



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



Department of Commerce
Annual Report
2012-13

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Statement of Compliance



Hon Michael Mischin MLC
Attorney General;
Minister for Commerce

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 2013. 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 73(3) of the *Building Services (Registration) Act 2011*, 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 19 of the *Industry and Technology Development Act 1998*, section 31 of the *Land Valuers Licensing Act 1978*, section 51 of the *Motor Vehicle Dealers Act 1973*, section 135(2) of the *Real Estate and Business Agents Act 1978*, section 12(1) of the *Retirement Villages Act 1992*, section 112(2) of the *Settlement Agents Act 1981*, section 58 of the *Travel Agents Act 1985* and section 59H(2) of the *Water Services Licensing Act 1995*.

A handwritten signature in black ink that reads "Brian Bradley".

Brian Bradley
Accountable Authority,
23 September 2013

Guide to Sections

The Department of Commerce's 2012-13 Annual Report presents information on its 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 also 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 during 2012-13 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 Western Australian community.

Disclosures and legal compliance

This section contains the audited Financial Statements and Key Performance Indicators for the year ending 30 June 2013. 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.



Overview

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Year in review

From the Director General

I am pleased to present the Department of Commerce's Annual Report for the 2012-13 financial year. The last 12 months have again been a busy and productive year for the department with many noteworthy achievements contributing to the betterment of both the economic and social wellbeing of the Western Australian community.

Our department is responsible for the delivery of a diverse array of programs and services across Western Australia, all of which are aimed at achieving our goal of contributing to business and community growth, safety and protection. During 2012-13 the department implemented significant and wide reaching legislative change, undertook important regulatory and educational activity and helped facilitate ongoing investment in Western Australian business.

August 2012 saw the commencement of the *Retail Trading Hours Amendment Act 2012* which shepherded in an historic new era in Western Australian shopping by allowing all Perth metropolitan retail stores to trade on Sundays and most public holidays. This long awaited regulatory reform has proven to be a boon for consumers who now enjoy greater retail choice and convenience and also, importantly, to retailers who have reported an increase in sales and revenue in the time since the introduction of the new laws.

Significant changes to the *Residential Tenancy Act 1987* in 2012-13 introduced new laws designed to make renting fairer for Western Australian tenants, while also protecting the interests of property owners. At a time where the Western Australian rental market has rarely been tighter the timely changes to the residential tenancy laws have brought about more equitable processes and obligations for the benefit of both tenants and landlords. The amendments to the Act occurred after an extensive consultation process that considered the views of all affected stakeholders and upon introduction were accompanied by a widespread education campaign to raise community awareness of the important changes.

2012-13 also witnessed the first full year of operation of the *Building Act 2011* which has updated laws which were over 50 years old and replaced them with modern and sustainable systems and processes designed to meet the needs of the Western Australian building industry, now and well into the future. The new building laws provide a regulatory framework that allows for the delivery of an effective and flexible building control system making it easier for the industry to obtain building approvals faster and use new and innovative design and construction techniques.

As a department we recognise the benefits that come from an informed community. As such our educational activities aim to provide access to a wide array of knowledge and information so that business and individuals are empowered to better exercise their rights and meet their obligations. During the year a number of educational activities were undertaken with the aim of improving legislative knowledge, consumer rights and safety awareness.

In October 2012 an electrical safety campaign aimed at reducing the number of electrical accidents resulting from do-it-yourself activity was undertaken by the EnergySafety Division. The highly effective television, newspaper and online campaign 'Don't DIY' raised homeowners' awareness of the dangers arising from carrying out their own electrical work and promoted the use of licensed electrical contractors.

To promote improved workplace health and safety practices the ThinkSafe Small Business Assistance Program delivered by the WorkSafe Division again provided a free safety and health system consultation to large number of small businesses. 580 small businesses which participated in the program were visited by independent occupational safety and health consultants who delivered personalised advice and helped the businesses develop a simple, easy-to-implement safety action plan unique to their business and relevant to their industry.

A continued priority for the department was the ongoing support of businesses and individuals in regional Western Australia with a number of regionally focussed initiatives being carried out in 2012-13. Key education activities included the Consumer Protection Division's launch in July of an education campaign to combat unfair trading and high pressure sales practices in regional and remote Indigenous communities and provide a range

of information to help Indigenous consumers better protect themselves from unscrupulous traders; a key regional intervention campaign focussed on the agriculture and fishing industries in the Mid-West of the State undertaken by the WorkSafe Division involving 48 inspections, resulting in 51 improvement notices and 2 prohibition notices being issued; while the Building Commission Division delivered 11 regional seminars on a range of topics related to the building industry, including information concerning the *Building Act 2011*, changes to building and plumbing standards, proposals for national licensing and recently improved compliance and registration processes.

The ongoing development of Western Australian industry is key to the continuing health of our State's economy. The benefits from the department's facilitation of strategic investment into Western Australian industry continued to flow in 2012-13. Tens of thousands of jobs have been created through the Local Industry Participation Framework administered by this department. As at 30 June 2013, the value of contracts awarded to local industry since the framework was introduced in 2011 had surpassed \$44 billion. Additionally, some 120 small to medium sized businesses which received funding assistance through the Industry Facilitation Support Program, a program that helps small companies improve their competitiveness in supplying to the resources sector, have reported the realisation of contract award decisions of more than \$88 million and the creation of 126 new fulltime jobs and 10 apprenticeships.

The department, through its Labour Relations Division, also plays a key role in facilitating an efficient and flexible State industrial relations system. Work continued on the impending introduction of the Labour Relations Legislation Amendment and Repeal Bill 2012. The Bill, when introduced, will deliver a better balance between the rights of employers and employees, update minimum conditions of employment, streamline the process for setting the State's minimum wage levels, and modernise the structure of the Western Australian Industrial Relations Commission. The Labour Relations Division is playing a significant part in ensuring that the proposed changes brought about by the Bill balance effectively the needs of both Western Australian employers and employees.

The department remains committed to strengthening its organisational capacity by developing the skills of our people and enhancing our business functions, systems and services, including its online services.

During the year several large scale internal projects were completed which resulted in more streamlined and efficient services being delivered internally, to business and the wider community. Major systems upgrades led to the update of the department's main operating computing system as well as numerous divisional operating systems. Our dedication to the better usage of new technology will be further witnessed in the delivery, in 2013-14, of a revamped department website which will provide the community with access to expanded services and improved communications.

Through its Workforce and Diversity plan the department continued to develop short and long term strategies to build and maintain a skilled, flexible and sustainable workforce. An integral component of the department's workforce development is the implementation of the *Aboriginal Employment Strategy 2012-2015*, developed to improve employment opportunities and outcomes for Aboriginal Australians in the Western Australian public sector. A key goal of the strategy is to achieve the Aboriginal employment target of 3.2 per cent of the department's workforce by 2015. The introduction of the strategy is an important starting point to bring about the organisational change required to provide meaningful steps to improve Aboriginal employment and make a real difference to the Aboriginal community, a worthwhile goal that the department is wholly committed to.

In conclusion I would like to thank the staff of the Department of Commerce once again for their continued dedication, integrity and professionalism. The achievements described in this annual report, which ultimately result in lasting benefit for all Western Australians, are a testament to their hard work and commitment.

Many individuals, businesses and organisations have also contributed to our activities and successes and I take this opportunity to also acknowledge and thank those stakeholders who work with us to deliver our services to the Western Australian community.



Brian Bradley
Director General



Our highlights

This section provides a summary of the department's highlights for the 2012-13 financial year.

Consumer Protection

Residential tenancy law changes and iRentWA

Significant amendments to the *Residential Tenancies Act 1987* were implemented by the *Residential Tenancies Amendment Act 2012*, which commenced on 1 July 2013. In Western Australia's tight rental market, the changes are designed to make renting fairer and more accessible for tenants, while also protecting the interests of property owners. This is expected to occur through the use of standard tenancy agreements, compulsory property condition reports and through a cap on application (option) fees for prospective tenants. The Consumer Protection Division delivered an extensive education program to ensure community awareness of these amendments. The education program included information sessions, promotion of the changes through traditional and social media and updates to all existing written educational material.

The Consumer Protection Division also developed its second smart phone app, and the only one in Australia dealing with tenancy issues. The app – iRentWA – contains information about tenancy rights and allows users to store rent receipts, set reminders for rent or property inspections, calculate costs and email enquiries directly to the Consumer Protection Division.



Project **SUNBIRD**
fighting consumer fraud

Project Sunbird

Project Sunbird is a joint initiative between Western Australia Police and the department to reduce the incidence and losses from scams perpetrated by criminals from selected West African countries. Using pooled resources and expertise, both agencies implemented a strategy to identify and approach

potential victims. A sophisticated database has been set up for the collection and analysis of intelligence data, while media channels and community education activities aim to raise awareness of scams and protective measures. The project, which will be further evaluated in the latter half of 2013, has already reaped significant results and saved many victims from further detriment. From January to May 2013 approximately 720 suspected victims were identified through Project Sunbird with monetary losses totalling around \$3 million.

Property frauds prevented

New identity verification guidelines and strengthened Codes of Conduct for real estate agents, sales representatives and settlement agents have prevented several attempts to fraudulently sell property in Western Australia. In October 2012 and February 2013 attempts to fraudulently sell property were thwarted when agents discovered the attempted frauds by following the Commissioner's verification guidelines for identifying sellers of real estate. Proactive compliance officers routinely check that agents have necessary processes in place to ensure compliance with the new verification measures and the department reminds agents of their obligations through education and information circulars.

Safety and Employment Protection and Construction Standards

Implementation of the *Building Act 2011*

Financial year 2012-13 was the first full year of operation of the *Building Act 2011*. The Act updated the process of building and demolition approvals for the first time since 1960 and introduced private certification of compliance with building standards. This was a significant reform that required changes to approval processes and systems in 139 local governments and State Government works agencies, and changes to the way owners, designers and builders prepare applications. The ability for private building surveyors to work with design teams and builders has streamlined certification and facilitates innovative building solutions.

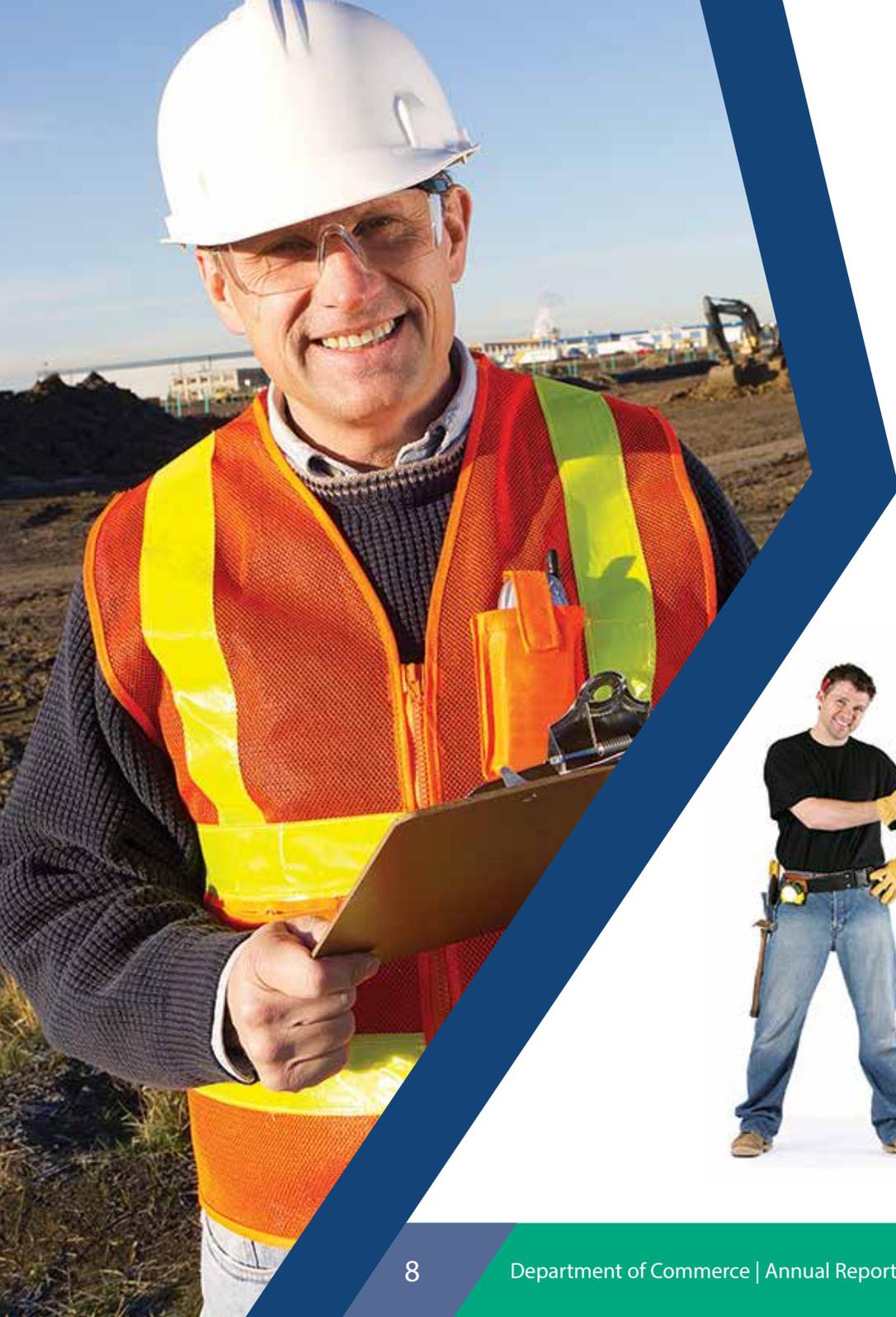
The volume housing sector was slower to adopt private certification and the large number of uncertified applications severely impacted on local governments trying to adapt to new systems and adjust to loss of building surveyors to the private sector. This caused a drop in cash flow in the sector from April 2012. The Building Commission Division worked closely with major builders, key local governments and industry associations to unblock approvals by removing as many processing steps as possible consistent with public safety, developing a unified processing manual and making urgent amendments to the Act to provide greater flexibility and consistency. These measures and the gradual adoption of certified applications by the sector restored cash flow to normal levels by August 2012.

Renewal of building services registrations

Builders, painters and building surveyors are now registered under the *Building Services (Registration) Act 2011*. Under repealed legislation, a provider could remain registered simply by paying the annual fee. This provided no check of continuing suitability or eligibility and many people retained registration even though they did not work in the industry.

In February 2013 the Building Commission Division commenced a major renewal process for over 12,000 individual registrations that required individual practitioners to provide current national police clearances and contractors to demonstrate their ability to pay their debts when and if they fall due. This major undertaking gives the Building Commission Division a baseline audit of all practitioners and contractors and confirms their current competence to practice, thus safeguarding the community and consumers and ensuring the high standards required in the industry are being met.





WorkSafe Division compliance activities

During the year, the WorkSafe Division focused its occupational safety and health compliance and proactive educational programs on nationally agreed priority industries and State priority areas. In implementing the priority approach, the division completed more than 8,300 investigations, issued more than 11,900 improvement notices and more than 550 prohibition notices, and signed 33 prosecution notices.

Case Study

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 and not-for-profit organisations. During the year, as part of the program, the WorkSafe Division delivered a free and independent safety and health system consultation to 580 small businesses on a one-to-one basis.

In addition, eight safety and health system seminars and four group consultation sessions were delivered. The WorkSafe Division delivered approximately 66 per cent of its services to businesses in the metropolitan area and 34 per cent to businesses in the regions. Additional assistance on key occupational safety and health issues was provided to 56 small businesses that opted to be part of a program of follow-up visits.



**THINKSAFE
WORKSAFE**

Electrical safety awareness campaign

The Energy Safety Division conducted a 'Don't DIY' media campaign to raise homeowners' awareness of the dangers of doing their own electrical work. The campaign also promoted the use of a licensed electrical contractor and requesting an Electrical Safety Certificate.

Campaign effectiveness results indicate that it was highly successful with high penetration and strong recognition of the campaign.



Public sector wages policy

All public sector enterprise bargaining agreements finalised during this reporting period have been successfully delivered within the parameters of the Public Sector Wages Policy with minimal disputation and disruption to service.

Industry, Science and Innovation

Treatment for Duchenne Muscular Dystrophy

An innovative treatment for Duchenne Muscular Dystrophy, a disease which affects around one in 3,500 boys worldwide, took top honours at the Western Australian Innovator of the Year Awards 2012. Professors Steve Wilton and Sue Fletcher – previously from the University of Western Australia (UWA) but now at Murdoch University – won the Mitsubishi Corporation Innovator of the Year, for devising a way to bypass the defect in the faulty gene responsible. The treatment has so far been encouraging, with data showing that the boys treated have stabilised with their condition not deteriorating.

UWA has since signed an agreement with United States drug company, Sarepta Therapeutics, to commercialise their research. The agreement is worth US\$7.1 million in upfront and milestone payments, as well as royalties on net sales of all medicines developed and approved.

Innovation in mining technology

A previous Innovator of the Year award winner, Scanalyse is an innovation success with 30 mining clients (approximately 25 per cent of the market) across Australia, as well as 20 international clients.

The company uses its flagship laser scanning technology, MillMapper, to monitor the wear patterns on equipment used for mining and mineral processing, meeting an industry-driven need for high quality condition monitoring information. Its technology is protected by international patents and is unique to Scanalyse.

Earlier this year Scanalyse was acquired by Outotec, an international mining technology company based in Finland, and with this additional global reach, Scanalyse can provide enhanced services to its customers and expect further growth.

The Western Australian Fellowship Program

The Western Australian Fellowship Program has now been running for 10 years and continues to attract eminent researchers from overseas and interstate to conduct excellent scientific research of major importance and potential impact for Western Australia.

The most recently appointed fellow, Professor Andrew Whiteley commenced his Western Australian Fellowship at the University of Western Australia in October 2012 after relocating from the United Kingdom. Professor Whiteley's research team is creating a hub for national and international advice and expertise on best practice rehabilitation and restoration programs to address environmental exploitation in mining, agricultural and conservation operations. Professor Whiteley is setting up a unique DNA database on below ground genetic capacity as a reference tool to enhance restoration practices.



About the department

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; enhancing capacity; and ensuring a world class regulatory environment.

In 2012-13 the department comprised the following eight divisions:

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

Enabling legislation

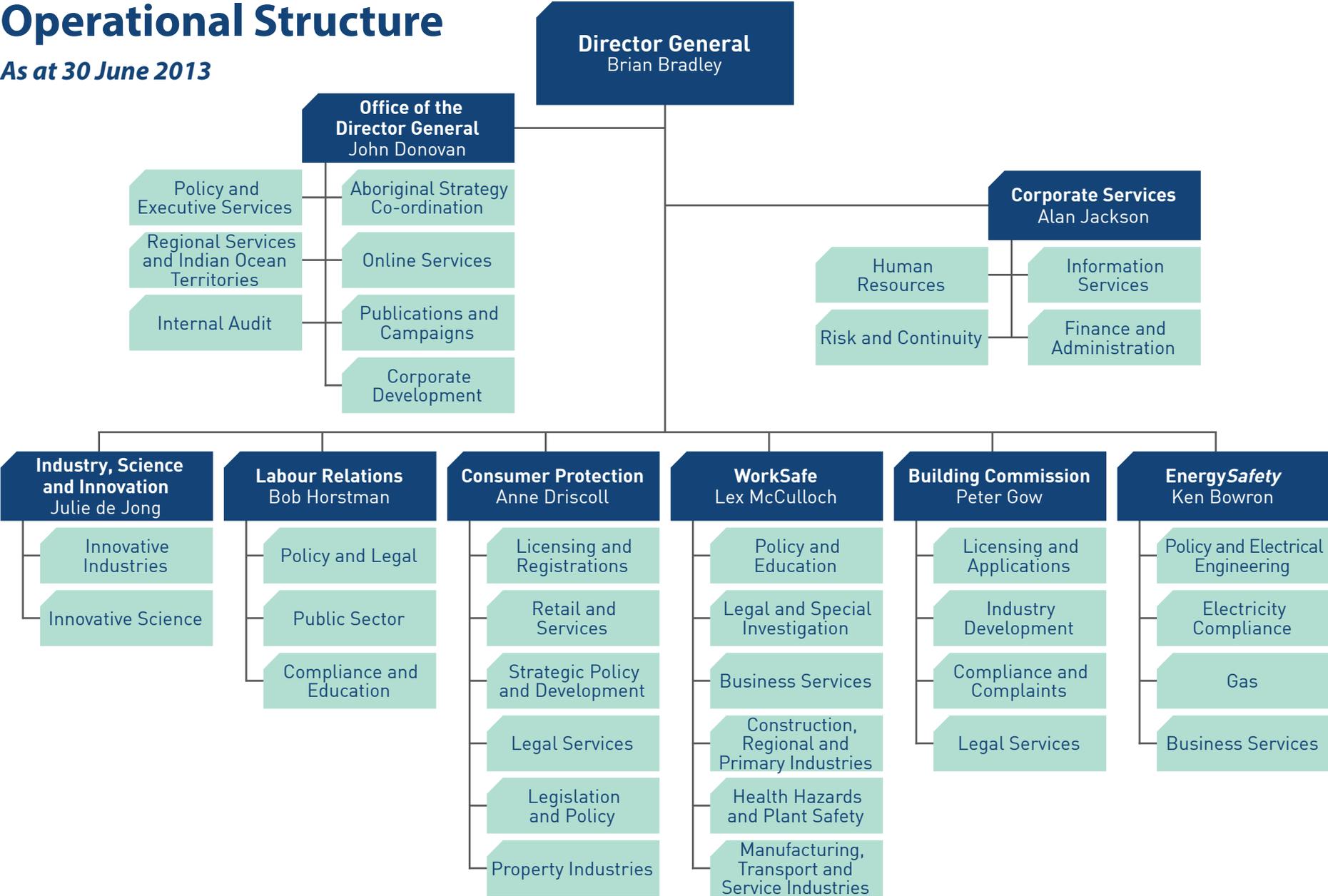
The Department of Commerce is established as a department under section 35 of the *Public Sector Management Act 1994*.

Responsible Ministers

From 1 July 2012 the department was responsible to the Hon Simon O'Brien MLC, Minister for Finance; Commerce; Small Business and the Hon John Day BSc BDS Sc MLA, Minister for Planning; Culture and the Arts; Science and Innovation. Following the State election held in March 2013 the Department of Commerce was responsible to the Hon Michael Mischin MLC Attorney General; Minister for Commerce and the Hon Colin Barnett MLC MLA Premier; Minister for State Development; Science.

Operational Structure

As at 30 June 2013



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, and is the current Western Australian member of Safe Work Australia. 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 Division, 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 major in Psychology and Commerce, Anne has gained experience in numerous public sector roles. Anne 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 Division

Peter Gow was appointed as the acting 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 postgraduate 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, strategic planning and building codes and regulation. Since July 2009, he has led the Building Commission Division to progress building regulation reform. Peter was appointed to the national Built Environment Industry Innovation Council in 2008. Peter has served on the board of the Australian Housing and Urban Research Institute and is the Western Australian government representative on the Australian Building Codes Board.



Ken Bowron

Executive Director, Energy Safety Division; Director of Energy Safety

Ken Bowron is the Executive Director of the Energy Safety Division 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 38 years broad experience in the Western Australian energy industry. His recent experience includes his tenure in the Energy Safety 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. Ken has extensive strategic, 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 Division

Bob Horstman was appointed as the Executive Director of the Labour Relations Division in June 2009. He has worked in all three directorates of the division in a variety of roles for 24 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 Master's 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.



Lex McCulloch

Executive Director, WorkSafe Division; Commissioner of WorkSafe Western Australia

Lex McCulloch commenced as the Executive Director of the WorkSafe Division and Commissioner of WorkSafe Western Australia in February 2011. Lex has a degree in Social Work from Curtin University and has been in the Western Australian public sector since 1978, when he joined the Department for Community Welfare in Moora. He has worked in a variety of locations across the State including Derby, Kalgoorlie, Port Hedland and Perth. Lex's various roles in a number of State Government agencies have provided him with a range of experience such as leading restructuring processes and delivering on significant projects, all of which have been aimed at improving the wellbeing of people in Western Australia.



Julie de Jong

Executive Director, Industry, Science and Innovation Division

Julie de Jong was appointed as the Executive Director of the Industry, Science and Innovation Division in 2011, after being initially appointed as Acting Executive Director in 2009. Prior to the establishment of the Department of Commerce in 2009, Julie was the Director of the Innovation Industries Directorate in the Department of Industry and Resources. In this role she successfully led the Directorate through a period of significant organisational change and developed a strategic focus aligned with State Government priorities for industry and innovation. Previously, Julie worked in management roles within the Office of Aboriginal Economic Development in a variety of locations around the State. She has a thorough understanding of the concerns within regional communities for sustainable economic opportunities and the need to maximise community benefits from economic strengths. Julie holds an Arts Degree in History and Politics from the University of Western Australia.



Alan Jackson

Executive Director, Corporate Services Division

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 Master's 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 services

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

Building Commission

- registers or licenses builders, painters, building surveyors, plumbers and construction contracts administrators;
- audits and inspects building services, investigates breaches of legislation and provides a dispute resolution service;
- sets and monitors standards and codes of practice for building services;
- develops and provides industry policy and legislation; and
- provides information and advice for industry and consumers.

Corporate Services

- provides financial and administrative services;
- provides information technology support services;
- delivers human resource management services;
- coordinates risk and business continuity management; and
- delivers corporate information services.

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.

EnergySafety

- 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 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.

Industry, Science and Innovation

- supports industry and science development through innovation, commercialisation and participation;
- facilitates strategic investment in industrial, scientific and innovative capacity;
- facilitates fit for purpose strategic industrial, research and digital infrastructure;
- manages industry, science and innovation programs and projects; and
- supports the Technology and Industry Advisory Council.

Labour Relations

- coordinates 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;
- promotes workplace flexibility and pay equity; and
- investigates complaints from employees about breaches of State awards, agreements and industrial laws.

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 coordinates strategic and whole of government policy;
- coordinates the Aboriginal Employment Strategy;
- provides corporate development services including strategic planning, performance evaluation and corporate reporting;
- provides communication services including campaign and event coordination and print and online services;
- provides internal audit services and undertakes and assists in investigations;
- coordinates regional services;
- provides regional infrastructure and customer services; and
- coordinates ministerial services for the department.

Our regional services

Figure 1



Figure 1: Department of Commerce regional offices

The department has offices located in Albany, Broome, Bunbury, Geraldton, Kalgoorlie, and Karratha which provide a range of services to regional Western Australians (Figure 1).

There are 44 regionally based officers who deliver 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 as required. The delivery of information and services to regional customers also continues to occur through the department's website.

A service delivery arrangement exists between Department of Commerce, the Department of Regional Australia, Local Government, Arts and Sport and the Department of the Premier and Cabinet to deliver agency services to Christmas Island and Cocos (Keeling) Island. This service is funded by, and performed on behalf of, the Commonwealth Government under enabling legislation.



Legislation administered

As at 30 June 2013 the Department of Commerce administered 80 Acts of Parliament, 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 website at www.commerce.wa.gov.au

Architects Act 2004
Associations Incorporation Act 1987
Auction Sales Act 1973
Building Act 2011
Building Services (Complaint Resolution and Administration) Act 2011
Building Services (Registration) Act 2011
Building Services Levy Act 2011
Business Names (Commonwealth Powers) Act 2012
Business Names Act 1962
Charitable Collections Act 1946
Chattel Securities Act 1987
Churches of Christ, Scientist, Incorporation Act 1961
Coal Industry Tribunal of Western Australia Act 1992
Commercial Tenancy (Retail Shops) Agreements Act 1985
Competition Policy Reform (Taxing) Act 1996
Competition Policy Reform (Western Australia) Act 1996
Conspiracy and Protection of Property Act 1900
Construction Contracts Act 2004
Construction Industry Portable Paid Long Service Leave Act 1985

Consumer Affairs Act 1971
Co-operatives Act 2009
Credit (Administration) Act 1984
Credit (Commonwealth Powers) Act 2010
Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Act 2010
Credit Act 1984
Debt Collectors Licensing Act 1964
Decimal Currency Act 1965
Disposal of Uncollected Goods Act 1970
Distress for Rent Abolition Act 1936
Dividing Fences Act 1961
Door to Door Trading Act 1987
Electricity Act 1945
Employment Agents Act 1976
Employment Dispute Resolution Act 2008
Energy Coordination Act 1994 (Part 2 and 3)
Energy Safety Act 2006
Energy Safety Levy Act 2006
Fair Trading Act 1987
Fair Trading Act 2010
Finance Brokers Control Act 1975
Fremantle Buffalo Club (Incorporated) Act 1964
Gas Standards Act 1972
Gas Supply (Gas Quality Specifications) Act 2009 (Part 5, Division 2)
Growers Charge Act 1940
Hire Purchase Act 1959
Home Building Contracts Act 1991
Industrial Relations Act 1979
Industry and Technology Development Act 1998
Labour Relations Reform Act 2002
Land Valuers Licensing Act 1978
Law Reform (Common Employment) Act 1951
Limited Partnership Act 1909
Long Service Leave Act 1958
Metric Conversion Act 1972
Minimum Conditions of Employment Act 1993
Motor Vehicle Dealers Act 1973
Motor Vehicle Repairers Act 2003
New Tax System Price Exploitation Code (Taxing) Act 1999
New Tax System Price Exploitation Code (Western Australia) Act 1999
Occupational Safety and Health Act 1984
Personal Property Securities (Commonwealth Laws) Act 2011
Petroleum Products Pricing Act 1983
Petroleum Retailers Rights and Liabilities Act 1982
Public and Bank Holidays Act 1972
Real Estate and Business Agents Act 1978
Residential Parks (Long-Stay Tenants) Act 2006
Residential Tenancies Act 1987
Retail Trading Hours Act 1987
Retirement Villages Act 1992
Sale of Goods Act 1895
Sale of Goods (Vienna Convention) Act 1986
Settlement Agents Act 1981
Street Collections (Regulation) Act 1940
Sunday Entertainments Act 1979
Transfer of Incorporation (HBF and HIF) Act 2009
Travel Agents Act 1985
Water Services Licensing Act 1995 (Part 5A)
Western Australian Aged Sailors, Soldiers and Airmen's Relief Fund Act 1932
Western Australian Products Symbol Act 1972
Year 2000 Information Disclosure Act 1999

Boards, commissions, committees, councils and tribunals

The boards, commissions, committees, councils and tribunals administered by the department deliver a range of regulatory, advisory and licensing functions. 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 detail on their respective roles and functions.

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

Consumer Protection Service	Safety and Employment Protection and Construction Standards Service	Industry, Science and Innovation Service
<ul style="list-style-type: none"> • Charitable Collections Advisory Committee • Consumer Advisory Committee • Motor Vehicle Industry Advisory Committee • Property Industry Advisory Committee • Retail Shops Advisory Committee 	<ul style="list-style-type: none"> • Building Services Board • Commission for Occupational Safety and Health • Electrical Licensing Board • Gas Licensing Committee • Plumbers' Licensing Board 	<ul style="list-style-type: none"> • Australian Marine Complex Overarching Committee • Western Australian Technology and Industry Advisory Council • Pilbara Fabrication and Services Common Use Facility (PFSCUF) Steering Committee



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 the 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 government desired outcome is the effect or impact on the community or target customers of government services. 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 2 below.

Figure 2: Relationship to the government's goals: 2012-13 outcome based management framework

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 with workplaces operated in a safe and fair manner and where buildings are safe and efficient.	Service 2: Safety and Employment Protection and Construction Standards The provision of advice, information, education and regulation services to the Western Australian community in the areas of: occupational safety and health; energy safety; labour relations and construction standards.
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: Industry, Science and Innovation Enhances the State's prosperity by promoting industry, science and innovation. Services include: <ul style="list-style-type: none"> • supporting the Technology and Industry Advisory Council with policy development advice; • supporting industry development through innovation and commercialisation; and • managing industry, science and innovation programs and projects.

Shared responsibilities with other agencies

The Department of Commerce contributes to the delivery and reporting of a number of 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 below, are reported against the 2012-13 Resource Agreement established between the responsible Minister, Director General and Treasurer. Further information on Resource Agreement reporting is available in the *Agency Performance* section of this report.

Table 2: Shared responsibilities with other agencies in 2012-13

Initiative	Standardisation and simplification of public sector pay structures and classification systems.	
Related outcome	A reformed public sector pay structure and classification system.	
Contributing agencies	Department of Commerce (Labour Relations Division); Department of Treasury and the Public Sector Commission.	
Report against target	Target:	A plan to achieve the standardisation and simplification of public sector pay structures and classification systems.
	Result:	Outcomes have been incorporated into the bargaining agenda and pursued as opportunities arise through bargaining.
Initiative	Managing fatigue in the commercial vehicle sector.	
Related outcome	A community in which workplaces operate in a safe and fair manner.	
Contributing agencies	Department of Commerce (WorkSafe Division); Main Roads Western Australia and Western Australia Police.	
Report against target	Target:	Strategic coordinated intervention campaigns in the east-west and north-south corridors with Western Australia Police providing key information for WorkSafe Division enforcement.
	Result:	In coordination with Western Australia Police there were local commercial driver fatigue roadblock operations at the Upper Swan vehicle assembly area, Northam vehicle assembly area, Neerabup, Peel District and Bedforddale.

Initiative	ThinkSafe Small Business Assistance Program.
Related outcome	A community in which workplaces are operated in a safe and fair manner.
Contributing agencies	Department of Commerce (WorkSafe Division) and WorkCover Western Australia Authority.
Report against target	Target: 700 eligible small businesses complete the assistance program.
	Result: 580 small businesses accessed the ThinkSafe Small Business Assistance Program.
Initiative	The Broadband Working Group.
Related outcome	The group aims to coordinate the State's strategic approach to improving telecoms and digital infrastructure throughout the State and utilise this for social and economic gains.
Contributing agencies	<ul style="list-style-type: none"> • Department of Commerce (Industry, Science and Innovation Division); • Department of Regional Development and Lands; • Department of the Premier and Cabinet; • Department of Planning; • Department of Finance; • Department of State Development; • Department of Transport; and • Technology and Industry Advisory Council.
Report against target	The whole of government Broadband Working Group will:
	Target: Establish a state government position regarding the National Broadband Network (NBN) roll out in Western Australia. Develop guidelines for Government entities in responding to NBN initiatives.
	Result: The Western Australian Strategic Position Statement and Support guidelines for NBN endorsed by the Broadband Working Group. A single point of contact on NBN Co established within the Department of Commerce.

Initiative	The four year Regional Mobile Communications Project (funded by the Department of Regional Development and Lands).
Related outcome	The project will provide increased mobile telephone and broadband coverage in regional Western Australia.
Contributing agencies	<ul style="list-style-type: none"> • Department of Commerce (Industry, Science and Innovation Division); • Department of Regional Development and Lands; • Department of Environment and Conservation; • Fire and Emergency Services Authority of Western Australia; • Western Australia Police; • WA Country Health Service; • Department of Finance; • Western Australian Local Government Association; and • Regional Development Council.
Report against target	Target: Will implement the Regional Mobile Communications Project Stage 1 and complete up to 40 of the 113 total sites to be established over three years.
	Result: 69 sites completed. External audit completed on project, confirming compliance with the Memorandum of Understanding with Regional Development and Lands. Recommendations arising from the audit have been addressed and acknowledged by Department of Regional Development and Lands.



Initiative	Square Kilometre Array Project.
Related outcome	Support the Australia/NZ bid to host all or part of the Square Kilometre Array Project (SKA).
Contributing agencies	<ul style="list-style-type: none"> • Department of Commerce (Industry, Science and Innovation Division); • Commonwealth Department of Innovation, Industry, Science and Research; • Commonwealth Scientific and Industrial Research Organisation; • Department of Regional Development and Lands; • Department of Mines and Petroleum; • Department of State Development; • State Solicitor's Office; • Office of Native Title (Commonwealth Department of Justice); • Pastoral Lands Board; • Public Transport Authority; • Shire of Murchison; • Mid-West Development Commission; and • Universities, especially University of Western Australia and Curtin University.
Report against target	Target: Subject to successful bid outcome, implement Memorandum of Understanding (MOU) with Commonwealth to support implementation of SKA initiatives in alignment with Government priorities.
	Result: Collaboration arrangement drafted and endorsed by Commonwealth. Work plan for 2013-14 under development. MOU will take shape once Hosting Agreement has been resolved with SKA organisation.



Initiative	Harmonisation of government use of radio communications in 400Mhz band.
Related outcome	State to be allocated 2 X 10Mhz block of spectrum to accommodate radio communication needs for public safety and emergency services.
Contributing agencies	<ul style="list-style-type: none"> • Department of Commerce (Industry, Science and Innovation Division); • Western Australia Police; • Fire and Emergency Services Authority of Western Australia (now Department of Fire and Emergency Services); • Department of Environment and Conservation; • Department of Premier and Cabinet; • St Johns Ambulance; • Western Power; • Surf Life Saving; • Water Corporation; and • Several local councils.
Report against target	Target: Adoption of National Frequency Assignment Plan and Agreement on organisation to be incorporated under the Harmony Spectrum Licences.
	Result: All Tier 1 users have endorsed the WA Transition Strategy, which has been submitted for noting to National Coordination Committee on Government Radio. Transition is under way. Spectrum licensing and assignment is being coordinated with the Australian Communications and Media Authority.

Additional information on jointly delivered services with other organisations is provided at *Appendix 1: Agreements* of this report.



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 the people who make up the department's workforce.

Resource Agreement	28
Operational highlights	31
Our people	48

Resource Agreement

The Resource Agreement 2012-13 between the department's Director General, responsible Ministers and State Treasurer, drafted in accordance with section 41 of the *Financial Management Act 2006*, articulates the services to be delivered by the department, its financial and non-financial performance targets and the government's desired outcomes in the delivery of those services. The 2012-13 Resource Agreement was prepared using the outcome based management framework as set out in the 2012-13 Budget Papers. A summary of the department's financial and non-financial performance is provided below. Further detailed information regarding the department's non-financial performance for the 2012-13 financial year is provided in the Disclosures and Legal Compliance section of this report. A summary of the department's performance against whole of government and cross-agency initiatives, as contained in the 2012-13 Resource Agreements is presented in Table 2 of the Overview (Shared responsibilities with other agencies) section of this report.

Financial performance

The department's performance against the financial targets set for the 2012-13 financial year is outlined in the below table. The targets were derived from the 2012-13 Budget Papers (No. 2, Volume 2, Part 8).

Table 3: Summary of financial performance for 2012-13

Indicator	Target	Actual (1)	Variation	Explanation of variance
Total cost of services (expense limit) (details from Statement of Comprehensive Income)	\$216,354	\$209,750	(\$6,604)	
Net cost of services (details from Statement of Comprehensive Income)	\$135,067	\$123,139	(\$11,928)	
Total equity (details from Statement of Financial Position)	\$219,898	\$234,216	\$1,318	
Net increase/(decrease) in cash held (details from Statement of Cash Flows)	\$7,759	\$17,217	\$9,458	The main reason for the increase was due to the recoup of significant outstanding debtors.
Approved full time equivalent (FTE) staff level	1,015	933	82	

Note:

(1) As specified in the Financial Statements section of this report.

Non-financial performance

The department's non-financial performance against the key effectiveness and efficiency indicators as detailed in the 2012-13 Resource Agreement is summarised below. The targets were delivered from the 2012-13 Budget Papers (No.2, Volume 2, Part 8).

Key effectiveness indicators

Table 4: Results for the 2012-13 key effectiveness indicators

Indicator	Target	Actual	Variation	Explanation of variance
Outcome 1: A fair trading environment that protects consumers and traders in Western Australia.				
The extent to which traders comply with regulatory requirements	93%	97%	4%	
The extent of consumer confidence in Western Australia's trading environment	75%	75.5%	0.5%	
Outcome 2: A community with workplaces operated in a safe and fair manner and where buildings are safe and efficient.				
The extent of compliance with safety and employment protection regulatory requirements and construction standards	95%	94%	(1%)	
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	6.7:1	10.5:1	3.4(a)	The variance is due to the success of a number of Centres of Excellence in attracting a higher ratio of leverage funds than originally anticipated.

