



Disclosures and legal compliance



Other financial disclosures

Pricing policies of services provided

Statutory fees and charges to the public for various services provided by the department. These fees and charges are reviewed annually in accordance with the Government's policy on the costing and pricing of Government services. A costing methodology is used to determine the projected costs of service delivery, with particular attention to the level of cost recovery being achieved. Any increases in fees and charges are limited to the extent of cost recovery. The department's fee changes for 2021–22 were published in the WA Government Gazette on the following dates.

21 June 2021: **No 110 of 2021:**

- ▶ Mines and Petroleum Regulations Amendment (Fees and Charges) Regulations 2021.

11 March 2022: **No 32 of 2022:**

- ▶ Petroleum and Geothermal Energy Safety Levies Regulations 2022 - Petroleum and Geothermal Energy Safety Levies Regulations 2011 repealed.

11 March 2022: **No 34 of 2022:**

- ▶ Work Health and Safety (General) Regulations 2022 – Occupational Safety & Health Regulations (OSH) 1996 repealed.

11 March 2022: **No 35 of 2022:**

- ▶ Work Health and Safety (WHS) (mines) Regulations 2022 – Mines Safety and Inspection Regulations 1995 repealed.

20 May 2022: **No 69 of 2022:**

- ▶ Mines and Petroleum Regulations Amendment (Fees and Charges) Regulations 2022.
- ▶ Commerce Regulations Amendment (Fees and Charges) Regulations 2022.



Capital works

The department manages two purpose-built core libraries: the Perth Core Library located in Carlisle, and the Joe Lord Core Library in Kalgoorlie. The core libraries are used to display and archive drill core samples to assist subsequent exploration activity. Both facilities are administered by the Geological Survey of Western Australia (GSWA).

The Joe Lord Core Library was close to capacity for both storage of drill core samples and available core viewing space. This was due to a number of factors including improvements in drilling technology and the success of Government funded incentive schemes increasing deposits.

The State Government announced \$7 million of funding in July 2020 to support the core library extension as part of its COVID-19 Stimulus Package.

The contract was awarded to ACorp Construction (a Perth and Kalgoorlie based company). The project works included the extension of the core storage and external core viewing areas and the expansion of the vehicular hard stand around the western corner of the new building, connecting through from Hunter Street to Broadwood Street.

The drill core storage extension was designed to provide an additional 2,100m² of core storage and 827m² of external core viewing area. The core storage expansion can accommodate an additional 6,720 pallets of drill core in 10 additional aisles of proprietary high rise racking.

The project commenced on 1 December 2020 and the construction component was completed on 20 October 2021, with the official opening by the Hon. Bill Johnston MLA on 24 November 2021. A Welcome to Country was performed as part of the opening ceremony.

Further works to deliver the project in full such as establishing display structures and installation of shade sails over the expanded viewing area are expected to be completed by October 2022.





Our people

Staff profile

Full Time Equivalent	2020–21	2021–22
Full time	1,454.20	1,400.51
Part time	135.05	123.52
Secondment	35.60	25.00

Recruitment initiatives

The department is actively promoted as an inclusive employer and builds diversity and inclusion into our employer brand across a number of social media platforms. This includes the department's LinkedIn page, and creating engaging content to promote our Section 51 processes. We have included additional wording into all advertisements, noting that 'Suitable Aboriginal and Torres Strait Islander people, people with disability and youth may be given priority consideration over non diversity group applicants to achieve public sector outcomes.' This allows panels to use Section 51 and Section 66R of the *Equal Opportunity Act 1994* within all recruitment processes to make recommendation decisions.

In addition to our advertising initiatives, we have also considered ways we could remove barriers to employment and improve the department's diversity profile. As a result, a change was made to the 'Driver's Licence' pre-employment requirement, which appears within our Job Description Forms, to now state 'Current Western Australian C or C-A class driver's licence or independent travel capability'. This removes the potential barrier for people with disability who wish to apply but are unable to hold or obtain a driver's licence. This condition has been applied to positions where other forms of transport can be used (i.e. taxis or public transport), which would not limit a person's ability to fulfil the duties of the role. Refer to page 69 for our disability access and inclusion plan outcomes.

