	Application under <i>Corporations Act 2001 (Cth)</i> for reinstatement of corporation.	Application granted.
In the Matter of Beagle Bay Community Incorporated (an Application by the Commissioner)	Application under the <i>Corporations Act 2001 (Cth)</i> , to wind-up the association pursuant to the <i>Associations Incorporation Act 1987</i> .	Matter pending.

Civil applications - District Court

Table 38: District Court proceedings for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Nature	Outcome
<i>Fair Trading Act 1987</i>		
Name withheld (by the Commissioner) v Moss Glades Pty Ltd	Representative action under the Act for common law breach of contract, specific performance.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Moss Glades Pty Ltd	Representative action under the Act for breach of contract, specific performance.	Settled. Defendant to pay Plaintiff. Details withheld.

Civil applications - Magistrates Court

Table 39: Magistrates Court proceedings for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Nature	Outcome
<i>Fair Trading Act 1987</i>		
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Judgment for Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Judgment for Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Settled. Defendant to pay Plaintiff. Details withheld.
Name withheld (by the Commissioner) v Alwyn Robert Healy	Representative action under the Act for breach of contract.	Matter pending.

Civil applications - State Administrative Tribunal

Table 40: State Administrative Tribunal outcomes for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Legislation	Nature	Outcome	Costs
<i>Consumer Credit (Western Australia) Code</i>				
Community CPS Australia Ltd as successor in law of United Credit Union Ltd v the Commissioner (as Intervener)	Section 103	Application under the <i>Consumer Credit (Western Australia) Code</i> for a declaration as to contravention of the Code, and for a civil penalty.	Declaration made. No civil penalty payable. Undertaking accepted to repay borrowers to in excess of \$400,000.	\$11,000



Name/ defendant/ parties	Legislation	Nature	Outcome	Costs
Fair Trading Act 1987 and Retirement Villages Code				
Commissioner v Moss Glades Pty Ltd, Eion Samuel Martin, and Leonard Whyman	Section 44, 45 & 46	Application under this Act for orders requiring observance of the <i>Retirement Villages Code</i> , prohibiting the Directors from conniving in a breach of the Code by the company, orders for rectification of drainage problems, and for leave to prosecute for multiple contraventions of the Code.	Application granted, with costs.	To be determined.
Finance Brokers Control Act 1975				
Commissioner v Ozero Pty Ltd	Section 82	Disciplinary proceedings.	Respondent disqualified from holding a licence for one year and fine \$1,000.	\$730
Commissioner v Catherine Anne Thompson	Section 82	Disciplinary proceedings.	Matter pending.	-
Land Valuers Licensing Act 1978				
Land Valuers Licensing Board v Michael Edwin McKenna	Section 27	Disciplinary proceedings.	Respondent disqualified from holding a licence for two years.	None.
Land Valuers Licensing Board v Maxwell John Nevermann	Section 27	Disciplinary proceedings.	Respondent's licence suspended for six months.	\$5,000
Land Valuers Licensing Board v John Van Nguyen	Section 27	Disciplinary proceedings.	Respondent reprimanded and fined \$1,000.	None.
Motor Vehicle Dealers Act 1973				
Motor Vehicle Industry Board v Pasquale Minniti	Section 20	Disciplinary proceedings.	Disqualified from holding a licence until further order. Costs to be determined. On appeal to Court of Appeal.	To be determined.

Name/ defendant/ parties	Legislation	Nature	Outcome	Costs
Retirement Villages Act 1992				
Names withheld (by the Commissioner) v Moss Glades Pty Ltd	Sections 9 & 52	Representative action under the Act for the variation of leases to include date for the construction of facilities.	Application granted, by consent. No order as to costs.	None.
Water Services (Plumbers' Licensing) Regulations 2000				
Gheorge Dumitrescu v Plumbers' Licensing Board	Regulation 100	Review of decision by Plumbers' Licensing Board to refuse application for license.	Application withdrawn.	None.
Local Government (Building Surveyors) Regulations 2008				
Paul Kirrane v Department of Commerce	Regulation 20	Application for review of decision by the Building Surveyors' Qualifications Committee.	Application withdrawn.	None.

Prosecutions - Magistrates Court

Table 41: Prosecution outcomes (including appeals against prosecution) for the Consumer Protection Division in 2009-10

Name/ defendant/ parties	Legislation	Nature	Fine	Costs
Fair Trading Act 1987				
Commissioner v [Name withheld – spent conviction] ('Bikini Girls Massage')	Section 14	Prosecution for misleading conduct in respect of employment.	Convicted and fined \$1,500. Spent conviction order.	\$632
Commissioner v Alwyn Robert Healy	Section 12(1)(e)	Prosecution for false or misleading representation in respect of uses or characteristics of goods.	Convicted and fined \$8,000.	\$4,529
Commissioner v Michelle Anne Hider	Section 52(1)	Prosecution for supplying goods in breach of a banning order.	Convicted and fined \$700.	\$880
Commissioner v Richard James McPharlin	Section 12(1)(l)	Prosecution for false or misleading representation in respect of uses of goods.	Convicted and fined \$2,500.	\$2,500
Commissioner v Moss Glades Pty Ltd, Eion Samuel Martin, & Leonard Whyman	Section 12(2)(b)	Prosecution for false or misleading representation in respect of facilities.	Moss Glades Pty Ltd convicted and fined \$5,000. Prosecution discontinued against Directors.	\$1,160



Name/ defendant/ parties	Legislation	Nature	Fine	Costs
Fair Trading Act 1987 and Business Names Act 1962				
Commissioner v Bon Levi ('Bikini Girls Massage')	Section 14 of <i>Fair Trading Act 1987</i> ; Sections 5, 5A & 17 of <i>Business Names Act 1962</i> .	Prosecution misleading conduct in respect of employment. Prosecution for various matters under <i>Business Names Act 1962</i> .	Matter pending.	-
Commissioner v Colin Burton ('Bikini Girls Massage')	Section 14 of <i>Fair Trading Act 1987</i> ; Section 5 of <i>Business Names Act 1962</i> .	Prosecution misleading conduct in respect of employment. Prosecution for various matters under <i>Business Names Act 1962</i> .	Matter pending.	-
Motor Vehicle Dealers Act 1973				
Commissioner v [name with held-spent conviction] & PC Consultants (WA) Pty Ltd	Section 30	Prosecution for engaging in dealing without a licence	Convicted and fined \$5,000.	\$357
Commissioner v LMG Automotive Pty Ltd	Section 30	Prosecution for engaging in dealing without a licence.	Convicted and fined \$5,000.	\$357
Commissioner v John Peter Moran	Section 30	Prosecution for engaging in dealing without a licence.	Convicted and fined \$5,000.	\$357
Commissioner v Beauvel Langer	Section 30	Prosecution for engaging in dealing without a licence.	Convicted and fined \$5,000.	\$357
Commissioner v Cardin Langer	Section 30	Prosecution for engaging in dealing without a licence.	Convicted and fined \$5,000.	\$357
Commissioner v Stephen Eccles	Section 31C	Prosecution for employing unlicensed sales person or persons.	Convicted and fined \$500.	\$616
Commissioner v Burswood Car Centre Pty Ltd	Section 31C	Prosecution for employing unlicensed sales person or persons.	Convicted and fined \$10,000.	\$319
Commissioner v Sean de Gois	Section 25, 32B & 32C	Prosecution for failing to comply with statutory obligations with respect to maintaining records, accepting consignments, failing to have trust account.	Convicted and fined \$5000.	\$347
Commissioner v Sean de Gois	Section 25, 32B & 32C	Prosecution for failing to comply with statutory obligations with respect to maintaining records, accepting consignments, failing to have trust account.	Convicted and fined \$5,000.	\$192.20