Key efficiency indicators

Table 5: Results for the key efficiency indicators 2012-13

Indicator	Target	Actual	Variation	Explanation of variance
Service 1: Consumer Protection				
Average cost per client contact to provide information and advice	\$2.36	\$2.74	\$0.37	The variance is mainly due a lower than expected number of on-line visitors to the FuelWatch internet site. However a new application to determine the number of on-line visitors to the FuelWatch internet site was used so as to be compatible to the department's roll-in to Windows 7.
Average cost per policy project	\$179,884	\$229,108	\$49,224	The variance is due to a lower number of policy projects being completed. With the delays in nationally lead projects, including national occupational licensing and conduct harmonisation, work was required to be defer on the implementation of these projects in Western Australia. Two other projects were also delayed with the need for re-submission for Ministerial approval following the State election.
Average cost per inspection or investigation	\$419.98	\$487.29	\$67.31	The variance is in part due to unforeseen professional services fees relating to the winding up of real estate agents in administration.
Average cost per registration or licence	\$21.15	\$18.80	(\$2.35)	The variance is in part due to an increase in the number of fuel price changes from retailers and in tenancy bond transactions compare to the anticipated.
Service 2: Safety and Employment Protection and Construction Standards				
Average cost per client contact to provide information and advice	\$7.88	\$6.44	(\$1.43)	The variance is due to both the significantly greater amount of information and advice provided, mainly due to an increase in online visitors and a decrease in expenditure.
Average cost per hour of policy advice	\$167.17	\$195.70	\$28.54	The variance is mainly due to a correction of allocation of expenditure to direct costs within the Labour Relations Division which had been incorrectly allocated to indirect costs in the target.
Average cost per inspection or investigation	\$1,296.29	\$1,202.29	(\$94.00)	
Average cost per registration or licence	\$114.94	\$115.95	\$1.01	
Service 3: Industry, Science and Innovation				
Average cost per industry, science and innovation project managed	\$213,675	\$238,924	\$25,249	The variance is due to the revaluation of the Australian Marine Complex during 2012-13 which was not taken into consideration when setting the target.

Operational highlights

This section details the department's major operational activities for 2012-13.

Consumer Protection Service

Desired agency level outcome: A fair trading environment that protects consumers and traders in Western Australia.

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

Retail trading hours laws

The Retail Trading Hours Amendment Act 2012 commenced on 26 August 2012. This significant reform to the legislation abolished special trading precincts and permitted all general retail shops located in the Perth metropolitan area to trade on Sundays and public holidays (except Christmas Day, Good Friday and ANZAC Day) from 11am-5pm. The trading hours for general retail shops in the holiday resorts of Rockingham and Wanneroo (the localities of Yanchep and Two Rocks) were also aligned with metropolitan hours. The changes provide greater clarity for consumers and the capacity to shop for a wider range of goods on Sundays.

Promoting efficiency and integrity in licensed charities

During 2012-13, the Commissioner revoked the licence of two charities in response to investigations that found issues relating to mismanaged funds, failure to effectively carry out the charitable purpose, an insufficient level of accuracy, transparency and detail in the financial reporting and poor governance practices. These investigations highlighted the role of the Consumer Protection Division in ensuring the appropriate use of public collections.

Remote communities visit

The Automotive, Marine and Trading Hours branch, together with the Institute of Automotive Mechanical Engineers (IAME), visited some of the most remote communities in Western Australia to encourage them to licence or establish motor vehicle repair businesses and to enable repairers to be registered through recognition of prior learning standards. Skills assessments performed by the IAME representative confirmed that the communities were in safe hands, and provided the individuals with evidence of their qualifications and skills, necessary for licence applications. The visits, funded by the 'Motor Vehicle Repair Industry Education and Research Fund' proved successful as an educational tool, and provided a valuable insight into the workings of remote regional communities.

Retirement villages laws

The Retirement Villages Amendment Act 2012 was passed in October 2012. Included were some key recommendations, including provisions which limit a former non-owner resident's liability to pay recurrent charges after leaving a retirement village, and the capacity for residents to collectively appeal to the State Administrative Tribunal if a dispute arises between the residents and the administering body regarding an increase in recurrent charges or the imposition of a levy. The amendments are intended to commence in early 2014. In addition, a review of the provisions of the current Retirement Villages Code is being conducted in accordance with the requirements of the *Fair Trading Act 2010*. A discussion paper was released by the department on 13 June 2013 for public comment.



Case Study

Redress for retirement village residents

During the year the Consumer Protection Division achieved redress for residents at two retirement villages. The first related to alleged bullying of residents by the village manager, the failure of the operators to address the matter properly, the cost of \$52,000 from residents to pay for an independent investigation into the residents' allegations, and the failure of the operators to provide the residents with the report of the subsequent investigation. The department sought voluntary compliance and an enforceable undertaking for the village to rectify the residents' concerns. The retirement village acknowledged and addressed all breaches and the costs were refunded to residents.

The department also examined concerns at a retirement village after residents were charged an amount as depreciation on a community centre over four years, which was put into a fund for general maintenance. The retirement village acknowledged this should not have occurred and an internal audit found the village had incorrectly collected \$131,578. The village has refunded the monies with interest to current and former residents accordingly.

Retirement Village Supreme Court ruling

In June 2013, the Supreme Court held that the owner of land upon which a retirement village was situated could not have the 'retirement village scheme' and memorial lifted from a portion of the land. The decision provides clarity about the nature of a retirement village scheme, when and how a scheme might be terminated, and affirms the strong protection which the charge over the land and the memorial provides in safeguarding residents' ongoing interests and rights.

Implementation of the *Co-operatives Act 2009*

On 31 August 2012 the *Companies (Co-operative) Act 1943* was repealed following the successful transfer of all active co-operatives in Western Australia to registration under the *Co-operatives Act 2009*. A phased transition process over a two year period demonstrated the effectiveness of the planning processes between Government, industry participants and the sector's peak body, Co-operatives WA. The new legislation provides a modern, effective and user friendly regulatory regime for business enterprises.

Statutory review of the *Residential Parks (Long-stay Tenants) Act 2006*

Following meetings with key stakeholders a discussion paper was released for public comment in August 2012 canvassing key issues in relation to residential parks living such as: security of tenure; compensation provisions for termination of agreements; sale of homes on-site; dispute resolution; and park owner insolvency. Approximately 800 responses were received. The feedback is being analysed and will be used to formulate options for reform that will be released for public consultation as part of the next phase of the review.

Secret shopper program campaign

The Automotive, Marine and Trading Hours branch instigated a secret shopper campaign to test the skills and fairness of car servicing and repairs due to concerns about over-servicing in the industry. During 2012-13 a total of 21 inspections were completed. The Consumer Protection Division is working with the Motor Trade Association WA to make vehicle repair businesses aware of the program. The results will be used to develop compliance strategies for the motor vehicle repair industry.

Commercial Tenancy Laws

Changes to Western Australia's retail shop laws contained in the *Commercial Tenancy (Retail Shops) Amendment Act 2011* commenced on 1 January 2013. The amendments create a fairer, more equitable and transparent retail tenancy market for Western Australian small businesses. Commercial landlords dealing with their lease negotiations and agreements for retail shops are required to provide additional

information and comprehensive disclosure statements to allow tenants to make informed decisions about leasing arrangements. These changes compliment other reforms aimed at assisting small business which included the commencement of a Small Business Commissioner during 2012.



Case Study

'Rent-to-buy' scheme

In 2012-13 the Consumer Protection Division commenced Supreme Court proceedings against Patricia and Bryan Susilo for promoting a 'rent-to-buy' scheme. It is alleged the Susilos are carrying on business as real estate agents without the required licence and that, in promoting their scheme, they have breached the *Australian Consumer Law (WA)* by misrepresenting the nature of the services they offer, the nature of their interests in the properties advertised, the need for buyers to ultimately obtain finance and the price of advertised properties. In May 2013, Consumer Protection Division successfully obtained interim injunctions requiring greater disclosure of the true nature of the scheme, while the case is being heard in the Supreme Court.



Safety and Employment Protection and Construction Standards Service

Desired agency level outcome: A community with workplaces operated in a safe and fair manner and where buildings are safe and efficient.

Building Commission Division

About the division

The Building Commission Division works to ensure fair and efficient building and plumbing industries by consolidating policy, standards and registration of practitioners and contractors.

Highlights

Regulation reform

The implementation of new building legislation since 2011 is the greatest reform in building regulation in fifty years. The new legislation is very flexible to allow for future issues, and has been implemented where possible to continue existing regulatory frameworks to minimise disruption from change. There is still considerable work to be done to complete reform of building regulation and to review and reform the scope of plumbing regulation. In 2012-13 the Building Commission Division continued to contribute to national reforms including the National Construction Code and national occupational licensing schemes for builders and plumbers. The Building Commission Division continued policy work with stakeholders on registration of engineers and other occupations, tiered registration of builders and extension of uniform registration requirements across the whole state. The Building Commission Division also undertook substantial work in support of the Economic Regulation Authority review of home indemnity insurance and worked closely with insurers to ensure continued coverage in Western Australia while alternative schemes are developed.

Complaint resolution

A new complaints process under the *Building Services (Complaint Resolution and Administration) Act 2011* was implemented during the 2012-13 financial year. There were 809 complaints received by the Building Commissioner, with 501 being handled directly in the Building Commission Division and 308 more complex or intractable disputes being passed on to the State Administrative Tribunal. The growing use of conciliation by the Building Commission Division with a success rate of 78 per cent and the strict case management processes applied by the State Administrative Tribunal have reduced the average time to resolve a dispute from 61 weeks under the former Building Disputes Tribunal to 25 weeks under the new system.

The Building Commission Division is working with industry bodies and complainants to continue to improve the complaints process and the effectiveness of Building Commission Division inspections with an emphasis on helping the parties resolve their own disputes quickly and fairly.

Education and information

The Building Commission Division continued to provide a varied and extensive education program to industry, local governments and the community in 2012-13 on topics such as changes to building and plumbing regulation and how to achieve the best efficiency out of the new processes. There were 25 metropolitan and 11 regional seminars held covering topics such as the *Building Act 2011*, changes to building and plumbing standards, proposals for national licensing and improved compliance and registration processes. These sessions were complemented by a range of new and updated publications, interactive broadcasts to regional areas, mail-outs, improved website content and the Commission's presence at a metropolitan home show and a regional expo. The departments contact centre supported the relaying of information to industry and consumers, receiving an average of 262 contacts a day on topics such as dividing fences and building applications.

Compliance

The Building Commission Division Compliance Directorate has refocused its resources to promote compliance with building and plumbing laws and to complement the changes in building legislation over the past two years.

There is a stronger focus on auditing the work of registered or licensed service providers rather than simply dealing with complaints and better use of resources to target serious non-compliance. In 2012-13 the Building Commission Division issued 78 warning letters or disciplinary notices, took 12 allegations to the State Administrative Tribunal in respect to licensed or registered providers, and prosecuted 11 breaches of building and plumbing laws.

Building Commission Division seminars spread the word

The Building Commission Division continued its commitment to getting information out to all areas of the State last financial year, through seminars on topics ranging from the new Building Act to changes to the Building Code of Australia.

Metropolitan Building Act information sessions in November and December 2012 provided dedicated information for industry members, permit authorities and the general public on how to get the most out of the new building laws.

About 450 people attended the five industry sessions, which were supported by separate presentations to all permit authorities across the Perth metropolitan and surrounding areas. A webcast for people in regional Western Australia and two public information sessions were also trailed.

April and May 2013 saw the Building Commission Division take information on annual changes to the Building Code of Australia and other policy and legislation related matters on the road, visiting eight regional towns; Bunbury, Busselton, Karratha, Geraldton, Albany, Kalgoorlie, Merredin and Broome. A total of around 200 people attended the Building Code session, while 115 attended the policy and legislation sessions.

The Broome seminars coincided with the annual North West Expo, where the Building Commission Division was part of the Department of Commerce stand, and the Master Builders Association Sundowner. The Commission also participated in the Fresh Start Home Show at the Perth Convention and Exhibition Centre with the EnergySafety Division in October 2012.

EnergySafety Division

About the division

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

Highlights

Gas Appliance Rectification Programme

The objective of this Programme is to facilitate the rectification and/or removal of pre-1980 domestic natural gas appliances in order to allow the supply of a broader gas specification into the market, allowing for more competition in the supply of natural gas. Ramifications for some pre-1980 domestic natural gas appliances still operational in homes around the State were identified and, as stage one, EnergySafety Division responded to enquiries and provided investigative services for those who had concerns and/or were in the target group for the replacement programme.

A tender for stage two, being the supply of, and/or the installation, disposal and servicing of domestic gas appliances was awarded to Alinta Assist in 2011. Almost ten thousand appliances were identified for replacement and, at 30 June 2013, approximately 85 per cent of these have been replaced. In addition, almost eight thousand appliances were identified as requiring servicing. At 30 June 2013, approximately 24 per cent of these have been serviced.

Bushfire investigations

Under EnergySafety Division's leadership, a new protocol governing how investigations are to be managed for bushfires suspected to have been caused by electricity was agreed, completed and implemented. Protocol signatories include the Department of Fire and Emergency Services, the Department of Environment Regulation, Western Australia Police, Western Power Corporation and EnergySafety Division. This protocol will help



ensure that all electrically-caused bushfires are properly investigated while allowing all parties to perform their statutory functions.

Inspection system plan – guidelines

Under regulation 253 of the Electricity Regulations 1947, network operators are required to establish and maintain an effective system of inspection for consumer electrical installations connected to their network. The legislation provides for the Director of EnergySafety Division to issue guidelines setting out the technical, investigative, reporting, administrative and other requirements for network operators' inspection system plans. After extensive consultation with all network operators, revised Inspection System Guidelines were completed in June 2013 and will be issued to network operators early in July 2013.

Labour Relations Division

About the division

The Labour Relations Division promotes and encourages flexible, fair and productive employment practices in Western Australian workplaces that recognise the rights and obligations of both employees and employers.

Highlights

Labour Relations Legislation Amendment and Repeal Bill 2012

The Government tabled in Parliament the draft Labour Relations Legislation Amendment and Repeal Bill 2012 (the bill) in November 2012 as a Green Bill. The department managed the extensive consultation process on the bill with stakeholders and supplied feedback to the Minister on submissions made and potential amendments to the draft bill.

Wages recovered

The department has recovered \$587,792 in unpaid employee entitlements including \$84,604 through its First Step, Conciliation, Investigation and Prosecution functions, after investigating complaints from individual employees alleging their employer had failed to pay appropriate entitlements under State industrial laws, awards or agreements.



Flexible workplaces

The department developed and launched a revised flexible workplaces website. Resources have been customised for small business, larger organisations, managers and employees. The website integrates information about teleworking, carer friendly workplaces and mature age employment.

Children in employment

The Labour Relations Division successfully prosecuted a large national fast food industry participant for 16 breaches of the children in employment laws, resulting in a \$30,000 fine. The prosecution received broad mainstream media coverage, which raised the profile and understanding of the laws within the community. During the year, 59 targeted proactive compliance inspections were carried out to enhance compliance with State employment laws.



Regional employment

The Public Sector Directorate within the Labour Relations Division continued to monitor and review agency attraction and retention issues, working with agencies in responding to regional attraction and retention matters. The attraction and retention strategies implemented have resulted in recruitment of essential staff to maintain government priority services.

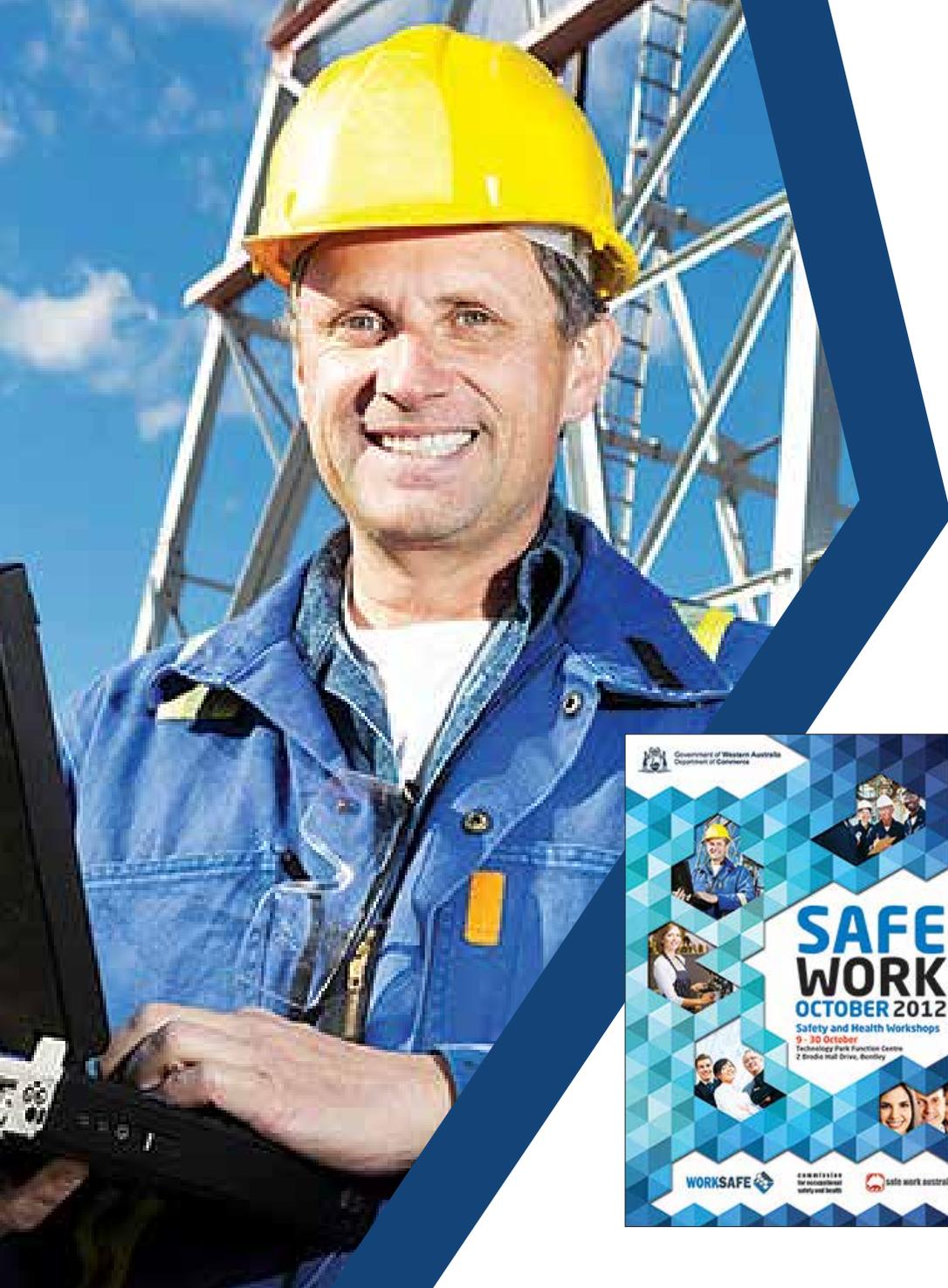
Employment law centre

The department put in place a three year funding agreement with the Employment Law Centre of WA (Inc.) that provides free, confidential employment law advice, education, advocacy and representation to vulnerable employees.

Case Study

In late 2012 Labour Relations Division held a division-wide lateral thinking workshop to explore new ways of working smarter in delivering services and business functions. A major outcome from the workshop was the development and subsequent introduction of the Labour Relations Innovation Forum. This program, first initiated in July 2012, has since become a pilot program for possible introduction to the whole department and is focussed on exploring new ways of enhancing business services, practices and the capabilities of its people. The program committee members at the time were (left to right) Emma Anthony, Damien Spivey, Emma Csaba, Stel Podias, Clare Moxey, Charlie Domville-Lewis, Sarah Haynes.





WorkSafe Division



About the division

The WorkSafe Division promotes safe and healthy workplaces in Western Australia by enforcing occupational safety and health laws, provides education and information about occupational safety and health matters to workers and employers and aims to improve workplace safety culture through industry and community awareness programs.

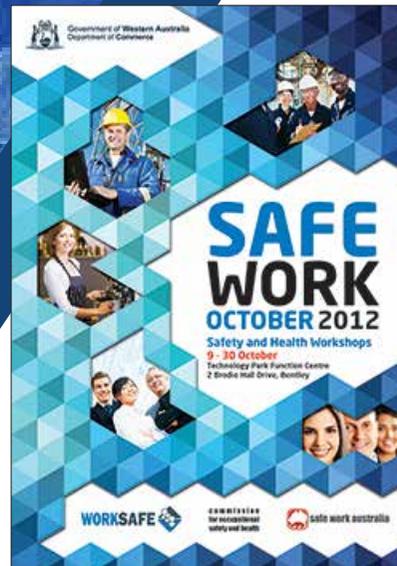
Highlights

Safe Work October

During Safe Work October 2012, 79 businesses registered with WorkSafe Division to take part in undertaking safety focussed activities. In addition, 709 participants attended workshops held at Technology Park, Bentley to learn more about practical occupational safety and health solutions, tools and strategies that they can apply in their workplace. These workshops provided an excellent opportunity for networking, sharing ideas and updating safety and health knowledge.

Education and information sessions

As part of a continuing educational program approach, the WorkSafe Division presented 29 free lunchtime information sessions to over 2,685 participants. These '4thought lunchtime sessions', were held at various locations and covered a range of occupational safety and health topics, giving participants information on workplace safety issues and providing an opportunity to discuss solutions. The division also conducted more than 51 information sessions at individual workplaces, attended by over 1400 participants, to support workplace risk management processes; and provided over 144 information sessions, attended by 2,723 participants, to safety and health representative training courses, industry associations, schools, TAFEs and other customers. In addition, there were 11 industry presentations concerning the proposed harmonised work health and safety laws.



Customer help centre

During the year, the WorkSafe Division responded to 114,521 requests for occupational safety and health information, received 2,081 notifications of injuries and disease, answered 9,304 emails to the Customer Help Centre, and efficiently issued over 68,000 classes of high risk work licences.

Proactive campaigns

During the year, the WorkSafe Division completed a number of key proactive team projects including those concerning the freight forwarding industry, independent supermarkets, building supplies retailing, hazardous substances, stress and bullying risk management systems, chemicals and plastics manufacturers, and laundry services (dry cleaners). There was also a key regional intervention campaign concerning agriculture and fishing in the mid-west of the State involving 48 inspections which resulted in 51 improvement notices and 2 prohibition notices. Risk management materials were distributed to workplaces to support these team projects.

Work-related injury and disease rates

According to the most recent preliminary workers' compensation claims data, work-related lost time injuries and diseases (LTI/Ds) in Western Australia recorded a 1.7 per cent reduction in frequency rate, from 9.39 LTI/Ds per one million hours worked in 2010-11 to 9.23 in 2011-12 (preliminary). The five-year trend (2007-08 to 2011-12) shows a 10.6 per cent reduction. The total rate of improvement for all work-related injuries and diseases since the *Occupational Safety and Health Act 1984* came into effect 24 years ago in 1988-89 is 73.8 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 2008-09 to 2012-13 is 14.0 traumatic work-related fatalities per one million workers. This is a 12.9 per cent reduction from a fatality incidence rate of 16.0 for the five year period of 2007-08 to 2011-12.

Table 6: Work-related fatalities between 2008-09 and 2012-13



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 2012-13, five platinum, four gold and three silver certificates were awarded.

The Work Safety Awards Western Australia recognises outstanding occupational safety and health management, solutions and innovation in Western Australian workplaces that reduce the risk of work-related injury and disease. The 2012 winners were Veolia Transport Perth Pty Ltd, Fremantle Ports, Sinclair Knight Merz and Balfour Beatty UGL, Daniel Smith and Mike Hayward.



ThinkSafe regional educational activities

The WorkSafe Division's educational activities included delivering free and independent occupational safety and health advice to small businesses in high risk industries in all regions of Western Australia. During the year 196 small businesses in regional areas received assistance.

New internet education products

During 2012-13 the WorkSafe Division revised the SafetyLine Institute and SmartMove online programs. The SafetyLine Institute was revised to provide updated material to help learners achieve competencies in the new national work health and safety qualifications, and a more user friendly online quiz system was introduced. SmartMove was revised to incorporate a Safety Passport program to assist young workers entering the workplace, and associated lesson plans and worksheets were published to assist educators.

Case Study

National Safe Work Australia Awards

Two of Western Australia's entries were highly commended at the annual national Safe Work Australia Awards ceremony. Veolia Transport Perth (Veolia) was highly commended for the company's safety and health system and Sinclair Knight Merz and Balfour Beatty UGL were highly commended for their solution which allows for the erection and assembly of towers without manhandling sections into position. The awards encourage best practice in occupational safety and health.



Industry, Science and Innovation Service

Desired agency level outcome: Enhancement of the State's economic sustainability and prosperity.

Industry, Science and Innovation Division

About the division

In 2012-13 the Industry, Science and Innovation Division enhanced the State's prosperity by promoting industry, science and innovation.

Highlights

Western Australia Integrated Marine Observing System

The Western Australia Integrated Marine Observing System (WAIMOS) is part of a national system of data gathering infrastructure and in 2012 it received \$10 million from the Commonwealth Government and \$6 million from the State Government to establish data gathering systems in the Kimberley and Pilbara regions. WAIMOS is providing the data streams needed to understand and model the role of the oceans in climate change, and predict seasonal climate variations to better understand and manage marine natural resources, coastal and offshore industries, safety at sea and marine tourism. The data provided through WAIMOS is used by the Western Australian Marine Science Institution (WAMSI) in delivering initiatives under the Kimberley Science and Conservation Strategy.

Case Study

Making our beaches safer

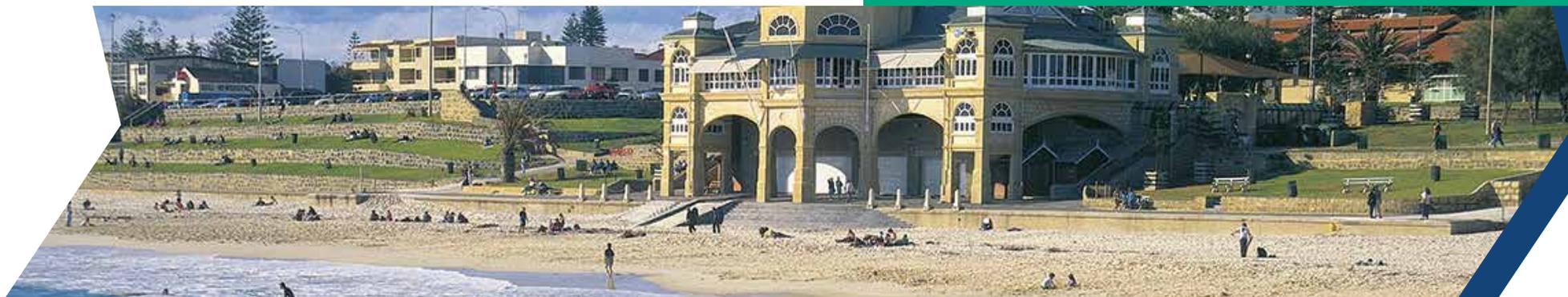
Western Australia's beaches are acknowledged as among the finest in the world. They are a key component of our relaxed lifestyle and a major attraction for locals, visitors and international tourists.

To ensure that they are kept safe for everyone to enjoy, the State Government has established the Shark Hazard Advisory Research Committee, chaired by the Chief Scientist of Western Australia. The Committee evaluates proposals under the Applied Research Program for research into means of mitigating the risk of shark attacks.

The Oceans Institute at the University of Western Australia will independently test and improve existing shark deterrents, as well as developing and testing potential deterrents such as bubble curtains, underwater sounds and strobe lights.

Curtin University's Centre for Marine Science and Technology will research the use of sonar imaging in shark detection.

Winthrop Professor Mohammed Bennamoun, a world expert in computer vision, image processing and artificial intelligence at the University of Western Australia, will develop computer algorithms for real-time analysis.





STATE
FUNDING OF
\$2.5
MILLION

The Western Australian Marine Science Institution

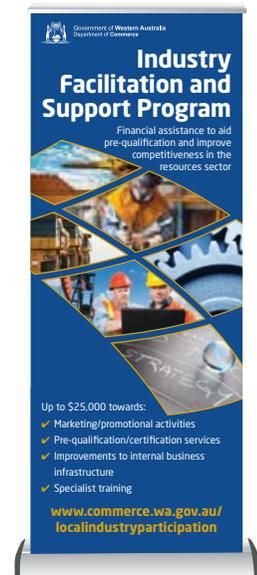
The State Government committed \$12 million to the Western Australian Marine Science Institution (WAMSI) to support marine initiatives for the Kimberley Science and Conservation Strategy. This has leveraged an additional \$18 million, bringing the total investment to \$30 million and involving over 130 scientists from 12 institutions, including a number of industry partners. The focus areas will be the new marine park areas from the northern Dampier Peninsula to Cape Londonderry. WAMSI contributes significantly to an increased understanding of Western Australian marine ecosystems by providing baseline data against which cumulative changes can be mapped. This data has been made public to support development and conservation decision making in coastal waters. WAMSI is also conducting a Dredging Science program to improve the protection of the Pilbara and Kimberley marine environments and reduce the regulatory compliance costs to industry.

Industry Facilitation and Support Program

Round one of the Industry Facilitation and Support Program (IFSP) assisted 120 Western Australia companies to upgrade their competitive capacity to supply to the resource sector in areas including capital equipment upgrade, business system improvements, training, accreditation and health and safety improvements. This represents a State funding commitment of \$2.5 million.

Of these 120 applicants, 46 projects have now been finalised with reported outcomes such as increased employment (126 full time equivalent staff and 10 apprentices), greater productivity and contracts valued at over \$88 million.

The division is also currently running a regional round of the IFSP utilising Royalties for Regions funding, with 18 successful applications from regional Western Australia. The division is also in advanced negotiation with Chevron regarding a jointly funded IFSP round to target Pilbara business.



Common use infrastructure to support industry in the Pilbara

Previously Cabinet approved \$5 million from the Royalties for Regions Program for the department to undertake detailed planning and feasibility studies for the establishment of a proposed Pilbara Fabrication and Services common use facility in the North West.

Four studies are now nearing completion, these are the: Market Demand Study; Feasibility Engineering and Design Study; Financial Viability Plan; and Economic Benefit Analysis. These studies will form the basis for a business case on the feasibility of the proposed facility which is due to be completed by the end of 2013.

Digital developments

During 2012-13 the Digital Economy branch promoted increased participation in the online world, across all regions of the State. This included the development of a draft Digital Economy Framework which has been tested with some 30 different organisations and Councils, to assist them in developing their own digital activity plans.

A series of high level digital round tables have also been organised to bring thought leaders from Government, Industry, Community and Academia together to explore ways that digital technology and the online world can be harnessed to improve the social and economic amenity across Western Australia. Recommendations and ideas that have emerged from these meetings are being fed into the overall digital economy framework to enhance the collective digital activity being considered by various councils and regional bodies across the State.

Measuring the benefits of the Government's science investments

The Industry, Science and Innovation Division has continued the online deployment of the new Investment Management Tool. The system provides a methodology aligned to internationally accepted norms, assisting applicants to clearly define the expected benefits of their project and a consistent way to measure actual benefits as the project proceeds by linking inputs to users to impacts. It also provides an objective and transparent basis for investment recommendations to government and delivers efficiency gains to the department.

Case Study

Clean Energy for the Future

Western Australian Company, Bombora Wavepower recently won the Clean Energy Generation Category at the first GE Australia and New Zealand Ecomagination Challenge Awards held in Sydney. Bombora was acknowledged for their Wave Energy Conversion Device (WECD), a cost effective technology that converts ocean swell into capital efficient, zero emissions energy. It is estimated that each device will be able to supply electricity to 500 homes, reducing carbon dioxide emissions by 3300 tonnes annually – the equivalent of taking 825 cars off the road.

The Industry, Science and Innovation Division recognised Bombora's early potential, sponsoring a representative from the company to attend the Curtin Growth Ignition Program. The program equips entrepreneurs and innovators with the tools, resources and motivation required to prepare their ideas for commercialisation. Ignition is funded by the State Government and delivered by the Curtin University Business School. Bombora Co-Director Mr Shawn Ryan noted the role of the State Government in fostering and nurturing the entrepreneurial spirit of Western Australians, in particular through the Innovation Centre of Western Australia (ICWA), at Technology Park Bentley.

"ICWA is certainly one place where we had our fair share of eureka moments," he said. "Once the spark of innovation has evolved and developed into an implementation phase, we see the ideal relationship with government change from that of fostering to facilitating the application of new technologies."

The Industry, Science and Innovation Division supports the growth of the burgeoning renewable energy sector in Western Australia, recognising that strong linkages between the State Government and innovators like Bombora are crucial for Western Australia's long term prosperity.



Corporate highlights

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.

Highlights

Windows operating system upgrade

The Department of Commerce used Windows XP as its' main operating system for end user computing. This version of the Windows operating system has been available to general industry since 2001 with a product "end of life" scheduled for 2014. As the XP product was nearing its end of life, a project was commissioned to replace Windows XP with Windows 7.

Following the completion of the project, the following outcomes were achieved:

- All divisions were successfully migrated to Windows 7.
- A total of over 1,200 machines were upgraded.
- All machines were upgraded to 4G ram.
- At least 350 machines were replaced.
- Over 100 applications were tested.
- Thousands of packages were delivered to the new environment using automated delivery tools.
- The deployment process was all completed within approximately 45 business days.

This work was successfully completed in October 2012 with all users transitioned to the new operating environment.

Office of Shared Services rollout program

The Office of Shared Services (OSS) rollout program was established early 2012 to decommission the Department of Commerce from the OSS. The program objective comprised the following:

- Migrating Finance/Procurement functions from OSS to Department of Commerce by implementing Oracle E- Business Suite (EBS) Applications Release 12.1.3.
- Migrating Payroll functions from OSS to Department of Commerce by implementing Hosting Services (SaaS) with Talent2.
- Migrating Human Resources functions from OSS to Department of Commerce by implementing Alesco HRIS Applications V13.

The program was completed successfully on time and under budget and both systems Oracle e-Business Suite R12.1.3 and Alesco HR/Payroll V13 were implemented in the respective production environments on the 3 and 6 December 2012 respectively. The program delivered the intended benefits and business outcomes outlined in the Benefits Realisation Management Plan including:

1. simple, easy to use business and system processes;
2. improved decision making due to easier access to quality data, information and processes;
3. increased self sufficiency of managers and staff to manage their own administrative responsibilities;
4. easy access to both on-line and personal support for dealing with queries and issues; and
5. compliance with all audit, legal and government requirements and obligations.

In early 2013, Phase Two of the program was initiated to implement a number of key business improvement deliverables to support ongoing strategies for Finance and HR functions.

WorkSafe compliance system upgrade

The second phase of WorkSafe Division's system upgrade program allowed for the introduction of new functionality to its' major investigative application. The system was enhanced with additional features designed to improve the quality of the data, streamline existing processes and reduce data duplication. The major improvements included:

- improved searching capabilities;
- reduced data duplication;
- the development of timely quarterly business plan reports;
- enhancing the entity checking functionality by integrating with the Australian Securities and Investments Commission, (ASIC) system/s;
- streamlining existing processes by introducing new forms;
- implementing the new harmonisation legislation requirements; and
- implementing changes to the ANZSIC structure.

This work was completed and successfully deployed in mid May 2013.

Labour Relations system developments

A new underpayment calculator was developed to provide Labour Relations Division inspectors with an accurate calculation method in accordance with the law to enable them to identify and rectify underpayments made by employers or to provide evidence for prosecution. The system reduces the hours spent on underpayment calculations and increases accuracy of underpayment calculations.

A new system was developed to provide improved complaint and investigation workflow functionality that is integral to Compliance Service's and Wageline's daily operations. It improves information capture, analysis and reporting and streamlines the operation.



Complaints and Licensing System

The Complaints and Licensing System (CALs) has undergone a technical upgrade to extend its lifespan and reduce risk to performance and availability. A project was undertaken to digitise CALs licence applications and thus reduce the need for physical paper and storage and improve efficiencies for retrieving this information. This functionality was first rolled out in June 2013.

Residential bonds system

A project was undertaken to replace the residential bonds administration system and technology platform prior to a legislative change that requires all bonds to be lodged with the department.

The project delivered the core bonds system, a scanning solution, workflow management functionality, an external portal for the property agents in Western Australia, integration to the Commonwealth Bank and the department's document management system, cash receipting system and the financial system.

Process improvements

Defect management is now controlled through a release management process that ensures each business unit is provided a window to address system issues. The new release schedule has been negotiated and agreed with key application stakeholders. The process was piloted with the Consumer Protection Division's Bond Administration area which has proven to be successful with the stabilisation of the system and resolution of most issues raised by the area. The release process also introduces a stricter testing framework which is now a standard requirement for all major applications and has assisted in making significant quality improvements.

Disaster Recovery Annual Report

In 2012, the department implemented and commissioned an off-site 'warm' Disaster Recovery (DR) data centre in response to the department's concern for risk associated with catastrophic disaster.

The implementation team have developed, documented and implemented the recovery of IT business services listed in the Corporate Executive endorsed Vital Business Functions document. In addition, recoverable IT

business services include Objective EDRMS, corporate email, Internet services and a means to handle incoming call-centre telephony.

The off-site DR facility represents a modest investment to mitigate the risk of statutory and reputation loss in the event of catastrophic disaster.

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.

Highlights

Corporate plan

The department finalised the development of a new Corporate Plan for 2013-2016. The plan provides a framework to guide the department's diverse operations and future directions. The plan, which will be released in early 2013-14, will assist the department identify and maintain a clear vision of its role, direction and values and position it to best meet new and continuing challenges over the next three years.

Connecting with customers

The Office of the Director General works with the department's divisions to deliver a range of educational and promotional products and services. During the year, the Online Services and Publications and Campaigns branches of the division assisted in many enterprising Commerce projects, with highlights listed below.

The department's online information services were revised and expanded to provide seamless integration with Commerce campaigns, events, surveys and newsletter services.

Key projects were undertaken during the year to enhance the access of the community to the department's online services, including the creation of the Clean Technology Renewable Energy Directory, the Safe Work October Register, the WA Innovator of the Year and WA Industry and Export Awards websites and the Work Safety Awards Online Registration system.

As part of the Customer Focused Service Delivery program, significant contributions were made to the identification and selection of a new corporate website content management solution, the review of the current corporate website, and development of new site guiding principles, design and architecture.

A fully refreshed, accessible, standards-compliant corporate website that will provide the community with access to expanded services and improved communications will be launched during the 2013-14 financial year.

The division also assisted in the department's delivery of a range of events including the Safety and Health Workshops 2012, Work Safety Awards breakfast 2012 and the Western Australian Consumer Protection Awards 2013 as well as its participation in a number of industry exhibitions including the Pregnancy, Babies & Children's Expo and the Fresh Start Home Show 2012.

During the year the division facilitated the distribution of over 330,000 hard copy publications to the public and industry explaining relevant legislation, offering opportunities fostering business, promoting safe practice at the home and workplace and providing information to both consumers and traders on their rights and obligations.

Public Sector Safety, Health and Injury Management Network

During 2012-13 the department facilitated two Public Sector Safety, Health and Injury Management Network sessions which were both well attended. The network sessions provide an important forum at which public sector occupational safety and health and injury management professionals can come together to exchange ideas and information on how to improve health and safety within their own workplaces. The Network is an initiative of the Public Sector Safety, Health and Injury Management Steering Committee, an across government body established to promote improved health, safety and injury management across the Western Australian public sector and coordinated by the department.



Our people

The department employs a diverse range of talented people who work together to deliver its broad range of services to the Western Australian public. As at 30 June 2013 the department employed 1,006 people which equated to 933 full time equivalent positions.

Table 7: Department's comparative employment profile (FTEs) for 2011-12 and 2012-13

Year	2011-12			2012-13		
	Female	Male	Total	Female	Male	Total
Permanent full time	353	370	723	380	383	763
Permanent part time	77	8	85	69	7	76
Fixed term full time	82	41	123	61	24	85
Fixed term part time	18	3	21	8	1	9
Total FTEs	530	422	952	518	415	933



Workforce planning

The focus of workforce planning activities during the year included the development of a Chief Executive Officer Dashboard Report, a review of leave usage and ongoing data improvement.