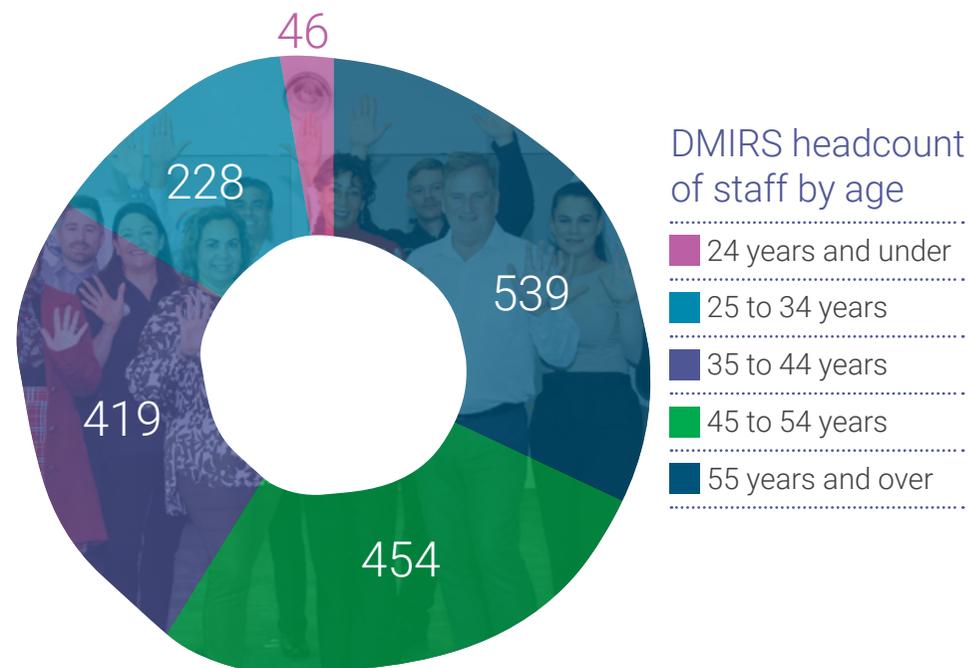


215

advertised recruitment processes completed.

Workforce planning

The department continues to focus on strengthening the skills, diversity and flexibility of our workforce to meet the needs of the community both now and in the future. In 2021, the department finalised the development of the Workforce Planning Framework in consultation with the Public Sector Commission. A workforce planning process and a suite of supporting documentation was developed and approved by the Corporate Executive for rollout across the department. The framework process has a strong focus on the promotion of diversity, was designed to align with the department's operational planning process and Leadership Development Framework. Implementation has commenced this year with business areas and will continue into the next financial year.





Supporting and managing a flexible and inclusive workforce

The department continues to provide a positive work environment which supports inclusive, mobile and flexible work options that assist staff in balancing their work and non-work commitments, where it is mutually beneficial. In line with the department's flexible work policy, flexible work options are recognised and encouraged to attract and retain staff and enable a responsive and engaged workforce.



There has been an increase in the number of staff taking up a regular work at home arrangement. Staff are embracing the use of available technology to interact with customers, team members and managers to fulfil their job requirements whilst working at home. Arrangements are reviewed annually as a minimum to monitor and report on effectiveness.

The department is committed to the health and wellbeing of our staff. We assist and encourage staff to maintain their safety, good health and wellness.