Name/ defendant/ parties	Legislation	Nature	Fine	Costs
Commissioner v Andrew John Durey	Section 31B	Prosecution for acting as salesperson without licence.	Convicted and fined \$600.	\$852
Commissioner v Ghazy Fahd Al Defeary	Section 30	Prosecution for engaging in dealing without a licence.	Matter pending.	-
Residential Tenancies Act 1987				
Commissioner v Carmel Charles Saliba	Section 27, 33, 29 & 14	Prosecution for seeking additional security bond, failure to provide rent receipts and notices, and failure to produce security bond record.	Convicted and fined \$2,850.	\$3,500

Motor Vehicle Industry Board

Table 42: Motor Vehicle Industry Board deliberations in which Consumer Protection Division assisted in 2009-10

Name/ defendant/ parties	Nature	Outcome	Costs
Motor Vehicle Repairers Act 1973			
Oz Trees Pty Ltd v Motor Vehicle Industry Board	Section 20	Application to show cause why the licence should not be refused.	Matter pending. -

Real Estate and Business Agents Supervisory Board

Table 43: State Administrative Tribunal (the Tribunal) for the Real Estate and Business Agents Supervisory Board in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Real Estate and Business Agents Act 1978				
Dennis Robert Didovich	Article 5(1) of the Code of Conduct; Section 103(4)(d)	Failed to act fairly and honestly in relation to transactions for the sale and purchase of properties. There was proper cause for disciplinary action in that he was deemed unfit to hold a certificate of registration.	Cancellation of registration and disqualified from holding a registration for a period of 10 years.	\$1,000
Sharon Maria Arasi and Peter John Arasi	Section 26	Carrying on a business as a real estate agent either separately or as a partnership and have held themselves out as real estate agents when not licensed to do so.	\$6,500	\$500



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Meadowbank Enterprises Pty Ltd (1 st Respondent)	Section 64(4)	Received valuable consideration for or in relation to the sale of a property, in respect of which the third respondent, being an employee of the second respondent (the conjunction agent in the transaction) had an interest.	\$5,000 If required by the vendor, the first respondent agreed to repay the whole of its part of the commission to the vendor, in the sum of \$14,262.	\$1,000
Gavin Plows (2 nd Respondent)	Section 64(4) and Article 7 of the Code of Conduct.	Received valuable consideration for or in relation to the sale of a property in respect of which a sales representative in his employment had an interest. Failed to exercise skill, care and diligence.	\$8,000 If required by the vendor, the second respondent agreed to repay the whole of his part of the commission to the vendor, in the sum of \$5,738.	\$1,500
Stephen Drane (3 rd Respondent)	Section 64(2)	Had an interest, other than by virtue of his employment, in a transaction in which the first respondent and second respondent acted without written consent of the principal.	\$1,000	No order as to costs.
Lorraine Ashby (4 th Respondent)	Article 7 of the Code of Conduct.	Did not exercise skill, care and diligence. Failed to verify the status of the purchaser and/or its nominee before presenting offers to the vendor and upon becoming aware of the conflict of interest of the third respondent, she failed to take the appropriate steps to fully inform the person in bona fide control.	\$1,000	\$500
Vitale Fine Properties Pty Ltd (1 st Respondent)	Article 15(2) of the Code of Conduct.	The first respondent sought and retained reimbursement of expenses which was greater than the maximum amount agreed to by the sellers.	\$500	\$500
David Vincent Vitale (2 nd Respondent)	Article 6(2) of the Code of Conduct	Failed to properly supervise the business of the first respondent.	\$500	\$500

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Melanie Nissen	Article 5(1) of the Code of Conduct	The respondent failed to act fairly and honestly by writing a trust account cheque in the sum of \$648.00 payable to Ms Nissen, applied a signature that appeared to be one of the two signatories to the trust account and deposited the cheque into a personal bank account and writing a trust account cheque in the sum of \$1,320.00 payable to Ms Nissen, applied a signature that appeared to be one of the two signatories to the trust account and deposited the cheque into a personal bank account.	Cancellation of registration and disqualified from holding a registration for a period of five years.	\$500
Dianna Pauline Western (1st Respondent)	Section 44(1)	The first respondent carried out the functions of a real estate sales representative whilst in the employ of the second respondent without holding a certificate of registration.	\$1,500	\$1,000
Talaesha Holdings Pty Ltd (2 nd Respondent)	Section 54(1)	The second respondent permitted the first respondent to act or carry out the functions of a real estate sales representative when she was not a registered sales representative.	\$1,000	\$1,000
Adrian Corker (3 rd Respondent)	Article 6(2) of the Code of Conduct.	The third respondent failed to properly supervise the business and ensure the Act and Code of Conduct were complied with.	\$1,500	\$1,000



Settlement Agents Supervisory Board

Table 44: State Administrative Tribunal for the Settlement Agents Supervisory Board in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Settlements Agents Act 1981				
Property Settlement Services Pty Ltd	Rule 9 of the Code of Conduct Rule 5 of the Code of Conduct.	The respondent acted on behalf of the buyer and the seller in the settlement of a real estate transaction when there was a conflict of interest. Acted and continued to act on behalf of the buyer without his informed consent.	\$10,000	\$8,000

Building Commission Division

Table 45 provides the prosecution action finalised in 2009-10 on behalf of the Plumbers' Licensing Board (the Board) by the Consumer Protection Division and the State Solicitor's Office.

Table 45: Prosecution outcomes for the Plumbers' Licensing Board in the Magistrates' Court in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Water Services Licensing (Plumbers' Licensing and Plumbing Standards) Regulations 2000				
Michael Callahan	Regulation 9(1)	Performing plumbing work outside his licence.	\$500	\$3,135
Paul Dillon	Regulation 9(1)	Unlicensed plumbing.	\$750	\$326
Jagdish Jeshani	Regulation 9(1)	Unlicensed plumbing.	\$2,000	\$384
Thomas McCready	Regulation 9(1)	Unlicensed plumbing.	\$5,000	\$555.50
Peter Pizzano	Regulation 9(1)	Undertaking plumbing without the general direction and control of a Licensed Plumbing Contractor.	\$1,000	\$326.70
Carmel Charles Saliba	Regulation 9(1)	Unlicensed plumbing.	\$500	\$1,500
Mathew Somers	Regulation 9(1)	Unlicensed plumbing.	\$500	\$269

Safety and Employment Protection

Energy Safety Division

Table 46: Prosecution outcomes for the Energy Safety Division in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Electricity (Licensing) Regulations 1991				
Greg Black (Ballajura)	Regulation 19(1)	Carried out electrical work whilst not authorised by licence or permit.	\$1,000.00	\$571.70
Simon Bunney (North Coogee)	Regulation 19(1) (9 breaches)	Carried out electrical work whilst not authorised by licence or permit.	\$15,000.00 ⁽¹⁾	\$1,000.00 ⁽¹⁾
Burkeair Pty Ltd (Belmont)	Regulation 50(1)	Failed to ensure electrical work carried out by an apprentice was effectively supervised.	\$2,000.00	\$649.00
Mario Busacca (Coolbinia)	Regulation 49(1) (2 breaches)	Carried out substandard electrical work.	\$600.00	271.70 ⁽¹⁾
Centurion Electrical Contracting (Coolbinia)	Regulation 52(3)	Submitted a Notice of Completion to the relevant Network Operator when the electrical installing work was not complete.	\$1,000.00	⁽¹⁾
Theo Christidis (Dianella)	Regulation 49(1)	Carried out substandard electrical work.	\$2,500.00	\$649.70
Comprehensive Electrical Pty Ltd (Armadale)	Regulation 52(1) (39 breaches)	Failed to submit a Notice of Completion to the Network Operator on completion of the electrical installing work.	\$7,000.00	\$571.70
Brenden Michael Cook T/As BMC Electrical (Craigie)	Regulation 52(1) (13 breaches)	Failed to submit a Notice of Completion to the Network Operator on completion of the electrical installing work.	\$2,000.00	\$771.70
Mark Douglas (High Wycombe)	Regulation 19(1)	Carried out electrical work whilst not authorised by licence or permit.	\$1,200.00	\$649.70
Dunnings Electrical Service (Byford)	Regulation 52(1)	Failed to submit a Notice of Completion to the Network Operator on completion of the electrical installing work.	\$5,000.00	\$571.70

⁽¹⁾ Denotes global fine was issued.