Chief Executive Officer Dashboard Report

A Chief Executive Officer Dashboard Report was developed and is being produced on a monthly basis. The report provides an overview of the department's performance over a range of key areas and provides information on performance that can be easily evaluated to identify risks, trends and areas for improvement. The report comprises the following three parts: benchmarks and targets, workload indicators and workforce demographics.

Review of leave usage

With the increased focus on the management of leave liability in the public sector, an extensive review of leave usage by staff during 2010-11 and 2011-12 was completed. The Leave Management Policy was updated and a Leave Management Guide was developed. The purpose of the guide is to clarify the responsibilities of all staff and assist supervisors and managers to manage the leave liability of their staff.

Data improvement

Data cleansing and efforts to improve workforce data continued during 2012-13, particularly with the return of payroll processing from Shared Services to the department in December 2012. A campaign to encourage all staff to update their equal employment opportunity (EEO) data was undertaken in May 2013.

Attraction and retention

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.

Valuing equity and diversity

The department acknowledges that there are 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 other responsibilities. Key equity and diversity activities undertaken during the year included the Springboard Women's Development Program, work placements for people from a culturally diverse background and the implementation of a career development program for women using parental leave.

Springboard Women's Development Program

The first Springboard Women's Development Program run by the department was conducted in house during 2011-12. Due to the success and high level of interest resulting from this first program, two additional programs were conducted during 2012-13. In total 38 women have participated in the Springboard Programs; 24 from the department and 14 from other departments. To provide ongoing development for participants, an Alumni of the program graduates has been established. The inaugural Springboard Alumni event was held in May 2013 and was opened by the Director General and included a guest speaker from Western Australia Police.

Work placements

The department partnered with the Central Institute of Technology and provided three work placements to highly skilled recently arrived migrants who were participating in the Settlement Language Pathways to Employment and Training (SLPET) program. SLPET is an employment focused course designed to assist students with their transition to work in Australia by providing the opportunity to undertake a work placement. Due to the high calibre of the students and the success of the placements, additional work placements will be offered in 2013-14.

Career development program for female staff using parental leave

The My Mentor Parental Leave Program was launched in 2012-13. Available to all female staff using parental leave, the program comprises a DVD, 2 CDs and a workbook. The program has been designed to support women to combine their career and motherhood and to assist in their return to work. The program



has been developed by Emberin, a Queensland company which has been working in the area of women's mentoring and gender diversity since 2005.

Skills West Expo

The department once again participated in the Skills West Expo which was held this year at the Perth Convention Exhibition Centre in August 2012. Participation at the careers expo is used as an opportunity to encourage employment of youth and people from culturally diverse backgrounds.

Aboriginal employment strategy

In 2008 the Council of Australian Government (COAG) committed to the Indigenous reform agenda, known as 'Closing the Gap', to improve the lives of Indigenous Australians. COAG agreed to six targets to address the disadvantages faced by Indigenous Australians in life expectancy, child mortality, education and employment. These targets are set out in the National Indigenous Reform Agreement (NIRA) which commits the Commonwealth, States and Territories to unprecedented levels of investment to Close the Gap in Indigenous disadvantage.

In 2009 the Indigenous Economic Participation National Partnership Agreement (IEP NP) was agreed upon at a COAG meeting. The IEP NP is designed to contribute to the COAG NIRA target of halving the gap in employment outcomes between Indigenous and non-Indigenous people within a decade.

There are four key elements of the IEP NP:

1. Creating real sustainable employment in areas of government services delivery that have previously relied on subsidisation.
2. Strengthening current government procurement policies to maximise Indigenous employment.
3. Incorporating Indigenous workforce strategies into all new major COAG reforms contributing to Closing the Gap.
4. Reviewing all public sector Indigenous employment and career development strategies to increase employment to reflect population share by 2015.

The Department of Aboriginal Affairs has responsibility for ensuring the Western Australian Government meets these commitments under the IEP NP Agreement. The Public Sector Commission is leading the development and implementation of the strategy to support element four of the Agreement and working in consultation with public sector agencies.

The Department of Commerce is committed to the employment and development of our Aboriginal employees. The department is currently developing and refining the *Aboriginal Employment Strategy 2012 – 2015* for implementation by August 2013. The *Aboriginal Employment Strategy* is important to Commerce and it will guide our actions over the next three years. It is the starting point to bring about organisational change required to provide meaningful steps to improve Aboriginal employment and make a real difference to the Aboriginal community. It will focus on long term sustainable employment opportunities and career pathways for Aboriginal people within the department. The department aim is to achieve an Aboriginal employment target of 3.2 per cent of our workforce by 2015 to increase and retain Aboriginal employees within the department.

Learning and development

A variety of workshops were conducted through the internal learning and development calendar. Workshop topics included written and interpersonal communications skills, indigenous cross cultural awareness and career development. A total of 38 workshops were conducted with 510 participants attending.

Three employees from Human Resources successfully completed the Public Sector Commission's Foundations of Government Human Resources Program and graduated with a Certificate IV in Human Resources.

My Money Matters site

To assist staff to improve their financial literacy a My Money Matters intranet site was developed. The site contains a wide variety of tools and resources. To support this initiative, the department partnered with the federal Department of Human Services Financial Information Service to conduct six information sessions on a range of topics which were attended by 91 staff.

Accountable and ethical decision making

Following the successful completion of the online Accountable and Ethical Decision Making (AEDM) training during 2011-2012 by 98 per cent of staff, this training now forms a key part of the induction process for all new staff. As of 30 June 2013, 95 per cent of all departmental staff had now completed the AEDM training and assessment, while an additional one per cent have commenced their training.

As the public sector workplace continues to grow in complexity and the roles and tasks being carried out within it become increasingly more diverse and challenging, the AEDM training supports staff in fulfilling their responsibilities as public sector 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 which meets every six weeks. The department also has an Occupational Safety and Health Committee - details of its activities are provided in the *Disclosures and Legal Compliance* (Government policy requirements) section of this report.

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, \$9,378.40 was raised and donated to nine charities: the Cancer Council, the Ride to Conquer Cancer, Breast Cancer Care WA, the Black Dog Institute, the St Vincent de Paul Christmas appeal, Red Cross Tasmanian Bushfires Appeal, a children's orphanage in India through Orphan Aid Australia, Multiple Sclerosis Society of WA, and SIDS and Kids Red Nose Day. In addition, individual employees also supported various community groups, animal welfare groups and charities such as



St Vincent De Paul by donating goods, food and their time for their Annual Christmas Appeal and helping in the phone room at Telethon 2012.

Workplace wellbeing

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 the department's monthly Wellbeing at Commerce magazine.

Key activities conducted through the wellbeing program included:

- exercise classes;
- healthy lifestyle programs;
- lunchtime educational talks;
- preventative health assessments (skin cancer checks and flu vaccinations); and
- participation in community fun runs and events.



Employee assistance program

The department's employee assistance program provides a range of personal and professional support services for all employees their immediate families. These include programs for the whole organisation as well as for specific situations such as traumatic workplace incidents and for individual short term counselling.

In addition to providing, at a personal level, solution-focused professional services, the employee assistance providers are also a resource for managers and team leaders to assist them effectively address challenging workplace issues.





Significant issues and trends

This section provides information on the current and emerging significant issues and trends impacting the department's operations, now and in the future.

Consumer Protection	54
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Consumer Protection

Housing and tenancy

Significant amendments to the *Residential Tenancies Act 1987* (the Act) are being implemented, affecting some 195,000 tenancy contracts. Key reforms include mandating the use of property condition reports and prescribed tenancy agreements, new residential tenancy databases protocols and limiting the amount agents can charge for option fees. Boarder and lodger tenancies are not covered by the Act. This area of tenancy has experienced growth linked to international students, the rise of the fly-in/fly-out workers and rising house rental charges. The Consumer Protection Division will consult about rights and obligations for both boarders and lodgers and those offering rooms for rent and develop policy options.

Retirement villages and residential parks

Important amendments to the *Retirement Villages Act 1999* were passed by Parliament in November 2012 and these amendments and associated regulations, combined with a new code of conduct for retirement villages, will be introduced in 2013-14. Work will commence on a second bill to complete the reforms. A statutory review of residential parks regulation will also be completed and policy options developed for government consideration. Residential parks include lifestyle villages as well as caravan parks offering long stay accommodation.

Associations and charities

Major amendments to modernise the *Associations Incorporation Act 1987* will be introduced to Parliament that will: tailor financial reporting requirements according to an association's revenue; introduce model rules that can be adopted or modified to guide the operation of associations; clarify the duties of office bearers; improve privacy for association members; and improve the investigation and intervention powers of the Commissioner. The amendments recognise that most associations are small and have been designed to assist the volunteers that run them. With the establishment of

the Commonwealth Australian Charities and Not-for-profits Commission (ACNC), the Consumer Protection Division is supporting Western Australian charities to understand their obligations under both State and Commonwealth laws and is contributing to national consultations to reduce the duplication of reporting requirements.

Licensing

Licensing of several industries is done by the Consumer Protection Division to safeguard consumers by ensuring that only suitable people are able to provide services and that services are provided fairly. Considerable work is occurring to make this regulation more efficient and less costly. Nationally discussion is occurring about National Occupational Licensing and deregulation of travel agents. At the state level, regulation of motor vehicle dealers and repairers is under review, fee deregulation is proposed for land valuers and settlement agents, property industry codes of conduct are being reviewed and licensing of strata managers is being considered. Administrative and legislative changes are also being introduced to reduce red tape.

International fraud

The Consumer Protection Division is collaborating with the police to examine sophisticated and systematic international fraud targeting Western Australians. A pilot program has identified approximately \$600,000 is being lost each month by victims transferring funds to a discreet number of foreign countries. Previously classed as scams, and operating at low levels across many victims, this sophisticated and targeted fraud is now aimed at securing significant funds from each victim. Many Western Australians are losing life savings, homes and superannuation funds. In conjunction with the Major Fraud Squad of the Western Australia Police, the Consumer Protection Division will be developing a range of tools and methods to disrupt and intercept these criminals.

Safety and Employment Protection and Construction Standards

EnergySafety Division

Amendments to *Energy Safety Act 2006*

The *Energy Safety Act 2006* is being amended to incorporate provisions for vegetation control near power lines and the new electrical equipment certification scheme to operate throughout Australia. The opportunity will be taken to rationalise the existing legislation to remove duplication and overlap and minimise red tape.

National Occupational Licensing System (NOLS)

Much preparatory work has been undertaken and will continue in 2013-14 across several licensing divisions of the department to enable smooth transition should Western Australia adopt the NOLS. There are likely to be significant resource and budgetary implications in the out-years if NOLS is implemented in the State.

Labour Relations Division

Public Sector Wages Policy

The Western Australian Government's Public Sector Wages Policy 2009, which commenced on 1 July 2009, has continued in operation throughout the 2012-2013 financial year. All agreements finalised during this period have provided pay increases within Wages Policy parameters and have been achieved with minimal industrial action, disputation and disruption to essential services.

Labour Relations Legislation Amendment and Repeal Bill 2012

The draft Labour Relations Legislation Amendment and Repeal Bill 2012 was tabled in Parliament in November 2012 as a Green Bill for the purposes of public consultation. The department has provided advice to the Government on stakeholder feedback, as well as possible amendments to the Green Bill. Once the Government has determined any

changes to the proposed legislation, the department will be responsible for progressing the changes in conjunction with Parliamentary Counsel. This will include seeking further Cabinet approvals and preparing the necessary parliamentary materials. The department will also be responsible for implementing any new legislation including developing necessary regulations and education material, assisting with the award modernisation process and providing additional compliance and educative services to private sector employees and employers.

WorkSafe Division

A local assessment and public consultation exercise by external consultants has been completed to analyse the possible impact of the model Work Health and Safety (WHS) regulations and first stage codes of practice on Western Australian workers, businesses, government and the economy. The completed assessment has been referred to the Minister to assist in Government decision making concerning the draft WHS Bill.

Industry, Science and Innovation

During the year the Industry, Science and Innovation Division continued to support the involvement of Western Australian based companies in resources projects through its implementation of the Western Australian Local Industry Participation Framework. As at 30 June 2013, the value of contracts awarded to local industry has reached over \$44 billion. The framework contributes to a level playing field for local suppliers gaining access to mineral and energy based contracts. It also assists Western Australian industry to increase its capacity to compete internationally, often against manufacturing regions that have lower cost structures.

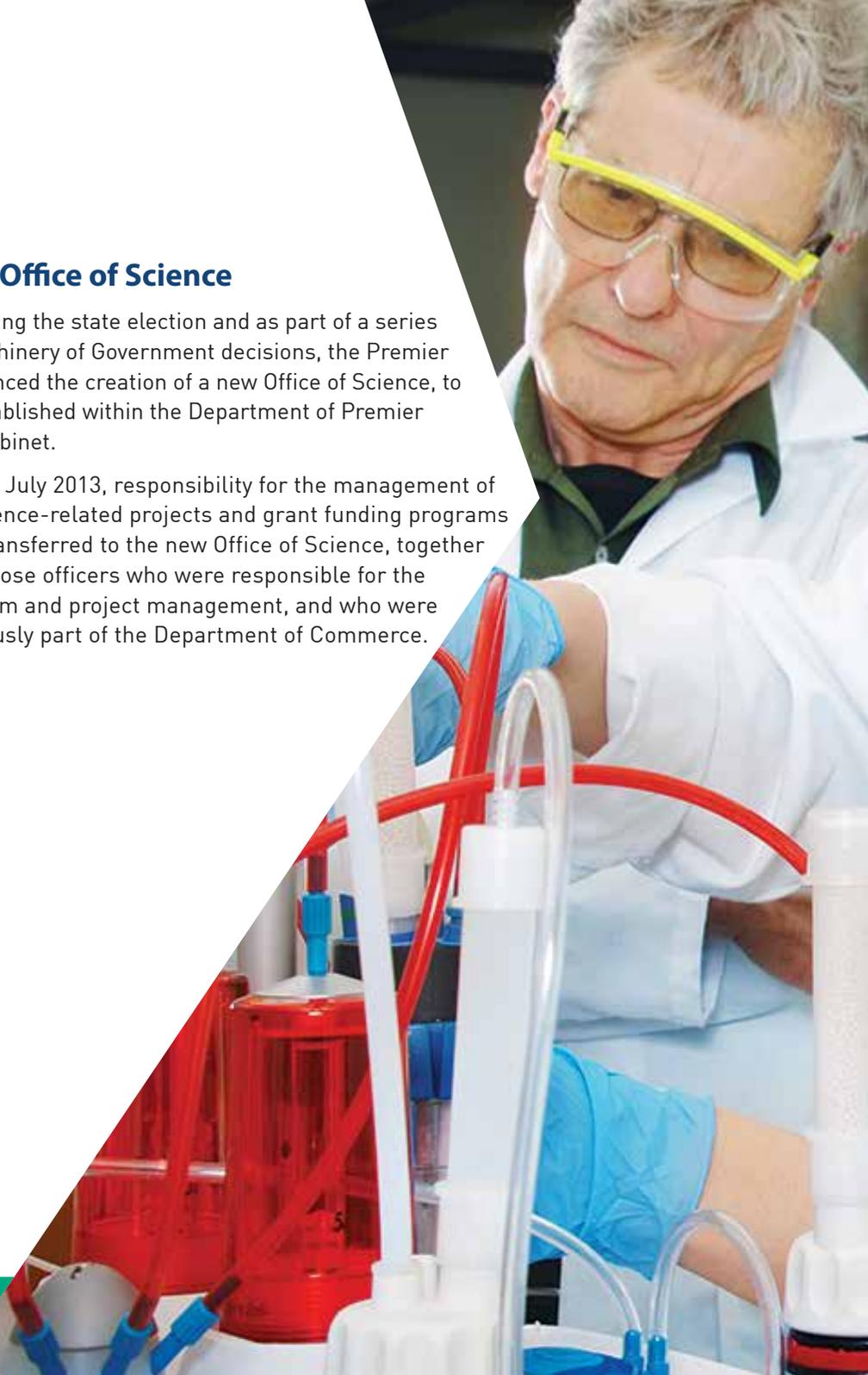
Western Australia's pristine coastal environment is one of the state's major natural assets. Scientific data on our marine ecosystems and a clear understanding of the role of the oceans will assist in managing our new marine park areas, the likely future impacts of climate change and the demands of coastal and offshore industries. The division has continued its support of the Western Australian Marine Science Institution (WAMSI) as part of contributing to the Kimberley Science and Conservation Strategy, and made public data that will support development and conservation decision making in coastal waters.

The division's support of the Western Australian Integrated Marine Observing System (WAIMOS) is resulting in the establishment of data gathering systems in the Kimberley and Pilbara regions. Information from the WAIMOS data streams will enable government to manage the strong demand and support for a proposed Pilbara Fabrication and Services Common Use Facility (PFSCUF) and maximise the economic development opportunities in the region, while safeguarding the marine natural resources.

New Office of Science

Following the state election and as part of a series of Machinery of Government decisions, the Premier announced the creation of a new Office of Science, to be established within the Department of Premier and Cabinet.

As of 1 July 2013, responsibility for the management of all science-related projects and grant funding programs was transferred to the new Office of Science, together with those officers who were responsible for the program and project management, and who were previously part of the Department of Commerce.





Disclosures and legal compliance

This section contains the department's audited Financial Statements and Key Performance Indicators for the year ending 30 June 2013.

The section also provides details on required disclosures and legal compliance obligations, including financial and performance management, accountability, governance and annual reporting required under specific legislation administered by the department.

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Audit Opinion

Independent Auditor's Report

To the Parliament of Western Australia

Department of Commerce

Report on the Financial Statements

I have audited the accounts and financial statements of the Department of Commerce.

The financial statements comprise the Statement of Financial Position as at 30 June 2013, 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, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

Director General's Responsibility for the Financial Statements

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 for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Director General, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Department of Commerce at 30 June 2013 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Department of Commerce during the year ended 30 June 2013.

Controls exercised by the Department of Commerce are those policies and procedures established by the Director General to ensure 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.

Director General's Responsibility for Controls

The Director General is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the controls exercised by the Department of Commerce based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Department complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the controls exercised by the Department of Commerce are sufficiently adequate to 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 during the year ended 30 June 2013.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Department of Commerce for the year ended 30 June 2013.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Director General's Responsibility for the Key Performance Indicators

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such controls as the Director General determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Director General's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the key performance indicators of the Department of Commerce are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2013.

Independence

In conducting this audit, I have complied with the independence requirements of the *Auditor General Act 2006* and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Department of Commerce for the year ended 30 June 2013 included on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



Colin Murphy
Auditor General
for Western Australia
Perth, Western Australia
18 September 2013



Financial Statements

Certification of Financial Statements for the year ended 30 June 2013

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 2013 and the financial position as at 30 June 2013.

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



David Goodwin
Chief Finance Officer
17 September 2013



Brian Bradley
Accountable Authority
17 September 2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	4	95,949	88,055
Supplies and services	5	44,548	40,405
Depreciation and amortisation expense	6	2,733	2,456
Finance costs	7	31	36
Accommodation expenses	8	15,112	14,706
Grants and subsidies	9	50,606	61,086
Revaluation decrements expense	14	389	8,819
Loss on disposal of non-current assets	15	-	79
Other expenses	10	382	85
Total cost of services		209,750	215,727
Income			
Revenue			
User charges and fees	11	53,338	38,843
Sales	11	38	53
Commonwealth grants and contributions	12	2,075	3,879
Other revenue	13	30,956	40,702
Total revenue		86,407	83,477
Gains			
Other gains	15a	204	-
Total gains		204	-
Total income other than income from State Government		86,611	83,477
NET COST OF SERVICES		123,139	132,250
INCOME FROM STATE GOVERNMENT		16	
Service appropriation		105,929	142,731
Initial recognition of assets not previously recognised		-	138,385
Services received free of charge		1,092	1,177
Royalties for Regions Fund		18,727	7,889
Total income from State Government		125,748	290,182
SURPLUS FOR THE PERIOD		2,608	157,932
OTHER COMPREHENSIVE INCOME		29	
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus		449	1,706
Total other comprehensive income		449	1,706
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,057	159,638

Refer to the 'Schedule of Income and Expenses by Service'.

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

Statement of Financial Position

As at 30 June 2013

	Note	2013 \$'000	2012 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	30	23,573	13,311
Restricted cash and cash equivalents	17	182,049	175,445
Receivables	18	11,668	19,797
Amounts receivable for services	19	2,200	3,234
Non-current assets classified as held for sale	21a	1,750	2,139
Other current assets	20	67	1,598
Total Current Assets		221,308	215,523
Non-Current Assets			
Restricted cash and cash equivalents	17	2,449	2,099
Receivables	18	9,529	9,335
Amounts receivable for services	19	5,789	6,746
Property, plant and equipment	21	40,424	40,782
Intangible assets	22	8,893	8,918
Total Non-Current Assets		67,084	67,881
TOTAL ASSETS		288,392	283,404
LIABILITIES			
Current Liabilities			
Payables	24	6,595	14,761
Unearned revenues	27	6,531	4,292
Provisions	26	22,399	20,638
Other current liabilities	28	3,497	1,381
Total Current Liabilities		39,022	41,071
Non-Current Liabilities			
Payables	24	782	1,010
Unearned revenues	27	8,640	5,420
Borrowings	25	771	771
Provisions	26	4,961	4,708
Total Non-Current Liabilities		15,154	11,909
TOTAL LIABILITIES		54,176	52,980
NET ASSETS		234,216	230,424
EQUITY			
Contributed equity	29	77,649	76,913
Reserves		5,962	5,513
Accumulated surplus		150,606	147,997
TOTAL EQUITY		234,216	230,424
TOTAL EQUITY & LIABILITY		288,392	283,404

Refer to the 'Schedule of Assets and Liabilities by Service'.

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

Statement of Changes in Equity

For the year ended 30 June 2013

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated surplus \$'000	Total equity \$'000
Balance at 1 July 2011	29	75,022	3,807	(9,935)	68,894
Surplus		-	-	157,932	157,932
Other Comprehensive income		-	1,706	-	1,706
Total comprehensive income for the period		-	1,706	157,932	159,638
Transactions with owners in their capacity as owners:					
Capital appropriations		1,888	-	-	1,888
Distribution to owners		3	-	-	3
Total		1,891	-	-	1,891
Balance at 30 June 2012		76,913	5,513	147,997	230,424
Balance at 1 July 2012		76,913	5,513	147,997	230,424
Surplus		-	-	2,608	2,608
Other Comprehensive income		-	449	-	449
Total comprehensive income for the period		-	449	2,608	3,057
Transactions with owners in their capacity as owners:					
Capital appropriations		2,956	-	-	2,956
Distribution to owners		(2,220)	-	-	(2,220)
Total		736	-	-	736
Balance at 30 June 2013		77,649	5,962	150,605	234,216

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

Statement of Cash Flows

For the year ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		105,720	141,508
Initial recognition of assets not previously recognised		-	138,385
Capital appropriations		2,956	1,888
Holding account drawdowns		2,200	3,234
Royalties for Regions Fund		18,727	7,889
Cash transferred from other State Government agency		-	3
Net cash provided by/(used in) State Government		129,603	292,907
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(93,936)	(85,017)
Supplies and services		(51,510)	(39,136)
Finance costs		(31)	(36)
Accommodation		(15,112)	(14,706)
Grants and subsidies		(50,606)	(63,862)
GST payments on purchases		(5,083)	(6,435)
Other payments		(382)	(85)
Receipts			
User charges and fees		69,296	36,631
Sale of goods and services		38	53
Commonwealth grants and contributions		2,075	3,879
GST receipts on sales		522	508
GST receipts from taxation authority		3,367	3,327
Other receipts		30,956	40,702
Net cash provided by/(used in) operating activities	30	(110,408)	(124,176)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(1,978)	(3,149)
Receipts			
Proceeds from sale of non-current physical assets		-	-
Net cash provided by/(used in) investing activities		(1,978)	(3,149)
Net increase in cash and cash equivalents		17,217	165,581
Cash and cash equivalents at the beginning of the period		190,854	25,273
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	30	208,071	190,854

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

Schedule of Income and Expenses by Service

For the year ended 30 June 2013

	Consumer Protection		Safety & Employment Protection and Construction Standards		Industry, Science and Innovation		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
COST OF SERVICES								
Expenses								
Employee benefits expenses	32,150	31,679	50,938	44,871	12,861	11,505	95,949	88,055
Supplies and services	12,836	11,542	26,577	24,671	5,135	4,192	44,548	40,405
Depreciation and amortisation expense	916	884	1,451	1,251	366	321	2,733	2,456
Finance costs	-	-	-	-	31	36	31	36
Accommodation expenses	5,063	5,291	8,023	7,494	2,026	1,921	15,112	14,706
Grants and subsidies	10,550	6,229	883	1,404	39,174	53,452	50,606	61,086
Revaluation decrement	-	-	-	-	389	8,819	389	8,819
Loss on disposal non current asset	-	29	-	40	-	10	-	79
Other expenses	128	32	203	43	51	11	382	85
Total cost of services	61,643	55,686	88,075	79,774	60,032	80,267	209,750	215,727
Income								
User Charges and Fees	23,234	19,789	28,289	17,212	1,815	1,842	53,338	38,843
Sales	17	26	20	24	1	3	38	53
Commonwealth grants and contributions	259	1,165	1,641	2,540	175	174	2,075	3,879
Other revenue	13,483	20,736	16,419	18,036	1,054	1,930	30,956	40,702
Other gains	-	-	-	-	204	-	204	-
Total income other than income from State Government	36,993	41,716	46,369	37,812	3,249	3,949	86,611	83,477
NET COST OF SERVICES	24,650	13,970	41,706	41,962	56,784	76,318	123,139	132,250
INCOME FROM STATE GOVERNMENT								
Service appropriation	21,205	15,078	35,877	45,287	48,847	82,366	105,929	142,731
Initial recognition of assets not previously recognised	-	138,385	-	-	-	-	-	138,385
Services received free of charge	246	208	524	540	322	429	1,092	1,177
Royalties for Regions Fund	-	7	154	22	18,573	7,860	18,727	7,889
Total income from State Government	21,451	153,679	36,554	45,849	67,742	90,655	125,748	290,182
SURPLUS/(DEFICIT) FOR THE PERIOD	(3,200)	139,709	(5,151)	3,887	10,959	14,337	2,608	157,932

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

Schedule of Assets and Liabilities by Service

As at 30 June 2013

	Consumer Protection		Safety & Employment Protection and Construction Standards		Industry, Science and Innovation		General - Not Attributed		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Assets										
Current assets	170,328	169,371	25,479	23,699	9,069	2,501	16,433	19,952	221,308	215,523
Non-current assets	3,342	8,824	4,776	8,039	47,396	45,654	11,570	5,364	67,084	67,881
Total assets	173,670	178,194	30,255	31,738	56,465	48,155	28,003	25,315	288,392	283,404
Liabilities										
Current liabilities	11,381	11,376	18,024	16,855	8,702	3,641	916	9,199	39,022	41,071
Non-current liabilities	3,540	4,299	9,029	6,042	2,181	1,262	404	307	15,154	11,909
Total liabilities	14,921	15,675	27,053	22,897	10,883	4,903	1,320	9,506	54,176	52,980
NET ASSETS	158,749	162,519	3,203	8,841	45,582	43,253	26,683	15,809	234,216	230,424



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.

Summary of Consolidated Account Appropriations and Income Estimates

For the year ended 30 June 2013

	2013 Estimate	2013 Actual	Variance	2013 Actual	2012 Actual	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
DELIVERY OF SERVICES						
Item 64 Net amount appropriated to deliver services	111,395	105,033	(6,362)	105,033	141,985	(36,952)
Section 25 transfer of service appropriation Amount Authorised by Other Statutes - <i>Salaries and Allowances Act 1975</i>	768	896	128	896	746	150
Total appropriations provided to deliver services	112,163	105,929	(6,234)	105,929	142,731	(36,802)
CAPITAL						
Item 138 Capital Appropriation	1,000	2,956	1,956	2,956	1,888	1,068
Section 25 transfer of capital appropriation						
Total capital appropriations	1,000	2,956	1,956	2,956	1,888	1,068
GRAND TOTAL	113,163	108,885	(4,278)	108,885	144,619	(35,734)
Details of Expenses by Service						
Consumer Protection	59,306	61,643	2,337	61,643	55,686	5,957
Safety & Employment Protection & Construction Standards	86,437	88,075	1,638	88,075	79,774	8,301
Industry, Science & Innovation	70,611	60,032	(10,579)	60,032	80,267	(20,235)
Total Cost of Services	216,354	209,750	(6,604)	209,750	215,727	(5,977)
Less Total Income	(81,287)	(86,611)	(5,324)	(86,611)	(83,477)	(3,134)
Net Cost of Services	135,067	123,139	(11,928)	123,139	132,250	(9,111)
Adjustments (a)	(22,904)	(17,210)	5,694	(17,210)	10,481	(27,691)
Total appropriations provided to deliver services	112,163	105,929	(6,234)	105,929	142,731	(36,802)
Capital Expenditure						
Purchase of non-current physical assets	4,861	1,978	(2,883)	1,978	3,149	(1,171)
Capital appropriations	4,861	1,978	(2,883)	1,978	3,149	(1,171)
Details of Income Estimates						
Income disclosed as Administered Income	9,729	14,381	4,652	14,381	23,494	(9,113)
Total income estimates	9,729	14,381	4,652	14,381	23,494	(9,113)

(a) 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 2013 and between the actual results for 2012 and 2013.

Notes to the Financial Statements

For the year ended 30 June 2013

1. Australian Accounting Standards

General

The Department's financial statements for the year ended 30 June 2013 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes 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*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Department for the annual reporting period ended 30 June 2013.

2. Summary of significant accounting policies

(a) General Statement

The Department is a not-for profit reporting entity that prepares general purpose financial statements in accordance with 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 instruction to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions impose legislative provisions that govern 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 had 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, except for 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).

Note 2(w) 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Department's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 2(x) 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting Entity

The reporting entity comprises the Department of Commerce.

Mission

The Department's mission is 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.

Notes to the Financial Statements

For the year ended 30 June 2013

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 & Employment Protection and Construction Standards

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

Service 3: Industry, Science & Innovation

Enhances the State's prosperity by promoting industry, science and innovation. Services include supporting the Technology and Industry Advisory Council (TIAC) with policy development advice, supporting industry development through innovation and commercialisation, and managing industry 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 43 'Disclosures of Administered Income and Expenses – by Service' and note 44 '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 T1 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 recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

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

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service appropriations

Service Appropriations are recognised as revenues at fair 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 information.

Notes to the Financial Statements

For the year ended 30 June 2013

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 2012-2013 Budget Statements, the Department retained \$86.407 million in 2013 (\$83.477 million in 2012) from the following:

- Proceeds from fees and charges.
- Sale of goods.
- Commonwealth specific purpose grants and contributions.
- Other departmental revenue.

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, 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.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Department obtains control over the funds. The Department obtains control of the funds at the time the funds are deposited into the Department's bank account.

Gains

Realised or unrealised gains 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 Costs

All borrowing costs are expensed when incurred.

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 directly 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 the 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 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

Notes to the Financial Statements

For the year ended 30 June 2013

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.

When 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, ie 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 annually 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.

De-recognition

Upon disposal or de-recognition 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'.

However, a net revaluation movement in respect of a class of assets in property, plant and equipment is recognised in the "Result for the period" to the extent that it reverses a net revaluation decrement of the same class of assets previously expensed in the "Result for the period". Also, a net revaluation decrement, in respect of a class of assets, is expensed in the "Result for the period" to the extent that there is no credit balance in the asset revaluation surplus for that same class of assets.

Depreciation

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

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

Class of Asset	Years
Buildings	40
Property Infrastructure	5 to 15
Computer hardware	3
Computer software ^(a)	3
Furniture and fittings	10
Office equipment	5
Motor vehicles	5
Plant & Machinery	10

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

Notes to the Financial Statements

For the year ended 30 June 2013

(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 which is reviewed annually) on the straight-line basis. 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.

The expected useful lives for intangible software assets are:

Internally developed systems	5-8 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. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit and loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. 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

Notes to the Financial Statements

For the year ended 30 June 2013

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.

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

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 holds one non-current assets classified as held for sale during the year.

(k) Leases

The Department does not have any finance leases.

The Department holds operating leases for head office and a number of branch office accommodations. 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
- W.A. 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.

Notes to the Financial Statements

For the year ended 30 June 2013

(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 pay days 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 (Holding Account)'.

(p) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (ie 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 2(l) 'Financial Instruments' and 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

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including

Notes to the Financial Statements

For the year ended 30 June 2013

non-salary components such as employer superannuation contributions, as well as 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.

The provision for annual leave is classified as a current liability as the Department does not have an unconditional right to the defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

The liability for 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 liability is settled.

Long service leave not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as 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.

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. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Deferred leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public section employees vary according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme

Notes to the Financial Statements

For the year ended 30 June 2013

(GSS), a defined benefit lump sum scheme closed to new members since 1995.

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

The Department has no liabilities under the Pension or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable 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.

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). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Department makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Department's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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 WSS, the GESBS or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(t) Assets and Services received free of charge or for nominal cost

Assets and services received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the Department would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position. Assets or services received from other State Government agencies 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.

Notes to the Financial Statements

For the year ended 30 June 2013

(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 a waiver of the loan is recognised for the conversion of the loans to grants at the time of conversion.

(w) Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The department evaluates these judgements regularly.

Operating lease commitments

The Department holds operating leases for head office and a number of branch office accommodations. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Hence, these leases have been classified as operating leases.

(x) Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave

Several estimations and assumptions used in calculating the Department's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

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 2012 that impacted on the Department.

AASB 2011-9	<i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</i>
	This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially re classifiable to profit or loss subsequently (reclassification adjustments). There is no financial impact.

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.

Notes to the Financial Statements

For the year ended 30 June 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 9 Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing number of changes to accounting treatments.</p> <p>AASB 2012-6 <i>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures</i> amended the mandatory application date of this Standard to 1 January 2015. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2015
<p><i>AASB 10 Consolidated Financial Statements</i></p> <p>This Standard supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> and Int 112 <i>Consolidation – Special Purpose Entities</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10 <i>Amendments to Australian Accounting Standards – Transition guidance and Other Amendments</i>. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2014
<p><i>AASB 11 Joint Arrangements</i></p> <p>This Standard supersedes AASB 131 <i>Interests in Joint Ventures</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2014

Title	Operative for reporting periods beginning on/after
<p><i>AASB 12 Disclosure of Interests in Other Entities</i></p> <p>This Standard supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> and AASB 131 <i>Interests in Joint Ventures</i>.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2014
<p><i>AASB 13 Fair Value Measurement</i></p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.</p>	1 Jan 2013
<p><i>AASB 119 Employees Benefits</i></p> <p>This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements.</p> <p>The Department does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the undiscounted amounts.</p>	1 Jan 2013
<p><i>AASB 127 Separate Financial Statements</i></p> <p>This Standard supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2014

Notes to the Financial Statements

For the year ended 30 June 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 128 Investments in Associates and Joint Ventures</i></p> <p>This Standard supersedes AASB 128 <i>Investments in Associates</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2014
<p><i>AASB 1053 Application of Tiers of Australian Accounting Standards</i></p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 1055 Budgetary Reporting</i></p> <p>This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the GGS. The Department will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.</p>	1 Jul 2014

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</i></p> <p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>AASB 2012-6 amended the mandatory application date of this Standard to 1 January 2015. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2015

Notes to the Financial Statements

For the year ended 30 June 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i></p> <p>This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</i></p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p>	1 Jul 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]</i></p> <p>This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i>. For not-for-profit entities it applies to annual reporting periods beginning on or after 1 January 2014. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
<p><i>AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i></p> <p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.</p>	1 Jan 2013
<p><i>AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 [September 2011] [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</i></p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is limited financial impact.</p>	1 Jan 2013

Notes to the Financial Statements

For the year ended 30 June 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i></p> <p>This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 2012-1 Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</i></p> <p>This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</i></p> <p>This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity’s financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position. There is no financial impact.</p>	1 Jan 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]</i></p> <p>This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.</p>	1 Jan 2014
<p><i>AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</i></p> <p>This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.</p>	1 Jan 2013
<p><i>AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</i></p> <p>This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015. Further amendments are also made to consequential amendments arising from AASB 9 that will now apply from 1 January 2015 and to consequential amendments arising out of the Standards that will still apply from 1 January 2013. There is no financial impact.</p>	1 Jan 2013

Notes to the Financial Statements

For the year ended 30 June 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]</i></p> <p>This Standard adds to or amends the Australian Accounting Standards to provide further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general financial statement. There is no financial impact.</p>	1 Jul 2013
<p><i>AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049, & 2011-7 and Int 12]</i></p> <p>This Standard makes amendments to AASB 10 and related Standards to revise the transition guidance relevant to the initial application of those Standards, and to clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.</p> <p>The Standard was issued in December 2012. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013

Title	Operative for reporting periods beginning on/after
<p><i>AASB 2012-11 Amendments to Australian Accounting Standards - Reduced Disclosure Requirements and Other Amendments [AASB 1, 2, 8, 10, 107, 128, 133, 134 & 2011-4]</i></p> <p>This Standard makes various editorial corrections to Australian Accounting Standards – Reduced Disclosure Requirements (Tier 2). These corrections ensure that the Standards reflect decisions of the AASB regarding the Tier 2 requirements.</p> <p>This Standard also extends the relief from consolidation and the equity method (in the new Consolidation and Joint Arrangements Standards) to entities complying with Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p>	1 Jul 2013

Changes in Accounting Estimates

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

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
4. Employee benefits expense		
Wages and salaries (a)	75,653	67,534
Superannuation - defined contribution plans (b)	8,151	7,800
Long service leave	3,094	3,261
Annual leave	6,905	7,080
Other related expenses	2,146	2,380
	95,949	88,055

(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, GESB and other eligible funds.

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	1,249	1,405
Consultants and contractors	29,305	25,592
Consumables	4,325	4,142
Materials	1,788	1,545
Insurance	882	593
Motor vehicles	1,397	1,688
Maintenance	506	522
Travel	782	946
Other	4,315	3,972
	44,548	40,405

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
6. Depreciation and amortisation expense		
Depreciation		
Computer Hardware and Communications	402	430
Furniture and Fittings	703	824
Office Equipment	79	87
Buildings	122	105
Plant & Machinery	1	-
Total Depreciation	1,307	1,446
Amortisation		
Intangible assets	1,426	1,010
Total amortisation	1,426	1,010
Total depreciation and amortisation	2,733	2,456
7. Finance costs		
Interest expense	31	36
	31	36
8. Accommodation expenses		
Lease rentals	13,826	13,941
Repairs and maintenance	524	125
Cleaning	340	253
Services received free of charge	422	387
	15,112	14,706
9. Grants and subsidies		
Recurrent		
FarmSafe WA	70	70
Asbestos Diseases Society	100	100
Employment Law Centre	356	207
Science and Innovation	39,174	53,453
Property Industry Grants	10,509	6,229
Building Commission	357	1,027
Miscellaneous - contributions to Commonwealth	41	-
	50,606	61,086

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
10. Other expenses		
Other expenses (a)	382	85
Total other expenses	382	85

(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.