Employee wellbeing strategy

In November 2021, the new employee wellbeing strategy was launched, establishing the department's approach to key wellbeing priorities. This was informed by the Future of Work Institute's Thrive at Work initiative completed last year. Thrive at Work is underpinned by decades of research and presents wellbeing along a spectrum – focusing on helping people to get well again (mitigate illness), stay well (prevent harm) and helping people be the best they can be (promote thriving). The strategy aims to provide and ensure:

1. Staff have greater awareness of the tools, resources and supports available to improve their health and wellbeing at work.

2. Increased confidence for staff to share mental health concerns and seek help.
3. Improved confidence in recognising signs of mental illness and proactive management of issues.
4. Improved use of data analytics to ensure strategies are evidence driven.

Information on our complementary Working on Wellness (WOW) program can be found on page 85.

Potentially Traumatic Event Response Support

Due to the nature of their position, some staff may be exposed to potentially traumatic events in the course of their duties. In 2020, the department engaged Phoenix Australia to review the Potentially Traumatic Event Response Support (PTERS) services available in the department, identify any gaps, and make recommendations to align our services to best practice in order to positively impact the psychological wellbeing of individuals in these positions. Following the review, the department developed a plan to implement the high priority recommendations which were approved by Corporate Executive in October 2021.

The implementation plan is progressing well. A PTERS working group was established, consisting of representatives from across the department to assist with the ongoing maintenance of the PTERS program. Work has also progressed to identify the PTERS roles and to develop a new PTERS Procedure, which will provide information on the support available to employees to reduce the risk of psychological harm following exposure to a potentially traumatic event.

The department is also working to establish a new tailored version of the current Managing Mental Health training to focus on providing participants with the skills and knowledge to prepare for, identify, manage and respond to exposure to a potentially traumatic event. Additional content will be included for managers to assist with supporting and monitoring their staff should such an event occur.



Performance development

The department’s performance development process is managed through the My Performance and Development (MyPD) system to promote ongoing discussion between staff and their manager. This year, a project to enhance the MyPD system and process commenced, with the proposed enhancements taking into account feedback from staff and managers. The Corporate Executive approved the recommended enhancements and they will be live in the MyPD system for the 2022–23 planning cycle. As a department we invest in our staff by providing learning and development opportunities, including the Professional Foundational Skills Program and Learn Explore and Do Program. Staff can also participate in customised in-house programs, such as the Certificate IV in Government Investigations, and the Mentoring Program, and sponsored external public sector-wide programs such as Entry to the C-Suite for Women.

Continuing to build an inclusive workplace

The department continues to build and maintain an inclusive workplace culture where all staff are valued, respected and connected. We are a department dedicated to achieving the commitments outlined in our Diversity and Inclusion Plan 2019–2023 (refer to page 69).

As part of our initiatives, we made a commitment to measure our workforce diversity and inclusion objectives and took part in the Diversity Council Australia’s Inclusion@Work Survey in October 2021. Run every two years, this survey allows us to measure and track our diversity and inclusion activities and benchmark against our own previous results and other organisations around Australia.

Celebrating diversity in our workplace and improving our diversity profile is a priority in the department’s Strategic Plan Towards 2024. The strategy includes the establishment of a partnership with National Disability Services Western Australia to increase work opportunities at the department for people with disability.



As a safety regulator and as leaders of the department, we must lead by example and ensure we provide a safe, healthy and supportive work environment.

Marka Haasnoot

In November 2021, the Bonds Administration team was awarded the department’s annual staff Excellence Award for Overall Excellence. The team was acknowledged for their commitment to being a diverse and inclusive workplace, participating in and promoting diversity and inclusion events, training and recruitment, and creating a work environment where all staff feel valued, respected and connected. The Assets branch was awarded the Team Excellence award for the promotion of team diversity, organising team events such as Wear It Purple Day and high levels of attendance to associated events and training.





Aiming for diversity in our department

We believe that diversity and gender-balanced teams have the ability to improve operational effectiveness and deliver better outcomes for the Western Australian community. Below is our current status as at 30 June 2022.



50%

women in Senior Executive Service contracts.