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Michael Giles (Toodyay)	Regulation 50(1)	Failed to ensure electrical work carried out by an apprentice was effectively supervised.	\$600.00	\$649.70
Damian Hegarty (Canning Vale)	Regulation 50A	Permitted unsafe wiring to be connected to the electricity supply.	\$1,000.00	\$619.70
Frank Italiano (Koondoola)	Regulation 19(1)	Carried out electrical work whilst not authorised by licence or permit.	\$5,000.00 ⁽¹⁾	\$571.70 ⁽¹⁾
	Regulation 33(1)	Carried on business as an electrical contractor whilst not authorised by a Western Australian electrical contractor licence.	(1)	(1)
Peter Malcolm Lewis (Iluka)	Regulation 45(1)	Failed to include electrical contractors licence number in an advertisement.	\$450.00	\$571.70
Michael Levien (Wilson)	Regulation 49(1) (3 breaches)	Carried out substandard electrical work.	\$1,500.00	\$571.70
M & G Mahfouda T/As Solomons Electrics (Dianella)	Regulation 52(1) (15 breaches)	Failed to submit a Notice of Completion to the Network Operator upon completion of the electrical installing work.	\$5,000.00	\$571.70
Andrew McKenzie (Lancelin)	Regulation 49(1) (2 breaches)	Carried out substandard electrical work.	\$1,000.00	\$571.70*
Andrew McKenzie T/As Maktech Electrical Contracting (Karakin)	Regulation 52(3)	Submitted a Notice of Completion to the relevant Network Operator when the electrical installing work was not complete.	\$3,000.00	(1)
Scott Morgan (Newman)	Regulation 49(1) (2 breaches)	Carried out substandard electrical work.	\$6,000.00	\$571.70 ⁽¹⁾
Scott Morgan T/As Customer First Contracting (Newman)	Regulation 52(1)	Failed to submit a Notice of Completion to the Network Operator upon completion of the electrical installing work.	\$5,000.00	\$571.70 ⁽¹⁾
Steven Morris (Ellenbrook)	Regulation 63(1)	Failed to report an electric shock.	\$2,000.00	\$649.70
Nathan Nixey T/As S.O.R Electrical (Fremantle)	Regulation 51(1) (2 breaches)	Failed to submit a Preliminary Notice to the Network Operator within the required time frame.	\$2,000.00 ⁽¹⁾	\$571.70 ⁽¹⁾

⁽¹⁾ Denotes global fine was issued.

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
	Regulation 52(1) (2 breaches)	Failed to submit a Notice of Completion to the Network Operator on completion of the electrical installing work.	\$2,000.00	(1)
Jonathan Mark Reindl (Banksia Grove)	Regulation 49(1)	Carried out substandard electrical work.	\$1,000.00	\$571.70
Pilbara Meta Maya Aboriginal Corporation (Wedgefield)	Regulation 50(1)	Failed to ensure electrical work carried out by an apprentice was effectively supervised.	\$1,500.00 ⁽¹⁾	\$571.70 ⁽¹⁾
	Regulation 53(2) (2 breaches)	Employed an unlicensed person to carry out electrical work.	(1)	(1)
Power Logic Electrical Pty Ltd (Dianella)	Regulation 52(3)	Submitted a Notice of Completion to the network operator when the work was not complete.	\$2,500.00	\$649.70
Dean John Roberts (Baldivis)	Regulation 50A (3 breaches)	Permitted unsafe wiring to be connected to the electricity supply.	\$1,800.00	\$571.70
Jonathan Timothy Savage (Waikiki)	Regulation 59(1)(c)	Wrongfully represented himself as being the person referred to in an electrical licence.	\$500.00	\$671.70
Scarborough Holdings Pty Ltd T/As Amalgamated Electrical Services (Balcatta)	Regulation 52(3)	Submitted a Notice of Completion to the network operator when the work was not complete.	\$3,000.00	\$649.70
Hin Wah Tan (Thornlie)	Regulation 49(1)	Carried out substandard electrical work.	\$1,000.00 ⁽¹⁾	\$571.70 ⁽¹⁾
	Regulation 52(3)	Submitted a Notice of Completion to the Network Operator when the electrical installing work was not complete.	(1)	(1)
Alan Taylor T/As Blue Tongue Electrical (Myaree)	Regulation 52(3)	Submitted a Notice of Completion to the network operator when the work was not complete.	\$1,000.00	\$649.70
Herbert James Tournay (Denmark)	Regulation 49(1) (2 breaches)	Carried out substandard electrical work.	(1)	(1)

⁽¹⁾ Denotes global fine was issued.



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Jim Tournay T/As Tournays Electrical Services (Denmark)	Regulation 51(1)	Failed to submit a Preliminary Notice to the Network Operator.	\$1,300.00 ⁽¹⁾	\$114.20 ⁽¹⁾
	Regulation 52(1)	Failed to submit a Notice of Completion to the Network Operator on completion of the electrical installing work.	(1)	(1)
Warwick Broad T/As Dynamic Trade Services (Darch)	Regulation 52(3) (3 breaches)	Submitted a Notice of Completion to the Network Operator when the electrical installing work was not complete.	\$1,000.00	\$571.70
Electricity Act 1945				
Electricity Networks Corporation T/As Western Power (Perth)	Regulation 25(1)(a)	Failed to ensure service apparatus was in a safe and fit condition for supplying electricity.	\$50,000.00	\$571.70
Electricity Networks Corporation T/As Western Power (Perth)	Regulation 25(1)(a)	Failed to ensure service apparatus was in a safe and fit condition for supplying electricity.	\$50,000.00	\$649.70
Electricity (Supply Standards and System Safety) Regulations 2001				
Electricity Networks Corporation T/As Western Power (Perth)	Regulation 10(1)(a)	Failed to manage a prescribed activity.	\$15,000.00	\$1,571.00
Gas Standards Act 1972				
Anthony Ian Brown (Bunbury)	Section 13(A)(2)	Carried out gasfitting work while not holding a certificate of competency, permit or authorisation allowing him to do so.	\$6,000	\$649.70
Paul Dillon (Kinross)	Section 13(A)(2)	Carried out gasfitting work while not holding a certificate of competency, permit or authorisation allowing him to do so.	\$5,000	\$571.70
James William Gutierrez (Greenwood)	Section 13(A)(2)	Carried out gasfitting work while not holding a certificate of competency, permit or authorisation allowing him to do so.	\$3,000	\$571.70

⁽¹⁾ Denotes global fine was issued.