11. User charges and fees & sales		
User charges and fees	53,338	38,843
Sales	38	53
The user charges and fees arise from the department's services in the following areas:		
Rental Accommodation Account	11,099	4,890
Business Names	1	851
Register of Encumbered Vehicles	-	639
WorkSafe	7,787	6,749
Energy Safety	11,512	11,119
Motor Vehicle Repairers	1,446	2,088
Consumer Protection	1,632	1,411
Building Commission	19,721	11,023
Other	139	72
Total User Charges and Fees	53,338	38,843
Sales		
Sales - general	16	27
Sales - publications	23	26
Total Sales	38	53

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
12. Commonwealth grants and contributions		
Commonwealth funding received during the year	2,075	3,879
	2,075	3,879
Commonwealth funding received and (expenditure incurred):		
National Partnership Program - Coalition of Australian Governments (COAG) Reforms - Funding	768	2,474
Expenditure	(1,334)	(1,174)
Implementation Fair Work System - Funding	100	282
Expenditure	(156)	(282)
Industry, Science & Innovation - Funding	157	133
Expenditure	(157)	(133)
Safe Work Australia - Funding	1,050	990
Expenditure	(1,003)	(959)
13. Other revenue		
Miscellaneous revenue for various recoups, contributions, interest, refunds etc.	30,956	40,702
	30,956	40,702
Other revenue main comprises of revenue received from:		
Agents Trust Account income	16,346	20,198
Interest received	5,121	6,843
Gas Rectification	3,800	9,118
14. Revaluation decrements		
Revaluation decrements	389	8,819
	389	8,819

The 2013 amount represents the revaluation of the premises being held for sale and the 2012 amount results from the asset revaluation of building assets transferred from Work in Progress.

15. Net gain/(loss) on disposal of non-current assets		
Costs of Disposal of Non-Current Assets		
Buildings	-	104
	-	104
Proceeds from Disposal of Non-Current Assets		
Buildings	-	25
	-	25
Net gain/(loss)	-	(79)

See also Note 21 'Property, plant and equipment'.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$'000	2012 \$'000
15a. Other gains		
Revaluation gain - buildings	204	-
	<u>204</u>	<u>-</u>
The 2012-13 gain represent a revaluation increase to buildings (excl buildings held for sale), being offset against a revaluation decrease in 2011-12 of \$8,819,000 (AASB116.Aus39.1)		
16. Income from State Government		
Appropriation received during the year:		
Service appropriations (a)	105,929	142,731
	<u>105,929</u>	<u>142,731</u>
Initial recognition of assets in 2012/13: NIL (2011/12: \$138,385m)		
Contribution - former Builders Registration Board	-	137
Contribution - former Painters Registration Board	-	289
Contribution - former Real Estate & Business Agents Board	-	88,029
Contribution - former Settlement Agents Supervisory Board	-	49,930
	<u>-</u>	<u>138,385</u>
Services received free of charge from other State government agencies during the period: (b)		
Department of Finance - Building Management and Works	422	387
State Solicitor's Office	453	597
Department of Finance (Procurement)	203	193
Western Australian Land Information Authority (Landgate)	14	-
	<u>1,092</u>	<u>1,177</u>
Royalties for Regions Fund: (c)		
Regional Community Services Account	727	78
Regional Infrastructure and Headworks Account	18,000	7,811
	<u>18,727</u>	<u>7,889</u>
	<u>125,748</u>	<u>290,182</u>

(a) Service appropriations fund the net cost of services delivered. 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 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 adjustments directly to equity.

(c) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
17. Restricted cash and cash equivalents		
Current (a)		
Consumer Credit Act (WA)	140	353
Departmental Receipts in Suspense	405	415
SafetyLine Institute	580	745
Indian Ocean Territories - Commonwealth Government	99	142
Motor Vehicle Repairers (MVR) Industry Education and Research Account	64	54
Motor Vehicle Repairers (MVR) Industry Compensation Account	68	54
Co-operatives Companies Liquidation	11	10
Energy Safety	12,525	12,295
Gas Producers Contribution Account	1,145	3,514
Real Estate - Education and General Purpose Account	33,826	34,967
Real Estate - Fidelity Guarantee Account	43,446	43,764
Real Estate - Home Buyers Assistance Account	14,294	14,967
Real Estate and Business Agents Supervisory Board Trust Account	227	219
Settlement Agents - Education and General Purpose Account	21,862	20,449
Settlements Agents - Fidelity Guarantee Account	35,715	33,539
Building Services Account	6,986	5,809
	171,393	171,296
Royalties for Regions Fund	7,122	214
	7,122	214
Commonwealth funding	3,534	3,935
	3,534	3,935
Total current	182,049	175,445
Non-Current		
Accrued salaries suspense account (b)	2,449	2,099
Total Non-current	2,449	2,099
Total restricted cash and cash equivalents	184,498	177,544

(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.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
18. Receivables		
Current		
Trade debtors	1,077	4,651 (b)
Allowance for impairment of receivables	(11)	(11)
GST receivables	1,716	3,780 (b)
Accrued Income	8,472	11,032
Sub total current	11,254	19,451
Loans receivables (a)	415	346
Total current	11,668	19,797
Non Current		
Loans receivables (a)	9,529	9,335
Total non current	9,529	9,335
Total receivables	21,197	29,132

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

(b) Trade Debtors for 2012 has been restated to include GST; GST Receivables for 2012 has also been restated to include GST associated with Trade Debtors and Accrued Expenses.

Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of period	11	11
Doubtful debts expense	-	-
Amounts written off during the period	-	-
Amount recovered during the period	-	-
Balance at the end of the period	11	11

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

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
19. Amounts receivable for services (Holding Account)		
Current	2,200	3,234
Non-Current	5,789	6,746
Total amounts receivable for services	7,989	9,980

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		
Current		
Prepayments	-	1,590
Miscellaneous assets such as credit card and travel clearing accounts etc.	67	8
	67	1,598

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
21. Property, plant and equipment		
Land (a)		
At fair value	31,062	30,820
	31,062	30,820
Buildings (a)		
At fair value	4,681	4,599
	4,681	4,599
Plant & Machinery		
At cost	18	-
Accumulated depreciation	(1)	-
	17	-
Fixed Asset under Construction		
Construction costs	67	-
	67	-
Computer hardware and Communications		
At cost	4,348	4,101
Accumulated depreciation	(3,646)	(3,366)
	702	735
Furniture and fittings		
At cost	9,626	9,626
Accumulated depreciation	(5,945)	(5,241)
	3,681	4,385
Office equipment		
At cost	888	839
Accumulated depreciation	(675)	(596)
	213	243
Total		
At cost/fair value	50,690	49,985
Accumulated depreciation	(10,266)	(9,203)
Total Property, plant and equipment	40,424	40,782

(a) Land and buildings were revalued as at 1 July 2012 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2013 and recognised at 30 June 2013. In undertaking the revaluation, fair value was determined by reference to market values, where appropriate, or depreciated replacement cost basis (land \$31,061,934; buildings \$4,681,164). See note 2(g) 'Property, plant and equipment'

Notes to the Financial Statements

For the year ended 30 June 2013

		2013	2012
		\$'000	\$'000
21.	Property, plant and equipment (cont.)		
	Reconciliations		
	Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.		
	Land		
	Carrying amount at start of period	30,820	19,537
	Addition	-	9,577
	Revaluation	448	1,706
	Transfer to other entities (a)	(206)	-
	Carrying amount at end of period	31,062	30,820
	Buildings		
	Carrying amount at start of period	4,599	3,120
	Addition	-	10,402
	Revaluation	204	(8,819)
	Depreciation	(122)	(105)
	Carrying amount at end of period	4,681	4,599
	Plant & Machinery		
	Carrying amount at start of period	-	6
	Addition	18	-
	Disposal	-	(6)
	Depreciation	(1)	-
	Carrying amount at end of period	17	-
	Fixed Assets under Construction		
	Carrying amount at start of period	-	20,246
	Additions	67	-
	Disposal	-	(20,246)
	Carrying amount at end of period	67	-
	Computer hardware and Communications		
	Carrying amount at start of period	735	786
	Additions	369	379
	Depreciation	(402)	(430)
	Carrying amount at end of period	702	735

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
21. Property, plant and equipment (cont.)		
Reconciliations		
Furniture and fittings		
Carrying amount at start of period	4,385	5,093
Additions	-	177
Disposals	-	(62)
Depreciation	(703)	(823)
Carrying amount at end of period	3,681	4,385
Office equipment		
Carrying amount at start of period	243	136
Additions	49	199
Disposals	-	(5)
Depreciation	(79)	(87)
Carrying amount at end of period	213	243
Total - Property, plant and equipment		
Carrying amount at start of period	40,782	48,924
Additions	503	20,734
Disposals	-	(20,319)
Revaluation	652	(7,112)
Transfer to other entities (a)	(206)	-
Depreciation	(1,307)	(1,445)
Carrying amount at end of period	40,424	40,782

(a) Transfer of land to the Department of Regional Development and Lands

21a. Non current assets classified as held for sale (Buildings)		
Buildings	2,139	2,139
Less write-down from cost to fair value less selling costs (a)	(389)	-
	1,750	2,139

(a) Disclosed as Revaluation Decrement (Note 14).

The amount represents the value of Units 4-6 at 18 Harvest Terrace following the transfer of the Builders' Registration Board to the Department on 29 August 2011. The units are surplus to the Department's requirements and are being disposed by way of the Department of Regional Development and Lands by the Property Asset Clearing House. Due to the fluctuation in the property market, the market value has reduced.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
22. Intangible assets		
Computer software		
At cost	11,114	7,097
Accumulated amortisation	(3,295)	(2,107)
	7,818	4,990
Software development in progress		
At cost	1,075	3,928
	1,075	3,928
Total		
At cost	12,188	11,025
Accumulated amortisation	(3,295)	(2,107)
Total Intangible assets	8,893	8,918
Reconciliations		
Computer software		
Carrying amount at start of period	4,990	4,031
Additions	-	91
Transfer - completed software	4,254	1,878
Amortisation expense	(1,426)	(1,010)
Carrying amount at end of period	7,818	4,990
Software development in progress		
Carrying amount at start of period	3,928	3,163
Additions	1,475	2,643
Transfer - completed software	(4,254)	(1,878)
Reclassification	(74)	-
Carrying amount at end of period	1,075	3,928
Total - Intangibles assets		
Carrying amount at start of period	8,918	7,194
Additions	1,475	2,734
Reclassification	(74)	-
Amortisation	(1,426)	(1,010)
Carrying amount at end of period	8,893	8,918

Notes to the Financial Statements

For the year ended 30 June 2013

23. Impairment of assets

There were no indications of impairment of property, plant and equipment and intangible assets as at 30 June 2013. The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period, there were no intangible assets not yet available for use. All surplus assets as at 30 June 2013 have either been classified as assets held for sale or written off.

	2013	2012
	\$'000	\$'000
24. Payables		
Current		
Trade payables	1,814	2,748
Accrued expenses	2,340	10,213 (c)
Accrued salaries (a)	2,441	1,800
	6,595	14,761
Non-current (b)		
Trust Account - Consumer Credit Act (WA)	140	353
Trust Account - Sundry trust monies	405	415
Trust Account - Building Services Dispute Remedy Orders	-	11
Trust Account - Real Estate and Business Agents Supervisory Board	226	219
Co-operatives - Companies Liquidation account	11	10
	782	1,010

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

(a) Amount owing for 2013, 6 working days \$2,440,683, as last pay falls on 20 June 2013. Amount owing for 2012 was \$1,800,028. 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 the nature of these payables.

(c) Accrued Expenses for 2012 has been restated to include GST.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
25. Borrowings		
Non-current		
WA LandCorp (Enterprise Units Development Agreement)	771	771
	771	771

Amount of loan facility owed by the Department of Commerce to LandCorp as at 30 June 2013.

26. Provisions		
Current		
<i>Employee benefits provision</i>		
Annual leave (a)	8,213	8,163
Long service leave (b)	13,671	12,268
Deferred salary scheme (c)	176	108
Purchased leave (d)	188	-
<i>Other provisions</i>		
Employment on-costs (e)	151	99
Total current provisions	22,399	20,638
Non-current		
<i>Employee benefits provision</i>		
Long service leave (b)	4,927	4,685
<i>Other provisions</i>		
Employment on-costs (e)	34	23
Total non-current provisions	4,961	4,708

(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	5,781	5,257
More than 12 months after the reporting period	2,432	2,906
	8,213	8,163

(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 end of 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	5,347	4,968
More than 12 months after the reporting period	13,251	11,985
	18,598	16,953

Notes to the Financial Statements

For the year ended 30 June 2013

(c) Deferred salary scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

	2013	2012
	\$'000	\$'000
Within 12 months of the end of the reporting period	-	-
More than 12 months after the reporting period	176	108
	176	108

(d) Purchased leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	188	-
More than 12 months after the reporting period	-	-
	188	-

(e) 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.

Movements in Other Provisions

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

Employment on-cost provision		
Carrying amount at start of period	122	86
Additional/(reversals of) provisions recognised	63	36
Carrying amount at end of period	185	122
27. Unearned revenues		
Current		
Unearned revenue (a)	6,531	4,292
	6,531	4,292
Non-Current		
Unearned revenue (a)	8,640	5,420
	8,640	5,420

(a) Unearned revenues are revenue received in advance for Plumbers' compliance certificates, and multiple year licences for Energy Safety, Motor Vehicle Repairers, Plumbers, Real Estate, Settlement Agents, Painters, Builders and Building Surveyors. This revenue will be recognised from 2013/14 and subsequent years.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
28. Other liabilities		
Current		
Miscellaneous liabilities such as stale & returned cheques, refunds etc.	3,497	1,381
	3,497	1,381
29. Equity		
The Government holds the equity interest in the Department on behalf of the community. Equity represents the residual interest in the net assets of the Department. 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 period	76,913	75,022
Contributions by owners		
Capital appropriation (b)	2,956	1,888
Total contributions by owners	79,869	76,910
Distributions to owners		
Transfer of net assets to other agencies: (a) (c)		
Department of Mines and Petroleum	-	3
Department of Treasury	(2,014)	-
Department of Regional Development and Lands	(206)	-
Total distributions to owners	(2,220)	3
Balance at the end of period	77,649	76,913

(a) AASB 1004 'Contributions' requires 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) TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' designates capital appropriations as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

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

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
Reserves		
Asset revaluation surplus:		
Balance at the start of period	5,513	3,807
Net revaluation increments		
Land	449	1,706
Buildings	-	-
Balance at end of period	5,962	5,513
Accumulated surplus		
Balance at start of period	147,997	(9,935)
Result for the period	2,608	157,932
Balance at end of period	150,605	147,997
Total Equity at end of period	234,216	230,424

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
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	23,573	13,311
Restricted cash and cash equivalents (refer to note 17)	184,498	177,544
	<u>208,071</u>	<u>190,856</u>
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	(123,139)	(132,250)
Non-cash items:		
Depreciation and amortisation expense (note 6)	2,733	2,456
Services received free of charge (note 16)	1,092	1,177
Net revaluation decrement	184	8,819
Net (gain)/loss on sale of property, plant and equipment (note 15)	-	79
(Increase)/decrease in assets:		
Current receivables (a)	10,498	(442)
Other current assets	1,530	(1,408)
Write down of non-current assets classified as held for sale	-	(2,139)
Reclassification of assets - intangibles	75	-
Increase/(decrease) in liabilities:		
Current payables (a)	(8,166)	(1,252)
Current unearned revenue	2,239	(2,025)
Current provisions	1,761	2,603
Other current liabilities	-	-
Non-current payables	(228)	182
Non-current unearned revenue	3,220	2,394
Non-current provisions	253	435
Other liabilities	(1,265)	(203)
Net GST receipts/(payments) (b)	(1,195)	(2,600)
Net cash (used in) operating activities	<u>(110,408)</u>	<u>(124,176)</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.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
31. Commitments		
Non cancellable operating lease commitments		
<p>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.</p> <p>Commitments for minimum lease payments are payable as follows:</p>		
Within 1 year	16,609	16,067
Later than 1 year and not later than 5 years	12,850	19,987
Later than 5 years	-	-
	29,459	36,054

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 cent per annum. An option exists to renew the leases at the end of the various terms for additional terms.

The commitments below are inclusive of GST.

Capital expenditure commitments		
<p>Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:</p>		
Within 1 year	31	27
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	31	27

Other expenditure commitments		
<p>Other expenditure commitments for day to day operations contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:</p>		
Within 1 year (a)	8,760	33,154
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	8,760	33,154

(a) The main reason for the 2012 commitments amount was due to commitments relating to the gas rectification program, roll out from Shared Services and the SKA project.

Notes to the Financial Statements

For the year ended 30 June 2013

32. Contingent Liabilities and Contingent Assets

Contingent Liabilities

As at balance date an employment matter by a former employee was being dealt with by the State Solicitor Office. This matter was resolved in July 2013.

Industry & Technology Development Act

As the responsible Minister under the *Industry & Technology Development Act of 1998* (ITD Act), the Minister for Commerce (or his predecessors) is a signatory to seven Investment Security Guarantees (ISGs). ISGs are signed by our Minister, General Manager of the Forest Products Commission (FPC) and timber processors. Under the ISGs, our Minister is liable to pay compensation under certain circumstances where the Forest Products Commission is unable to supply contracted amounts of timber. The total contingent liability for these seven ISGs at 30 June 2013 was \$62.1m. A potential claim of up to \$20 million may occur against the ISGs during the 2013-2014 financial year due to a contract breach between FPC and one of the timber processors who holds an associated ISG. Contingent on future discussions this potential liability may be reduced.

Fidelity Guarantee Account (FGA) Claims

A total of 46 claims against the Fidelity Guarantee Accounts with a total value of \$8,766,335 consisting of:

- (a) 45 claims against the Real Estate Agents FGA with a total value of \$8,765,284
- (b) 1 claim against the Settlement Agents FGA with a total value of \$1,051

One disallowed claim against the Real Estate Agents FGA is under review of the State Administrative Tribunal - total value of \$196,600.

These figures do not include legal costs or any interest claims. Reasonable legal costs are claimable. Claims for interest are currently not allowable, but are the subject of review proceedings in the Supreme Court after the State Administrative Tribunal decided that interest wasn't allowable. If interest is allowable, there is potentially an undetermined liability.

There are also 15 notices of intention to claim (with a value of approximately \$1.1 million excluding legal and interest claims).

Contingent Liabilities - Administered

There are a number of home indemnity insurance claims that have been lodged for a total of \$516,326.

Contingent Assets

There is a possibility the department will receive reimbursement of a salary overpayment to a former employee totalling \$73,400. The matter is currently with the State Solicitor's Office.

33. Events occurring after the end of the reporting period

As part of Machinery of Government changes, the science aspects of the Industry, Science and Innovation Division has since been transferred to the Department of Premier and Cabinet effective from 1 July 2013. The division has subsequently been renamed the Industry and Innovation division.

The employment matter referred to in the contingent liabilities was resolved after balance date in July 2013.

Notes to the Financial Statements

For the year ended 30 June 2013

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 per cent or \$5 million.

Total appropriations provided to deliver services

Significant variances between estimate and actual for 2013

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

	2013 Estimate \$'000	2013 Actual \$'000	Variance \$'000
Total appropriation provided to deliver services for the year	112,163	105,929	(6,234)
Total income	81,287	86,611	5,324

Total appropriation provided to deliver services for the year

The variation is mainly due to corrective measures, procurement savings and re-profiling of grants funding.

Total income

The variation is mainly due to funding from the Commonwealth for COAG reforms, funding for Safe Work Australia, income from the Building Commission (Builders and Painters Registrations) and recoup of administration costs relating to the Rental Accommodation Account.

Significant variances between actual results for 2013 and 2012

	2013 Actual \$'000	2012 Actual \$'000	Variance \$'000
Total appropriation provided to deliver services for the year	105,929	142,731	(36,802)
Total income	86,611	83,477	3,134

Total appropriation provided to deliver services for the year

The variation is mainly due to a significant injection of funding for the grants program occurring as a one-off in 2011-12 that was not ongoing.

Total income

No significant variation in income.

Notes to the Financial Statements

For the year ended 30 June 2013

34. Explanatory statement (cont.)

Service expenditure

Significant variances between estimate and actual for 2013

	2013 Estimate	2013 Actual	Variance
	\$'000	\$'000	\$'000
Consumer Protection	59,306	61,643	2,337
Safety & Employment Protection & Construction Standards	86,437	88,075	1,638
Industry, Science & Innovation (a)	70,611	60,032	(10,579)

(a) The variation is mainly due to the re-profiling of grants expenditure for various programs to the outyears.

Significant variances between actual results for 2013 and 2012

	2013 Actual	2012 Actual	Variance
	\$'000	\$'000	\$'000
Consumer Protection (a)	61,643	55,686	5,957
Safety & Employment Protection & Construction Standards (b)	88,075	79,774	8,301
Industry Science & Innovation (c)	60,032	80,267	(20,235)

(a) The variation is mainly due to increased expenditure in the areas of Property Industry payments in the areas of home buyers grants, training subsidies and Fidelity claims.

(b) The variation is mainly due to the Building Commission being part of Commerce for a full year as it only commenced during 2011-12 and also increased operating expenditure across the whole service.

(c) The variation is mainly due to a significant injection of funding for the grants program occurring as a one-off in 2011-12 that was not ongoing and the re-profiling of grants expenditure in 2012-13 to the outyears.

Notes to the Financial Statements

For the year ended 30 June 2013

34. Explanatory statement (cont.)

Capital contribution

Significant variances between estimate and actual for 2013

	2013 Estimate	2013 Actual	Variance
	\$'000	\$'000	\$'000
Capital contribution	4,861	1,978	(2,883)

The variation is mainly due to the reprioritisation of resources to the rollout from Shared Services project therefore delaying the expenditure on the remaining capital projects.

Significant variances between actual results for 2013 and 2012

	2013 Actual	2012 Actual	Variance
	\$'000	\$'000	\$'000
Capital contribution	1,978	3,149	(1,171)

The variation is mainly due to the reprioritisation of resources to the rollout from Shared Services project therefore delaying the expenditure on the remaining capital projects.

Total administered transactions

Administered Income

Significant variances between estimate and actual for 2013

	2013 Estimate	2013 Actual	Variance
	\$'000	\$'000	\$'000
Administered income	9,729	14,381	4,652

The variation is mainly due to greater amount of interest received than anticipated for the Rental Accommodation Account.

Significant variances between actual results for 2013 and 2012

	2013 Actual	2012 Actual	Variance
	\$'000	\$'000	\$'000
Administered income	14,381	23,494	(9,113)

The variation is mainly due to the Business Names function being transferred to the Commonwealth.

Notes to the Financial Statements

For the year ended 30 June 2013

35. Financial instruments

(a) Financial Risk Management Objectives and Policies

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 loan receivable \$13 million to a company with annual repayments maturing 2024 (2012: \$13.4 million).

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.

Notes to the Financial Statements

For the year ended 30 June 2013

(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

	2013	2012
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	23,573	13,311
Restricted cash and cash equivalents	184,498	177,544
Loans and Receivables (a)	19,481	25,352
Amount receivable for services	7,989	9,980
Financial Liabilities		
Financial liabilities measured at amortised cost	8,148	16,542

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

Notes to the Financial Statements

For the year ended 30 June 2013

(c) Financial Instrument Disclosures

Credit Risk

The following table details the Department's maximum exposure to credit risk and the ageing analysis of financial statements. 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 does not hold collateral as security or other credit enhancement relating to the financial assets it holds.

Aged analysis of financial assets

Financial Assets	Carrying Amount \$'000	Not past due and not impaired \$'000	Past due but not impaired					Impaired financial assets \$'000
			Up to 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	
2013								
Cash and cash equivalents	23,573	23,573	-	-	-	-	-	-
Restricted cash and cash equivalents	184,498	184,498	-	-	-	-	-	-
Receivables (a)	9,537	8,855	176	67	341	77	22	-
Loans receivable	9,944	9,944	-	-	-	-	-	-
Amounts receivable for services	7,989	7,989	-	-	-	-	-	-
	235,541	234,859	176	67	341	77	22	-
2012								
Cash and cash equivalents	13,311	13,311	-	-	-	-	-	-
Restricted cash and cash equivalents	177,544	177,544	-	-	-	-	-	-
Receivables (a)	15,671	11,554	247	107	3,681	82	-	-
Loans receivable	9,681	9,681	-	-	-	-	-	-
Amounts receivable for services	9,980	9,980	-	-	-	-	-	-
	226,187	222,070	247	107	3,681	82	-	-

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

Notes to the Financial Statements

For the year ended 30 June 2013

Liquidity Risk and interest rate exposure

The following table details the Department's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analysis only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Interest rate exposure					Nominal Amount \$'000	Maturity dates				
	Weighted Average Effective Interest Rate %	Carrying Amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000		Up to 1 months \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
2013											
Financial Assets											
Cash and cash equivalents	-	23,573	-	-	23,573	23,573	23,573	-	-	-	-
Restricted cash and cash equivalents	3.40%	184,498	-	149,370	35,128	184,498	184,498	-	-	-	-
Receivables (a)	-	9,537	-	-	9,537	9,537	9,537	-	-	-	-
Loans receivable	-	9,944	-	-	9,944	9,944	-	-	-	2,000	7,944
Amounts receivable for services	-	7,989	-	-	7,989	7,989	-	2,000	200	5,789	-
		235,541	-	149,370	86,171	235,541	217,609	2,000	200	7,789	7,944
Financial Liabilities											
Payables	-	7,377	-	-	7,377	7,377	7,377	-	-	-	-
Borrowings	4.04%	771	-	771	-	771	-	-	-	-	771
		8,148	-	771	7,377	8,148	7,377	-	-	-	771

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

Notes to the Financial Statements

For the year ended 30 June 2013

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Interest rate exposure					Nominal Amount \$'000	Maturity dates				
	Weighted Average Effective Interest Rate %	Carrying Amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000		Up to 1 months \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
2012											
Financial Assets											
Cash and cash equivalents (b)	-	13,311	-	-	13,311	13,311	13,311	-	-	-	-
Restricted cash and cash equivalent (b)	4.74%	177,544	-	147,906	29,638	177,544	177,544	-	-	-	-
Receivables (a)	-	15,671	-	-	15,671	15,671	15,671	-	-	-	-
Loans receivable	-	9,681	-	-	9,681	9,681	-	-	-	2,000	7,681
Amounts receivable for services	-	9,980	-	-	9,980	9,980	-	400	2,834	6,746	-
		226,187	-	147,906	78,281	226,187	206,526	400	2,834	8,746	7,681
Financial Liabilities											
Payables	-	15,771	-	-	15,771	15,771	15,771	-	-	-	-
Borrowings	4.67%	771	-	771	-	771	-	-	-	-	771
		16,542	-	771	15,771	16,542	15,771	-	-	-	771

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

(b) \$5,780,000 has been reclassified from Cash (variable interest rate) to Restricted cash (variable interest rate).

Notes to the Financial Statements

For the year ended 30 June 2013

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 per cent change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying Amount \$'000	-100 basis points		+100 basis points	
		Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000
2013					
Financial Assets					
Restricted cash and cash equivalents	149,370	(1,494)	(1,494)	1,494	1,494
Financial Liabilities					
Borrowings	771	8	8	(8)	(8)
Total increase/(decrease)		(1,486)	(1,486)	1,486	1,486
2012					
Financial Assets					
Restricted cash and cash equivalents	147,906	(1,479)	(1,479)	1,479	1,479
Financial Liabilities					
Borrowings	771	8	8	(8)	(8)
Total increase/(decrease)		(1,471)	(1,471)	1,471	1,471

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.

Notes to the Financial Statements

For the year ended 30 June 2013

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:

\$	2013	2012
110,001 - 120,000	-	1
130,001 - 140,000	-	1
140,001 - 150,000	-	2
150,001 - 160,000	2	1
160,001 - 170,000	-	1
170,001 - 180,000	1	2
180,001 - 190,000	-	1
190,001 - 200,000	1	-
200,001 - 210,000	-	1
210,001 - 220,000	-	1
220,001 - 230,000	2	-
230,001 - 240,000	-	1
240,001 - 250,000	1	1
250,001 - 260,000	1	-
260,001 - 270,000	1	-
350,001 - 360,000	-	1
370,001 - 380,000	1	-

	2013 \$'000	2012 \$'000
Base remuneration and superannuation	1,857	2,245
Annual leave and long service leave accruals	85	11
Other benefits	327	416
Total remuneration of senior officers	2,269	2,671

The reason for the decrease in the number of Senior Officers is mainly due to a combination of officers leaving Commerce and a change in roles of officers, therefore not meeting the definition of Senior Officer.

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

37. Remuneration of auditor

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

	\$'000	\$'000
Auditing of financial statements, controls and key performance indicators	159	147

38. Related bodies

The Department has no related bodies.

Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$'000	2012 \$'000
39. Affiliated bodies		
Western Australian Technology and Industry Advisory Council (TIAC).		
The Technology and Industry Advisory Council (TIAC), which was established by the <i>Technology Development Amendment Act 1987</i> and continued under the <i>Industry Technology Development Act 1988</i> , was totally funded by the Department.		
Western Australian Industry and Technology Development Account (a)		
Balance at the start of period	6,416	300
Receipts	37,148	51,100
Payments	(35,981)	(44,984)
Balance at the end of the period	7,582	6,416

(a) Records funds received and expenditure charged in accordance with the *Industry and Technology Development Act 1998* (ITDA)

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts		
Summary Details		
Special Purpose Accounts section 16(1)(c) of FMA		
Consumer Credit Act (WA)	140	353
Departmental Receipts in Suspense	405	415
	545	768
Restricted Cash Accounts		
SafetyLine Institute	580	745
Indian Ocean Territories - Commonwealth Government	99	142
Motor Vehicle Repairer's (MVR) Industry Education & Research Acct	64	54
Motor Vehicle Repairer's (MVR) Industry Compensation Account	68	54
Co-operatives Companies Liquidation	11	10
Energy Safety Restricted Cash	12,525	12,295
Gas Producers Contribution Account	1,145	3,514
Royalties for Regions	7,122	215
Commonwealth funding	3,534	3,935
Real Estate - Education and General Purpose Account	33,826	34,967
Real Estate - Fidelity Guarantee Account	43,446	43,764
Real Estate - Home Buyers Assistance Account	14,294	14,967
Real Estate and Business Agents Supervisory Board Trust Account	227	219
Settlement Agents - Education and General Purpose Account	21,862	20,449
Settlement Agents - Fidelity Guarantee Account	35,715	33,539
Building Services Account	6,986	5,809
	181,504	174,677
Detailed Breakdown		
Special Purpose Accounts		
Consumer Credit Act (WA)		
Holds funds pending distribution in accordance with the <i>Consumer Credit (WA) Act 1996</i> or court direction.		
Balance at the start of period	353	573
Receipts	-	-
Payments	(213)	(220)
Balance at the end of period	140	353

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts (cont.)		
Departmental Receipts in Suspense		
Holds funds pending identification of the purpose for which the monies were received.		
Balance at the start of period	415	245
Receipts	30	513
Payments	(40)	(343)
Balance at the end of period	405	415
Restricted Cash Accounts		
SafetyLine Institute		
The fund was created under the <i>State Trading Concerns Act 1916</i> and controls income received in respect of the provisions of copyright materials and a relevant trade mark advertising opportunities or similar arrangements.		
Balance at the start of period	745	541
Receipts	396	266
Payments	(561)	(63)
Balance at the end of period	580	745
Indian Ocean Territories		
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.		
Balance at the start of period	142	14
Receipts - Commonwealth	278	469
Payment	(321)	(340)
Balance at the end of period	99	142
MVR Industry Education & Research Account		
Holds funds used for the Motor Vehicle Repairers Industry in accordance with the <i>Motor Vehicle Repairers Act 2003</i> .		
Balance at the start of period	54	38
Receipts	15	16
Payments	(4)	-
Balance at the end of period	64	54
MVR Industry Compensation Account		
Holds funds used for the Motor Vehicle Repairers Industry in accordance with the <i>Motor Vehicle Repairers Act 2003</i> .		
Balance at the start of period	54	38
Receipts	15	16
Payments	(1)	-
Balance at the end of period	68	54

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts (cont.)		
Co-operatives Companies Liquidation		
Holds unclaimed funds pending redistribution in accordance with the <i>Companies (Co-operative) Act 1943</i> Section 290(1).		
Balance at the start of period	10	10
Receipts	1	-
Payments	-	-
Balance at the end of period	11	10
Energy Safety Restricted Cash		
Holds funds used for the operation of the EnergySafety Division of the Department of Commerce in accordance with the <i>Energy Safety Act 2006</i> .		
Balance at the start of period	12,295	10,824
Receipts	15,236	20,856
Payments	(15,005)	(19,385)
Balance at the end of period	12,525	12,295
Gas Producers Contribution Account		
Holds funds used for the gas rectification program in accordance with section 23 of the <i>Gas Supply (Gas Quality Specifications) Act 2009</i> .		
Balance at the start of period	3,514	2,989
Receipts	5,070	12,788
Payments	(7,439)	(12,263)
Balance at the end of period	1,145	3,514
Royalties for Regions		
This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in Western Australia regional areas.		
Balance at the start of period	215	823
Adjustment to opening balance	103	-
Receipts	18,727	7,889
Payments	(11,923)	(8,497)
Balance at the end of period	7,122	215

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts (cont.)		
Commonwealth funding		
Holds funds provided by the Commonwealth that are committed to various projects.		
Balance at the start of period	3,935	2,591
Adjustment to opening balance	31	-
Receipts	2,075	3,879
Payments	(2,507)	(2,534)
Balance at the end of period	3,534	3,935
Real Estate - Education and General Purpose Account		
Holds funds used for the operation of the Education and General Purpose Account in accordance with the <i>Real Estate and Business Agents Act 1978</i> .		
Balance at the start of period	34,967	-
Receipts	11,737	48,316
Payments	(12,877)	(13,349)
Balance at the end of period	33,826	34,967
Real Estate - Fidelity Guarantee Account		
Holds funds used for the operation of the Fidelity Guarantee Account in accordance with the <i>Real Estate and Business Agents Act 1978</i> .		
Balance at the start of period	43,764	-
Receipts	3,853	45,166
Payments	(4,172)	(1,402)
Balance at the end of period	43,446	43,764
Real Estate - Home Buyers Assistance Account		
Holds funds used for the operation of the Home Buyers Assistance Account in accordance with the <i>Real Estate and Business Agents Act 1978</i> .		
Balance at the start of period	14,967	-
Receipts	5,622	22,148
Payments	(6,295)	(7,181)
Balance at the end of period	14,294	14,967

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
40. Special Purpose Accounts and Restricted Cash Accounts (cont.)		
Real Estate and Business Agents Supervisory Board Trust Account		
Holds funds as a result of legal proceedings and liquidations of agencies in accordance with the Trust Statement.		
Balance at the start of period	219	-
Receipts	8	392
Payments	-	(173)
Balance at the end of period	227	219
Settlement Agents - Education and General Purpose Account		
Holds funds used for the operation of the Education and General Purpose Account in accordance with the <i>Settlement Agents Act 1981</i> .		
Balance at the start of period	20,449	-
Receipts	2,789	22,723
Payments	(1,377)	(2,274)
Balance at the end of period	21,862	20,449
Settlement Agents - Fidelity Guarantee Account		
Holds funds used for the operation of the Fidelity Guarantee Account in accordance with the <i>Settlement Agents Act 1981</i>		
Balance at the start of period	33,539	-
Receipts	3,151	34,787
Payments	(975)	(1,248)
Balance at the end of period	35,715	33,539
Building Services Account		
Holds funds used for the operation of the Building Commission division of the Department of Commerce in accordance with the building services Acts.		
Balance at the start of period	5,809	-
Receipts	30,592	33,774
Payments	(29,415)	(27,965)
Balance at the end of period	6,986	5,809

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
41. Supplementary financial information		
Write-offs		
<p>During the financial year ending 30 June 2013, \$7,713.35 (2012: \$ 31,197.85) of debts due to the State were written off. The debtors written off were mainly in the areas of associations and business names comprising of individual amounts that would be considered as uneconomical to pursue in the period 2012 to 2013 . The amounts were written off under the authority of:</p>		
The Accountable Authority	8	31
Losses through Theft, Defaults and Other Causes		
Losses of public moneys and, public and other property through theft or default	11	1
Amounts recovered	(6)	(1)
Claims pending	5	-
Gifts of Public Property		
The Department received no gifts of public property.	-	-
Acts of Grace		
Act of grace payments made.	4	11
42. Administered Income and Expenses		
Expenses		
Employee benefits expense	-	6
Supplies and services	15,560	4,875
Finance costs	-	34
Grants and subsidies	3,420	3,146
Receipts paid into consolidated account	1,818	7,762
Other expenses	30	4
Total administered expenses	20,827	15,827
Revenue		
User charges and fees	1,880	7,767
Interest revenue	12,018	14,376
Other revenue	483	1,351
Total administered revenue	14,381	23,494

Notes to the Financial Statements

For the year ended 30 June 2013

43. Disclosure of administered income and expenses by service

	Consumer Protection		Safety & Employment Protection & Construction Standards		Industry Science & Innovation		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES								
Expenses								
Employee benefits expenses	-	6	-	-	-	-	-	6
Supplies and services	15,560	4,860	-	-	-	15	15,560	4,875
Finance costs	-	-	-	-	-	34	-	34
Grants and subsidies	3,420	3,146	-	-	-	-	3,420	3,146
Receipts paid into Consolidated account	1,566	6,589	252	1,173	-	-	1,818	7,762
Other expenses	13	4	-	-	17	-	30	4
Total administered expenses	20,558	14,605	252	1,173	17	49	20,827	15,827
Income								
For transfer:								
Regulatory fees	1,566	6,594	315	1,173	-	-	1,880	7,767
Interest revenue	11,823	14,175	-	-	195	201	12,018	14,376
Other	-	883	-	-	483	468	483	1,351
Total administered income	13,388	21,652	315	1,173	678	669	14,381	23,494



Notes to the Financial Statements

For the year ended 30 June 2013

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.

	2013	2012
	\$'000	\$'000
Collections made during the year:		
Business Names Registrations	-	4,759
Other Registration Fees	195	146
Employment Agents	187	337
Finance Brokers	-	1
Land Valuers	113	130
Motor Vehicle Dealers	829	939
Travel Agents	237	131
Plumbers	-	6
Other	320	1,319
Total	1,880	7,767

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
44. Administered Assets and Liabilities		
ASSETS		
Current Assets		
Cash and cash equivalents	3,699	3,256
Restricted cash and cash equivalents	325,109	277,532
Receivables	4,630	1,804
Total Current Assets	333,438	282,592
Non-Current Assets		
Receivables	11,496	11,381
Total Non-Current Assets	11,496	11,381
TOTAL ADMINISTERED ASSETS	344,934	293,973
LIABILITIES		
Current Liabilities		
Payables	8,710	10,663
Other current liabilities	305,572	249,151
Total Current Liabilities	314,282	259,814
TOTAL ADMINISTERED LIABILITIES	314,282	259,814

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

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$'000	\$'000
44. Administered Assets and Liabilities (cont.)		
Special Purpose Accounts section 16(1)(b) of FMA (Administered)		
Rental Accommodation Account	325,109	277,532
Regional Headworks Development Scheme	-	-
	325,109	277,532
Administered		
Rental Accommodation Account		
Holds rental security bonds and the interest income in accordance with clause 3(1) of schedule 1 of the Residential Tenancies Act.		
Balance at start of period	277,532	227,715
Receipts:		
Bonds received	165,491	139,148
Interest received	12,226	14,055
Other	(218)	1,609
Total receipts	177,500	154,812
Payments:		
Bonds disbursed	(108,116)	(83,948)
Administration costs	(15,747)	(10,044)
Grants	(3,420)	(3,146)
Other	(2,640)	(7,857)
Total Payments	(129,923)	(104,995)
Balance at the end of period	325,109	277,532
Regional Headworks Development Scheme		
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.		
Balance at the start of period	-	1,391
Receipts	-	-
Payments	-	(1,391)
Balance at the end of period	-	-



Key Performance Indicators

Certification of Key Performance Indicators for the year ended 30 June 2013

I hereby certify that the key 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 2013.



Brian Bradley
Accountable Authority
17 September 2013

Key Performance Indicators

The linkage of the Department of Commerce's desired outcome and services to the community and the Government Goals 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
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 with workplaces operated in a safe and fair manner and where buildings are safe and efficient.	Service 2: Safety and Employment Protection and Construction Standards
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: Industry, Science and Innovation

Key effectiveness indicators

Four key performance indicators of effectiveness adopted by the department measure the extent to which its three outcomes are achieved. Each of the department's operational divisions has underpinning measures contributing to the results reported for these effectiveness indicators.