48%

women substantively appointed to tier 2 and 3 positions.



2

new school based trainees started in February.



10

new graduates started the Inter-agency graduate program in January.



29

national and international diversity and inclusion dates celebrated.



10

positions filled using s51 or s66R of the EEO Act to achieve equality.



2

participants welcomed from the PSC Solid Futures Aboriginal Traineeship Program for a 12 month contract.



18.6%

young professionals.



2.3%

First Nations Australians.



2.7%

youth, 24 years.



3.7%

people with disability.

Our goals include

We aim to increase our representation by June 2023

At 30 June 2022 2.7% are aged 24 and under

3.1%

At 30 June 2022 18.6% of staff are young professionals

20.2%



Continuing the Gnalla Mila, Gnalla Wangkiny (Our Future, Our Say) to support our First Nations Australians staff.



Reconciliation Action Plan

As part of the department's Innovate Reconciliation Action Plan 2020–2022 (RAP), we advertised six positions using Section 51 of the *Equal Employment Opportunity Act 1984* – a diversity initiative to achieve equality and increase workforce representation of First Nations Australian people at the department. The department's Innovate RAP commits to practical actions that build respectful relationships and create opportunities for First Nations Australian peoples. Our plan is in the "Innovate" category of Reconciliation Australia's 'Reflect, Innovate, Stretch, Elevate' Framework. This plan follows a long history of reconciliation in the department and we are very pleased to continue our journey towards building and integrating reconciliation into our values and culture. Work is currently underway to develop our new Innovate RAP. Our new RAP will continue to focus on building mutually respectful relationships and generating opportunities for First Nations Australian peoples and businesses through employment and procurement.

To assist with our reconciliation journey we maintain professional memberships with Reconciliation Australia, Reconciliation WA and Supply Nation. We continue to celebrate and acknowledge significant events including NAIDOC Week, National Reconciliation Week, National Close the Gap Day, Indigenous Literacy Day and National Sorry Day. For example, as part of our National Reconciliation Week activities we were proud to host a Smoking Ceremony and Welcome to Country at Mineral House and at our Cannington office for NAIDOC Week.

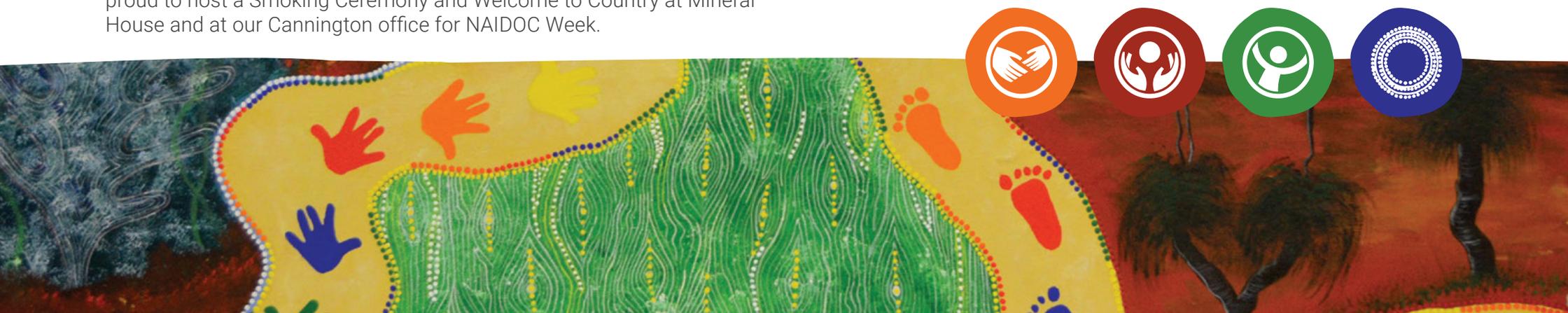
Raising awareness and supporting people with disability

In 2021, the department's International Day of People with Disability celebrations featured two events and Disability Awareness training.