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Jagdish Jeshani (Darch)	Section 13(A)(2)	Carried out gasfitting work while not holding a certificate of competency, permit or authorisation allowing him to do so.	\$2,000	\$571.70
Peter Pizzino (Westminster)	Section 13(A)(2)	Carried out gasfitting work while not holding a certificate of competency, permit or authorisation allowing him to do so.	\$10,000	\$571.70
Gas Standards (Gasfitting and Consumer Gas Installations) Regulations 1999				
Karl Beard (Pingelly)	Regulations 18, 32, 28(2), 26(1)(a)	Failed to ensure the gas installation complied with the requirements of the Regulations referred to in Regulation 32. Failed to attach an approved badge upon completion of gasfitting work. Failed to ensure the requirements of the regulations as to pressure testing were satisfied and made is gas-tight.	\$3,500	\$114.20
John Benjamin Durant (Connolly)	Regulation 18(2)	Failing to ensure that the installation complied with the requirements of Australian Standard – Gas Installations AS 5601 2004	\$2,500	\$570.70

EnergySafety Division investigations

Electricity-related serious accidents and fatalities

The number of electricity-related serious accidents and fatalities reported to the EnergySafety Division during 2009-10 is provided in Table 47.

Table 47: Number of reported electricity-related serious accidents and fatalities

Reports	Number
Electric shocks	1,060
Serious electrical accidents ⁽¹⁾	13
Fatalities (included in serious electrical accidents)	2

Note:

(1) Electrical shock incidents resulting in the person requiring assessment and/or treatment at a medical facility.



The data provided in Table 48 relates to accidents based on date of accident. This data may not include all accidents due to time delay in reporting such accidents.

Table 48: Serious electricity-related accidents notified per million population (not including wilful incidents)

Year	Number per million ⁽¹⁾	Five Year Average
2005-06	15	16
2006-07	9	16
2007-08	10	15
2008-09	9	13
2009-10	6	10

Note:

- (1) Some of the numbers of serious electricity-related accidents notified per million population differ from the figures given in previous annual reports. These corrections resulted from a comprehensive review of statistics of serious electricity-related accidents notified.

The electrical accident rate for the reporting period was six accidents per one million population. This represents a significant decrease from the previous reporting periods. There has also been a decrease in the number of fatalities. The number of serious electrical accidents includes two fatalities in which electricity was found to be the cause. Details are as follows:

- A two year old boy received an electric shock when he came into contact with a damaged flexible extension cord.
- In the second incident a man was electrocuted while attempting at night to steal electrical components from a live low voltage switchboard at a demolition site. The man came into contact with a live 240 volts terminal in the switchboard and received a flow of electric current through his body.

Gas-related incidents and fatalities

The number of gas-related serious accidents and fatalities reported to the Energy Safety Division during 2009-10 is provided in Table 49.

Table 49: Number of reported gas-related serious accidents and fatalities

Reports	Number
Incidents	81
Accidents (persons injured)	15
Fatalities	1

Table 50: Gas-related accidents notified per million population (not including wilful incidents)

Year	Number per million ⁽¹⁾	Five Year Average
2005-06	8	10
2006-07	9	9
2007-08	7	8
2008-09	5	8
2009-10	7	7

Note:

- (1) Some of the numbers of gas-related accidents notified per million population differ from the figures given in previous annual reports. These corrections resulted from a comprehensive review of statistics of gas-related accidents notified.

The gas accident rate for the reporting period was seven accidents per one million population, an increase over the previous reporting period. There was one fatality reported for gas during the year.

Details are as follows:

- An elderly lady was burnt whilst operating a portable barbecue (LPGas) at her home. It appeared that the victim had removed the regulator from the cylinder whilst the barbecue was lit causing it to burst into flames resulting in fatal injuries.

Infringement Notices

The Energy Safety Division has continued to issue Infringement Notices as a system to provide an efficient and cost compliant regime for selected breaches. The system covers both gas and electricity and deals with non-compliance aspects of electrical and gas installations. There were 146 Infringement Notices issued by the Energy Safety Division between the period 1 July 2009 and 30 June 2010.

Labour Relations Division

Table 51: Prosecution outcomes for the Labour Relations Division in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Children and Community Services Act 2004				
Dine Out Pty Ltd as trustee for the Maljo trust and Joelee trust T/As Pizza Hut Joondalup	Section 190(1)	Unlawfully employ a child under 15 years.	Withdrawn – Accused entered into liquidation.	Nil
Raydale Holdings Pty Ltd T/As Tambrey Tavern and Function Centre	Section 190(1)	Unlawfully employ a child under 15 years.	Guilty \$6,000	Nil



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Industrial Relations Act 1979				
Benjiman Den Boer T/As The Decking Specialists	Section 83(1)	Underpayment of wages.	Default judgement. Order to pay \$2,067.05 in wages and \$196.40 in interest. Fine \$2,000.	\$105.50
Luke William Jacoumis T/As CDL Logistics (regarding seven employees)	Section 83(1)	Underpayment of wages.	Private settlement at pre-trial conference.	Not Applicable
MK Lake Holdings T/As Brumby's Riverton	Section 83(1)	Underpayment of wages.	Private settlement at pre-trial conference.	Not Applicable
Sean Primmer T/As Primmer's Trolley Collection Service (regarding two employees)	Section 83(1)	Underpayment of wages.	Default judgement. Order to pay \$5,062.41 in wages and \$761.88 in interest. Fine \$1,950.	Nil
Long Service Leave Act 1958				
Grandiose Pty Ltd T/As Westaway and Associates Chartered Accountants	Section 8	Failure to pay long service leave	Judgement entered against Respondent. Order to pay \$6,223.30 and interest of \$794.88.	\$94.60

WorkSafe

The WorkSafe Western Australia Commissioner (the Commissioner) enforces the *Occupational Safety and Health Act 1984* (OSH Act) and the Occupational Safety and Health Regulations 1996 (the Regulations) by prosecuting persons who commit the offences under the OSH Act and Regulations. The WorkSafe Division co-ordinates and supports this function.

In 2009-10, prosecution notices were signed for 45 new prosecutions. There were 42 convictions recorded during the financial year (Note: A prosecution is counted as a conviction if at least one charge is successful). Table 52 provides details of convictions recorded during 2009-10 for breaches of the OSH Act and Regulations. Six prosecutions were withdrawn at Court by the prosecution and four prosecutions were dismissed. During this financial period, one appeal commenced before the Supreme Court with decision pending.

Table 52: Prosecution outcomes for the WorkSafe Division in 2009-10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Occupational Safety and Health Act 1984</i>				
Balmain Enterprises Pty Ltd	19(1) and 19A(2)	Failed to, so far as practicable, provide and maintain a working environment in which employees of the employer were not exposed to hazards and by that failure caused serious harm.	\$40,000.00	\$5,500.00
Bruce Edwin Bannister	20(1)(a) & 20(1)(b)	Charge 1: Being an employee the Accused failed to take reasonable care to ensure his own safety and health at work. Charge 2: Being an employee the Accused failed to take reasonable care to avoid adversely affecting the safety or health of any other person at work.	\$8,000.00	\$760.70
Canon Foods Services Pty Ltd	19(1) and 19A(2)	Failed to, so far as practicable, provide and maintain a working environment in which its employees were not exposed to hazards and by that failure caused serious harm to an employee.	\$20,000.00	\$1,900.00
Chi Keung Chung T/As Welcome Inn Tea House	19(1) & 19(3)	Being an employer, did not so far as was practicable, provide and maintain a working environment in which its employees were not exposed to hazards.	\$3,000.00	\$545.35
Comgroup Supplies Pty Limited	19(1), 19A(2) and 3A	Failed to provide and maintain so far as was practicable, a working environment in which its employees were not exposed to hazards and by that failure caused harm.	\$20,000.00	\$2,960.70
Crystal Printing Solutions Pty Ltd T/As Worldwide Online Printing Cannington	19(1) and 19A(2)	Failed to, so far as practicable, provide and maintain a working environment in which its employees were not exposed to hazards and by that failure caused serious harm.	\$36,000.00	\$1,090.70
Geoffrey David Baines	20(1)(b) and 20A(2)	Did not take reasonable care to avoid adversely affecting the safety or health of another person through an act or omission at work and by that failure caused serious harm.	\$1,200.00	\$1,109.20