Outcome one

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

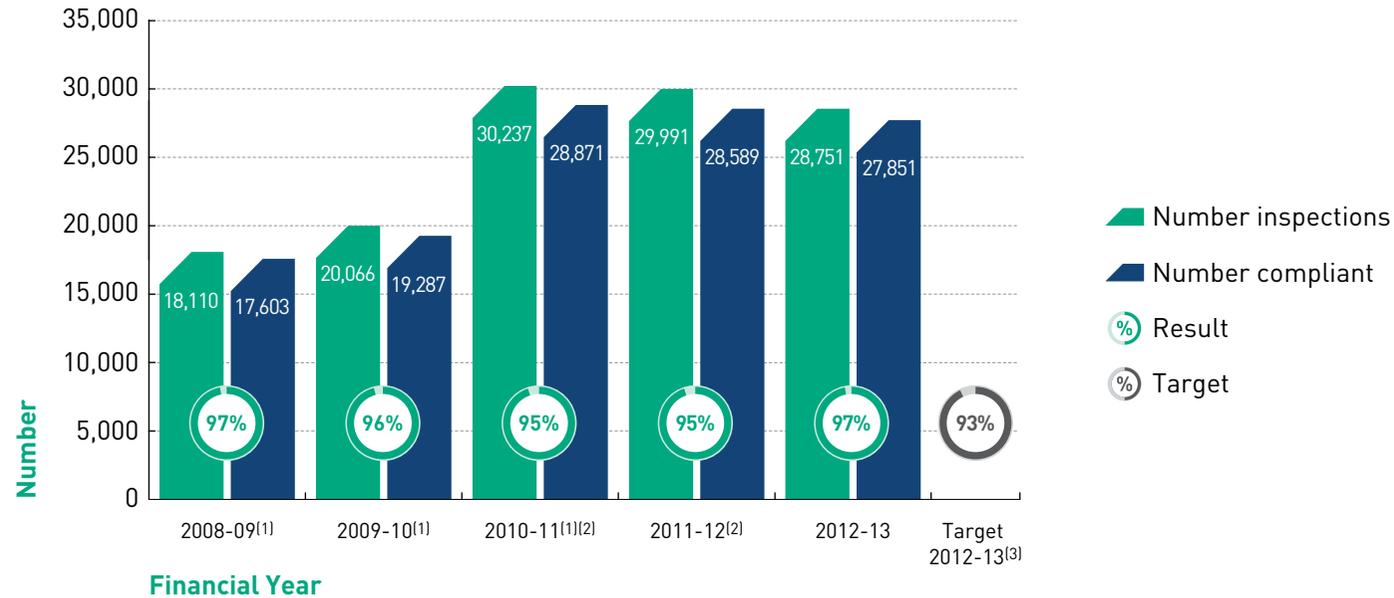
Key effectiveness indicator one

The extent to which traders comply with regulatory requirements.

Result

Table 8: Key effectiveness indicator one

Notes:



- ⁽¹⁾ The 2008-09 to 2010-11 results had been recast for comparison purposes as previously data had included both inspections undertaken by the Plumbers' Licensing Board (part of the Building Commission Division) and those undertaken by the Consumer Protection Division. Past results had been adjusted to include only inspections undertaken by the Consumer Protection Division.
- ⁽²⁾ Since 2010-11 the methodology for this indicator was reviewed and additional categories of proactive inspections have been included.
- ⁽³⁾ The target is derived from the '2012-13 Budget Target' figure published in the department's 2012-13 Budget Statements and is the percentage of total compliance over total inspections.

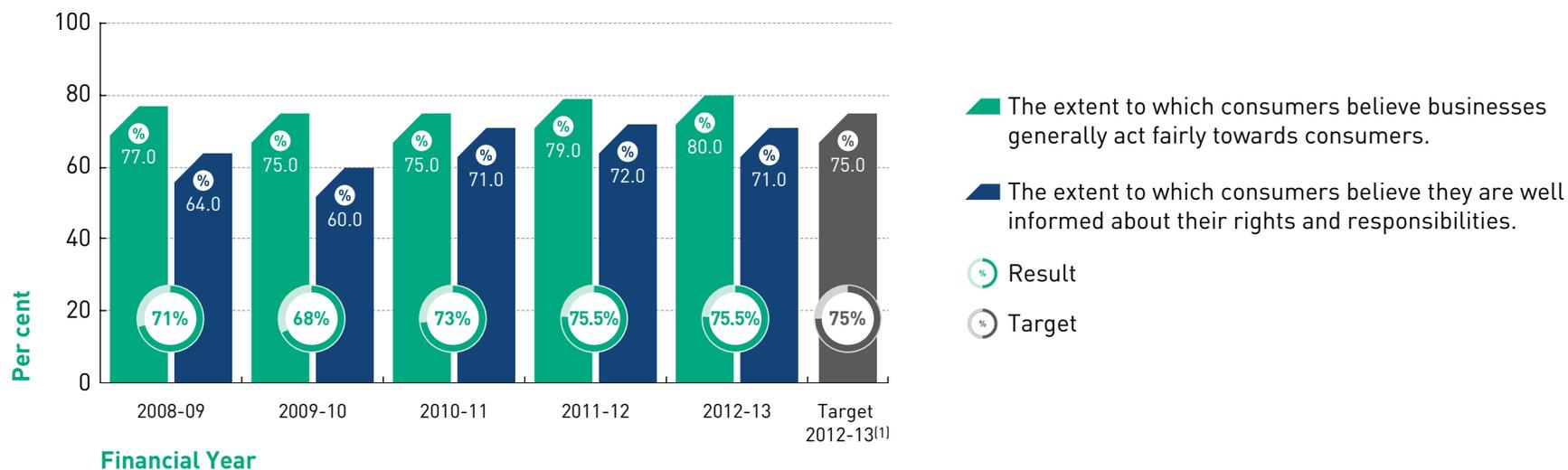
The department's effectiveness in relation to the extent to which consumers are protected and businesses operate fairly is assessed in terms of the proportion of traders that comply with regulatory requirements. The extent to which breaches of a significant nature were identified is the basis for monitoring 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 is directly responsible are used to ascertain the extent of compliance within the community. During 2012-13, 28,751 consumer protection routine and proactive inspections as compared to 29,991 in 2011-12 were undertaken to provide the result reported. Of these inspections, 97 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



Note:

⁽¹⁾ The target is derived from the '2012-13 Budget Target' figure published in the department's 2012-13 Budget Statements and is the average of the two underpinning measures.

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 have been determined by an independent survey, which has been conducted for the last 15 years. A total of 415 surveys were completed, which was a response rate of 14 per cent achieving a maximum standard error ratio of +/-4.9 per cent at the 95 per cent confidence level. Response rates have over the last few years fallen due to a higher refusal rate and the need for the survey process to reject otherwise willing participants in order to achieve adequate cell sizes of young people to facilitate reliable weighting of the final data set. In 2012-13 a total of 2,954 calls were made to achieve 415 completed surveys. All respondents were aged 18 years or over and respondents were located in both the Perth metropolitan area and regional Western Australia, and despite the low response rate, the respondents are considered representative of the consumer population.

Eighty per cent of total respondents believed that businesses acted fairly towards consumers in 2012-13. This result is comparable to past years' results. In 2012-13 the proportion of respondents who were either 'reasonably' or 'well' aware of their rights and responsibilities as a consumer was 71 per cent, which is comparable to past years' results and an increase in awareness of the rights and responsibilities of consumer compared to 2008-09 and 2009-10 results.

Outcome two

A community with workplaces operated in a safe and fair manner and where buildings are safe and efficient.

Key effectiveness indicator three

The extent of compliance with safety and employment protection regulatory requirements and construction standards.

Result

Table 10: Key effectiveness indicator three

Underpinning Measures		2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Target	2012-13 Actual
The extent to which employers comply with the requirements of labour relations laws.	No. elements	885	902	670	324		467
	No. compliant	624	679	526	248		303
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	11,904 ⁽²⁾	15,285	15,167	10,742		15,481
	No. compliant	9,141 ⁽²⁾	10,683	10,583	7,275		10,570
The extent to which electricity and gas suppliers comply with approved inspection practices.	No. elements	11 ⁽³⁾	83 ⁽⁴⁾	88 ⁽⁵⁾	196 ⁽⁶⁾		102 ⁽⁷⁾
	No. compliant	4 ⁽³⁾	44 ⁽⁴⁾	70 ⁽⁵⁾	110 ⁽⁶⁾		93 ⁽⁷⁾
The extent to compliance with construction standards. ⁽⁸⁾	No. elements	-	-	-	71,469 ⁽⁹⁾		82,503 ⁽¹⁰⁾
	No. compliant	-	-	-	70,386 ⁽⁹⁾		81,584 ⁽¹⁰⁾
Total assessments contributing to result		12,800	16,270	15,925	82,731		98,553
Total occasions of compliance found		9,769	11,406	11,179	78,019		92,550
Result						 ⁽¹⁾	

Notes:

- (1) The target is derived from the '2012-13 Budget Target' figure published in the department's 2012-13 Budget Statements and is the percentage of compliance of all underpinning measures.
- (2) The system of recording changed on 15 August 2008 as a consequence the results for 2008-09 covered the period only 15 August 2008 to 30 June 2009.
- (3) During 2008-09 resources were allocated to assist gas network operators to develop acceptable inspection plans, which impacted the number of gas audits undertaken. Audits of electricity suppliers were ongoing at the end of 2008-09 and therefore the results represent audits conducted for gas suppliers only.

 Result
 Target

- (4) During 2009-10 there were 34 electricity and 49 gas elements and the number of compliant consisted of three electricity and 41 gas.
- (5) The number of elements for 2010-11 consists of gas inspections only as during 2010-11 no audits were conducted of electricity network operator inspection systems as three of the network operators made and implemented change to improve compliance. This enabled the EnergySafety Division to conduct audits of other areas of electricity network operators' activities.
- (6) During 2011-12 there were 134 electricity and 62 gas elements and the number of compliant consisted of 65 electricity and 45 gas.
- (7) During 2012-13 there were 36 electricity and 66 gas elements and the number of compliant consisted of 34 electricity and 59 gas.
- (8) With a change to the Outcome Based Management (OBM) framework an underpinning measure was introduced in 2011-12 relating to the Building Commission Division.
- (9) During 2011-12 there were 49,978 plumbing approvals and 21,491 building approvals. Non-compliance consisted of 241 plumbing notices issued and 842 building orders made by permit authorities and reported to the Building Commission Division.
- (10) During 2012-13 there were 55,251 plumbing approvals and 27,252 building approvals. Non-compliance consisted of 110 plumbing notices issued and 809 building orders made by permit authorities and reported to the Building Commission Division.

This effectiveness indicator has four 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 2012-13, the department finalised a total of 396 investigations and inspections. There were 364 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 80 employment matters. Industrial inspectors assessed the employers for the five key elements, resulting in a total of 467 elements being checked and of these 303, or 65 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 constituting the minimum requirements for 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 EnergySafety 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.

In 2011-12 a fourth measure was introduced and relates to the compliance with construction standards. The number of elements is based on plumbing and building approvals and non-compliance is based on the number of plumbing notices issued and the number of building orders made by permit authorities and reported to the Building Commission Division.

The overall 2012-13 result for the extent of compliance with safety and employment protection regulatory requirements and construction standards of 94 per cent is comparable to both the 2011-12 result and the target of 95 per cent.

Outcome three

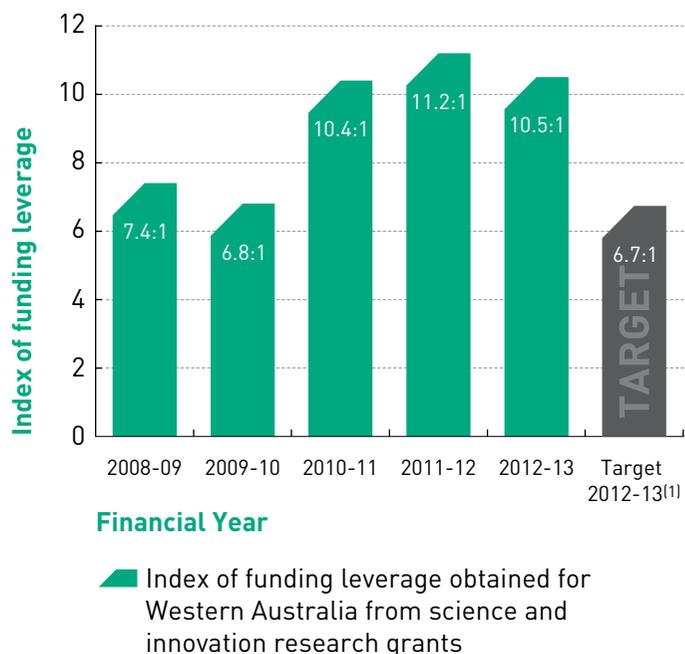
Enhancement of the State's economic sustainability and prosperity.

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



Notes:

⁽¹⁾ The target is derived from the '2012-13 Budget Target' figure published in the department's 2012-13 Budget Statements.

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 2012-13 result of 10.5:1 is greater than the target of 6.7:1 published in the 2012-13 Budget Statements. The target figure is calculated from the Centres' individual estimates and actual results can sometimes be higher than expected due to the success of a number of Centres of Excellence in attracting a higher ratio of leverage funds than originally anticipated. The 2012-13 result is however comparable to the past two years' results.

Key efficiency indicators

Efficiency performance indicators have been formulated for each of the department's service areas: Consumer Protection, Safety and Employment Protection and Construction Standards; and Industry, Science and Innovation. 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 responds 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 an enquiry for FuelWatch price information.

The division delivers non-customised and mass produced services that provides members of the public with information and raises awareness within the community. Many of these activities are automated and include online visitors to the department's website 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 also to provide more tailored advice and assistance to the community in relation to specific matters, typically on a one-to-one basis.

Result

Table 12: Key efficiency indicator one



Notes:

- ⁽¹⁾ The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 12 illustrates the average cost per client contact to provide information and advice. During 2012-13 the Consumer Protection Division undertook 6,019,858 activities to provide information and advice services which is less than the 7,190,514 in 2011-12 and the estimated 6,610,680. Despite an increase in the total functional telephone calls and telephone advice line calls answered, the majority of the decrease in client contacts was attributed to a lower than expected number of on-line visitors to the FuelWatch website. A new web analytics application, which is compatible with Windows 7, was implemented in November 2012. This application is used to determine

the number of online visitors to the FuelWatch website. The new application operates differently to the previous application and therefore the number of online visitors to the FuelWatch website for 2011-12 and expected number for 2012-13 are not comparable to the actuals for 2012-13. The lower than expected provision of information and advice (8.9 per cent), coupled with an increase (5.4 per cent) in expected expenditure for this indicator led to the result of \$2.74 being significantly more (15.8 per cent) than the target of \$2.36 published in the department's 2012-13 Budget Statements.

Key efficiency indicator two

Average cost per policy project.

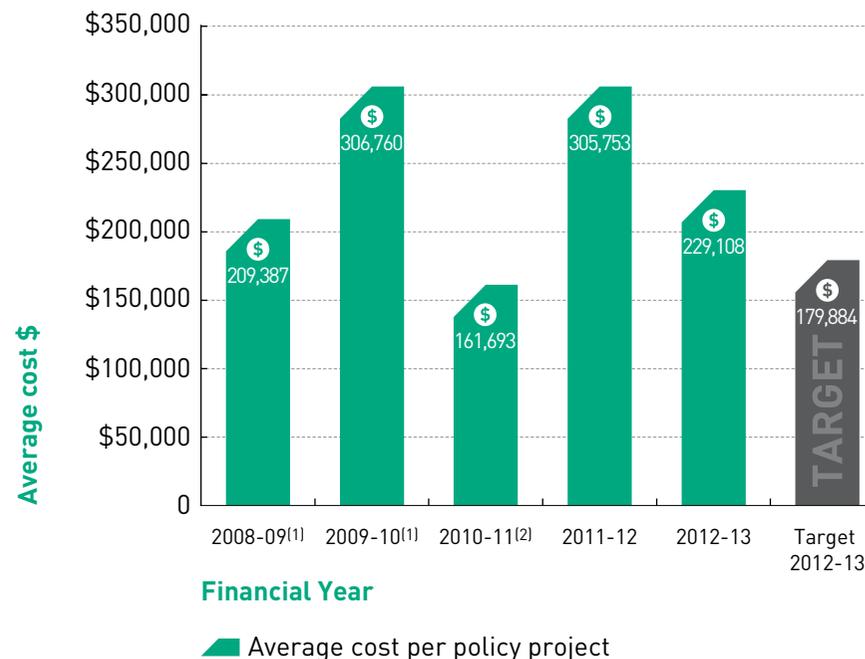
Descriptor

Major policy projects are aimed at enhancing the regulatory environment and usually involve significant duration, complexity and public consultation. Major policy projects include: Cabinet submissions to print a new Bill; the introduction of new mandatory codes; 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 codes, guidance notes 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



Notes:

- (1) The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.
- (2) The 2010-11 result is significantly lower than other years due to the greater than usual number of policy projects completed, largely due to the 15 projects completed relating to consequential regulations which took effect from 1 July 2011 flowing from the "repeal" of the *Fair Trading Act 1987*, *Door to Door Trading Act 1987* and *Consumer Affairs Act 1971*; the abolition of the Land Valuers Licensing Board, Motor Vehicle Industry Board, Real Estate and Business Agents Supervisory Board and Settlement Agents Supervisory Board; and the creation of the Consumer Advisory Committee, Motor Vehicle Industry Advisory Committee and Property Industry Advisory Committee.

Table 13 illustrates the average cost per policy project. In 2012-13 the Consumer Protection Division undertook 26 policy projects, which was significantly more than 19 completed in 2011-12, but less (16.1 per cent) than the anticipated 31. Due to delays in nationally lead projects, including national occupational licensing and conduct harmonisation, meant that Consumer Protection Division was required to defer work on the implementation of these projects in Western Australia. Two other projects were also delayed by the need to re-submit them for Ministerial approval after the State election. The cost per policy project in 2012-13 was \$229,108 which is significantly more (27.4 per cent) than the target of \$179,884 published in the department's 2012-13 Budget Statements as there was also a greater (6.8 per cent) than expected expenditure.

Key efficiency indicator three

Average cost per inspection or investigation.

Descriptor

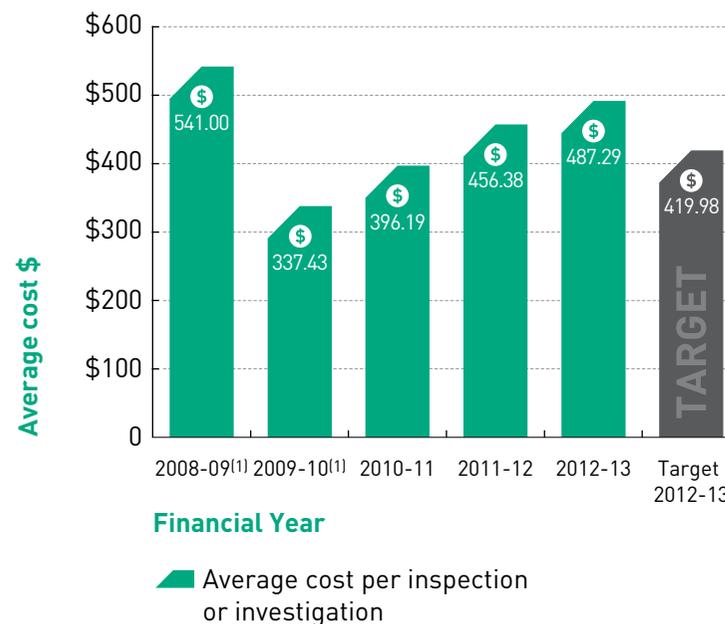
Undertaking inspections and audits is an important role of the Consumer Protection Division. These inspections and audits compare a current state or situation to acceptable standards, measures or practices. Compliance inspections and audit reports assess a trader's level of compliance with a set standard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

A key element of the department's regulatory enforcement regime is investigations and compliance. 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 14: Key efficiency indicator three



Notes:

⁽¹⁾ The 2008-09 and 2009-10 results were the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 14 illustrates the average cost per inspection or investigation. In 2012-13, the Consumer Protection Division conducted 31,212 inspections or investigations, which was more than the 30,230 in 2011-12 and comparable to the target anticipated of 31,541. Despite this, the 2012-13 result of \$487.29 is significantly more (16.0 per cent) than the target of \$419.98 published in the department's 2012-13 Budget Statements due to the significant increase (14.8 per cent) in expenditure, which was due to unforeseen professional services fees relating to the winding up of real estate agents in administration.

Key efficiency indicator four

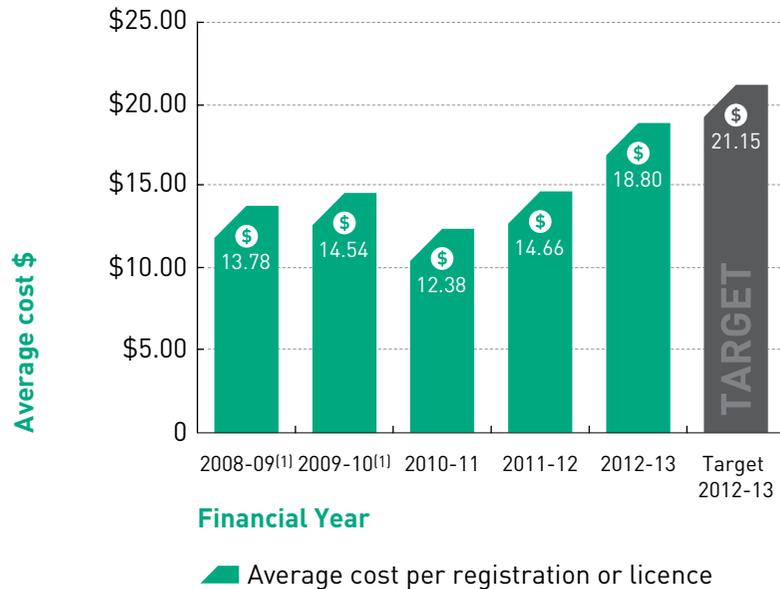
Average cost per registration or licence.

Descriptor

As required under the laws administered by the department, the Consumer Protection Division has maintained public registers which record specific information regarding incorporated associations, tenancy bonds, co-operative companies, limited partnerships and fuel price changes from retailers. The division administers and processes applications, which authorise individuals or traders for certain occupations or purposes. Generally, the process of administering an 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 15: Key efficiency indicator four



Notes:

(1) The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 15 illustrates the average cost per registration or licence. During 2012-13, 704,156 registrations and licences were issued by the Consumer Protection Division, which was lower than the 887,625 issued for 2011-12. The number issued was however greater (7.2 per cent) than the anticipated 656,632. This was due to a greater number of fuel price changes from retailers mainly flowing on from changing oil prices but also in part to an increase in the number of fuel products sold by individual outlets. An increase in tenancy bond transactions also occurred due mainly to the Consumer Protection Division commencing the process to become Western Australia's sole bond administrator and as a result some real estate agents have commenced the transfer of their bond trust accounts to the Division. As there were more registrations and licences issued than expected, coupled with a lower than expected (4.7 per cent) expenditure meant that the 2012-13 result of \$18.80 was significantly less (11.1 per cent) than the target of \$21.15 published in the department's 2012-13 Budget Statements.

Service 2: Safety and Employment Protection and Construction Standards

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

Key efficiency indicator five

Average cost per client contact to provide information or advice.

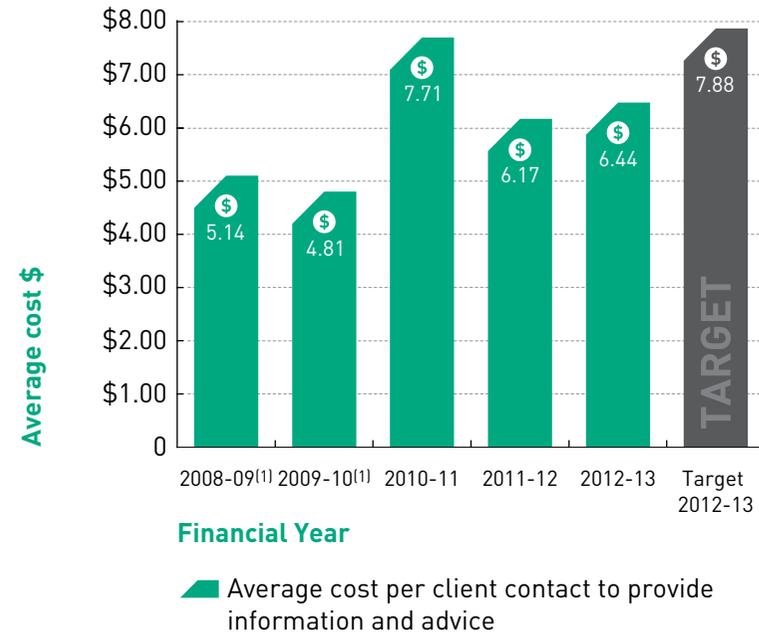
Descriptor

The safety and employment and construction standards divisions (Energy Safety Division, Labour Relations Division, WorkSafe Division and Building Commission 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 and can be a result of telephone, in person or front counter, email or letter enquiry.

Information delivered may be non-customised and mass produced and 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 websites and the delivery of mass produced services including publication distribution and visitor attendance at presentations, road shows, expos or 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



Notes:

(1) The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 16 illustrates the average cost per client contact to provide information and advice by the safety and employment protection and construction standards divisions. In 2012-13 the divisions undertook 3,555,626 activities to provide information and education services, a significant increase compared to 3,166,531 in 2011-12 and a significant increase (18.7 per cent) from the anticipated 2,994,606. The 2012-13 result of \$6.44 is significantly less (18.2 per cent) than the target of \$7.88 published in the department's 2012-13 Budget Statements due to both the significantly greater amount

of information and advice provided which was mainly due to an increase in online visitors and a decrease (2.9 per cent) in expenditure.

Key efficiency indicator six

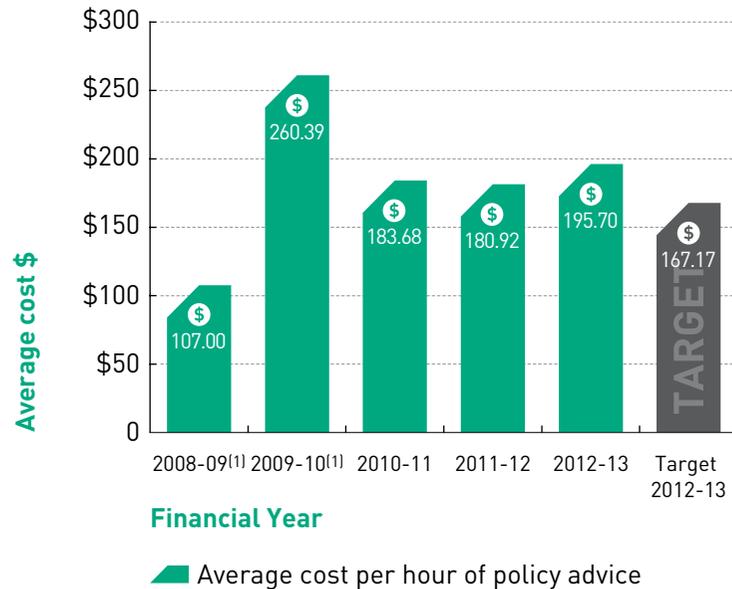
Average cost per hour of policy advice.

Descriptor

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



Notes:

- (1) The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 17 illustrates the average cost per hour of policy advice provided by the Labour Relations Division. In 2012-13 the Labour Relations Division undertook 15,535 hours of policy advice which is comparable to 15,464 in 2011-12 and more (6.0 per cent) than the anticipated 14,650 hours. The expenditure relating to this indicator significantly increased (24.1 per cent) compared to the expected expenditure. This was mainly due to a correction of allocation of expenditure to direct costs within the Labour Relations Division which had been incorrectly allocated to indirect costs in past years and in the target. As a consequence the 2012-13 result of \$195.70 is significantly greater (17.1 per cent) than the target of \$167.17 published in the department's 2012-13 Budget Statements.

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 and construction standard 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 and construction standards 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. Investigations and conciliations undertaken by the Labour Relations Division and the Building Commission Division are to resolve issues without referral to formal redress procedures. Prosecutions, legal actions and proceedings are undertaken in response to the safety and employment protection and construction standards 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



Notes:

⁽¹⁾ The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 18 illustrates the average cost per inspection or investigation. In 2012-13, the safety and employment protection and construction standards divisions conducted 34,884 inspections or investigations, which is more than the 32,098 in 2011-12, and comparable to the expected number of inspections or investigations of 33,315. The 2012-13 result of \$1,202.29 is comparable to the target of \$1,296.29 published in the department's 2012-13 Budget Statements.

Key efficiency indicator eight

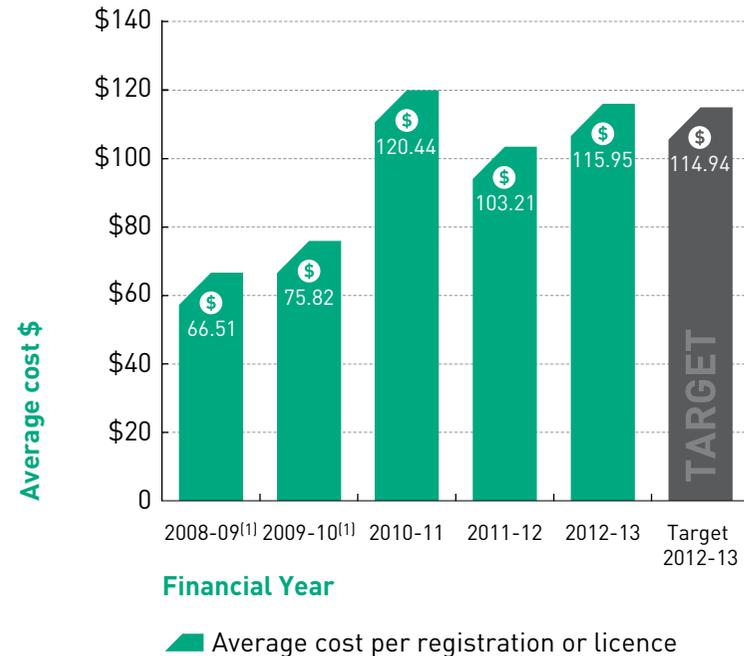
Average cost per registration or licence.

Descriptor

The EnergySafety Division, Building Commission 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



Notes:

⁽¹⁾ The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service). They were not

recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 19 shows the average cost per registration or licence issued to the community for the EnergySafety Division, Building Commission Division and WorkSafe Division. During 2012-13, 117,267 registrations or licences were issued which is significantly more than both the 99,824 in 2011-12 and the 88,850 anticipated (32.0 per cent) due to a larger than expected number of High Risk Work Licences being issued by WorkSafe Division during 2012-13, as a consequence of the increase in economic activity. The 2012-13 result of \$115.95 is comparable however to the target of \$114.94 published in the department's 2012-13 Budget Statements due to a similar increase (33.1 per cent) in expenditure, which was due to the conservative target set for expenditure relating to the merge of the Builders' Registration Board and the Painters' Registration Board into the Building Commission Division.

Service 3: Industry, Science and Innovation

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

- supporting the Technology and Industry Advisory Council with policy development advice;
- supporting industry development through innovation and commercialisation; and
- managing industry, science and innovation programs and projects.

Key efficiency indicator nine

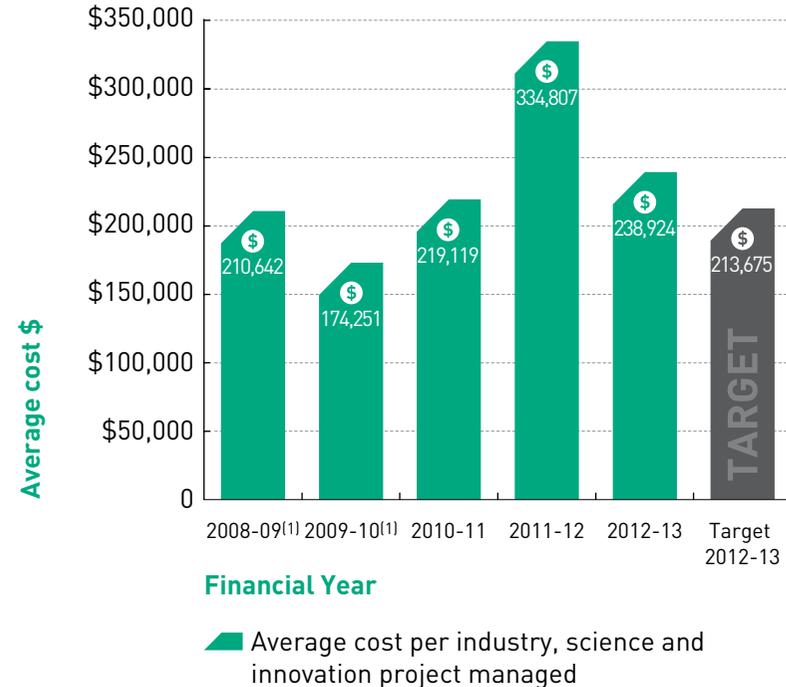
Average cost per industry, science and innovation project managed.

Descriptor

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

Result

Table 20: Key efficiency indicator nine



Notes:

⁽¹⁾ The 2008-09 and 2009-10 results were in the previous OBM framework (where the Building Commission Division contributed to the Consumer Protection Service, which also impacted the overhead allocation for this Service). They were not recast and as such are not directly comparable to other years' results as they are in a different OBM framework.

Table 20 shows the average cost per industry, science and innovation project managed. During 2012-13, 86 projects were managed, which is more than the 80 projects managed in 2011-12 and comparable to the target set of 88. The 2012-13 result of \$238,924 is significantly higher (11.8 per cent) than the target of \$213,675 published in the department's 2012-13 Budget Statements, due to the slight decrease (2.3 per cent) in the number of projects coupled with an increase (9.3 per cent) in expenditure, as during 2012-13 a revaluation of the Australian Marine Complex took place which was not taken into consideration when setting the target.

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 Ministers during 2012-13.

Other financial disclosures

Pricing policies for services

Statutory fees are charged to the public for various licensing and other services provided by the Department of Commerce and are reviewed annually in accordance with government policy.

The fee changes for 2012-13 were published in the Government Gazette on 15 June 2012 and came into effect on 1 July 2012. Details regarding the fees are available on the department's website.

Capital works projects

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

Table 21: Capital works projects ongoing

Project title	Estimated total cost (\$)	Estimated cost to complete (\$)	Planned year of completion
Asset replacement(a)	12,343,000	11,589,235	2016-17
Bentley Technology Park(b)	9,619,000	3,126,395	2014-15
Business systems development and enhancements(a)	2,884,000	389,356	2015-16
Customer Focus Service Delivery	2,987,000	1,566,122	2013-14

Project title	Estimated total cost (\$)	Estimated cost to complete (\$)	Planned year of completion
Marine Industry Technology Park	559,000	460,694	2013-14
Service improvement	911,000	698,001	2013-14
Southern Precinct	1,865,000	1,423,135	2013-14
System stabilisation(a)	6,045,000	674,349	2014-15

Table 22: Capital works completed or placed on hold during 2012-13

Project title	Cost (\$)	Estimated total cost (\$)	Estimated total cost (\$)
Decommissioning of Office of Shared Services	1,913,855		
COAG information technology initiatives(c)		1,079,640	1,074,033

Explanations of variances in capital works program total cost provided in Table 21 from total cost reported in the department's 2011-12 Annual Report are as follows:

- The total estimated costs vary as a result of the redefinition of the Asset Replacement, Business systems development and enhancements and System stabilisation projects during the 2012-13 financial year.
- The Bentley Technology Park project recommenced during 2012-13. The review and finalisation of the Technology Precinct Structure Plan was cleared to progress through the Department of Planning (DoP), with funding provided through the Department of Commerce in late 2010-11. However due to resourcing constraints within DoP, a suitably skilled project leader was engaged only in late 2011-12 with the project really only resuming in DoP in early 2012-13.
- The COAG information technology initiatives project is on hold pending a decision on the State's level of participation in the National Licensing initiative.

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 2012-13, 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 2012-13, no senior officers held shares in any subsidiary body of the agency held as a nominee or held beneficially.

Governance framework

The department operates under a governance structure in which authority and accountability are shared between the Director General and the divisions. While the Director General is ultimately accountable for the full range of the department's activities, the divisions, through the relevant Executive Director, have considerable autonomy in day-to-day decision-making, allocation of resources and determination of priorities within the divisions.

The Corporate Charter maintained by the department sets out the governance principles under which it operates and establishes the limits of divisional autonomy in the key areas of:

- accountability and decision-making;
- role and operation of Corporate Executive;
- strategic planning and reporting;

- financial and human resource management; and
- ministerial communication and correspondence.

The Corporate Charter also provides procedures for managing:

- internal committees;
- Corporate Executive submissions; and
- policy development.

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. These appraisals and advice are provided to the Director General, Executive Directors, directors and managers to promote and achieve sound management and control over the activities of the department and to promote efficient and effective operations. These appraisals include:

- comprehensive audits of the department's management information systems, controls systems and activities;
- assessment of compliance with legislative requirements, regulations, departmental and government policies;
- assessments of controls over accounting and financial records to ensure public property, money and resources are properly safeguarded;
- management orientated appraisals of the department's operations and activities;
- undertaking special investigations into suspected or alleged breaches of legislation, policies the department's Code of Conduct or alleged misconduct; and
- following up and reporting on audit recommendations made.

An annual risk based audit plan is developed covering the department's functions and operations. This plan is endorsed by the department's Internal Audit Committee. All internal audit work is undertaken in-house except for IT audits.



During 2012-13, the Internal Audit Branch provided advice on proposed processes and controls in the new Human Resources Payroll System and the new financial accounting system when the department rolled out of the Office of Shared Services. Audits were undertaken prior to the new systems going live as well as post implementation reviews. Audits of the new Tenancy Bonds System and several comprehensive licensing audits within the Building Commission Division were also undertaken covering builders, painters, adjudicators and building surveyors.

Internal Audit maintains an electronic database that captures and records all audit recommendations (internal and external) made to monitor and manage audit recommendations. The system enables officers with responsibility for actioning items to view, update and request to clear audit issues at any time. The system also produces detailed and summary reports of the audit recommendations, those overdue, and those actioned and cleared.

Risk and business continuity management

The department continues to implement the policy, process and procedures outlined in its risk management framework, ensuring that operational areas identify and assess key risks and develop, implement and monitor risk treatment plans in accordance with the Australian and New Zealand Standard for risk management (AS/NZS 31000:2009).

The department's business continuity plans have been developed to ensure functionality is restored to its vital business functions should a critical incident or disaster occur and have been developed in line with the Western Australian Government Business Continuity Management Guidelines. These continuity plans are supported by recovery procedures for critical information technology systems and applications and to protect department employees and customers in the event of a critical incident.

Achievements over the last 12 months include the:

- review of risk management application's (Riskbase) alignment with departmental requirements.
- establishment of key contacts for risk management and business continuity processes in each division within the department.

- review of divisional Business Continuity plans, templates and processes to ensure that the plans are current and accurate.
- review of current risks within Riskbase to re-focus on significant risks while archiving and reducing redundant risks and normalise the risk management process at divisional level.
- establishment of regular risk management reporting to Corporate Executive to meet corporate governance requirements and align with best practice in reporting and monitoring significant departmental risks.

Other legal requirements

Advertising

In accordance with section 175ZE of the *Electoral Act 1907* the department's 2012-13 expenditure in relation to payments made to advertising agencies, direct mail organisations, market research organisations, polling organisations and media advertising organisations is detailed in the below table.