The first event, Meet the Artist Talk, unveiled the latest addition to the department's art collection, a painting from the White Series by Perth artist Philip Baker. Philip spoke about the piece and shared some of his experiences as a person with a lived experience of a visual impairment.

At the second event Meet the Guide Dogs, staff met resident guide dog Sundae and were joined by some very special guests from Guide Dogs WA.

To assist in improving the department's representation of people with disability, staff were invited to attend Disability Recruitment Confidence training sessions. The three-hour sessions helped staff build a better understanding of disability and the issues faced by people with disability who are actively looking for employment. This training is provided as part of our ongoing partnership with National Disability Services and our commitment to their Building the Talent Pool initiative.





Disability access and inclusion plan outcomes

The department is committed to delivering on the seven outcomes of our Disability Access and Inclusion Plan (DAIP) 2019–2023 by working to provide equal access to services, events, facilities, consultation and feedback, employment and information for people with disability.

DAIP outcome goals	2021–22 DAIP achievements, outcomes and commitments	
Outcome 1: People with disability have the same opportunities as other people to access the services of, and any events organised by DMIRS.	<p>Hosted specialised Deafness Awareness training workshop on International Day of Sign Language, facilitated by Access Plus WA Deaf.</p> <p>Held a “Positive Psychology Series” on the five key pillars of wellbeing.</p>	<p>Provided staff with an understanding of deaf culture and insights into how to communicate with deaf and hard of hearing people as well as an understanding of the language they use.</p> <p>Staff invited to participate in guided mindfulness mediation sessions, mindful colouring-in sessions and mindfulness taster workshop.</p>
Outcome 2: People with disability have the same opportunities as other people to access the buildings and other facilities of DMIRS.	Installation of braille vacant/occupied signs on all the quiet rooms at 1 Adelaide Terrace, East Perth.	Allows people with a vision impairment to be able to determine whether the room is vacant or occupied.
Outcome 3: People with disability receive information from DMIRS in a format that will enable them to access the information as readily as other people are able to access it.	Collaborated with Access Plus WA Deaf to create a scams video in Auslan for the deaf/hard of hearing community.	We are committed to help all Western Australians learn about scam prevention, including consumers who communicate in a language other than English.
Outcome 4: People with disability receive the same level and quality of service from the staff of DMIRS as other people receive from the staff of DMIRS.	Workshop facilitated by Cahoots, a registered National Disability Insurance Scheme (NDIS) provider.	Empowered staff to identify, understand and then respond appropriately to the environment and behaviours around them to reduce potential barriers and ensure inclusion.
Outcome 5: People with disability have the same opportunities as other people to make complaints to DMIRS.	Clear and accessible communication is a key part of the department’s customer service principles.	Implementation of the new complaints systems has been delayed due to COVID-19 impacts.
Outcome 6: People with disability have the same opportunities as other people to participate in any public consultation by DMIRS.	Compliance with Web Content Accessibility Guidelines 2.0 Level AA to ensure easy access to information regarding public consultations.	Accessibility checks on documents prior to publishing online to maximise stakeholder range.
Outcome 7: People with disability have the same opportunities as other people to obtain and maintain employment with DMIRS.	Amendment to position descriptions, travel criteria. Now includes the words; “or independent travel capability”.	Changes based on advice from National Disability Services.



WA Multicultural Policy Framework

The department is committed to creating a diverse workforce with a range of skills, experiences and perspectives reflective of the Western Australian community. To support our diverse workforce, we strive to maintain an inclusive workplace culture where all staff are valued, respected and connected. The department embraces multiculturalism and is committed to implementing and monitoring the policy priorities of the Western Australian Multicultural Policy Framework (the Framework) as demonstrated in the department’s Multicultural Plan 2021–22.