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Ghiagarajan Gopal	20(1) and 3A(3)	Failed to take reasonable care to avoid adversely affecting the safety or health of any other person through any act or omissions at work, and by that contravention caused serious harm to another person.	\$1,500.00	\$900.00
Giacci Bros Pty Ltd	s19(1) and 19A(2)	Failed to, so far as practicable, provide and maintain a working environment in which employees of the employer were not exposed to hazards and by that failure caused serious harm.	\$100,000.00	\$1,500.70
Holm Pty Ltd T/As Cockburn Transport	19(1) and 19A(3); 23I(3), 23J(1) and 54	Failed to, so far as was practicable, provide a working environment in which its employees were not exposed to hazards. Also failed to notify the Commissioner forthwith of an injury to its employees.	1. \$25,000.00 2. \$5,000.00	\$1,090.70
Honest & Frank Pty Ltd	47(1)(d) and 54	Provided to an inspector an answer or information that was false or misleading in any material particular.	\$12,000.00	\$1,400.70
Hyde Park Management Limited	19(1) and 19A(2)	Failed to ensure, so far as was practicable, provide and maintain a working environment in which its employees were not exposed to hazards and by that failure caused its employee serious harm.	\$60,000.00	\$4,540.70
Interpact Pty Ltd	23F, 19(1) and 19A(2)	Failed to provide and maintain, so far as is practicable, a working environment in which workers provided, for remuneration, for labour hire were not exposed to hazards, being matters over which the Accused had capacity to exercise control, and by that failure caused a death.	\$72,000.00	\$1,290.70
John Frederick Dickenson	55(1), 19(1) and 19A(2)	The Accused was a company director of a company that was guilty of an offence and that offence occurred with the consent or connivance of, and/or was attributable to the neglect of the Accused.	\$1,500.00	\$900.00

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Laurence Victor Shrigley T/As Shrigley Drilling Contractors	20(2)(b)(i) and 21A(2)	Failed to ensure, so far as was practicable, that the safety of persons who were not the Accused was not adversely affected in whole or in part as a result of a hazard that arose from or was increased by the work that was being performed by the Accused and by that failure caused serious harm to another person.	\$40,000.00	\$1,370.70
Midland Brick Company Pty Ltd	23F, 19(1) and 19A(2)	Where under a labour hire arrangement work was carried out for remuneration by a worker for the Accused who was a client of a labour hire agent, in the course of the Accused's trade or business, the Accused failed to, so far as practicable, provide and maintain a working environment in which a worker was not exposed to hazards, and by that failure caused serious harm.	\$70,000.00	\$30,000.00
Mui Kwai Chung T/As Welcome Inn Tea House	19(1) & 19(3)	Being an employer, did not so far as was practicable, provide and maintain a working environment in which its employees were not exposed to hazards.	\$3,000.00	\$545.35
Perth Recruitment Services Pty Ltd	19(1), 19A(2) and 23F	Failed to provide and maintain, so far as is practicable, a working environment in which workers provided, for remuneration, for labour hire were not exposed to hazards, those being matters over which the Accused had capacity to exercise control, and by that failure caused serious harm.	\$17,000.00	\$1,630.70
Pinetec Limited	19(1), 19A(2), 23F, 3A	Failed to provide and maintain, so far as is practicable, a working environment in which workers provided, for remuneration, for labour hire were not exposed to hazards, being matters over which the Accused had capacity to exercise control, and by that failure caused a death.	\$60,000.00	\$2,960.70



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Recycla-Plas Pty Ltd	19(1) & 19(1)(A)	Being an employer, failed , so far as was practicable, to provide and maintain a working environment in which its employee was not exposed to hazards and by that failure caused serious harm to its employee.	\$50,000.00	\$9,999.00
Seatown Holdings Pty Ltd	19(1) & 19A(2) & 23F & 3A(3)(b)	Failed to provide and maintain, so far as is practicable, a working environment in which workers provided, for remuneration, for labour hire were not exposed to hazards, being matters over which the Accused had capacity to exercise control, and by that failure caused a death.	\$30,000.00	\$1,750.70
Sharron Linus Tomelty	48(3),48(4)&54	Charges 1-5: being an employer to whom Improvement Notices were issued failed to cause these notices, or copies of them, to be displayed in a prominent place at or near the workplace affected by those notices. Charges 6-11: failed to comply with Improvement Notices issued within the time specified in those notices.	\$3,000.00	\$1,625.70
Susann Frances Gidion	Charge 1: 20(1)(a), 20(2)(a) and 20A(3) Charge 2: 20(1)(a), 20(2)(d)(ii) and 20A3, Charge 3: 20(1)(b) and 20A(3)	Charge 1-2: being an employee, failed to take reasonable care to ensure her own safety and health at work. Charge 3: being an employee, failed to take reasonable care to avoid adversely affecting the safety or health of any other person through any act or omission at work.	\$5,000.00	\$2,000.00
Tony's Auto Auctions Pty Ltd T/As Tony's Auto Wreckers	19(1) and 19A(3)	Failed to, so far as practicable, provide and maintain a working environment in which employees of the employer were not exposed to hazards.	\$20,000.00	\$1,200.70
Wridgeways Limited	21(2)(b)(ii) and 21A(3)	Being an employer failed to ensure, so far as practicable, that the safety of health of a person, not being its employee. Is not adversely affected wholly or in part as a result of any hazard that arises from or is increased by the system or work that has been or is being operated by the employer.	\$10,000.00	\$571.70

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Occupational Safety and Health Regulations 1996				
Actionblast Pty Ltd T/As Action Mining Services	3.103(2)(a) and 1.16	Failed to ensure that the abrasive blasting equipment that was used in the workplace included a device designed to cut off automatically the flow of abrasive material through the nozzle if the person operating the nozzle becomes unable to do so.	\$6,000.00	\$571.70
Airdas Pty Ltd T/As Tyrone Bricklaying	3.55(1)(a), 3.55(5) and 1.16(2)(b)(i)	Failed to ensure that edge protection that complied with the Regulation was provided and kept in place or a fall injury prevention system was provided and in operation when there was a risk that a person could fall two metres or more from an edge at the workplace.	\$2,000.00	\$2,860.00
Arccon (WA) Pty Ltd	3.54(1)(b)(i), 3.54(1)(b)(ii), 3.54(3)(b)(i)	Failed to ensure that an opening in a concrete floor (that was not a lift well, stairwell or vehicle inspection pit) had a wire mesh cover that was strong enough to prevent persons or things falling through, was securely fixed to the floor and was clearly marked.	\$15,000.00	\$2,960.70
AT Concrete Pty Ltd	3.55(1)(b), 3.55(5) and 1.16	Failed to ensure that an edge protection that complied with the regulation was provided and kept in place whenever there was a risk that a person could fall two metres or more from an edge at the workplace.	\$1,500.00	\$3,030.00
Benjamin Robert Dellaca	6.3(1)(a)	Used or operated industrial equipment without being a holder of a certificate of competency that he was required to hold by the national standard in order to use or operate that equipment.	\$1,000.00	\$560.70
Buckby Contracting Pty Ltd	Regulation r3.64(2) & r1.16	Failed to ensure that an employee or any plant or material used or controlled by an employee did not enter the danger zone of an overhead power line.	\$5,000.00	\$760.70
Generation Homes (WA) Pty Ltd	3.55(5) and 3.55(1)(a)	Failed to ensure that an edge protection that complied with the regulation was provided and kept in place whenever there was a risk that a person could fall two metres or more from an edge at the workplace.	\$6,500.00	\$2,674.70