Table 23: Total expenditure for 2012-13

Expenditure category and organisations	Total cost
Advertising Agencies	\$70,844
Adcorp Australia Limited	\$63,344
The West Australian	\$7,500
Media Advertising	\$1,500
The West Australian	\$1,500
Media Advertising organisations	\$403,461
Comada Pty Ltd	\$803
Mitchell and Partners Australia Pty Ltd	\$397,835
Mitchell Communication Group	\$973
West TV Limited	\$3,850
Market Research Organisations	\$8,223
Painted Dog Research Pty Ltd	\$8,223
Grand Total	\$484,028

Compliance with public sector standards

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 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 detailed in the following table:

Table 24: Applications for breach of standard and corresponding outcomes for 2012-13

	Number
Number lodged	6
Number of breaches found (including details of multiple breaches per application)	Nil
Number still under review	Nil



Brian Bradley
Accountable Authority
18 September 2013

Table 25 below provides details on activities undertaken by the department relating to ensuring compliance with Public Sector Standards and ethical codes in 2012-13. 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 2012-13

Significant action taken to monitor and ensure compliance

Public Sector Standards

- Provided information to new employees as part of the induction program.
- Published news articles on Comm.News, the department's intranet news service.
- Undertook internal audits and reviews.

Western Australian Public Sector Code of Ethics

- Set target for employee completion of Accountable and Ethical Decision Making training in the performance agreements for the Director General and Executive Directors.
- Ensured Executive Directors affirmed their commitment to the Western Australian Public Sector Code of Ethics as part of their performance agreement with the Director General.
- Provided information to new employees as part of the induction program.

Code of Conduct

- Provided information to new employees as part of the induction program.
- Ensured employees affirmed their commitment to the department's Code of Conduct as part of the performance review and development system.

Disability access and inclusion outcomes

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 2012-16 details the department's overarching strategies and tasks aimed at implementing improvements to access and inclusion across seven outcome areas and is compliant with legislative requirements.

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

Table 26: Disability access and inclusion outcomes for 2012-13

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.

- Continue to ensure agents and contractors conduct their business in a manner consistently with the legislation, the department's Disability Access and Inclusion Plan, relevant standards and Government guidelines. The department collects and reports annually to the Disability Services Commission on contractor's compliance with the Disability Access and Inclusion Plan.

Outcome 2 - People with disabilities have the same opportunities as other people to access the buildings and other facilities of the relevant public authority.

- Continue to ensure all new leases or renewal of existing leases take into account the needs of people with disabilities.
- A 'building audit' review of the Consumer Protection Division Osborne Park office was conducted and recommendations made for access improvements made to the building manager.

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.

- All divisions ensure that public information is available in alternative formats upon request and that publications advertise this availability.
- Contact details to discuss access issues are available on the department's website.
- The accessibility of the Department of Commerce website is under review.

Outcome 4 - People with disabilities receive the same level and quality of service from the staff of the relevant public authority.

- The induction of new staff includes an information sheet on the Disability Access and Inclusion Plan.
- Online induction module includes the Disability Access and Inclusion Plan.
- Carer Awareness Sessions were held for staff to raise awareness about the different needs of staff and customers who are carers.

Outcome 5 - People with disabilities have the same opportunities as other people to make complaints to the relevant public authority.

- Feedback from customers with disabilities is invited via contact details on our website.
- The Department of Commerce website advises of disability advocacy services.

Outcome 6 - People with disabilities have the same opportunities as other people to participate in any public consultation by the relevant public authority.

- Continue to seek direct comment through periodical targeted consultation on a required basis.
- Information in other formats to be made available on a required basis for targeted consultations.

Outcome 7 - People with disabilities have the same opportunities as other people to access employment with the Department of Commerce.

- Continue to ensure application packs and employment advertising is accessible to people with disabilities.
- Continue to ensure recruitment practices do not unintentionally exclude participation from people with disabilities.

Recordkeeping plans

As specified under Section 19 of the *State Records Act 2000*, the Department of Commerce has an approved Recordkeeping Plan (RKP). Amendments to the RKP 2012 were approved by the State Records Commission on 30 August 2012 and were a result of functional changes to the Agency. The RKP is available to all staff via the department's intranet.

Recordkeeping system

The department's information management systems are a combination of business-specific information systems, and an electronic document and records management system in the form of Objective EDRMS. Together these systems are repositories for recorded information related to business transactions and activities across the department.

Evaluation of the efficiency and effectiveness of the recordkeeping systems

At the system level, qualitative and quantitative checks of Objective EDRMS are conducted on a regular basis. Monthly statistics analyse system usage and availability, storage levels and demand. Quarterly health checks, conducted by the software provider, are used for analysis, tuning and preventative activities designed to keep the underlying infrastructure working at optimal levels.

At the operational level, reporting tools are linked to key performance indicators. These and other indicators show a significant increase in the number of records captured, and usage rates at the user and agency level.

Digitisation strategy

In 2012, the Corporate Executive endorsed the Commerce Digitisation Strategy and the move to digital records management. A year after the introduction of the strategy, three million electronic records had been registered in Objective. In January 2013, this had increased by 60 per cent to five million. At the end of June 2013, there were six million.

Back-scanning projects, virtualisation and automation of paper-based business processes, use of virtual files as a default, and expansion of the

digital mail room project have contributed to a registration rate increase of 20 per cent in the last five months.

Training program

The IT training team has conducted a review of the Objective EDRMS training program. As a result, the range of online training courses has been expanded to support skills development in the area of digital records management and use of the EDRMS Application. In response to user feedback, a series of customised training sessions were developed and delivered on-site to metropolitan staff.

Mandatory recordkeeping training is scheduled weekly for all new staff. The Objective workshop includes a session on recordkeeping roles, responsibilities and obligations. ELearning tools which complement the workshop are made available on the Commerce intranet, along with published policies, standards and procedures.

Education and awareness

The presentation, delivered to regional customer service offices and inspectors at the twice-yearly conferences in Perth, focused on disaster response training using the checklists in the Records Disaster Management Plan.

News items, presentations, emails, induction handouts and the Corporate Information: Recordkeeping Essentials booklets are used to promote best practice recordkeeping. Multiple postings on the intranet news page kept the focus on the departmental Digitisation Strategy, Objective software tools and enhancements, best practice in records management and the transition to digital records management.

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 2012-13.

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

(d) 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 2012-13, relevant to the work of the inspection service, are provided in Appendix 2: Changes to written laws (Table 45). The Significant Issues and Trends section of this report also provides information on issues and trends impacting the department and the inspection environment.

(e) Staff of the labour inspection service

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

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

There were a total of 221,918 businesses operating in the 2011-12 financial year 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 2008 to June 2012) 8165.0. These businesses employed an estimated 1.270 million employees during 2011-12 rising to an estimated 1.314 million in 2012-13

(figures are rounded) according to the Australian Bureau of Statistics Labour Force Australia, Quarterly (May 2013) 6291.0.55.003 (table 5).

(g) Statistics of inspections visits

During 2012-13, the Labour Relations Division undertook 146 inspection visits and the WorkSafe Division undertook 8,794 physical workplace visits including repeat visits.

(h) 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 59 and prosecutions for the WorkSafe Division are published in Table 60. Details of improvement and prohibition notices for the WorkSafe Division are published in Tables 62 to 64. Of the 60 employers inspected by the Labour Relations Division, 246 separate breaches of awards, agreements or legislation were identified and as a result two prosecutions were undertaken and one penalty imposed.

(i) 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 the Safe Work Australia publication, *Occupational Disease Indicators*. A copy of the publication can be accessed on the Safe Work Australia website.



Agency specific 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 verbal. A decision is made on the information available and can be enforced as if it was 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) was the responsible licensing authority under this Act.

On 1 July 2010 responsibility for regulation of credit was transferred to the Commonwealth Government, specifically the Australian Securities and Investment Commission (ASIC). From 1 July 2010 the department's responsibilities in relation to credit regulation ceased other than to conclude one matter on foot before the Courts. This matter was concluded in 2011-12.

Since 1 July 2010, credit providers have been licensed by ASIC. Section 60(2) of the CA Act requires the Commissioner to report on a number of prescribed matters but as these matters now fall under the responsibility of the Commonwealth Government there are no matters to report.

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 2013, there were 77 licensed debt collectors operating in Western Australia. Over the course of the year, 13 licences expired or were surrendered, 13 new licences were granted and 65 licences were renewed.

Three investigations were closed this financial year. Of these investigations, two did not detect an offence and one debt collector was provided with an administrative warning.

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 2010* and the *Australian Consumer Law* (WA).

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; no issues of this nature have arisen during the past financial year.

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 27: Debt Collectors Licensing Act 1964: Investigation summary for 2012-13

	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 2012	2	1	1	4
Number commenced	0	1	6	7
Number concluded	2	1	7	10
Number ongoing as at 30 June 2013	0	1	0	1

Of the 10 matters concluded in 2012-13, the following outcomes were recorded:

- one agreement was reached;
 - eight resulted in no action being taken including complaints lapsed or withdrawn; and
 - one administrative warning was issued.
- (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;

One matter in paragraph (a) is outstanding. This is an investigation concerning a possible breach of s29(1) of the *Australian Consumer Law* (WA), misrepresenting the need for a service.

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

There were no significant trends that were identified this financial year. Matters investigated related to alleged unlicensed activity and issues with the management of trust accounts.

- (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

There are no known significant issues that will affect a change in workload in this area of activity.

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

The department is awaiting progress of national consumer credit reform on the future of debt collector licensing and management in Australia.



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

Table 28: The following numbers of investigations were concluded in 2012-13

Nature	Number
Breach Investigations	557
Network Operator Incidents *	303
Network Operator - Fires	8
Electrical Accident - Fire *	10
Electrical Accident - Injury	37
Report of Electrical Shock	6
Total	921
Investigations outcome	Number
Formal Warning	150
Infringement	7
Prosecution	66
Lapsed Prosecutions	112

Note: Compliance actions may take more than one year to complete. Some prosecutions recorded above may relate to investigations carried out in an earlier year.

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

There were no such matters.

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

Table 29: Number and nature of matters

Nature	Number
Breach Investigations	197
Network Operator Incidents *	59
Network Operator - Fires	3
Electrical Accident - Fire *	2
Electrical Accident - Injury	14
Report of Electrical Shock	0
Total	275

*Excludes Network Operator fires.

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

Network operators have not previously reported the number and nature of public safety-related incidents caused by their network assets. The principal incidents of concern include: wooden power poles falling, overhead conductors falling, pole-top fires, conductors clashing and incorrect connections to customer premises causing polarity reversal. During the year, the Director has assisted Western Power to prepare a quarterly public safety report recording such incidents. The report format and content are nearing completion and it is expected to be published on Western Power's website.

- (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

For several years the Director has been unable to adequately investigate the number of electrical safety incidents caused by electricians failing to comply with standards and regulations applicable to their work. The upward trend of such incidents continues and an investigation backlog is steadily growing. Some electrical contractors and electricians committing serious breaches of regulations are not prosecuted because

the resources available to the Director are insufficient to complete investigations within the two year statutory limitations period.

Since the creation of Western Power Corporation in 2006, the Director has been required to commit an increasing proportion of his inspection and investigation resources to network-related safety incidents, mentioned in (c). The investigations and any resultant prosecutions tend to be complex and heavily consume inspection resources, therefore the Director has been unable to adequately investigate a number of electrical safety incidents caused by electricians failing to comply with standards and regulations applicable to their work. The number of outstanding investigations shown in (b) is a concern and will be addressed in development of future business plans.

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

The high demand for electricians in the resources sector during the mining and petroleum construction boom hampered attempts to recruit suitable candidates as electrical inspectors. The remuneration offered was not attractive compared with private sector rates of pay. However, as the intensity of the boom has declined over the past six to twelve months, there has been greater interest from experienced electricians and electrical contractors in joining EnergySafety Division. This should enable the filling of some vacancies. However, it is unlikely to be sufficient to deal with the investigation backlog or to prevent its growth.

The proportion of new electrical installations found, upon inspection, to have defects is not diminishing, despite efforts to inform electricians about their responsibilities through, among other means, EnergySafety Division's quarterly 'Energy Bulletin'.

Licensing functions will alter significantly if the Government decides to adopt the National Occupational Licensing System. Legislation changes will be required and new administrative processes will have to be developed requiring, among other things, major changes to IT systems.



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 licences, 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 2013, there were 689 licensed employment agents operating in Western Australia. Over the course of the year, 30 licences expired and an additional 14 were surrendered, 158 licences were renewed and 93 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 2012-13, the department completed 10 investigations related to employment licence holders, unlicensed activities or conduct issues.

Seven investigations were regarding alleged unlicensed activity. Of these investigations, two employment agents were issued with an administrative warning, two applied for and were granted a licence and three were provided with information and advice.

One investigation file was opened due to alleged misleading conduct. This was referred to another consumer protection agency in a different state.

One investigation file related to the scale of fees not being displayed. The employment agent was issued with an administrative warning.

There was no offence detected for the one remaining matter.

Table 30: Employment Agents Act 1976: Investigations and inquiries in 2012-13

	Employment agent licence holder or unlicensed activity	Conduct issues	Conciliations	Total
Number ongoing as at 1 July 2012	5	1	0	6
Number commenced	4	2	7	13
Number concluded	8	2	7	17
Number ongoing as at 30 June 2013	1	1	0	2

Of the 17 matters concluded in 2012-13, the following outcomes were recorded:

- Two agreements were reached;
 - Four were provided with education or advice;
 - Eight resulted in no action being taken including complaints lapsed or withdrawn or no offence being detected; and
 - Three administrative warnings were issued.
- (ii) matters that have been brought before the State Administrative Tribunal under this Act;
- There were no matters brought before the State Administrative Tribunal under this Act.
- (b) the number and nature of matters referred to in paragraph (a) that are outstanding;

There is currently one investigation matter and one compliance matter outstanding. The investigation matter relates to alleged misleading conduct and the compliance matter is due to alleged unlicensed activities.

- (c) any trends or special problems that may have emerged; During 2011-12, the main allegations were concerning unlicensed agents and agents not displaying their schedule of fees. This financial year, unlicensed activity was again the main issue however there were also two instances of alleged misleading conduct.
- (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 No significant issues or trends have been identified that might lead to a change in the workload during 2013-14.
- (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.



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.

Table 31: The following investigations were concluded in 2012-13

Nature	Number
Breach Investigations	614
Incident Investigation	46
Accident injury - Public	10
Accident injury - Worker	4
Fatal	1
Total	675

Investigations outcome	Number
Formal warning	103
Infringement	71
Prosecution	5
Lapsed prosecutions	Nil
Appeals (Notice of Defects)	5
Cancelled (Notice of Defects)	24
Verbal Warning	348
No Further Action	68

- (ii) matters undertaken by the Director and referred to the State Administrative Tribunal under this Act by the Director;

There were no such matters.

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

Table 32: Number and nature of matters

Nature	Number
Breach investigation	4
Incident investigation (fatal)	0
Accident injury - Public	0
Accident injury - Worker	0
Fatal	0
Total	4

- (c) any trends or special problems that may have emerged;
- (i) A small number of gas fitters continue to fail to submit Notices of Completion upon the completion of gasfitting work, which is reflected in the numbers of infringements and warnings issued.
 - (ii) There is concern at the lack of core training competencies demonstrated by apprentices. Skill levels of apprentices having completed a shortened apprenticeship have declined over the past several years. The EnergySafety Division has audited the Registered Training Organisations addressing the national Core Competencies relating to gasfitting. Feedback has been positive.
 - (iii) Commissioning and servicing of basic gas appliances does not appear to be tested during the apprenticeship period and without these fundamental skills being taught, EnergySafety Division will continue to receive reports of non-compliance and incorrect installations. One RTO has addressed this issue by completing a servicing course. Gas appliance manufacturers are keen to promote appliance servicing courses and are looking to partner with RTOs.

(iv) There is evidence to suggest that few apprentices have the necessary restricted gasfitting permit, resulting in apprentices undertaking gasfitting work that is a breach of the regulations. EnergySafety now provides safety orientated presentations to all gasfitting apprentices at all relevant colleges. Since the inception of this, there has been a noted increase in the numbers of apprentices obtaining restricted gasfitting permits.

(v) Gas fitters who obtain a gasfitting permit under mutual recognition are not required to demonstrate knowledge of the Western Australian gas legislation. This has resulted in significant numbers of gas fitters being issued a Notice of Defect for not submitting a Notice of Completion after completing gasfitting work.

- (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

One serious gas supply event and another major investigation into a discipline matter has consumed the majority of inspection resources in the gas directorate, resulting in the inability of the Director to have a significant presence in major regions of the State. As the investigations draw to a conclusion, it will release resources to undertake this vital work.

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

EnergySafety will explore the possibility of the Director being able to suspend or cancel a gasfitting permit where evidence suggests a person is not competent. This may lead to a requirement for retraining and further assessment of competence to be undertaken prior to regaining the permit.



Land Valuers Licensing Act 1978

The department administers a range of functions under the *Land Valuers Licensing Act 1978* (the LV Act) including the granting and renewal of licences, compliance activities and a range of education and advisory services. As at 30 June 2013, there were 799 licensed land valuers in Western Australia. Over the course of the year, 23 licences expired, 92 licences were renewed and 58 new licences were granted.

Section 31 of the LV Act requires the Chief Executive Officer of the department 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 the year, four complaints were received mostly relating to valuation practices. Investigations focused on valuers' application of proper practices and principles of valuation rather than the actual valuation figure.

Table 33: Land Valuers Licensing Act 1978: Investigations and inquiries in 2012-13

	Issues concerning valuation practices	Issues relating to fees and charges	Licensing issues	Total
Number ongoing as at 1 July 2012	3	0	0	3
Number commenced	3	0	1	4
Number concluded	4	0	0	4
Number ongoing as at 30 June 2013	2	0	1	3

Of the four matters concluded during the year: one resulted in an education or advice letter, two resulted in no action being taken as a result of no offence being detected or other reasons and one complaint was not within the department's jurisdiction.

The department continued a proactive compliance program introduced in 2011-12 for licensed land valuers. The proactive compliance program aims to assist land valuers in complying with legislative requirements, identify and rectify areas of risk, and provide general advice to licensees on complying with legislative requirements. This financial year, the department visited 44 valuers. Some common issues identified on proactive visits included land valuers not obtaining title searches for residential properties, and not clarifying client instructions as to the basis of the valuation.

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

No matters were brought before the State Administrative Tribunal under this Act. However, Consumer Protection Division took disciplinary action against a sales representative under the *Real Estate and Business Agents Act 1978* after he submitted an application which contained forged signatures. The sales representative was disqualified from holding registration as a real estate sales representative for two years and fined \$1,000 by the State Administrative Tribunal. In a subsequent Order, the State Administrative Tribunal disqualified him from holding a land valuer's licence for one year on the basis that he was not a fit and proper person to hold such a licence.

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

There were three complaints outstanding at 30 June 2013 in relation to issues concerning valuation practices and advertising and marketing.

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

There were no specific trends or special problems that have emerged in the land valuation industry however any common issues identified on

proactive visits are being addressed in newsletters and e-bulletins to industry. Department officers are also addressing these issues at risk management training sessions run by the Property Institute of Australia. A common issue of not obtaining title searches for residential properties and a land valuer's obligation to determine and verify pertinent facts through a Certificate of Title has been addressed during proactive visits and will be addressed in a future newsletter article highlighting obligations under the Code of Conduct and *Fair Trading Act 2010*.

- (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 conduct the licensing of land valuers and related compliance matters. The proactive compliance program will continue, with an aim to visit all land valuers every three years. The department will continue to use newsletters and e-bulletins to communicate updates to the industry.

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

The department commenced a broad review of the Code of Conduct and welcomed submissions on potential amendments to the Code. In May 2013 a Consultation Regulatory Impact Statement - Property Industry Codes of Conduct Discussion Paper was released. The review is examining the overall effectiveness of the current Code to ensure consistency with the Australian Consumer Law, support red tape reduction and ensure principles of best practice regulation to make the Code relevant and appropriate for the current market but not be overly prescriptive.



Motor Vehicle Dealers Act 1973

The department administers a range of functions under the *Motor Vehicle Dealers Act 1973* (the MVD Act) including the granting and renewal of licences, compliance activities and a range of education and advisory services.

Section 51 of the MVD Act requires the Chief Executive Officer of the department 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 34: Motor Vehicle Dealers Act 1973: Investigations and inquiries in 2012-13

	Issues concerning unlicensed activities	General breaches	Conciliation	Total
Number ongoing as at 1 July 2012	43	27	92	162
Number commenced	63	59	936	1,058
Number concluded	78	72	937	1,087
Number ongoing as at 30 June 2013	28	14	91	133

Note: Conciliations are conducted at the direction of the Commissioner for Consumer Protection, under the *Fair Trading Act 2010*. Data reported relates to conciliations involving licensed motor vehicle dealers only.

Table 35: The outcomes for the matters concluded were as follows:

Compliance and Investigations	Number
Corrective/educational advice	44
Administrative warning	41
Prosecution action approved/brief completed	9
Licence granted	3
Complaint referred	1
Agreement reached to settle	1
Fine/penalty	1
Remedial action or undertaking completed	1
No action taken due to insufficient evidence, no offence detected, not in public interest or other reasons	49
TOTAL:	150

Conciliations	Number
Agreement reached between parties to settle the matter, no case to answer or education or advice given	457
No conciliated result, referral to the Magistrates Court	284
Referral to an alternate agency or dispute resolution service	67
Other	129
TOTAL:	937

- (ii) matters that have been brought before the State Administrative Tribunal by the Commissioner;

There were no matters brought before the State Administrative Tribunal by the Commissioner.

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

Most of the 91 conciliation matters ongoing as at 30 June 2013 related to disputes regarding vehicle purchase contracts and warranties, closely followed by complaints regarding overcharging, and the provision of unsatisfactory products and/or services.

Of the 42 compliance and investigation matters ongoing as at 30 June 2013, 28 related to investigations of unlicensed activities. The remaining 14 matters concerned general breaches such as misleading conduct, incorrect pricing and trust accounting issues.

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

During 2012-13 there was an increase in calls and complaints concerning faulty engines and transmissions of Volkswagen (VW) motor vehicles.

A number of faults have been recorded Australia-wide resulting in VW Australia carrying out repairs under the manufacturer's warranty. However, VW Australia have stated that, whilst they will honour a two year warranty on any vehicles where the engine and/or transmission has been repaired, they will refuse any claims for subsequent failure outside this, or the original, warranty period.

A recall was announced by VW Australia in June 2013 to address transmission problems; however this does not address the serious problems being experienced due to engine failure. This matter is being monitored by the Australian Competition and Consumer Commission and the department.

During 2012-13 the department continued its motor vehicle dealer proactive compliance program. Changes were made to the program in order to address a potential risk identified in the transitional provisions of the MVD Act during the transfer of functions from the Motor Vehicle Industry Board to the Commissioner for Consumer Protection.

It was identified that proactive officers were no longer 'authorised persons' under the MVD Act, and therefore unable to issue infringement notices. Without this authorisation officers were also no longer able to attend the premises of motor vehicle dealers to inspect the register, and any vehicles displayed for sale, without it being on a voluntary basis.



As such, a procedure was introduced whereby proactive officers make appointments with licensees prior to the visit. These procedures are likely to be in place until the legislation can be amended.

Changes to the Motor Vehicle Dealers Prescribed Vehicle Regulations 1974, introduced in October 2012, also saw a revision of the vehicles included under the definition of 'vehicle' in accordance with the Act. The main amendments included the change in definition of the term 'caravan' to include 'camper trailers', as well as the replacement of the term 'motor wagon' with 'goods vehicle'.

- (d) forecasts of the workload of the Commissioner in the year after the year to which the report relates; and

The introduction of the online complaint form led to a marked increase in the lodgement of conciliations during the latter half of the financial year. This trend has maintained at a steady level and is expected to continue in 2013-14.

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

It is intended that a review of the MVD Act will commence in 2013-14.

Real Estate and Business Agents Act 1978

The department administers a range of functions under the *Real Estate and Business Agents Act 1978* (the RE Act) including the granting and renewal of licences, compliance activities and a range of education and advisory services. As at 30 June 2013, there were 4,383 licensed real estate and business agents who held a current triennial certificate and 8,490 sales representatives registered in Western Australia.

Over the course of the year, 185 triennial certificates expired and an additional 26 were surrendered, 1,479 triennial certificates were renewed and 325 new licences were granted. During this same time, 1,279 sales registrations expired and an additional 21 were surrendered, 1,509 registrations were renewed and 1,423 new registrations were granted. Section 135 of the RE Act requires the Chief Executive Officer of the department 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;

The department examined a range of general compliance issues during the year, as well as financial compliance issues. Matters investigated included alleged trust account breaches, claims about unlicensed or unregistered activity, advertising and marketing, fitness to hold a licence or registration, property management fees and charges, professional conduct and late bond lodgements.

Table 36: Real Estate and Business Agents Act 1978: Investigations and inquiries in 2012-13

	General compliance issues	Financial compliance issues	Conciliations	Total
Number ongoing as at 1 July 2012	217	29	10	256
Number commenced	577	268	188	1,033
Number concluded	578	253	173	1,004
Number ongoing as at 30 June 2013	216	44	25	285

Of the 831 compliance matters concluded during the year, the following outcomes were recorded: 468 complaints resulted in no action due to there being no offence or other reasons; 225 education or advice letters were sent; 80 warning letters were issued; 26 matters were referred to another agency; three complaints related to briefs for disciplinary proceedings before the State Administrative Tribunal; 10 complaints related to briefs for prosecution; seven complainants were advised to seek civil resolution; one complaint was transferred to conciliation; and 11 complaints were withdrawn or lapsed.

During the financial year, the Commissioner took action in the Magistrates Court against four real estate agents for lodging bonds outside of the timeframe prescribed by the *Residential Tenancies Act 1987*. All four agents received fines and were ordered to pay the department's costs. Where any other prosecution matters have been finalised, the outcomes are detailed in Appendix 3: Prosecutions.

The department continued its proactive compliance program that aims to assist agents in complying with legislative requirements, to identify and rectify areas of risk, and provide advice and support to agents in an effort to



avert operational problems. The program encourages high levels of industry best practice. This financial year, the department completed 635 proactive visits, with no major systemic issues identified. Some of the more common issues proactive officers provided guidance on during the year included process for dealing with unclaimed monies, process for identifying clients who are a priority limited entity, trust accounts not being reconciled at the end of the month, late renewals of triennial certificate and registrations, poorly written contractual conditions and late bond lodgements. Proactive officers also provided education to agents and property managers regarding upcoming changes to the *Residential Tenancies Act 1987* that came into effect on 1 July 2013.

The department also administers the Real Estate and Business Agents Fidelity Guarantee Account (REBA Fidelity Account). The purpose of the REBA Fidelity Account is to provide financial reimbursement to people who suffer pecuniary loss or loss of property through any defalcation by a licensee who holds a triennial certificate, in the course of the business of that licensee. This also includes the actions of the licensee's employees.

During the year, 11 new claims were lodged against the REBA Fidelity Account and 33 claims were finalised. 28 of these claims were allowed or partially allowed, two were disallowed and three were withdrawn. The 28 claims allowed a total value of \$1,774,744.60 to be reimbursed and \$20,305.74 reimbursed for legal costs. At 30 June 2013, there were 45 claims outstanding against the account with a total provisional value of \$8,765,284.59, which does not include legal costs or claims for interest.

Of the 173 conciliations concluded during the year, the following outcomes were recorded: 57 resulted in agreement between parties to settle the matter; three were referred to another agency or dispute resolution service; 21 complaints lapsed or were withdrawn and 92 complaints were unable to be conciliated due to a variety of reasons such as an inability to reach an agreement due to differing views between parties or an inability to contact one of the parties involved. As the nature of disputes is ultimately a civil matter, where a resolution could not be reached through conciliation, the complainants were advised of the option of taking their complaint to the Magistrates Court.

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

This financial year, there were 11 matters before the State Administrative Tribunal under the RE Act. Nine of these matters were finalised. The department took disciplinary action under the RE Act for various matters such as contravening the Code of Conduct by dishonestly keeping clients' money intended for property advertising or repairs and failing to disclose to a buyer that there was ongoing legal action that directly involved the unit strata company. A real estate salesman and land valuer was also disqualified and fined, after submitting an application with Consumer Protection Division which contained forged signatures.

- (iii) matters that have been dealt with through the conciliation process under this Act;

The department dealt with a range of matters in conciliation during the year, including disputes about obtaining and providing information, giving inadequate/incorrect advice or failing to ascertain pertinent facts; and property management related complaints in relation to fees and charges, bond matters, failure to inspect and contractual disputes.

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

As at 30 June 2013, there were 260 compliance matters outstanding. These matters concern issues such as unlicensed or unregistered activity, advertising and marketing, misleading or deceptive conduct, and audit and trust account matters. As at 30 June 2013, there were seven matters before the State Administrative Tribunal under the RE Act that have not been finalised, as detailed in Appendix 3: Prosecutions. The majority of the 25 conciliations outstanding at 30 June 2013 were regarding property management.

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

The property industry continued to be targeted by people attempting

to fraudulently sell property in Western Australia. In October 2012 and February 2013 Consumer Protection Division alerted the industry about recent attempts that re-emphasised the need for real estate agents, sales representatives and property managers to follow the Client Identification Guidance Notes issued by the Commissioner for Consumer Protection in November 2011. Scammers clearly continue to target the property management sections of agencies in an attempt to perpetrate the frauds. Along with keeping the industry alert through e-bulletins and newsletter articles, proactive officers continue to check that agents have the necessary processes in place to ensure agents are complying with the identification verification measures now in place and property management sections of agencies have adequate procedures to verify the owner's details.

This financial year the department has had an increased focus on unlicensed and unregistered activity in the real estate industry and has completed investigations into 79 complaints about potential unlicensed or unregistered activity as compared to 26 complaints in 2011-12. Aspects of unlicensed activity are also evident in several purchase option/mediated vendor finance schemes that Consumer Protection Division has examined. The department has filed two separate civil pecuniary proceedings in the Supreme Court against five entities, alleging unlicensed real estate transactions under s26 of the RE Act and false or misleading statements pursuant to s30(1) of the Australian Consumer Law relating to the purchase/sale of residences using a 'purchase option/mediated vendor finance' scheme. Interim injunctions have been granted restricting the actions of the entities until the matters are fully heard.

In May 2013 the Commissioner urged potential investors who may be lured into attending so-called 'free' property investment and wealth creation seminars to carefully consider what's being offered before signing any contracts. The department has also utilised the powers under s219 of the Australian Consumer Law to require a national promoter and spruiker of a 'purchase option/mediated vendor finance' scheme to substantiate the material advertised online and the material taught and offered for purchase at seminars around Australia.



- (d) forecasts of the workload of the Commissioner in the year after the year to which the report relates; and

The Commissioner will continue to manage the licensing of real estate and business agents and sales representatives, related compliance matters and the provision of education and advisory support to industry and consumers. A quarterly newsletter for real estate agents, and regular e-bulletins are produced, keeping agents and other interested industry participants informed on issues relevant to the real estate industry.

Significant amendments to the *Residential Tenancies Act 1987* that came into effect on 1 July 2013 are likely to result in an increase in enquiries and potential complaints in 2013-14. The department will continue to educate the real estate industry and highlight any matters that require clarification online and in future e-bulletins and newsletters.

- (e) any proposals for improving the operation of the Commissioner.

The department commenced a broad review of the Code of Conduct and welcomed submissions on potential amendments to the Code. In May 2013 a Consultation Regulatory Impact Statement - Property Industry Codes of Conduct Discussion Paper was released. The review is examining the overall effectiveness of the current Code to ensure consistency with the Australian Consumer Law, support red tape reduction and ensure principles of best practice regulation to make the Code relevant and appropriate for the current market but not be overly prescriptive.

The department also plans to utilise infringement notices as an alternative compliance method for potential offences under the RE Act and the *Residential Tenancies Act 1987*.

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 is responsible for several functions under this Act, including compliance activities and the conciliation of disputes between residents and retirement village owners.

In 2012-13 the department has been developing regulations, in consultation with key stakeholders, to support the commencement of the *Retirement Villages Amendment Act 2012* (the Amendment Act), which passed through the Parliament in October 2012. The Amendment Act and its supporting regulations are intended to commence in early 2014, to improve practices relating to the informational, contractual and financial wellbeing of retirement village residents and provide early remedies to some of the major issues facing retirement village residents.

Consumer Protection Division also released a Discussion Paper on 13 June 2013, which outlines proposed changes to the Code of Practice that regulates retirement villages in Western Australia. The proposed changes are aimed at accommodating the Amendment Act and its regulations, and implementing further recommendations of the statutory review of the legislation, which was tabled in the Parliament in November 2010. The Code is a vital component of the laws ensuring good management practices in the retirement village industry – it defines the rights and obligations of retirement village residents and operators in relation to contracts, consultation, dispute resolution and operational and financial management. A second major phase of amendments to the RV Act is intended to progress in 2014, to implement the remaining statutory review recommendations that require legislative change.

This financial year, the department conciliated or investigated 42 complaints relating to retirement villages. These complaints reflected a diverse range of matters including issues about fees, rates and charges, dispute resolution processes, the meaning of contract terms, disclosure and provision of information, construction of facilities and maintenance, marketing, sale of units, and budget expenditures.

The department has continued with the retirement village 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. As part of the program proactive compliance officers also meet with representatives of village residents committees and discuss any issues that the residents may have with village management. This financial year Consumer Protection Division visited 89 retirement villages, with no major issues or trends identified. Proactive officers provided guidance on rectifying issues such as the formation of residents' committees and complex terms in contracts.

During May and June 2013, several departmental officers spoke at public seminars arranged by the Western Australian Retirement Villages Residents Association Incorporated (WARVRA). Officers provided information about some of the proposed changes in retirement village legislation, retirement village budgets and how to resolve disputes. Retirement village residents were also able to ask senior departmental officers questions regarding any specific concerns they had with their village. The Consumer Protection Division also operates the Seniors' Housing Centre in partnership with the Council on the Ageing Western Australia providing a range of free advice and information to consumers on their retirement housing options.



Settlement Agents Act 1981

The department administers a range of functions under the *Settlement Agents Act 1981* (the SA Act) including the granting and renewal of licences, compliance activities and a range of education and advisory services. As at 30 June 2013, there were 762 licensed settlement agents who held a current triennial certificate in Western Australia. Over the course of the year, 29 triennial certificates expired and an additional 17 were surrendered, 272 triennial certificates were renewed and 25 new licences were granted.

Section 112 of the SA Act requires the Chief Executive Officer of the department 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;

The department examined a range of general and financial compliance issues. Matters investigated included alleged audit and trust account breaches and claims about professional conduct, failing to act in accordance with instructions, failing to act in best interest of a principal and unlicensed activity.

Table 37: Settlement Agents Act 1981: Investigations and inquiries in 2012-13

	General compliance issues	Financial compliance issues	Total
Number ongoing as at 1 July 2012	20	2	22
Number commenced	47	42	89
Number concluded	52	44	96
Number ongoing as at 30 June 2013	15	0	15

Of the 96 compliance matters concluded during the year, the following outcomes were recorded: 68 complaints resulted in no action due to no offence being detected or other reasons, 10 education or advice letters were sent, four

warning letters were issued, four complaints were referred to another agency, seven complaints related to briefs for disciplinary proceedings or prosecution action and three complainants were advised to seek civil resolution.

The department continued its proactive compliance program that aims to assist agents in complying with legislative requirements, to identify and rectify areas of risk and provide advice and support to agents in an effort to avert operational problems. The program encourages high levels of industry best practice. This financial year the department completed 49 proactive visits. Some of the more common issues identified included agencies not conducting searches as soon as practicable after receiving instructions to act, or prior to a deal settling when acting for the buyer; agencies not ensuring correct procedures for completing Form 1 Appointment to Act, and client elections not being clearly made; and agency correspondence and documents failing to state "Licensed Settlement Agent" and the required name of the triennial certificate holder, registered business name and business address.

The department also administers the Settlement Agents Fidelity Guarantee Account (SA Fidelity Account). The purpose of the SA Fidelity Account is to provide financial reimbursement to people who suffer pecuniary loss or loss of property through any defalcation by a licensee who holds a triennial certificate, in the course of the business of that licensee. This also includes the actions of the licensee's employees.

During the year, no new claims were lodged against the SA Fidelity Account. Twenty-two claims were finalised. All of these claims were allowed with a total value of \$959,380.95 reimbursed and \$20,581.70 reimbursed for legal costs. There were no claims disallowed (not including legal costs or claims for interest). As at 30 June 2013, there was one claim outstanding against the account with a total provisional value of \$1,051.55.

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

This financial year, one matter brought before the State Administrative Tribunal under the SA Act was finalised. In July 2012 the State Administrative Tribunal found an Embleton settlement agent to have mishandled funds received from a client. The agent

was fined \$3,000 and her licence has been put on hold for two years. Consumer Protection Division took disciplinary action against Deanne Jean Tabone, operating as DT Property Settlements, when she failed to immediately deposit funds from the settlement of a property into a proper trust account in February 2010.

There were three other matters relating to the SA Act brought before the Magistrates Court. As at 30 June 2013 one matter was not finalised yet and two settlement agents were convicted and fined as outlined below.

In April 2013 a Karrinyup settlement agent who represented that she was a licensed settlement agent after her triennial certificate had lapsed was fined \$4,000 by the Perth Magistrates Court. Michelle Louise Owen, trading as Swan River Conveyancing, pleaded guilty on 8 April 2013 to 11 charges relating to misrepresentations made during the settlement of three properties in Wembley Downs, East Fremantle and Balga. The agent repaid all consumers involved in the three transactions, which the Magistrate took into consideration, along with the agent's unblemished record and personal circumstances.

In June 2013, a Ballajura settlement agent, who has surrendered her licence, was fined \$8,000 by the Midland Magistrates Court over the misuse of trust account funds. Natalie Jane Briggs, trading as Frontline Settlements, pleaded guilty on 20 June 2013 to 13 charges related to failures to comply with the SA Act and the agency's inability to finalise the financial settlement of four property transactions due to the agent's misuse of her clients' trust money. The investigation found that vendors in the settlement of one property in 2011 were owed \$49,085.86 by the agency. They were later compensated by the Settlement Agents Fidelity Guarantee Account. It also found that Ms Briggs misappropriated \$36,790 lent to her by a mortgage broker. The broker was not eligible to be compensated by the Settlement Agents Fidelity Guarantee Account as the transaction was not in the course of a real estate settlement. The nature and outcome of all matters are provided in Appendix 3: Prosecutions.



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

As at 30 June 2013 there were 15 general compliance matters and no financial compliance matters outstanding. The outstanding matters relate to general breaches of legislation, unauthorised payment of monies, professional conduct, failing to act in best interest of a principal, unjust fees and unlicensed activity. As at 30 June 2013, there was one matter before the State Administrative Tribunal under the SA Act that has not been finalised, as detailed in Appendix 3: Prosecutions.

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

The property industry continued to be targeted by people attempting to fraudulently sell property in Western Australia. On three occasions scammers attempted to fraudulently sell properties. In October 2012 and February 2013 Consumer Protection Division alerted the industry about recent attempts that highlighted the need for settlement agents to follow the Client Identification Guidance Notes issued by the Commissioner for Consumer Protection in November 2011. In January 2013 a six-month transitional implementation period for the Western Australian Registrar and Commissioner of Titles *Joint Practice: Verification of Identity* (the Practice) ended and from 2 January 2013 Landgate requires that settlement agents follow the Practice guidelines. Along with keeping the industry alert through e-bulletins and newsletter articles, proactive officers continue to check that agents have the necessary processes in place to ensure agents are complying with the identification verification measures now in place.

- (d) forecasts of the workload of the Commissioner in the year after the year to which the report relates; and

The Commissioner will continue to manage the licensing of real estate settlement and business settlement agents, related compliance matters and education and advisory support to industry and consumers.

- (e) any proposals for improving the operation of the Commissioner.

The department commenced a broad review of the Code of Conduct

and welcomed submissions on potential amendments to the Code. In May 2013 a Consultation Regulatory Impact Statement - Property Industry Codes of Conduct Discussion Paper was released. The review is examining the overall effectiveness of the current Code to ensure consistency with the Australian Consumer Law, support red tape reduction and ensure principles of best practice regulation to make the Code relevant and appropriate for the current market but not be overly prescriptive.

The department also plans to utilise infringement notices as an alternative compliance method for potential offences under the SA Act.

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.

As at 30 June 2013, there were 340 licensed travel agents operating in Western Australia. Over the course of the year, 22 licences were surrendered, 132 licences were renewed and one new licence was 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;

The department dealt with a number of disputes against travel agents in the past 12 months. These matters were conciliated between the parties as they represented contractual disputes.