Progressing the Multicultural Plan for 2021–2022, the department continues to support the capacity and contribution of people from culturally and linguistically diverse (CaLD) backgrounds and enable effective services to be delivered. The workforce focussed policy priorities of the Framework are being implemented and monitored through the department’s Diversity and Inclusion Plan 2021–2023. The external and community focussed priorities of the Framework will be implemented and monitored through the development of key initiatives, including the development of a language services policy along with other specific strategies and activities to ensure our services meet our customers’ needs and expectations.

Policy priority	DMIRS initiatives and achievements	
Policy priority 1: Harmonious and inclusive communities	Promotion of the Diversity and Inclusion Event Calendar that acknowledges and celebrates CaLD backgrounds, including International Mother Language Day, World Religion Day, Harmony Week, Human Rights Day, World Cultural Diversity Day and World Refugee Day.	Published a Harmony Week cookbook which celebrates the CaLD backgrounds of our staff through their family stories and recipes.
Policy priority 2: Culturally responsive policies, programs and services	Updated recruitment and selection training to include the benefits of having a team that is diverse and the awareness of unconscious bias to ensure panel member’s decisions are consistent with the Employment Standard.	The selection report highlights applicants who are from targeted diversity groups.
	Progressed development of a Language Services policy with stakeholders to ensure language is not a barrier to provide equitable access to information and services, including our complaints processes.	The department is committed to raising the awareness and educating staff on the language assistance services that are available and are to be provided when requested.
Policy priority 3: Economic, social, cultural, civic and political participation	In collaboration with Legal Aid WA, launched the Blurred Borders My Place Tenancy Legal Resource Kit to improve the understanding of renting rights in vulnerable communities.	The resource kit contains material using visual art, plain language and storytelling as the basis to reach First Nations Australians as well as those from CaLD backgrounds.
	Creation of a suite of presentations about scams, consumer rights and tenancy matters for the TAFE Adult Migrant English Program and Red Cross forums specifically targeting multicultural communities.	Presentation included posters created in Chinese, Malay and Cocos Malay languages.

2021–22 was...



Fulfilling despite it being a hectic and demanding year.

Ian Munns



It was a year that tested our resilience but we proved that we could deliver the needs of the WA community during challenging times.

Richard Sellers



Was the year of 'emerging' from the pandemic restrictions and returning to a sense of normality.

Jeff Haworth



Was informative, rewarding and busy – a year to learn from and build on for the future.

Kristin Berger



Was a year when we thought that COVID-19 would be gone and we could recalibrate and reconnect outside of MSTeams.

Julie de Jong



Busy and hectic on all fronts but also a year where we learned and embedded new approaches to work.

Marka Haasnoot



Governance

Ministerial Directions

There were no ministerial directives issued by our Ministers during 2021–22.

Governance disclosures

The department has been progressing multiple action plans in response to self-assessments against the recommendations of the [Department of Communities: Housing Authority Review, EY Report](#) (Commissioned by the Public Sector Commission); and the [Public Sector Commission Integrity in financial management: Self-assessment checklist](#).

Outcomes of the action plans have been reported to our Corporate Executive and the Governance and Integrity Sub-Committee. The outcomes will also be provided to the department's Audit and Risk Committee. There were many action outcomes that included, for example, the development and implementation of a Corporate Governance Framework, which included our governance policies and practices mapped against the nine principles outlined in the Western Australian Public Sector Commission's "Good governance guide for public sector agencies".

Our Fraud and Corruption Control Plan was updated to a Framework along with updated content to comply with the most recent related Australian Standard. An Integrity Framework has been drafted and will be implemented in the near future.

Improvements have been made across a variety of areas in response to implementing the action plans including in the areas of governance, integrity, fraud and corruption prevention and financial management. Although many of the actions have been achieved, it is recognised that this is not the end of what is an ongoing continuous improvement process.