Name/ defendant/ parties	Legislation	Offence	Fine	Costs
Getts Pty Ltd	3.55(5) and 3.55(1)(a)	Being a person who at a workplace was a person having control of the workplace, did not ensure that edge protection that complied with regulations was provided and kept in place whenever there was a risk that a person could fall two metres or more from an edge at the workplace.	\$4,000.00	\$1,750.70
Gunns Limited	3.118(b) and 1.16	Failed to ensure that class 2 demolition work done at the workplace was done by a person(s) who had been issued with a licence to do class 1 or class 2 demolition work.	\$10,000.00	\$760.70
Ian McKay	3.117(2) and 1.16	Performed class 2 demolition work whilst not being issued with a licence to do class 1 or class 2 demolition work and that work was not done in accordance with the conditions of the issued licence.	\$500.00	\$760.70
Ian Richard Allen	3.131(b) and 1.16	Failed to ensure that a commercial vehicle driver required to drive a commercial vehicle that formed the whole or part of the workplace was certified by a medical practitioner as fit to drive that commercial vehicle.	\$2,000.00	\$938.70
James Lawrence Valentine	3.117(2) and 1.16	Performed class 2 demolition work whilst not being issued with a licence to do class 1 or class 2 demolition work and that work was not done in accordance with the conditions of the issued licence.	\$500.00	\$760.70
Morago Nominees Pty Ltd T/As Gavin Constructions	3.55(1)(a), 3.55(5) and 1.16(2)(b)(i)	Failed to ensure that edge protection that complied with the Regulation was provided and kept in place or a fall injury prevention system was provided and in operation when there was a risk that a person could fall two metres or more from an edge at the workplace.	\$4,000.00	\$2,860.00

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
N.R. & N.J. Gardiner & Sons Pty Ltd	3.131(1)(a), 3.131(1)(b), 3.132(2), 3.134(1), 1.16	Failed to ensure that a commercial driver that formed the whole or part of the workplace drove vehicle in accordance to regulation. Failed to ensure that commercial driver was certified by medical practitioner as fit to drive vehicle. Failed to ensure that records in respect of work time, breaks from driving and non-work time of commercial drivers was established and kept current.	\$5,000.00	\$1,500.00
Park Motor Body Builders (WA) Pty Ltd	3.22(b)(i)	Failed to ensure that the movement and speed of vehicles and plant at the workplace were managed in a way that minimised the risk of injury to pedestrians and persons operating vehicles.	\$1,500.00	\$1,630.70
R A Castledine Pty Ltd	3.55(1)(b), 3.55(5) and 1.16	Failed to ensure that an edge protection that complied with the regulation was provided and kept in place whenever there was a risk that a person could fall two metres or more from an edge at the workplace.	\$2,500.00	\$3,030.30
Sean Robert Mooney	3.117(2) and 1.16	The Accused did class 2 demolition work without being issued with a licence to do class 1 or class 2 demolition work.	\$500.00	\$760.70

Reviews of notices issued by WorkSafe inspectors

The WorkSafe Division co-ordinates and supports the Commissioner in reviewing notices issued by WorkSafe inspectors under the OSH Act, and in considering applications for exemptions under the Regulations.

WorkSafe inspectors issue improvement notices to persons who may be contravening the OSH Act and Regulations. An improvement notice tells the recipient they may be committing an offence, identifies the offence, and sets a time by which the contravention must be stopped. WorkSafe inspectors can also issue prohibition notices to persons who may be involved in an activity that involves a risk of imminent and serious harm or injury to a person. A prohibition notice tells the recipient that they must immediately stop the activity.

A request for a review of an improvement notice can be lodged with the Commissioner before the deadline for compliance specified in the notice. A request for a review of a prohibition notice can be lodged with the Commissioner within seven days of the issue of the notice (or such further time as may be allowed by the Commissioner).



Improvement notices are suspended while they are being reviewed by the Commissioner, but prohibition notices remain in force. After considering a request for a review of a notice, the Commissioner can affirm, modify or cancel the notice. An applicant who is not satisfied with the decision of the Commissioner may refer the matter to the Occupational Safety and Health Tribunal for further review (Section 51A of the OSH Act). The decision of the Tribunal may be further appealed.

During 2009-10, 980 requests were processed for the Commissioner to review a notice in accordance with section 51 of the OSH Act. Review outcomes are detailed in Tables 53 and 56.

Table 53: Review of improvement notices for the WorkSafe Division in 2009-10

Outcome	Number
Affirmed	9
Affirmed with time extended	796
Affirmed, modified and time extended	4
Affirmed with modification to wording	3
Notice cancelled by Commissioner	31
Review request withdrawn	5
Compliance effected on time and while under review	58
Received too late for review	59
Occupational Safety and Health Tribunal affirmed and time extended	2
Occupational Safety and Health Tribunal withdrawn by client	3
Total processed from 1 July 2009 to 30 June 2010	970

Table 54: Review of prohibition notices for the WorkSafe Division in 2009-10

Outcome	Number
Affirmed	2
Affirmed with modification to wording	1
Notice cancelled by Commissioner	2
Received too late for review	5
Total processed from 1 July 2009 to 30 June 2010	10

Table 55: Review of improvement notices for the WorkSafe Division 2006-07 to 2009-10

Year	Improvement notices issued	Improvement notices reviewed	Percentage (%)
2006-07	10,365	1,033	10.0
2007-08	9,726	973	10.0
2008-09	9,852	917	9.3
2009-10	10,648	970	9.1

Table 56: Review of prohibition notices for the WorkSafe Division 2006-07 to 2009-10

Year	Prohibition notices issued	Prohibition notices reviewed	Percentage (%)
2006-07	638	4	0.6
2007-08	675	11	1.6
2008-09	722	1	0.1
2009-10	705	10	1.4

Exemption from Regulations

The Commissioner may exempt a person from having to comply with the Regulations. The Commissioner received 40 applications for an exemption and granted 30 exemptions. None of these decisions of the Commissioner were appealed.

Appendix 4: Functions of boards, commissions, committees, councils and tribunals

Consumer Protection boards

Consumer Protection boards have a range of functions including licensing of participants in relevant industries, investigating complaints about the conduct of industry participants and taking disciplinary action where appropriate. Table 57 is a brief summary of the functions of each regulatory board.