Allegations that indicated a breach of legislation may have occurred were categorised as investigations.

There were 22 investigations closed in the 2012-13 financial year. Of the 22 investigations, nine examined alleged unlicensed trading. Five accepted corrective advice, one was issued an administrative warning, one did not detect an offence, one was granted a licence and one had no action when found to be outside the statute of limitations period.

Five complaints were opened due to the travel agent not providing the Commissioner with information concerning a change in particulars. In two instances education and advice were provided. Two administrative warnings were issued and one investigation did not detect an offence.

Three investigations were commenced due to alleged misrepresentations of price. All three complaints resulted in education and advice being provided.

One investigation file was opened due to the liquidation of a travel agent. This file was closed after a media release was issued and consumers were directed to lodge a claim with the Travel Compensation Fund.

One further investigation included allegations of operating as a pyramid scheme. This was not found to be the case but resulted in the provision of education and advice to the trader.

Three investigations did not detect a breach.



Table 38: Travel Agents Act 1985: Investigations and inquiries in 2012-13

	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 2012	2	2	2	22	28
Number commenced	4	2	16	222	244
Number concluded	5	3	14	230	252
Number ongoing as at 30 June 2013	1	1	4	14	20

Allegations of unlicensed activity are closely examined prior to formal investigation and in many cases matters are clarified with the trader to ensure compliance with the licensing requirements. This process significantly reduced the number of formal investigations required.

The department undertakes a proactive compliance program to provide information to travel agents about compliance with the TA Act resulting in improved practices throughout the industry. In 2012-13, 160 travel agents were visited including those with newly granted licences. Of those visited, 136 were fully compliant with the TA Act while 24 agents were non-compliant to varying degrees.

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 are currently five investigation matters outstanding as at 30 June 2013. These relate to three instances of alleged unlicensed activities, one instance of alleged misrepresentations about price and one instance of alleged misrepresentations about the uses or benefits of a good or service.

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

In the past financial year two licensed travel agents closed their business due to financial failure. Significant numbers of consumers were affected in Western Australia as a result of Travelworld Carnarvon and Classic International Cruises Pty Ltd being placed into financial administration. Consumer Protection Division received 260 calls about Classic International Cruises Pty Ltd regarding closure. There were no specific telephone enquiries about Travelworld Carnarvon due to the intervention of an allied travel agent that took over coordination of customers' needs. Media releases were issued in both instances of closure and consumers were directed to lodge claims with the Travel Compensation Fund.

- (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

It is anticipated that in the next 12 months there will be significant policy decisions taken by Government about the future licensing regime for travel agents. Government is currently considering a range of options following a decision of a majority of consumer protection Ministers nationally to discontinue the cooperative licensing regime and to wind up the Travel Compensation Fund.

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

There are no proposals.



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 7,034 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 3,147 licensed plumbing contractors, 3,788 licensed tradespersons, who work under the general direction and control of the licensed plumbing contractors, and 99 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 39: Water Services Licensing Act 1995: Compliance investigations and complaints in 2012-13

	Alleged unsatisfactory workmanship	Alleged unlicensed plumbing	Other regulation breaches	Total
Ongoing matters as at 1 July 2012	0	16	25	41
Matters commenced	2	12	16	30
Matters concluded	2	25	37	64
Ongoing matters as at 30 June 2013	0	3	4	7

- (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 2012-13.

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

three unlicensed matters and four 'other' matters that may result in disciplinary action.

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

No trends or special problems have emerged for 2012-13.

- (d) forecasts of the workload of the Board in the year after the year to which the report relates; and

The workload for 2013-14 is expected to rise steadily in line with urban development and overall economy of Western Australia.

- (e) any proposals for improving the operation of the Board.

The Building Commission Division has substantially implemented the Office of Auditor General's Public Sector Performance Report 2012. Changes to Regulations are proposed to modernise the powers given to compliance inspectors and investigators. A new plumbing compliance strategy was presented to the board which will provide a more effective program to ensure the licensing system works as it is intended to. An independent Review of Plumbing Regulation in Western Australia has been commissioned and is due in 2013-14.



Government policy requirements

Reconciliation Action Plan

The Department of Commerce is committed to maintaining positive relationships with Aboriginal communities through the strategies outlined in the department's Reconciliation Action Plan. These strategies address Reconciliation Australia's key focus areas: Relationships, Respect and Opportunities through the development of initiatives for the education of employees and customers, and liaison with Aboriginal support groups.

Table 40 provides a summary of the key activities undertaken during 2012-13 in support of the department's Reconciliation Action Plan.

Table 40: Reconciliation Action Plan outcomes for 2012-13

Area of Focus: Relationships

- Education, consultation and promotion initiatives targeting regional Aboriginal communities continued in 2012-13 as part of divisional operations.
- Community Education Officers from Consumer Protection Division maintained contact throughout the year with metropolitan and regional Aboriginal community groups.

Area of Focus: Respect

- Performing a formal 'Welcome to Country' at significant departmental events.
- Promotion and celebration of Reconciliation Week and NAIDOC Week through internal department events.
- The 'Ways of Working Workshops' were attended by approximately 60 key staff. The six workshops held over two weeks provided a forum for open communication to explore ways of working together collaboratively between all cultures within the department.

Area of Focus: Opportunities

- The department appointed an Aboriginal Strategy Coordinator to develop a strategy and action plan to improve aboriginal employment outcomes at the department.
- Continued implementation of the department's Equity and Diversity Plan, which contains strategies to improve employment outcomes for Aboriginal and Torres Strait Islanders.
- The department hosted five Aboriginal Trainees from the Public Sector Commission's Aboriginal Traineeship Program.

Substantive equality

Substantive equality seeks to eliminate systemic direct and indirect discrimination in the delivery of public sector services to ethnic and aboriginal communities, and to promote sensitivity to the needs of these client groups.

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 is committed to ensuring substantive equality is reflected appropriately in divisional operations, strategies and policies.

The department's Substantive Equality Committee is responsible for monitoring both the Reconciliation Action Plan and the Policy Framework for Substantive Equality to assess client needs. The Committee has placed emphasis on enhancing service delivery to Aboriginal and other culturally diverse client groups by the provision of specific information and education resources to ensure equal outcomes.

Substantive Equality strategies for Aboriginal communities are reported in the Reconciliation Action Plan section of this report. Achievements for other Culturally and Linguistically Diverse (CaLD) groups during 2012-13 included:

- a Needs and Impact Assessment of the existing Residential Tenancies advice service is being conducted to assess the impact on, and experience of, CaLD groups when utilising the service; and
- other divisional services have been identified for future Needs and Impact Assessments.

The department was also represented on a number of cross government networks and committees including the:

- Implementation Committee on Settlement Issues for African Humanitarian Entrants (Office of Multicultural Interests);
- National Indigenous Consumer Strategy Implementation Reference Group; and
- Western Australian CaLD Across Government Network.

Progress against the Policy Framework continues through the review of current policies and projects and maintaining effective communication networks with relevant Indigenous community organisations.

Occupational safety, health and injury management

In accordance with the *Public Sector Commissioner's Circular 2012-05: 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*.

Department's commitment

The department recognises the value of its employees and is committed to providing a safe and healthy work environment focussed on the prevention of injury and illness. The department recognises that effective occupational safety, health (OSH) and injury management systems and practices rely upon the active participation and cooperation of both management and employees.

The department also recognises the vital role that senior managements' commitment to effective OSH and injury management processes plays in the development of a strong safety and injury management culture aimed at best protecting the health and safety of its employees. The department's OSH commitment is designed to raise awareness of safety and health obligations and to promote safer work practices.

Consultation mechanisms

Both management and employees are committed to improved and effective health and safety consultation within the workplace. Consultation provides employees with an opportunity to participate fully in decisions which impact on their working lives. The department maintains an Occupational Safety and Health Committee (the Committee) which is made up of employee safety and health representatives and management representatives. The Committee meets regularly and facilitates effective and efficient consultation and co-operation between employers and employees aimed at maintaining a safe working environment.

In 2012-13 the Committee met 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 OSH 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 potential issues, and discussed injury trends and identified preventative measures that promote a safe working environment.

Further, information regarding the department's OSH and injury management systems are available to employees on a dedicated 'OSH Toolkit' page found on the department's intranet site. Additionally, information is communicated as part of OSH training for employees, managers and supervisors and through the OSH Committee.

Injury management

In the event that a workplace injury occurs, the department has an established injury management system, which details the steps taken 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 Workers' Compensation Code of Practice (Injury Management) 2005 and ensures the establishment of an official return to work program for any employee of the department injured while at work for when they are able to return to work in either a partial or total capacity.

Our performance

The department's performance against targets contained in the Circular is outlined in the table below.

Table 41: Occupational safety, health and injury management performance

Measure	Actual Results			Results against Target	
	2010-11	2011-12	2012-13	Target	Result
Number of fatalities	0	0	0	0 (zero)	Target achieved
Lost time injury and/or disease incidence rate	0.56	0.42	0.107	0 or 10% reduction	Target achieved
Lost time injury and/or disease severity rate	20.00	25.00	0	0 or 10% reduction	Target achieved
Percentage of injured workers returned to work:					
(i) within 13 weeks	N/A%	80%	100%	Actual percentage result	Target achieved
(ii) within 26 weeks	100%	100%	100%		Target achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities	80%	96%	100%	Greater than or equal to 80%	Target achieved

Further to undertaking an internal review and formal consultation, the department's occupational safety and health management system (OSHMS) was updated in June 2012.

In September 2012, the OSHMS was internally audited against the WorkSafe Plan to assist identify gaps and areas for improvement. Further to this a two year improvement plan was developed with the aim of consolidating improvements made in previous years and to also:

- excel in OSH management;
- implement measures that will enable the department to meet its OSH legislative requirements;
- integrate safety and health into business activities;
- provide direction for the department by defining objectives, strategies, resources, timeframes and measures;
- monitor progress and outcomes on a quarterly basis; and
- demonstrate commitment to the objectives of OSH Improvement Plan by allocating sufficient resources (human, physical and financial).

To date 48 per cent of the agreed actions from the OSH Improvement Plan have been completed within the 2012-13 year, with the remainder of the agreed actions anticipated to be completed within the 2013-14 year.

The department provides OSH training to employees in accordance with the *Occupational Safety and Health Act 1984*. The OSH Induction is mandatory to all new employees within four weeks of commencement. This training covers ergonomics, manual handling, bullying, hazard identification and risk assessment, legislative requirements, OSH committee, duty of care and the functions of a safety and health representative.

The OSH and injury management training is provided to all managers and supervisors. This training covers the requirements of managers and supervisors set by their legal obligations for OSH and Injury Management in addition to the management of workplace hazards and risks, development of return to work programs and common issues that may impact a person's fitness for work. Attendance to this training is reported as a key performance indicator for each division and is mandatory for all

managers and supervisors, with refresher training undertaken every three years.

Additional activities undertaken in 2012-13 include the:

- development of an OSH communications plan which demonstrates a planned and systematic approach to promoting key OSH information and messages to all staff;
- delivery of a training needs analysis survey which identified the training needs of staff;
- establishment of dedicated OSH and Wellbeing noticeboards at each work site, which provides a sound platform for the promotion of essential and important information;
- development of an OSH policy statement which captures safety as a core value of the department and consolidates the principles and objectives of the OSHMS;
- development of a personal letter from the Director General to all new employees which reinforces the importance of the OSH induction and encourages all new employees to integrate safety and health into all work related tasks;
- development of a comprehensive document register which facilitates continual improvement by stipulating review dates for all existing documents and also identifying documents required for future development;
- establishment of additional databases which align with the OSHMS and assist maintain compliance with OSH legislative requirements; and
- development of positive key performance indicators which effectively measure the safety and health performance of the department.

Customer feedback

The department is committed to understanding and striving to exceed our customer service standards by encouraging customer feedback to improve our services. Customers can provide feedback in a number of ways including via the internet, by telephone, by informing our counter service employees, or by written communication to the department. The feedback recorded is used to understand our customer expectations, determine the extent to which we can deliver on these expectations, 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 endeavour to meet. The Charter is available on the department's website. 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.

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 coordinated 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 2012-05: Code of Practice: Occupational Safety and Health in the Western Australian Public Sector* (the Circular).

Key activities undertaken by the department in support of the initiative in 2012-13 included, the initiation of an Office of the Auditor General audit of public sector agency injury management performance which examined the injury management performance of eight public sector agencies; the updating of the *Public Sector Commissioner's Circular 2009-11, Code of Practice: Occupational Safety and Health in the Western Australian Public Sector* to reflect the new Australian Work Health and Safety Strategy 2012-2022, reviewed the level of compliance with Public Sector Commissioner's Circular 2009-11 and improved the level of disclosure by agencies in reporting on safety, health and injury management performance in annual reports and the facilitation of two Public Sector occupational safety and health practitioner network sessions on contemporary occupational safety, health and injury management issues.



Appendices

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

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Appendix 1: Agreements

The Department of Commerce recognises the benefits derived from working collaboratively with external parties from within both the public and private sectors. In many cases the department formalises this collaboration through the negotiation of co-agency agreements, Heads of Agreement, Memoranda of Understanding, Instruments of Declaration and inter-governmental arrangements. Details regarding these negotiated agreements are listed below.

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 2012-13:

- 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

Heads of Agreement

Heads of Agreement in place during 2012-13:

- WorkCover WA

Memoranda of Understanding

Memoranda of Understanding in place during 2012-13:

<ul style="list-style-type: none"> • Associazione Parchi Scientifici E Tecnologici Italiani, Italy and Technology Park, Bentley • .au Domain Administration Limited • Australian Competition and Consumer Commission • 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 ASIC, 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 in regard to access to information held on the Australian Business Register • CSIRO and the State of Western Australia regarding the SKA and Australian SKA Pathfinder Projects (Collaborative Agreement) • Confidentiality Undertaking with the ASIC regarding credit provider and finance broker licensee and complaint information provided prior to the transition of credit regulation to the Commonwealth 	<ul style="list-style-type: none"> • 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 of the Attorney General (State Administrative Tribunal) in relation to the provision of tribunal services for complaints referred under section 11 of the <i>Building Services (Complaints Resolution and Administrative) Act 2011</i> • 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 Fisheries regarding the exchange of information relating to investigations • 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 Mines and Petroleum and Department of State Development (Building Access) • Department of Mines and Petroleum and Department of State Development on local content
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<ul style="list-style-type: none"> • Department of Regional Development and Lands on Pilbara Fabrication and Services Common Use Facility (PFSCUF) • Department of Regional Development and Lands on Regional Mobile Communications Project • Department of State Development managing industry, technology and resources • 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 • Economic Regulation Authority • Energy Ombudsman • Hangzhou National Hi-Tech Industry Development Zone and Technology Park Bentley of Western Australia • Health and Disability Services Complaint Office • National Industrial Chemicals Notification and Assessment Scheme • National Offshore Petroleum Safety and Environmental Management Authority • Office of Energy 	<ul style="list-style-type: none"> • Public Utilities Office • State Administration of Work Safety, People's Republic of China • 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 <i>Occupational Safety and Health Act 1984</i> to police officers • Western Australia Police and Building Industry and Special Projects Inspectorate • The Bushfire Investigation Protocol between the EnergySafety Division, Department of Fire and Emergency Services, Western Power Corporation, Western Australia Police and the Department of Environment Regulation with respect to how each communicates with each other and acts in the event of fire that is suspected of being caused by electricity • Western Australian Police Major Fraud Squad regarding Project Sunbird
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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 2012-13:

- BHP Billiton railway
- BHP Transport Marine Slipway on Special Lease 3116/3690, Burgess Point, BHP Iron Ore Nelson Point
- Boodarie Power Station, Port Hedland
- Griffin Coal Company Pty Limited - Premier Mine
- Hope Downs 4 project
- Jumblebar Mines Construction Project
- Karara to Tilley Railway
- 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

Inter-governmental arrangements

Inter-governmental agreements articulate the commitment of jurisdictions to implement decisions.

Agreement in place during 2012-13:

- Inter-governmental agreement for the operation of the Australian Building Codes Board.
- Memorandum of Understanding between Department of Commerce – Consumer Protection Division and Department for Child Protection Non-government Policy and Funding regarding Supplementary Funding of Financial Counselling Service.
- Australian Government agencies responsible for enforcement of occupational safety and health legislation.

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 2012-13:

- Commonwealth of Australia and State of Western Australia regarding the delivery of services to the Christmas Island and Cocos (Keeling) Islands.
- Federal Fair Work Ombudsman to deliver education services to private sector employers and employees on transitional arrangements for Federal Modern Awards.

Appendix 2: Changes to written laws

Changes in written law initiated by the department during 2012-13 are outlined according to the responsible division in Tables 42 to 45 below.

Consumer Protection

Consumer Protection Division

Table 42: Amendments to written laws for the Consumer Protection Division in 2012-13

Written law / Title	Gazette number	Effective date
Auction Sales Amendment Regulations 2013	21 of 2013	5 February 2013
Chattel Securities Amendment Regulations 2012	98 of 2012	1 July 2012
Commercial Tenancy (Retail Shops) Agreements Amended Regulations (No. 2) 2012	220 of 2012	1 January 2013
<i>Commercial Tenancy (Retail Shops) Agreements Amendment Act 2011 – Proclamation – 59 of 2011</i>	219 of 2012	1 January 2013
Competition And Consumer (Tobacco) Amendment Information Standard 2012 (No. 1)	219 of 2012	30 November 2012
Competition And Consumer (Tobacco) Information Standard 2011	182 of 2012	15 October 2012
Consumer Goods (Portable Swimming Pools) Safety Standard 2013	6 of 2013	30 March 2014
Consumer Protection Notice No. 1 of 2013 – Safety Standard - Baby Walkers	33 of 2013	22 February 2013
Co-Operatives Amendment Regulations 2012	216 of 2012	27 November 2012

Written law / Title	Gazette number	Effective date
Debt Collectors Licensing Amendment Regulations 2012	98 of 2012	1 July 2012
Employment Agents Amendment Regulations 2012	98 of 2012	1 July 2012
<i>Fair Trading Act 2010 – Permanent Ban: Small, High Powered Magnets</i>	213 of 2012	16 November 2012
Fair Trading (Fitness Industry Code of Practice) Amendment Regulations 2013	82 of 2013	29 May 2013
Fair Trading (Retirement Villages Interim Code) Regulations 2012	169 of 2012	1 October 2012
Fair Trading (Retirement Villages Interim Code) Regulations 2013	15 of 2013	1 April 2013
<i>Australian Consumer Law (WA) Interim Ban – Small High Powered Magnets</i>		23 August 2012
<i>Australian Consumer Law (WA) Extension of Interim Ban – Small High Powered Magnets</i>		22 October 2012
Land Valuers Licensing Amendment Regulations 2012	98 of 2012	1 July 2012
Land Valuers Licensing Amendment Regulations (No. 2) 2012	239 of 2012	19 December 2012
Motor Vehicle Dealers (Licensing) Amendment Regulations 2012	98 of 2012	1 July 2012
Motor Vehicle Dealers (Prescribed Vehicles) Amendment Regulations 2012	172 of 2012	3 October 2012

Written law / Title	Gazette number	Effective date
Motor Vehicle Repairers Amendment Regulations 2012	98 of 2012	1 July 2012
Occupational Safety and Health Amendment Regulations (No. 3) 2012	101 of 2012	1 July 2012
Petroleum Products Pricing (Maximum Terminal Gate Price) Order 2013	46 of 2013	23 March 2013
Real Estate and Business Agents (General) Amendment Regulations 2012	98 of 2012	1 July 2012
Real Estate and Business Agents (General) Amendment Regulations (No. 2) 2012	189 of 2012	24 October 2012
Residential Tenancies Amendment Regulations 2013	72 of 2013	1 July 2013
Retail Trading Hours (City of Albany) Variation Order No. 6 of 2012	6 of 2012	29 August 2012
Retail Trading Hours (City of Albany) Variation Order No. 7 of 2012	174 of 2012	6 October 2012
Retail Trading Hours (City of Albany) Christmas Variation Order 2012	213 of 2012	17 November 2012
Retail Trading Hours (City of Albany) Variation Order No 1 of 2013	224 of 2012	8 December 2012
Retail Trading Hours (City of Albany) Variation Order No. 2 of 2013	2 of 2013	9 January 2013
Retail Trading Hours (City of Albany) Variation Order (No. 3) 2013	30 of 2013	16 February 2013
Retail Trading Hours (City of Albany) Variation Order (No. 4) 2013	27 of 2013	9 February 2013
Retail Trading Hours (City of Albany) Variation Order (No. 5) 2013	36 of 2013	27 February 2013

Written law / Title	Gazette number	Effective date
Retail Trading Hours (City of Albany) Variation Order (No. 6) 2013	64 of 2013	24 April 2013
Retail Trading Hours (Bunbury) Christmas Variation Order 2012	215 of 2012	24 November 2012
Retail Trading Hours (Shire of Collie) Christmas Variation Order 2012	224 of 2012	8 December 2012
Retail Trading Hours (Shire of Coolgardie) Christmas Variation Order 2012	232 of 2012	15 December 2012
Retail Trading Hours (City of Greater Geraldton) Christmas Variation Order 2012	215 of 2012	24 November 2012
Retail Trading Hours (City of Greater Geraldton) Variation Order No. 1 of 2013	4 of 2013	16 January 2013
Retail Trading Hours (City of Greater Geraldton) Variation Order No. 2 of 2013	51 of 2013	29 March 2013
Retail Trading Hours (Shire of Esperance) Christmas Variation Order 2012	214 of 2012	21 November 2012
Retail Trading Hours (Shire of Harvey) Variation Order 2012	141 of 2012	4 August 2012
Retail Trading Hours (Shire of Harvey) Christmas Variation Order 2012	232 of 2012	15 December 2012
Retail Trading Hours (Holiday Resorts) Regulations 2012	146 of 2012	26 August 2012
Retail Trading Hours (City of Kalgoorlie-Boulder) Christmas Variation Order 2012	222 of 2012	5 December 2012

Written law / Title	Gazette number	Effective date
Retail Trading Hours (Shire of Katanning) Christmas Variation Order 2012	201 of 2012	3 November 2012
Retail Trading Hours (Shire of Lake Grace) Variation Order 2012	215 of 2012	24 November 2012
Retail Trading Hours (City of Mandurah) Variation Order 2012	149 of 2012	26 August 2012
Retail Trading Hours (City of Mandurah) Christmas Variation Order 2012	222 of 2012	5 December 2012
Retail Trading Hours (City of Mandurah) Variation Order 2013	63 of 2013	20 April 2013
Retail Trading Hours (City of Mandurah) Variation Order (No. 2) 2013	76 of 2013	15 May 2013
Retail Trading Hours (Shire of Manjimup) Christmas Variation Order 2012	224 of 2012	8 December 2012
Retail Trading Hours (Shire of Murray) Variation Order 2012	193 of 2012	27 October 2012
Retail Trading Hours (Town of Narrogin) Christmas Variation Order 2012	221 of 2012	1 December 2012
Retail Trading Hours (Town of Narrogin) Variation Order 2013	75 of 2013	11 May 2013
Retail Trading Hours (City of Perth) Variation Order 2012	232 of 2012	15 December 2012
Retail Trading Hours (Public Holidays) Order 2012	146 of 2012	26 August 2012
Retail Trading Hours (Rockingham Holiday Resort) Order 2012	146 of 2012	26 August 2012

Written law / Title	Gazette number	Effective date
Retail Trading Hours (Wanneroo Holiday Resort) Order 2012	146 of 2012	26 August 2012
<i>Retail Trading Hours Amendment Act 2012</i> – Proclamation –13 of 2012	146 of 2012	26 August 2012
Settlement Agents Amendment Regulations 2012	162 of 2012	12 September 2012
Settlement Agents Amendment Regulations (No. 2) 2012	98 of 2012	1 July 2012
Travel Agents Amendment Regulations (No. 2) 2012	98 of 2012	1 July 2012
Travel Agents Amendment Regulations (No. 3) 2012	162 of 2012	12 September 2012

Safety and Employment Protection and Construction Standards

Building Commission Division

Table 43: Amendments to written laws for the Building Commission Division in 2012-13

Written law / Title	Gazette number	Effective date
<i>Building Amendment Act 2012 Part 2</i>		6 November 2012
<i>Building Amendment Act 2012 Parts 3 & 4</i>	239 of 2012	19 November 2012
Building Amendment Regulations (No. 3) 2012	219 of 2012	1 December 2012
Building Amendment Regulations (No. 2) 2012	238 of 2012	19 December 2012
Building Amendment Regulations (No. 2) 2013	96 of 2013	22 June 2013

Written law / Title	Gazette number	Effective date
Building Services (Complaint Resolution and Administration) Amendment Regulations (No. 3) 2012	144 of 2012	15 August 2012
Building Services (Registration) Amendment Regulations (No 3) 2012	100 of 2012	1 July 2012
Building Services (Registration) Amendment Regulations (No. 4) 2012	204 of 2012	7 November 2012
Building Services (Registration) Amendment Regulations (No. 5) 2012	239 of 2012	19 December 2012
Building Services (Registration) Amendment Regulations (No. 6) 2012	8 of 2013	23 January 2013
Building (s. 67 Exemption) Amendment Order 2012	133 of 2012	25 July 2012
Building (s. 67 Exemption) Amendment Order 2013	108 of 2013	29 June 2013
Building (s. 67 Exemption – Mount Lawley Primary School) Order 2012	134 of 2012	24 July 2012
Building (s. 67 Exemption) Order (No. 2) 2012	242 of 2012	22 December 2012
Home Building Contracts Amendment Regulations 2013	29 of 2013	13 February 2013
Water Services Licensing (Plumbers Licensing and Plumbing Standards) Amendment Regulation (No. 2) 2012	100 of 2012	1 July 2012

EnergySafety Division

Table 44: Amendments to written laws for the EnergySafety Division in 2012-13

Written law / Title	Gazette number	Effective date
Electricity (Prescribed Appliances and Published Specifications) Notice 2012	196 of 2012	30 October 2012
Electricity (Prescribed Appliances – Inverters) Notice 2012	196 of 2012	30 October 2012
Electricity (Licensing) Amendment Regulations (No. 2) 2012	99 of 2012	1 July 2012
Gas Standards (Gasfitting and Consumer Gas Installations) Amendment Regulations 2012	99 of 2012	1 July 2012

Labour Relations Division

There were no changes to written laws in 2012-13 for the Labour Relations Division.

WorkSafe Division

Table 45: Amendments to written laws for the WorkSafe Division in 2012-13

Written law / Title	Gazette number	Effective date
Occupational Safety and Health Amendment Regulations (No. 3) 2012	101 of 2012	1 July 2012
Occupational Safety and Health Amendment Regulations (No. 2) 2012	138 of 2012	28 July 2012
Occupational Safety and Health Amendment Regulations (No. 2) 2013	89 of 2013	15 June 2013
Occupational Safety and Health Amendment Regulations (No. 3) 2013	106 of 2013	1 July 2013

Industry, Science and Innovation

Industry, Science and Innovation Division

There were no changes to written laws in 2012-13 for the Industry, Science and Innovation Division.

Appendix 3: Prosecutions

Consumer Protection

Consumer Protection Division

Tables 46 to 52 provide details of action undertaken in 2012-13 by the Consumer Protection Division. For the purposes of Tables 46 to 52, the 'Commissioner' referred to is the Commissioner for Consumer Protection.

Court of Appeal

Table 46: Court of Appeal proceedings for the Consumer Protection Division in 2012-13

Name/ defendant/ parties	Nature	Outcome	Costs
Tanya Armstrong and Others v Commissioner	Appeal by successful claimants upon the Settlement Agents' Fidelity Guarantee Account against orders of the State Administrative Tribunal as to quantum of claim.	Leave to appeal granted. Hearing pending.	
Commissioner v Norman Phillip Carey	Appeal against decision of the State Administrative Tribunal to renew authorisation under the <i>Real Estate and Business Agents Act 1978</i> .	Leave to appeal granted. Hearing pending.	
Commissioner v Patrick Maurice Murphy	Appeal against decision of the State Administrative Tribunal to renew authorisation under <i>Motor Vehicle Dealers Act 1973</i> .	Leave to appeal refused. Appeal dismissed.	No order
Norman Phillip Carey v Commissioner	Further appeal against five criminal convictions for false or misleading representations as to the use to which land may be put contrary to s.12(2)(b) and s.81 <i>Fair Trading Act 1987</i> .	Leave to appeal granted. Hearing completed. Judgment reserved.	

Supreme Court

Table 47: Supreme Court proceedings for the Consumer Protection Division in 2012-13

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Alwyn Robert Healy	Application for injunction alleging contraventions of the <i>Fair Trading Act 1987</i> .	Proceedings stayed, to be dismissed if consumers repaid in accordance with an enforceable undertaking given.	
Commissioner v Brian Artawijaya Susilo and Patricia Miawati Susilo	Application for injunctions, declarations and civil penalties alleging contraventions of the <i>Australian Consumer Law (WA)</i> and the <i>Real Estate and Business Agents Act 1978</i> .	Interim injunction granted. Matter otherwise pending.	
Commissioner v E'Co Australia Pty Ltd, and Mark Brian Keay	Application for declarations and civil penalties alleging contraventions of the <i>Australian Consumer Law (WA)</i> .	Matter pending.	
Commissioner v Fay Marie Armstrong	Application for declarations, injunctions and compensation orders for breaches of enforceable undertaking under s.218 <i>Australian Consumer Law (WA)</i> .	Declarations, injunctions, and compensation orders to pay: - [Name Withheld] \$2,043.50; - [Name Withheld] \$613.90; and - [Name Withheld] \$716.65.	Costs of \$5,362.50
Commissioner v Graham George Standley, Jay Thomas Standley, Jaymal Pty Ltd, Lees Norman Standley, Rhys Graham Standley, and The Standley Group Pty Ltd	Appeal against acquittal in prosecution for: One charge of making false or misleading representation concerning price payable for land contrary to s.152(1)(c) <i>Australian Consumer Law (WA)</i> ; and (except for Lees Norman Standley): One charge of making false or misleading representation concerning location of land contrary to s.152(1)(d) <i>Australian Consumer Law (WA)</i> .	Matter pending.	

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Presto Property Solutions Pty Ltd and Rowan Amanda Lines	Application for injunctions, declarations and civil penalties alleging contraventions of the <i>Australian Consumer Law</i> (WA) and the <i>Fair Trading Act 1987</i> .	Matter pending.	
Penzar Pty Ltd v Commissioner	Appeal against conviction for one charge of entering into an agreement with intent to defeat, evade or prevent the operation of s.30 of the <i>Residential Tenancies Act 1987</i> contrary to s.82(2) of that Act.	Appeal allowed. Conviction set aside. Remitted to Magistrates Court for retrial. (Prosecution discontinued)	Costs to be agreed.
Retirement Care Australia (Hollywood) Pty Ltd v Commissioner and Others	Application for declarations pertaining to termination of 'retirement village scheme' and withdrawal of memorial under <i>Retirement Villages Act 1992</i> .	Application dismissed.	No order as to costs by prior agreement

District Court

Table 48: District Court proceedings for the Consumer Protection Division in 2012-13

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Corneliu Varodi	Application for restitution of surplus funds owing to Commissioner upon cancellation of the Rumanian Community of WA Inc. under <i>Associations Incorporation Act 1987</i> .	Order for restitution of \$30,000.	Costs pending
Commissioner v Peter Vukmirovic and Realgold Corporation Pty Ltd trading as 'Repave Spray-on Paving'	Application for injunctions, declarations and civil penalties alleging contraventions of the <i>Australian Consumer Law</i> (WA), and <i>Fair Trading Act 1987</i> .	Matter pending.	
Pasquale Minniti v Department of Commerce	Application under section 5A of the <i>Business Names Act 1962</i> by the Applicant to carry on business under the name "Collier Cars and Commercials".	Matter pending.	

State Administrative Tribunal

Table 49: State Administrative Tribunal outcomes for the Consumer Protection Division in 2012-13

Name/ defendant/ parties	Nature	Outcome	Costs
<p>Commissioner v Beverly Jean Ockerby, Gemstone Holdings Pty Ltd trading as 'Ockerby Real Estate' and Robert John Ockerby</p>	<p>Application for disciplinary sanction against licensee under <i>Real Estate and Business Agents Act 1978</i>.</p>	<p>Beverly Jean Ockerby</p> <p>Failed to exercise skill, care and diligence contrary to s. 7 of the <i>Code of Conduct for Agents and Sales Representatives 1993</i>;</p> <p>Failed to ascertain facts material to a transaction contrary to s. 8(1) of the Code; and</p> <p>Failed to communicate a fact material to a transaction contrary to s.8(2) of the Code.</p> <p>Fined \$2,000</p> <p>Application against Gemstone Holdings Pty Ltd trading as 'Ockerby Real Estate', and Robert John Ockerby was withdrawn.</p>	
<p>Commissioner v Byron Hutton</p>	<p>Application for disciplinary sanction against licensee under <i>Real Estate and Business Agents Act 1978</i>.</p>	<p>Failed to act in best interest of principals contrary to s.2 of the <i>Code of Conduct for Agents and Sales Representatives 1993</i>;</p> <p>Failed to act on principals' instructions contrary to s.4(2) of the Code;</p> <p>Failed to act fairly or honestly contrary to s.5(1) of the Code; and</p> <p>Sought reimbursement of expense without documentation contrary to s.15(1) of the Code;</p> <p>Reprimanded;</p> <p>Fined \$3,000;</p> <p>Disqualified for two years.</p>	

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Catherine Anne Thompson	Application for disciplinary sanction under <i>Finance Brokers' Control Act 1975</i> .	Withdrawn. No longer licensed, and serving a term of imprisonment.	No order.
Commissioner v Deanne Jean Tabone	Application for disciplinary sanction against licensee under <i>Settlement Agents Act 1981</i> .	Received remuneration without authority contrary to s.43(1) of the Act; Failed to pay funds into trust contrary to s.49(1) of the Act; Failed to notify details of new trust account contrary to s.49C(1)(a) of the Act; Failed to provide to notify institution of new trust account contrary to s.49C(1)(b) of the Act; Failed to carry out services efficiently, honestly and without concealment or any form of misleading or deceptive conduct contrary to s.15 of the <i>Code of Conduct for Agents and Sales Representatives 1993</i> ; Failed to promptly pay money into trust contrary to s.22 of the Code; Fined \$3,000 (to be paid within 90 days or licence suspended).	\$500
Commissioner v John Samykannu, and Samykannu Pty Ltd trading as 'LJ Hooker Mirrabooka'	Application for disciplinary sanction under <i>Real Estate and Business Agents Act 1978</i> .	Judgment reserved.	
Commissioner v Mark Booty	Application for disciplinary sanction under <i>Finance Brokers' Control Act 1975</i> .	Withdrawn. No longer licensed, and serving term of imprisonment.	No order.

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Nora Allen Pty Ltd	Application for appointment of a supervisor under <i>Real Estate and Business Agents Act 1978</i> .	Commissioner authorised to appoint supervisor. Suspended from carrying on business. Restrained until further order from transacting upon bank accounts.	Liberty to apply.
Commissioner v Samantha Jane Louise Marshall	Application for disciplinary sanction under <i>Real Estate and Business Agents Act 1978</i> .	Withdrawn.	No order
Commissioner v Samuel Marc Barnes Siddall	Application for disciplinary sanction under <i>Real Estate and Business Agents Act 1978</i> .	Certificate of Registration cancelled. Disqualified permanently. Unfit to hold a Certificate of Registration pursuant to s.103(4)(d) <i>Real Estate and Business Agents Act 1978</i> .	\$1,012
Commissioner v Warren David McFarlane	Application for disciplinary sanction under: <i>Land Valuers' Licensing Act 1978</i> , and <i>Real Estate and Business Agents Act 1978</i> .	Disqualified from holding a land valuers' licence for 1 year from 28 May 2013. Unfit to be the holder of a licence pursuant to s.28(2)(d) <i>Land Valuers Licensing Act 1978</i> . Disqualified from registration as a real estate sales representative for two years from 28 May 2013; Failed to act fairly and honestly pursuant to s.7(1) <i>Code of Conduct for Agents and Sales Representatives 2011</i> . Unfit to be the holder of a certificate of registration pursuant to s.103(4)(d) <i>Real Estate and Business Agents Act 1978</i> . Fined \$1,000	No order \$500

Name/ defendant/ parties	Nature	Outcome	Costs
Mega-Property Group Pty Ltd trading as 'Mega Property Group' v Commissioner	Application to review Commissioner's decision to refuse retrospective licence renewal where new licence already granted.	Application withdrawn.	No order.
Norman Phillip Carey v Commissioner	Application to review Commissioner's decision to refuse renewal of a triennial certificate under <i>Real Estate and Business Agents Act 1978</i> .	Authorisation renewed subject to conditions.	No order.
Troy Byfield v Commissioner	Application to review Commissioner's decision to refuse renewal of authorisation under <i>Motor Vehicle Dealers Act 1973</i> .	Authorisation renewed.	No order.