Table 57: Functions of Consumer Protection regulatory boards in 2009-10

Name	Builders' Registration Board		
Legislation	<i>Builders' Registration Act 1939</i>		
Principal functions	Registration of builders in the Board's area of jurisdiction.		
Other	Maintain a register of registered builders; determine training and examination requirements; carry out building information and educational activities; take proceedings for offences against the <i>Builders' Registration Act 1939</i> and the <i>Home Building Contracts Act 1991</i> .		
Source of funding	Self funded (registration fees, building licence levies, complaint application fees)	Annual Report	Yes www.builders.wa.gov.au
Management of funds	Yes	Investigations	Yes
Employment of employees	Employed by the Board	Number of entities regulated	6,057 builders (as at 15 June 2009)

Name	Hairdressers Registration Board of Western Australia		
Legislation	<i>Hairdressers Registration Act 1946</i> ; Hairdressers Registration Regulations 1965		
Principal functions	Register hairdressers within the legislative jurisdiction in Western Australia.		
Other	Hold examinations; make recommendation to the health authorities regarding hygiene and sanitation standards; and take proceedings for offences against the <i>Hairdressers Registration Act 1946</i> .		
Source of funding	Self funded from statutory fees	Annual Report	Yes www.hrb.org.au
Management of funds	Yes	Investigations	Yes
Employment of employees	Employed by the Board	Number of entities regulated	6,629 registered hairdressers (as at 23 June 2010)

Name	Land Valuers Licensing Board		
Legislation	<i>Land Valuers Licensing Act 1978</i>		
Principal functions	Licensing and regulation of land valuers.		
Other	Advice to the Minister; making allegations to the State Administrative Tribunal that there is proper cause for disciplinary action against licensed land valuers; establishing codes of conduct; and fixing maximum fees.		
Source of funding	Department of Commerce, Consumer Protection Division (Consolidated Fund)	Annual Report	Yes www.commerce.wa.gov.au
Management of funds	No. Managed as part of the divisional budget.	Investigations	Yes
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	754 valuers

Name	Motor Vehicle Industry Board		
Legislation	<i>Motor Vehicle Dealers Act 1973; Motor Vehicle Repairers Act 2003</i>		
Principal functions	Licensing of motor vehicle dealers, their yard managers and salespersons; and licensing of motor vehicle repair businesses and certification of repair tradespersons.		
Other	Advice to the Minister; making allegations to the State Administrative Tribunal that there is proper cause for disciplinary action against licensed motor vehicle dealers and their staff; and approving training courses for the motor vehicle sales and repair industry.		
Source of funding	Department of Commerce, Consumer Protection Division (Consolidated Fund)	Annual Report	Yes www.commerce.wa.gov.au
Management of funds	No. Managed as part of the divisional budget.	Investigations	Yes
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	828 dealers; 2 car market operators; 91 exemption holders; 1,091 yard managers; 1,981 salespersons; 2,639 repair businesses; and 8,160 certified repairers (as at 23 June 2010)



Name	Painters' Registration Board		
Legislation	<i>Painters' Registration Act 1961</i>		
Principal functions	Registration of painters in the Board's area of jurisdiction.		
Other	Maintain a register of painters; prescribe the course of training and examination for painters; ensure adequate supervision of painting; and receive complaints against painters in relation to work that is not carried out in a proper and workmanlike manner, take proceedings for offences against the <i>Painters' Registration Act 1961</i> .		
Source of funding	Self funded (Registration fees, application fees and penalties)	Annual Report	Yes www.painters.wa.gov.au
Management of funds	Yes	Investigations	Yes
Employment of employees	Employed by the Board	Number of entities regulated	2,956 painters (as at 15 June 2009)

Name	Plumbers' Licensing Board		
Legislation	<i>Water Services Licensing Act 1995, Part 5A</i>		
Principal functions	Licensing of plumbing contractors, tradespersons and certain permit holders.		
Other	Advises Minister on the administration of the Act and Regulations; sets state-wide industry standards for licensing, compliance and legislation; and monitors plumbing trade education and training and provides technical advisory services in support of plumbing workmanship standards to safeguard consumers' interests.		
Source of funding	Self funded (Fees from a triennial licensing regime and a compliance and inspection framework).	Annual Report	No, reported in the department's annual report.
Management of funds	Yes	Investigations	Yes
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	2,601 licensed plumbing contractors; 2,657 tradespersons; and 119 restricted plumbing permit holders.

Name	Real Estate and Business Agents' Supervisory Board		
Legislation	<i>Real Estate and Business Agents Act 1978</i>		
Principal functions	Licensing and registration of real estate and business agents, developers and sales representatives.		
Other	Advise Minister on administration of the Act, Regulations and Code of Conduct; makes recommendations and submits proposals regarding the Act, Regulations and the Code of Conduct; conducts compliance activities; promotes education and provides advisory services; conciliation; oversees agents' trust accounts; and administers the Fidelity Guarantee Account and the Home Buyers Assistance Account.		
Source of funding	Self funded (licence and registration fees and interest on trust accounts and investments)	Annual Report	Yes www.reba.wa.gov.au
Management of funds	Yes	Investigations	Yes
Employment of employees	Employed by Board. A service delivery agreement exists with the department.	Number of entities regulated	3,526 agents and 8,350 sales representatives

Name	Settlement Agents Supervisory Board		
Legislation	<i>Settlement Agents Act 1981</i>		
Principal functions	Licensing and registration of settlement agents.		
Other	Advise Minister on administration of Act and Regulations and Code of Conduct; makes recommendations and submits proposals regarding the Act, Regulations and Code of Conduct; conducts compliance activities; promotes education and provides advisory services; conciliation; oversees agents' trust accounts and administers the Fidelity Guarantee Account.		
Source of funding	Self funded (licence and registration fees and interest on trust accounts and investments)	Annual Report	Yes www.sasb.wa.gov.au
Management of funds	Yes	Investigations	Yes
Employment of employees	Employed by the Board. A service delivery agreement exists with the department.	Number of entities regulated	806 agents



Consumer Protection committees and tribunals

Table 58 is a brief summary of the functions of each committee and tribunal.

Table 58: Functions of the Consumer Protection committees and tribunals in 2009-10

Name	Building Disputes Tribunal ⁽²⁾
Legislation	<i>Builders' Registration Act 1939</i>
Principal functions	To hear and settle contractual and workmanship disputes between owners and builders.
Name	Building Surveyors Qualification Committee ⁽²⁾
Legislation	Local Government (Building Surveyors) Regulations 2008
Principal functions	To review the qualifications of building surveyor practitioners in Western Australia.
Name	Charitable Collections Advisory Committee ⁽¹⁾
Legislation	<i>Charitable Collections Act 1946</i>
Principal functions	To advise the Minister in relation to applications for licences, to conduct inquiries and make recommendations to the Minister in respect of the revocation of licences.
Name	Consumer Product Safety Committee ⁽¹⁾
Legislation	<i>Consumer Affairs Act 1971</i>
Principal functions	To make recommendations to the Commissioner for Consumer Protection that prohibits or restricts the supply of goods.
Name	Home Buyers Assistance and Advisory Committee
Legislation	<i>Real Estate and Business Agents Act 1978</i>
Principal functions	To consider applications for financial assistance from first home buyers and make recommendations to Real Estate and Business Agents Supervisory Board.
Name	Retail Shops Advisory Committee ⁽¹⁾
Legislation	<i>Retail Trading Hours Act 1987</i>
Principal functions	To investigate and make recommendations to the Minister relating to the operation and administration of the Act, to make recommendations to the Commissioner for Consumer Protection on the issue of permits to remain open or to provide goods or services that are not prescribed.

Note:

- (1) The Consumer Protection Division provided administrative support to these committees in 2009-10.
- (2) The Building Commission Division provided administrative support to these committees and tribunals in 2009-10.

Safety and Employment Protection boards

The Safety and Employment Protection boards have a range of functions including advisory, licensing of participants in relevant industries, investigating complaints about the conduct of industry participants and taking disciplinary action where appropriate. Table 59 provides a brief summary of the functions of each board.

Table 59: Functions of Safety and Employment Protection regulatory boards in 2009-10

Name	Electrical Licensing Board		
Legislation	Electricity (Licensing) Regulations 1991		
Principal functions	Licensing of electrical contractors and workers.		
Other	General advice to the Minister and Director of Energy Safety on the training and licensing of electrical contractors and workers.		
Source of funding	Department of Commerce, Energy Safety Division budget (licence fees)	Annual Report	No
Management of funds	No. Managed as part of the divisional budget.	Investigations	Only for the determination of competence of applicants for, and holders of, licences and permits issued pursuant to Electricity (Licensing) Regulations 1991. Licence work compliance investigations are conducted by the Energy Safety Division.
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	36,981 electrical operatives

Safety and Employment Protection commissions and committees

Table 60 provides a brief summary of the functions of each commission and committee.