Magistrates Court

Table 50: Magistrates Court proceedings for the Consumer Protection Division in 2012-13

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner on behalf of [Name Withheld] v Fay Marie Armstrong	Property seizure and sale order under <i>Civil Judgments Enforcement Act 2004</i> .	Matter pending.	
Commissioner on behalf of [Name Withheld] v Fay Marie Armstrong	Property seizure and sale order under <i>Civil Judgments Enforcement Act 2004</i> .	Matter pending.	
Commissioner on behalf of [Name Withheld] v Fay Marie Armstrong	Property seizure and sale order under <i>Civil Judgments Enforcement Act 2004</i> .	Matter pending.	
Commissioner v Adam David Golding	Prosecution for: One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i> .	Convicted. Fined \$30,000	\$800
Commissioner v Bradley John Green	Prosecution for: One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i> .	Convicted. Fined \$3,750	\$393.80

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Bucciarelli Automotives Pty Ltd trading as 'Bucciarelli BMW Centre', and Franco Bucciarelli	<p>Prosecution of both defendants for:</p> <p>One charge of carrying on a business which included carrying out repair work contrary to s.9(1) <i>Motor Vehicles Repairers Act 2003</i>;</p> <p>One charge of advertising the carrying on of a business which included carrying out repair work contrary to s.11 <i>Motor Vehicles Repairers Act 2003</i>; and</p> <p>Three charges of permitting other person to carry out repair work contrary to s.39(3) <i>Motor Vehicles Repairers Act 2003</i>.</p> <p>Franco Bucciarelli charged as Director of corporate contravener Bucciarelli Automotives Pty Ltd pursuant to s.110(1) <i>Motor Vehicle Repairers Act 2003</i>.</p>	<p>Bucciarelli Automotives Pty Ltd trading as 'Bucciarelli BMW Centre' convicted all charges.</p> <p>Fined \$3,000</p> <p>Franco Bucciarelli convicted all charges.</p> <p>Fined \$3,000</p>	<p>\$241</p> <p>\$241</p>
Commissioner v Cheryl Joy Oliver	<p>Prosecution for:</p> <p>One charge of making a false or misleading representation concerning the existence of a right or remedy contrary to s.12(1)(l) <i>Real Estate and Business Agents Act 1978</i>.</p>	Acquitted.	\$3,000
Commissioner v Christopher Michler	<p>Prosecution for:</p> <p>One charge of carrying on a business which included carrying out repair work contrary to s.9(1) <i>Motor Vehicles Repairers Act 2003</i>.</p>	<p>Convicted.</p> <p>Fined \$1,750</p>	\$353
Commissioner v Dalbir Kandola, and Deepam Investments Pty Ltd	<p>Prosecution of both defendants for:</p> <p>Four charges of falsely representing the history or previous use of a vehicle contrary to s.12(1)(a) <i>Fair Trading Act 1987</i>; and</p> <p>One charge of making false and misleading representations concerning the existence or effect of a warranty contrary to s.12(1)(l) <i>Fair Trading Act 1987</i>.</p> <p>Dalbir Kandola charged as Director of corporate contravener Deepam Investments Pty Ltd pursuant to s.81(1) <i>Fair Trading Act 1987</i>.</p>	<p>Dalbir Kandola convicted all charges.</p> <p>Fined \$6,975</p> <p>Deepam Investments Pty Ltd convicted all charges.</p> <p>Fined \$26,025</p>	<p>\$750</p> <p>\$2,250</p>

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Dalefin Holdings Pty Ltd	Prosecution for: Fourteen charges of failing to pay the amount of the security bond to the Bond Administrator as soon as practicable contrary to s.29(4)(b) <i>Residential Tenancies Act 1987</i> .	Convicted all charges. Fined \$8,000	\$275
Commissioner v Dalgon Pty Ltd	Prosecution for: Twenty seven charges of failing to pay security bonds to the Bond Administrator as soon as practicable contrary to s.29(4)(b) <i>Residential Tenancies Act 1987</i> .	Convicted all charges. Fined \$10,000	\$275
Commissioner v David Paul Gammal	Prosecution for: One charge of carrying out functions of a real estate sales representative without holding a current certificate of registration contrary to s.44(1) <i>Real Estate and Business Agents Act 1978</i> .	Convicted. Fined \$1,000	\$748
Commissioner v Drie Pty Ltd trading as 'Armadale Real Estate'	Prosecution for: One charge of failing to pay security bond to the Bond Administrator as soon as practicable contrary to s.29(4)(b) <i>Residential Tenancies Act 1987</i> .	Convicted. Fined \$500	\$253
Commissioner v Fadhill Hoosen Dulloo	Prosecution for: One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i> .	Convicted. Fined \$8,000	\$581
Commissioner v Faizan Afzal	Prosecution for: One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i> .	Convicted. Fined \$10,000	\$425

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Fanfare Pty Ltd, Gregory John Norris and Philip Carl Doherty	<p>Prosecution of all defendants for:</p> <p>One charge of falsely representing the history or previous use of a vehicle contrary to s.12(1)(a) <i>Fair Trading Act 1987</i>; and</p> <p>Two charges of falsely representing the performance characteristics of a vehicle contrary to s.12(1)(e) <i>Fair Trading Act 1987</i>.</p> <p>Gregory John Norris and Philip Carl Doherty charged as Directors of corporate contravener Fanfare Pty Ltd pursuant to s.81(1) <i>Fair Trading Act 1987</i>.</p>	<p>Fanfare Pty Ltd convicted all charges. Fined \$6,000</p> <p>Gregory John Norris convicted all charges. Fined \$6,000</p> <p>Philip Carl Doherty convicted all charges. Fined \$6,000</p>	<p>\$425.30</p> <p>\$425.30</p> <p>\$425.30</p>
Commissioner v Fay Marie Armstrong	<p>Prosecution for:</p> <p>Three charges alleging false or misleading representations as to quality and previous history of goods contrary to s.12(1)(a) <i>Fair Trading Act 1987</i>.</p>	Discontinued.	No order
Commissioner v Graeme John Eddington	<p>Prosecution for :</p> <p>One charge of participating in pyramid scheme contrary to s.164 <i>Australian Consumer Law</i> (WA); and</p> <p>Two charges of attempting to induce participation in a pyramid scheme contrary to s.164(2) <i>Australian Consumer Law</i> (WA).</p>	<p>Convicted on two charges. Fined \$10,000.</p> <p>One charge under s.164(2) <i>Australian Consumer Law</i> (WA) dismissed.</p>	\$5,886
Commissioner v Graham George Standley, Jay Thomas Standley, Jaymal Pty Ltd, Lees Norman Standley, Rhys Graham Standley and The Standley Group Pty Ltd	<p>Prosecution of all defendants for:</p> <p>One charge of making false or misleading representation concerning price payable for land contrary to s.152(1)(c) <i>Australian Consumer Law</i> (WA); and</p> <p>(except for Lees Norman Standley):</p> <p>One charge of making false or misleading representation concerning location of land contrary to s.152(1)(d) <i>Australian Consumer Law</i> (WA).</p>	<p>Acquitted all charges. (Appeal against acquittal pending)</p>	Global costs \$18,300

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Gregson Auctioneers and Valuers Pty Ltd and Jonathan Paul Gregson	<p>Prosecution of both defendants for:</p> <p>One charge of accepting an unlicensed vehicle under a consignment agreement that was not in writing signed by the consignee and the consignor contrary to s.32B(1) <i>Motor Vehicle Dealers Act 1973</i>; and</p> <p>One charge of receiving money from the sale of a vehicle on consignment and failing to pay all the money into a trust account no later than the next business day contrary to s.32D(1) <i>Motor Vehicle Dealers Act 1973</i>.</p> <p>Jonathan Paul Gregson charged as Director of corporate contravener Gregsons Auctioneers and Valuers Pty Ltd pursuant to s.55(1) <i>Motor Vehicle Dealers Act 1973</i>.</p>	<p>Gregson Auctioneers and Valuers Pty Ltd convicted all charges.</p> <p>Fined \$1,500</p> <p>Jonathan Paul Gregson convicted all charges.</p> <p>Fined \$1,500</p>	<p>\$531.80</p> <p>\$531.80</p>
Commissioner v Just Property Management (WA) Pty Ltd	<p>Prosecution for:</p> <p>Thirty seven charges of failing to pay security bonds to the Bond Administrator as soon as practicable contrary to s.29(4)(b) <i>Residential Tenancies Act 1987</i>.</p>	<p>Convicted all charges.</p> <p>Fined \$10,000</p>	\$715
Commissioner v K.J. and C. Thompson Pty Ltd	<p>Prosecution for:</p> <p>One charge of carrying on a business which included carrying out repair work contrary to s.9(1) <i>Motor Vehicles Repairers Act 2003</i>.</p>	<p>Convicted.</p> <p>Fined \$10,000</p>	\$962
Commissioner v Michelle Louise Owen	<p>Prosecution for:</p> <p>Eleven charges of making false or misleading representation that services had approval contrary to s.151(1)(h) <i>Australian Consumer Law (WA)</i>.</p>	<p>Convicted all charges.</p> <p>Fined \$4,000</p>	\$275
Commissioner v [Name Withheld], and [Name Withheld]	<p>Prosecution of both defendants for:</p> <p>One charge of carrying on a business which included carrying out repair work contrary to s.9(1) <i>Motor Vehicles Repairers Act 2003</i>.</p>	<p>First Defendant convicted.</p> <p>Order for spent conviction.</p> <p>Fined \$500</p> <p>Second Defendant convicted.</p> <p>Order for spent conviction.</p> <p>Fined \$500</p>	<p>\$122.50</p> <p>\$122.50</p>

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Natalie Jane Briggs	<p>Prosecution for:</p> <p>Three charges of unauthorised withdrawals from agency trust account contrary to s.49(4) <i>Settlements Agents Act 1981</i>;</p> <p>Three charges of failing to pay trust funds contrary to s.49(5) <i>Settlements Agents Act 1981</i>;</p> <p>One charge of failing to keep full and accurate records of trust receipts and payments contrary to s.49(6)(a) <i>Settlements Agents Act 1981</i>;</p> <p>One charge of failing to enter in the accounts particulars of trust receipts and payments contrary to s.49(6)(b) <i>Settlements Agents Act 1981</i>;</p> <p>One charge of failing to keep accounts in such a manner that they could be conveniently and properly audited contrary to s.49(6)(c) <i>Settlements Agents Act 1981</i>;</p> <p>Three charges of failing to produce to auditor all accounts in her possession relating to trust monies received by her contrary to s.58(1) <i>Settlements Agents Act 1981</i>; and</p> <p>One charge of failing to furnish the auditor with all such particulars as he reasonably requires for the purposes of an audit contrary to s.58(1) <i>Settlements Agents Act 1981</i>.</p>	<p>Convicted all charges.</p> <p>Fined \$8,000</p>	\$823
Commissioner v Peter John Dawson	<p>Prosecution for:</p> <p>One charge of failing to hold a current certificate of registration and carrying out the functions of a business sales representative s.45(1) <i>Real Estate and Business Agents Act 1978</i>.</p>	<p>Convicted.</p> <p>Fined \$2,000</p>	\$3,000
Commissioner v Raheem Al-Mouswy	<p>Prosecution for:</p> <p>One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i>.</p>	<p>Convicted.</p> <p>Fined \$1,500</p>	\$752

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Raymond John Goodall	Prosecution for: Two charges of making false or misleading representation that services had approval contrary to s.151(1)(h) of the <i>Australian Consumer Law</i> (WA); and One charge of operating without a licence and misleading customers about his licence status contrary to s.9 <i>Motor Vehicles Repairers Act 2003</i> .	Convicted all charges. Fined \$5,500	\$2,000
Commissioner v Salvatore Messina	Property seizure and sale order under <i>Civil Judgments Enforcement Act 2004</i> .	Order satisfied.	
Commissioner v Sean Robert Weinthal, and Tracey Gordon	Prosecution of both defendants for: Two charges of undue harassment or coercion in connection with the supply of services contrary to s.168 <i>Australian Consumer Law</i> (WA).	Sean Robert Weinthal convicted on one charge. Fined \$750 Tracey Gordon convicted on one charge. Fined \$750 Second charge for both Defendants dismissed.	\$1,742.40 \$1,742.40

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Solar Harness Nominees Pty Ltd	<p>Prosecution for:</p> <p>One charge of failing to provide information concerning consumers' rights to terminate an unsolicited consumer agreement contrary to s.173(1)(a)(i) <i>Australian Consumer Law</i> (WA);</p> <p>One charge of failing to provide information as to the way to exercise the right to termination can be exercised contrary to s.173(1)(a)(ii) <i>Australian Consumer Law</i> (WA);</p> <p>One charge of making an unsolicited consumer agreement without including a front page notice conspicuously and prominently informing of consumers' rights to terminate the agreement contrary to s.175(1)(b)(i) <i>Australian Consumer Law</i> (WA);</p> <p>One charge of making an unsolicited consumer agreement without including a front page notice conspicuously and prominently setting out prescribed information contrary to s.175(1)(b)(ii) <i>Australian Consumer Law</i> (WA); and</p> <p>One charge of making an unsolicited consumer agreement without a notice that may be used to terminate an agreement contrary to s.175(1) <i>Australian Consumer Law</i> (WA).</p>	<p>Convicted all charges.</p> <p>Fined \$15,000</p>	\$1,320
Commissioner v Terrence Fletcher	<p>Prosecution for:</p> <p>One charge of unlicensed dealing contrary to s.30(1) <i>Motor Vehicle Dealers Act 1973</i>.</p>	<p>Convicted.</p> <p>Fined \$5,500</p>	\$1,109

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Travis Robert Turnbull	<p>Prosecution for:</p> <p>Carried on business under a business name (TRT Automotive Refinishers) that was not exempted under s.5(1)(a) and not registered contrary to s.5(1) <i>Business Names Act 1962</i>; and</p> <p>One charge of carrying on a business which included carrying out repair work contrary to s.9(1) <i>Motor Vehicles Repairers Act 2003</i>.</p>	<p>Convicted all charges.</p> <p>Fined \$5,000</p>	\$466
Commissioner v Zabiullah Sadat	<p>Prosecution for:</p> <p>One charge of failing to keep or cause to be kept a register in the prescribed form at any authorised premises contrary to s.25(1) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of failing to record or cause to be recorded prescribed particulars transactions contrary to s.25(1) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of accepting a vehicle under a consignment agreement and failing to provide an agreement in writing signed by the consignee and consignor contrary to s.32B(1)(a) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of accepting a vehicle under a consignment agreement and failing to provide an agreement containing the prescribed particulars, terms and conditions contrary to s.32B(1) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of accepting a vehicle for sale under a consignment agreement without an account designated as a trust account contrary to s.32C <i>Motor Vehicle Dealers Act 1973</i>;</p>	<p>Convicted all charges.</p> <p>Fined \$8,000</p>	\$1,731.95

Name/ defendant/ parties	Nature	Outcome	Costs
Commissioner v Zabiullah Sadat (cont.)	<p>One charge of selling and failing to cause not less than two copies of the notice attached to the vehicle to be made out and signed by him, or a yard manager or salesperson acting on his behalf contrary to s.33(7)(a) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of selling and failing to cause not less than two copies of the notice made out to be signed by the purchaser contrary to s.33(7)(a) <i>Motor Vehicle Dealers Act 1973</i>;</p> <p>One charge of selling a vehicle without an agreement in writing signed by the dealer or his agent, and the purchaser contrary to s.42A(5) <i>Motor Vehicle Dealers Act 1973</i>; and</p> <p>One charge of selling a vehicle, without an agreement containing the prescribed particulars, terms and conditions contrary to s.42A(5) <i>Motor Vehicle Dealers Act 1973</i>.</p>		
Stefan Richard Reksmiss v Fay Marie Armstrong	<p>Prosecution for:</p> <p>Seventeen charges of animal cruelty contrary to s.19(1) <i>Animal Welfare Act 2002</i>.</p>	<p>Convicted all charges.</p> <p>Permanently banned from having control of more than one dog at any time.</p> <p>Fined \$34,000</p>	\$9,505.85

Enforceable undertakings

Table 51: Enforceable undertakings issued by the Commissioner for Consumer Protection pursuant to section 218 of the *Australian Consumer Law* (WA) in 2012-13.

Name of Party	Date Accepted
Joel McLeod	12 September 2012
Matthew Jarvis	13 May 2013
[Name Withheld]	24 June 2013
United Fencing WA Pty Ltd and James Lee Battah	28 March 2013



Substantiation Notices

Table 52: Substantiation Notices are issued by the Commissioner for Consumer Protection pursuant to section 219 of the *Australian Consumer Law (WA)*.

Name of Party	Date Issued	Date Answered
[Name Withheld]	19 July 2012	8 August 2012
[Name Withheld]	4 December 2012	8 February 2013
[Name Withheld]	4 December 2012	1 February 2013
[Name Withheld]	4 December 2012	19 December 2012
[Name Withheld]	4 December 2012	8 December 2012
[Name Withheld]	4 December 2012	20 December 2012
[Name Withheld]	4 December 2012	19 December 2012
[Name Withheld]	21 December 2012	9 January 2013
[Name Withheld]	16 January 2013	22 February 2013
[Name Withheld]	14 March 2013	17 June 2013
[Name Withheld]	21 May 2013	12 June 2013 (in part)
[Name Withheld]	24 June 2013	-

Safety and Employment Protection and Construction Standards

Building Commission Division

Prosecutions – Magistrates Court

Table 53 provides the prosecution action finalised in 2012-13 on behalf of the Plumbers' Licensing Board (the Board) by the Building Commission Division and the State Solicitor's Office.

Table 53: Prosecution outcomes for the Plumbers' Licensing Board in the Magistrates' Court in 2012-13

Name/defendant/parties	Legislation	Offence	Fine	Costs
Water Services Licensing (Plumbers' Licensing and Plumbing Standards) Regulations 2000				
Gary Hill	<i>Water Services Licensing Act 1995 s9(1)</i>	Unlicensed plumbing	\$750	\$213.50
Rohan O'Neill	<i>Water Services Licensing Act 1995 s9(1)</i>	Unlicensed plumbing	\$1000	N/A

EnergySafety Division

Prosecution outcomes for the EnergySafety Division in 2012-13

EnergySafety Division investigations

Electricity-related serious accidents and fatalities

The number of electricity-related serious accidents and fatalities reported to the EnergySafety Division during 2012-13 is provided in Table 54.

Table 54: Number of reported electricity-related serious accidents and fatalities

Reports	Number
Electric shocks	1564
Serious electrical accidents (1)	11*
Fatalities (included in serious electrical accidents)	2*

Note:

Electrical shock incidents resulting in the person requiring assessment and/or treatment at a medical facility.

*The data provided in Table 54 relates to accidents based on date of accident. This data may not include all accidents due to time delay in reporting such accidents.

Table 55: Serious electricity-related accidents notified per million population (not including wilful incidents)

Year	Number per million (1)	Five Year Average
2008-09	9	13
2009-10	6	10
2010-11	5	8
2011-12	3	7
2012-13	5	6

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 5.16 accidents per one million population. This represents a slight increase over the previous reporting periods. There were two electrical shock fatalities in the 2012-13 financial year.

Details are as follows:

A portable generator was being used to charge a car battery. The victim mistakenly plugged in the 12 volt DC charging cord into the generator's 240 ac volt socket outlet and received a fatal electric shock.

A tradesman's assistant was working in a roof space assisting an electrician by pulling cables through a conduit into the roof space. The cables were live as they had not been isolated. The tradesman's assistant received a fatal electric shock when he made contact with the cable.

Gas-related incidents and fatalities

The number of gas-related serious accidents and fatalities reported to the EnergySafety Division during 2012-13 is provided in Table 56.

Table 56: Number of reported gas-related serious accidents and fatalities

Reports	Number
Incidents	82
Accidents (persons injured)	22
Fatalities	1

Table 57: Gas-related accidents notified per million population (not including wilful incidents)

Year	Number per million (1)	Five Year Average
2008-09	5	8
2009-10	7	7
2010-11	6	7
2011-12	6	6
2012-13	9	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 9.14 accidents per one million population which has increased over the previous reporting period. There was one fatality reported in the 2012-13 financial year.

Details of the fatality are as follows:

LPG was leaking from a mechanical bolted sleeved coupling on a gas main in the verge, near the residence at 282 Middleton Road, Centennial Park, Albany and permeated into the lower ground floor bedroom of this residence. The presence of an LPG as vapour cloud in the bedroom was ignited by an electrical source. The explosion and fire that followed proved fatal to a resident.

Infringement Notices

The EnergySafety 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 78 (7 Electricity and 71 Gas) Infringement Notices issued by the EnergySafety Division between the period 1 July 2012 and 30 June 2013.

Table 58: Prosecution outcomes for the Energy Safety Division in 2012-13

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Electricity (Licensing) Regulations 1991</i>				
2G'S SMI PTY LTD T/As Sun Wise Electrics (SWE) (Bunbury)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$10,000	\$866
Grant John & Rebecca Simone Adamson T/As Adamson Electrical Services (Malaga)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$2,500	\$653
Joel Albrey (Bunbury)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$2,000	\$575
Bradley Ashworth (Queens Park)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$650
Peter Bagley (Boulder)	Regulation 50(1)	Did not effectively supervise an electrical apprentice.	\$5,000	\$575
Johannes Botha (Duncraig)	Regulation 33(1)	Carrying on business as an electrical contractor while not authorised by an electrical contractor's licence.	\$5,000	\$654
	Regulation 49(1) (3 breaches)	Carried out unsafe and substandard electrical work.		
Warwick Broad (Darch)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$651
Darren Burvill (Milpara)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$3,500	
Carlowen Pty Ltd T/As GBF Underground Mining Company (Subiaco)	Regulation 53(3)	Employing, engaging and instructing an electrical apprentice to carry out electrical work while not authorised by an electrician's training licence.	\$2,500	\$575
Anthony Luckham Carr (Mount Barker)	Regulation 19(1)	Carrying out electrical installing work while not authorised by licence or permit.	\$11,000	
	Regulation 33(1)	Carrying on business as an electrical contractor while not authorised by an electrical contractor's licence.		
	Regulation 49(1)	Carried out unsafe and substandard electrical work.		
Allan Casey (Busselton)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$575
Allan William Casey T/As C.A.C Electrics (Busselton)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.		

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Electricity (Licensing) Regulations 1991 (cont.)</i>				
D & L Hueppauff Pty Ltd (Bunbury)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$2,000	\$654
Billy-Jo Day (Australind)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$575
Jayson Doran (Gidgegannup)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$500	\$345
Doran Consolidated Pty Ltd (Gidgegannup)	Regulation 52C(1)(b)(i)	Submitted a Notice of Completion to the network operator when the completed electrical installing work had not been adequately checked and tested to ensure it was safe.	\$1,000	\$345
Gemini Pty Ltd Gemini Electrical Contracting (Bulgarra)	Regulation 52(3) (4 breaches)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$18,000	\$656
Robert Gilchrist (Usher)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$2,000	\$6,378
Heru Holdings Pty Ltd T/As Fujiaire Airconditioning (Cockburn Central)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$15,000	\$575
Andrew Hill (Milpara)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$9,500	\$764
Daryl Hueppauff (Bunbury)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$8,000	\$654
Jabiru Industries Pty Ltd Electaire Products (Milpara)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$38,000	\$654
Jandco Electrics (WA) Pty Ltd T/As Jandco Electrics (Bunbury)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$2,000	\$151
David Kember (North Perth)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$654
Kembro Pty Ltd T/As Kemmech (Morley)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$2,500	\$654
Ryan Lee (Jandakot)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$650
Brian Lynch (Kununurra)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$10,000	\$575

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Electricity (Licensing) Regulations 1991 (cont.)</i>				
Paul Murphy (Kalamunda)	Regulation 19(1)	Carrying out electrical installing work while not authorised by licence or permit.	\$1,500	\$654
Leigh Newett (Karratha)	Regulation 49(1) (4 Breaches)	Carried out unsafe and substandard electrical work.	\$8,000	\$656
Kevin O'Reilly (Kalamunda)	Regulation 53(2) Regulation 63(2)	Employing, engaging or instructing a person to carry out electrical work while he was not authorised by a licence or a permit. Not reporting an electrical accident involving a person or persons to the network operator immediately.	\$25,000	\$653
Steven Petkovic (Sorrento)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$3,000	\$575
Vernon Ivan Postmus T/As V J Electrical (Warnbro)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$1,000	\$654
Precision Cabling Systems Pty Ltd (Malaga)	Regulation 52C(1)(b)(i)	Submitted a Notice of Completion to the network operator when the completed electrical installing work had not been adequately checked and tested to ensure it was safe.	\$5,000	\$575
Robert Pugh (Warnbro)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$10,000	\$571
Steven Sliskovic (Jolimont)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$5,000	\$575
Spent Conviction	Regulation 50A	Causing or permitting wiring that was in an unsafe condition to be connected to the electricity supply.	\$1,000	\$2,671
Spent Conviction	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$2,500	\$653
Spent Conviction	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$5,000	\$1,265
Spent Conviction	Regulation 52C(1)(b)(i)	Submitting a Notice of Completion to the network operator when the completed electrical installing work had not been checked and tested to ensure it was safe.		

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Electricity (Licensing) Regulations 1991 (cont.)</i>				
Robert & Kathrine Taylor T/As Warren Electrical Service (Manjimup)	Regulation 52(3)	Submitting a Notice of Completion to the network operator when the electrical work was defective and therefore incomplete.	\$5,000	\$575
Darcy Telfer (Meadow Spring)	Regulation 49(1)	Carried out unsafe and substandard electrical work.	\$8,000	\$656
Craig Walker T/As Zaps Electrical (Greenfields)	Regulation 52C(1)(b)(i)	Submitting a Notice of Completion to the network operator when the completed electrical installing work had not been checked and tested to ensure it was safe.	\$5,000	\$2,650
<i>Electricity Act 1945</i>				
Electricity Networks Corporation T/As Western Power (Perth)	Section 25(1)(a)	Failed to maintain all service apparatus in a safe and fit condition for supplying electricity.	\$25,000	\$690
Electricity Networks Corporation T/As Western Power (Perth)	Section 25(1)(a)	Failed to maintain all service apparatus in a safe and fit condition for supplying electricity.	\$45,000	\$570
Electricity Networks Corporation T/As Western Power (Perth)	Section 25(1)(a)	Failed to maintain all service apparatus in a safe and fit condition for supplying electricity.	\$50,000	\$1,923
<i>Electricity (Supply Standards and System Safety) Regulations 2001</i>				
Electricity Networks Corporation T/As Western Power (Perth)	Regulation 10(1)(a)	Failed to ensure that prescribed activity was, so far as was reasonable and practicable, carried out in such a way as to provide for the safety of persons.	\$101,250	\$6,245
Electricity Networks Corporation T/As Western Power (Perth)	Regulation 10(1)(c)	Failed to avoid or minimise any damage to property, inconvenience or other detriment as a result of the activity.	\$12,500	\$3,425
<i>Gas Standards Act 1972</i>				
John Benjamin Durant	Sec 13A(2)	Engaging in unauthorised gasfitting work.	\$5,000	\$575
<i>Gas Standards (Gasfitting and Consumer Gas Installations) Regulations 1999</i>				
Robert Cooper	Reg 18(2)(a)(i) Reg 30	Failing to ensure gas installation complies with prescribed requirements. Failing to rectify defects and give notice of rectification within required time.	\$5,000	\$575

Labour Relations Division

Table 59: Prosecution outcomes for the Labour Relations Division in 2012-13

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Children and Community Services Act 2004</i>				
Kentucky Fried Chicken Pty Ltd	Section 190(1) CCS Act	16 x Unlawfully employ children under 15 years.	\$30,000	Nil
<i>Industrial Relations Act 1979</i>				
Robert Allen	Section 102 (1) IR Act	Obstruction.	Discontinued	

WorkSafe Division

The WorkSafe Western Australia 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 coordinates and supports this function.

In 2012-13, prosecution notices were signed for 33 new prosecutions. There were 24 convictions recorded during the financial year (Note: A prosecution is counted as a conviction if at least one charge is successful).

Table 60: Prosecution outcomes for the WorkSafe Division in 2012-13

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Occupational Safety and Health Act 1984</i>				
BROWN Terrence Ronald (See Terry's Crane Hire Pty Ltd)	55(1)	As a director of body corporate guilty of an offence where that offence occurred with the consent of the director, or was attributable to any neglect on the part of the director.	\$20,000	Costs imposed on Company
Diamond Powder Coaters WA Pty Ltd (ACN 128 579 368)	19(1) & 19A(2)	Failed to provide and maintain a working environment in which its employee was not exposed to hazards, and by that contravention caused the death of its employee.	\$85,000	\$3521.70
D'Orsogna Limited (ACN 063 427 752)	19(1) & 19A(2)	Failed to provide and maintain a working environment in which its employee was not exposed to hazards, and by that contravention caused serious harm.	\$10,000	\$1548.00

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Occupational Safety and Health Act 1984 (cont.)</i>				
Harvest Freshcuts Pty Ltd (ACN 067 682 875)	19(1) & 19A(2)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards, and by that contravention caused serious harm.	\$40,000	\$12,000.00
Industrial Progress Corporation Pty Ltd (ACN 008 775 442) t/a Roofmart WA	19(1) & 19A(2)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards, and by that contravention caused serious harm.	\$45,000	\$3532.90
Massena Pty Ltd (ACN 071 456 203) t/a Star Freightlines	19(1) & 19A(3) 3A(2)(b)(i)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards.	\$20,000	\$1591.00
MAXNetwork Pty Ltd (ACN 067 092 737)	19(1) & 19A(3)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards.	\$50,000	\$4631.65
National Fleet Administrative Services Pty Ltd (ACN 085 912 670)	21(2)(b)(i) & 21A(2)	Failed to ensure the health and safety of a person not its employee was not adversely affected as a result of any hazard that arises from or increased by the work being undertaken by an employee and by that contravention caused serious harm.	\$60,000	\$7673.00
Personal Buying Service Pty Ltd (ACN 008 755 306)	19(1) & 19A(2)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards and by that failure caused serious harm.	\$90,000	\$1706.00
Santelli Building Co Pty Ltd (ACN 009 435 125)	22(1) & 22A(3) 3A(2)(b)(i)	Failed to take measures to ensure that the workplace, was such that persons who were at the workplace were not exposed to hazards.	\$7500	\$7725.33
SHIELDS Gerald James	19(1) & 19A(3)	Failed to provide and maintain a working environment in which its employees were not exposed to hazards.	\$12,000	\$1393.30
STC Industries (WA) Pty Ltd (ACN 120 517 937)	23I(3), 23J(1) & 54	Failed to notify the WorkSafe Western Australia Commissioner of a prescribed injury that occurred at the Accused's workplace.	\$2500	\$352.00
Terry's Crane & Hire Pty Ltd (ACN 120 000 268) <i>(See BROWN Terrence Ronald)</i>	23D(2), 19(1) & 19(A)(2) 3A(3) (b)(i)	Failed to provide and maintain a working environment in which the contractor was not exposed to hazards, and by that failure caused serious harm to the contractor.	\$51,000	\$1604.10

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Occupational Safety and Health Act 1984 (cont.)</i>				
Thiess Services Pty Ltd (ACN 010 725 247)	21(2)(b) & 21A(3) and 19(1) & 19A(3)	Charge 1 - Failed to ensure the safety or health of a person, not its employee, was not adversely affected as a result of any hazard that arose from or increased by work that was being undertaken by the accused or employee of the accused, or system of work that was being operated by the accused. Charge 2 - Failed to provide and maintain a working environment in which that employer's employees were not exposed to hazards.	\$65,000.00	\$7974.70
Tox Free (Kwinana) Pty Ltd (ACN 071 329 765)	19(1) & 19A(3) 23I(3), 23J(1), & 54	Charge 1 - Failed to provide and maintain a working environment in which its employees were not exposed to hazards. Charge 2- Failed to notify the WorkSafe Western Australia Commissioner of a prescribed injury that occurred at the Accused's workplace.	Charge 1 \$45,000.00 Charge 2 \$5000.00	\$2031.30
Westcoast Wools Pty Ltd (ACN 074 110 419)	19(1), 19A(3) & 23I(3), 23J(1) & 54	Charge 1 - Failed to provide and maintain a working environment in which its employees were not exposed to hazards. Charge 2 - Failed to notify the WorkSafe Western Australia Commissioner of a prescribed injury that occurred at the Accused's workplace.	Charge 1 \$15,000.00 Charge 2 \$2500.00	\$1343.80
<i>Occupational Safety and Health Regulations 1996</i>				
Brendan Keith Purchase t/a Brendan Keith Carpentry Service	3.55(2)	Failed to ensure that either edge protection or a fall injury prevention system was provided and kept in place.	\$4000.00	\$748.00

Name/ defendant/ parties	Legislation	Offence	Fine	Costs
<i>Occupational Safety and Health Regulations 1996 (cont.)</i>				
GRAHAM Donald Robert	5.45(2A)	Failed to ensure that asbestos work involving more than 10 m2 of non-friable asbestos-containing material was done by the holder of an unrestricted licence or a restricted licence or a person employed or otherwise engaged by the holder of an unrestricted licence or a restricted licence and was done in accordance with Part 9 of the Code of Practice for the Safe Removal of Asbestos 2nd edition.	\$2500.00	\$331.80
KEP Management Services Pty Ltd (ACN 074 110 393) t/a Phillips Engineering	6.2(3)	Charge 1 & 2 - Allowed another person to do high risk work (dogging work), when that person did not hold a high risk work licence for that class of work.	\$10,000.00	\$859.80
LONG Mathew David	3.55(2)	Failed to ensure that either edge protection or a fall injury prevention system was provided and kept in place.	\$2500.00	\$374.00
Maasprop Pty Ltd (ACN 105 353 580)	5.45(2A)	Failed to ensure that asbestos work involving more than 10 m2 of non-friable asbestos-containing material was done by the holder of an unrestricted licence or a restricted licence or a person employed or otherwise engaged by the holder of an unrestricted licence or a restricted licence.	\$3000.00	\$331.80
Rhino (WA) Pty Ltd (ACN 105 829 516)	3.55(2)	Failed to ensure that either edge protection or a fall injury prevention system was provided and kept in place.	\$4000.00	\$584.80
Taramore Pty Ltd (ACN 102 633 750) t/a Ontraq Haulage	3.131(1)(a), 3.132(2)(a) & 3.131(1)(b)	Charge 1-8 Failed to ensure that a commercial vehicle driver (who drives without a relief driver) drove that vehicle and took appropriate breaks. Charge 9 - Failed to ensure that a commercial vehicle driver was certified by a medical practitioner as fit to drive the vehicle.	\$9,000.00	\$11,000.00
Toowong Pastures Pty Ltd (ACN 127 356 567)	3.55(2)	Failed to ensure that either edge protection or a fall injury prevention system was provided and kept in place.	\$5000.00	\$859.70

Reviews of notices issued by WorkSafe Division inspectors

The WorkSafe Division coordinates and supports the WorkSafe Western Australia Commissioner's (the Commissioner) review of notices issued by WorkSafe Division inspectors under the *Occupational Safety and Health Act 1984* (OSH Act), and consideration of applications for exemptions under the Regulations.

WorkSafe Division 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 when the contravention must be stopped.

WorkSafe Division 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 2012-13, in accordance with section 51 of the OSH Act, 744 notices were reviewed by the Commissioner. Review outcomes are detailed in Tables 61 to 64.

Table 61: Review of improvement notices for the WorkSafe Division in 2012-13

Outcome	Number
Affirmed	19
Affirmed with time extended	633
Affirmed, modified and time extended	3
Affirmed with modification to wording	0
Notice cancelled by Commissioner	9
Review request withdrawn	6
Compliance effected on time and while under review	32
Received too late for review	36
Occupational Safety and Health Tribunal affirmed and time extended	0
Occupational Safety and Health Tribunal withdrawn by client	0
Total processed from 1 July 2012 to 30 June 2013	738

Table 62: Review of prohibition notices for the WorkSafe Division in 2012-13

Outcome	Number
Affirmed	3
Affirmed with modification to wording	0
Notice cancelled by Commissioner	0
Received too late for review	0
Request withdrawn by client	2
Occupational Safety and Health Tribunal withdrawn by client	1
Total processed from 1 July 2012 to 30 June 2013	6



Table 63: Review of improvement notices for the WorkSafe Division 2008-09 to 2012-13

Year	Improvement notices issued	Improvement notice reviews processed	Percentage (%)
2008-09	9,852	917	9.3
2009-10	10,648	970	9.1
2010-11	10,419	947	9.1
2011-12	8,216	636	7.7
2012-13	11,972	738	6.2

Table 64: Review of prohibition notices for the WorkSafe Division 2008-09 to 2012-13

Year	Prohibition notices issued	Prohibition notice reviews processed	Percentage (%)
2008-09	722	1	0.1
2009-10	705	10	1.4
2010-11	602	10	1.6
2011-12	399	3	0.7
2012-13	552	6	1.1

Exemption from Regulations

The Commissioner may exempt a person from compliance with the Regulations. During the year the Commissioner received 46 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 committees

Table 65: Functions of the Consumer Protection committees in 2012-13

Name	Charitable Collections Advisory Committee
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 Advisory Committee
Legislation	<i>Fair Trading Act 2010 (Section 63I)</i>
Principal functions	To advise the Minister and the Commissioner for Consumer Protection on: <ul style="list-style-type: none"> (a) the activities and policies of the department as they affect consumers; (b) current and emerging consumer issues; (c) research and education projects relating to consumers; and (d) any matter referred to the Committee by the Minister or the Commissioner.

Name	Motor Vehicle Industry Advisory Committee
Legislation	<i>Fair Trading Act 2010 (Section 63E)</i>
Principal functions	To advise the Minister and the Commissioner for Consumer Protection on: <ul style="list-style-type: none"> (a) the regulation of the motor vehicle dealing and repair industry in Western Australia, including the licensing, certification and training of persons or businesses who or which engage in motor vehicle dealing and repair; (b) the provision by the Commissioner of education, information and advice to consumers and to the motor vehicle dealing and repair industry in Western Australia; and (c) any matter referred to the Committee by the Minister or the Commissioner.

Name	Property Industry Advisory Committee
Legislation	<i>Fair Trading Act 2010 (Section 63A)</i>
Principal functions	To provide advice to the Minister for Commerce and the Commissioner for Consumer Protection on the regulation of the land valuation, real estate and settlement industries in Western Australia and the provision of education, information and advice to consumers. The Committee also advises on the criteria required to receive grants from the Homebuyers Assistance Account and any other issues as requested by the Minister or Commissioner.
Name	Retail Shops Advisory Committee
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 enable shops to open outside of prescribed times or the selling of goods or services that are not prescribed.

Safety and Employment Protection and Construction Standards boards

The Safety and Employment Protection and Construction Standards 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 66: Functions of Safety and Employment Protection and Construction Standards regulatory boards in 2012-13

Name	Building Services Board		
Legislation	<i>Building Act 2011, Building Services (Complaint Resolution and Administration) Act 2011, Building Services (Registration) Act 2011</i>		
Principal functions	Registration of builders, painters and building surveyors in the Board's area of jurisdiction.		
Source of funding	Self funded (registration fees, building licence levies, complaint application fees)	Annual Report	No, reported in the department's annual report
Management of funds	No	Investigations	No
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	6462 Builders 2765 Painters 401 Building Surveyors

Name	Electrical Licensing Board		
Legislation	<i>Electricity (Licensing) Regulations 1991</i>		
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.	Number of entities regulated	48,003 electrical operatives

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	Monitor matters relating to the qualification and training of plumbers, advise the Minister on matters relating to the licensing and regulation of plumbers, administer the licensing scheme for plumbers and perform licensing, disciplinary and other functions.		
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	No	Investigations	No
Employment of employees	The Board does not engage employees. Employees of the department support this Board.	Number of entities regulated	3,147 licensed plumbing contractors; 3,788 tradespersons; and 99 restricted plumbing permit holders.

The Architects Board of Western Australia is an independent statutory board responsible for the regulation of architects in Western Australia under the *Architects Act 2004*. However, the Department of Commerce provides policy advice to the Minister for Commerce to assist in the administration of this Act. A statutory review of the Architects Act is scheduled to occur in 2013-14. More information about the operation of the Architects Board can be obtained from: www.architectsboard.org.au

Safety and Employment Protection and Construction Standards commissions and committees

Table 67: Functions of the Safety and Employment Protection and Construction Standards commission and committees in 2012-13

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, gasfitting 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. 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

Principal functions (cont.)	<ul style="list-style-type: none"> to provide advice to and cooperate 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; Working Hours Review Working Party; Asbestos Management Review Working Party; and Work Safety Awards 2012 judging panel. <p>Further information is provided in the Commission's annual report.</p>		
Source of funding	Department of Commerce, WorkSafe Division budget	Annual Report	Yes
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 regulated under the <i>Mines Safety and Inspection Act 1994</i> or Commonwealth legislation.

Industry, Science and Innovation committees and councils

Table 68: Functions of the Industry, Science and Innovation committees and councils in 2012-13

Name	Australian Marine Complex Overarching Committee
Principal functions	Assist in coordinating inter-agency management.
Name	Pilbara Fabrication and Services Common Use Facility (PFSCUF) Steering Committee
Principal functions	<ul style="list-style-type: none"> • Provide coordination and strategic advice in relation to the PFSCUF. • Provide a conduit through which key government agencies can assist and consult regarding the PFSCUF. • Review recommendations in relation to PFSCUF based on feasibility studies. • Facilitate and support opportunities for the development of the PFSCUF concept. • Identify and communicate opportunities and benefits created by the proposed project and, where necessary, advise the Government of possible issues which may generate adverse reactions.
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

Principal functions (cont.)	<ul style="list-style-type: none"> • carry out, collaborate in or procure research, studies or investigations on any matter relating to the objects of the Act, including the: <ol style="list-style-type: none"> (a) role of industry, science and technology in the policies of government; (b) social and economic impact of industrial and technological change; (c) employment and training needs and opportunities relating to industrial, scientific and technological activities in the State; (d) adequacy of, priorities among and co-ordination of, scientific, industrial and technological activities in the State; (e) methods of stimulating desirable industrial and technological advances in the State; (f) application of industrial, scientific and technological advances to the services of the Government; and (g) promotion of public awareness and understanding of development in industry, science and technology.
Other	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.

Appendix 5: Annual Report feedback

The Department of Commerce welcomes your feedback on the 2012-13 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?

Very effective Effective Average 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 2012-13 Annual Report?

- Background information on the Department of Commerce
- Information on the Department of Commerce's performance in 2012-13
- 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 website at
www.commerce.wa.gov.au



Consumer Protection

Advice line 1300 304 054
..... (cost of a local call state-wide)
Administration (08) 9282 0777
Email consumer@commerce.wa.gov.au

Building Commission

Telephone 1300 489 099
Email info@buildingcommission.wa.gov.au

EnergySafety

Telephone (08) 9422 5200
Email energysafety@commerce.wa.gov.au

Industry and Innovation

Telephone 1300 136 237
Email isi@commerce.wa.gov.au

Labour Relations

Wageline 1300 655 266
Administration (08) 9222 7700
Email labourrelations@commerce.wa.gov.au

WorkSafe

Customer help centre 1300 307 877
Administration (08) 9327 8777
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) 9920 9800
North-West (08) 9185 0900
South-West (08) 9722 2888
National Relay Service 13 36 77



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