Table 60: Functions of the Safety and Employment Protection commission and committees in 2009-10

Name	Gas Licensing Committee
Legislation	<i>Gas Standards Act 1972</i>
Principal functions	To make recommendations to the Director of Energy Safety on competence of applicants for, and holders of, gas fitting permits and authorisations. To make recommendations on retraining and other restrictions and warnings.



Name	Commission for Occupational Safety and Health		
Legislation	<i>Occupational Safety and Health Act 1984</i>		
Principal functions	<p>The Commission for Occupational Safety and Health (the Commission) was established in April 1985 (as the Occupational Health, Safety and Welfare Commission) under section 6 of this Act.</p> <p>The tripartite Commission's functions include:</p> <ul style="list-style-type: none"> ▪ to inquire into and report to the Minister upon any matters referred to it by the Minister; ▪ to make recommendations to the Minister with respect to this Act; ▪ to develop and review the occupational safety and health legislation and associated standards and make recommendations to the Minister; ▪ to examine, review and make recommendations to the Minister in relation to existing and proposed registration or licensing schemes relating to occupational safety and health; and ▪ to provide advice to and co-operate with government departments, public authorities, unions, employer organisations and other interested parties. 		
Other	<p>Commission advisory committees and working parties operational during the year were:</p> <ul style="list-style-type: none"> ▪ Construction Industry Safety Advisory Committee; ▪ Risk Advisory Committee; ▪ Legislation Advisory Committee; ▪ Man Overboard Working Party; and ▪ Safe Work in Hot Conditions Expert Reference Group. <p>Further information is provided in the Commission's annual report.</p>		
Source of funding	Department of Commerce, WorkSafe Division budget	Annual Report	Yes www.commerce.wa.gov.au
Management of funds	No. Managed as part of the divisional budget.	Investigations	No
Employment of employees	The Commission does not engage employees. Employees of the department support the Commission.	Number of entities regulated	All Western Australian workplaces except those under the <i>Mines Safety and Inspection Act 1994</i> or Commonwealth legislation.

Science, Innovation and Business committees and councils

Table 61 provides a brief summary of the functions of each committee or council.

Table 61: Functions of the Science, Innovation and Business committees and councils in 2009-10

Name	Australian Marine Complex Business Development Committee
Principal functions	Advice on Australian Marine Complex expansion opportunity.
Name	Australian Marine Complex Overarching Committee
Principal functions	Assist in co-ordinating interagency management.
Name	Interim Council for Science and Innovation
Principal functions	Develop a strategic vision, priorities and plan for science and innovation in Western Australia to 2020 (including model and structure for the permanent Council, processes, funding mechanisms and governance for science and innovation investment).
Name	Western Australian Technology and Industry Advisory Council
Principal functions	<p>The Council, under Section 21 of the <i>Industry and Technology Development Act 1998</i>, is required to:</p> <ul style="list-style-type: none"> ▪ provide advice to the Minister, at the initiative of the Council or at the request of the Minister, on any matter relating to the objects of the Act; and ▪ carry out, collaborate in or procure research, studies or investigations on any matter relating to the objects of the Act, including the: <ul style="list-style-type: none"> (i) role of industry, science and technology in the policies of government; (ii) social and economic impact of industrial and technological change; (iii) employment and training needs and opportunities relating to industrial, scientific and technological activities in the State; (iv) adequacy of, priorities among and co-ordination of, scientific, industrial and technological activities in the State; (v) methods of stimulating desirable industrial and technological advances in the State; (vi) application of industrial, scientific and technological advances to the services of the Government; and (vii) promotion of public awareness and understanding of development in industry, science and technology.
Other	<p>Under section 26(1) of the <i>Industry and Technology Development Act 1998</i>, the Council must, in each year, prepare and give to the Minister a report on its operations and proceedings for the previous financial year.</p> <p>In November 2009, the former Minister directed the Council to “cease all activities” and to “transition staff, budgets and resources into the Department of Commerce”.</p>



Appendix 5: Annual Report feedback

The Department of Commerce welcomes your feedback on the 2009-10 Annual Report.

1. Overall how effective do you think the Annual Report was in communicating our activities?

- Very effective Effective Average Poor

2. Please rate the following elements of the Annual Report (using a number from the rating scale below):

	Excellent	Good	Average	Poor	Very Poor
Information/content	1	2	3	4	5
Layout of information	1	2	3	4	5
Ease of finding information	1	2	3	4	5
Readability	1	2	3	4	5
Ease of comprehension	1	2	3	4	5

3. Overall, how do you rate this Annual Report?

- Excellent Good Satisfactory Poor

4. In your opinion, how could our next Annual Report be improved?

5. General comments:

6. For what purpose did you read or refer to the 2009-10 Annual Report?

- Background information on the Department of Commerce
- Information on the Department of Commerce's performance in 2009-10
- Information on the future direction of the Department of Commerce
- Information on the employees and management of the Department of Commerce
- Other (please specify) _____

Thank you for participating in the survey.

Please return completed form to:

Office of the Director General, Department of Commerce
Locked Bag 14 CLOISTERS SQUARE WA 6850 or fax (08) 9282 0407

This form is also available on the department's internet site at www.commerce.wa.gov.au.

Consumer Protection

Forrest Centre
219 St Georges Terrace
Perth Western Australia 6000
Advice line (cost of a
local call statewide) 1300 30 40 54
Administration (08) 9282 0777
Facsimile (08) 9282 0850
Business names 1300 30 40 14
REVS 1300 30 40 24
FuelWatch prices 1300 55 08 08
FuelWatch information 1300 55 45 45
Email..... consumer@commerce.wa.gov.au

Building Commission

The Macmahon Building
Level 1, 31 Troode Street
West Perth Western Australia 6005
Administration 1300 489 099
Facsimile (08) 9476 1333
Email info@buildingcommission.wa.gov.au

EnergySafety

303 Sevenoaks Street
Cannington Western Australia 6107
Telephone (08) 9422 5200
Facsimile (08) 9422 5244
Electrical and gas licensing ... (08) 9422 5282
Email.....energysafety@commerce.wa.gov.au

Labour Relations

Dumas House
3rd Floor, 2 Havelock Street
West Perth Western Australia 6005
Wageline 1300 655 266
Telephone (08) 9222 7700
Facsimile (08) 9222 7777
Building Industry and
Special Projects Inspectorate ... 1800 306 002
Email..labourrelations@commerce.wa.gov.au

Science, Innovation and Business

Level 7, 1 Adelaide Terrace
East Perth Western Australia 6004
Telephone 1300 136 237
Facsimile (08) 9263 8100
Email.....sib@commerce.wa.gov.au

WorkSafe

WestCentre
5th Floor, 1260 Hay Street
West Perth Western Australia 6005
Customer help centre 1300 307 877
Administration (08) 9327 8777
Facsimile (08) 9321 8973
Email.....safety@commerce.wa.gov.au

Regional offices

Goldfields/Esperance (08) 9026 3250
Great Southern (08) 9842 8366
Kimberley..... (08) 9191 8400
Mid-West (08) 9964 5644
North-West (08) 9185 0900
South-West (08) 9722 2888

National Relay Service: 13 36 77

Mail address: Locked Bag 14
Cloisters Square Western Australia 6850

www.commerce.wa.gov.au