Internal committee governance structure

The department's internal committee governance structure is inclusive of internal standing committees that report directly to the Director General or Corporate Executive which include the Audit and Risk Committee, Finance Committee, Classification Review Committee, Health and Safety Committee and the Corporate Policy Committee. In addition to the standing committees, five sub-committees have been established by the Corporate Executive to assist with achieving our strategic objectives. These include the Diversity and Inclusion Sub-Committee, Digital Technology Sub-Committee, Performance Sub-Committee, Reform Sub-Committee and the more recently established Governance and Integrity Sub-Committee.

Details about each of the committees and sub-committees is outlined below.



Audit and Risk Committee

Meets quarterly to provide oversight of the department's governance, risk management and internal control practices to provide confidence in the integrity of these practices and enable achievement of government and organisational strategic objectives.

Outcomes:

- ▶ Examined a broad range of the department's functions and activities related to governance and assurance listed in the Committee Terms of Reference and the Committee Work Plan.
- ▶ Received good quality financial reporting and there was an unqualified Financial Statements external audit result, with the department being named as one of the Auditor General's 'Best practice Top 20 Large Entities'.
- ▶ Devoted time to ICT reporting at every meeting, especially around cybersecurity.
- ▶ Internal audit program reviewed at every meeting – timely audit recommendation implementation received greater management focus.
- ▶ Risk management practices incrementally improved over time.
- ▶ The department's pandemic response was examined.



Corporate Policy Committee

Assists in the management, accountability and oversight of the department's corporate policies, procedures and guidelines (corporate policy documents).

Outcomes:

- ▶ Provided advice and support for corporate policy writers.
- ▶ Ongoing review and approval of corporate policy documents.
- ▶ Continued management and oversight of corporate policy documents due for review.



Finance Committee

Meets monthly to monitor and discuss the budget of DMIRS.

Outcomes:

- ▶ DMIRS costing models were reviewed as part of the 2022–23 fees and charges process, resulting in an improvement in DMIRS' unrestricted cash position.
- ▶ Expenditure budgets continued to be closely monitored.



Health and Safety Committee

Meets quarterly to provide a forum for discussion of work health and safety (WHS) issues, facilitate effective and efficient consultation and cooperation, review internal health and safety reporting and makes recommendations to the Executive on related matters including policy.

Outcomes:

- ▶ Ensured clearer communications for regions regarding COVID-19 restrictions.
- ▶ Discussed staff concerns related to COVID-19.
- ▶ Increased number of safety and health representatives at East Perth and Kalgoorlie.
- ▶ Provided feedback on 15 WHS policies, procedures and guidelines, and endorsed the department's WHS Policy.
- ▶ Reviewed and endorsed the Committees' Terms of Reference to ensure alignment with the WHS Act.
- ▶ Ongoing consultation regarding establishment of work groups and health and safety representatives under the WHS Act.



Classification Review Committee

Met 10 times, and also considered out of session requests, to provide recommendations for classifying positions and determining the remuneration of staff, up to and including level 8 and advise the Director General in relation to the functions under sections 29(1)(h) and 36(1) (c) of the *Public Sector Management Act 1994*.

Outcomes:

- ▶ Recommended creation of 146 permanent positions and 52 temporary positions.
- ▶ Assisted to ensure significant reforms were sufficiently resourced including, but not limited to, WHS Legislation and Security of Payment Reforms, Fast Tracking Mining Approvals Strategy, Streamline WA and the Aboriginal Empowerment Initiative.



Performance Sub-Committee

Met five times during the year to assist leadership with governance and oversight responsibilities in relation to corporate performance reporting.

Outcomes:

- ▶ Enhanced the quality and transparency over quarterly corporate performance reporting Key Performance Indicators (KPIs) and externally published approvals and licensing performance information.
- ▶ Promoted engagement and discussion of performance measurement and trends within the leadership group and Corporate Executive.
- ▶ Endorsed changes to DMIRS Outcome Based Management Framework and KPI activity composition.
- ▶ Discussed and approved ongoing approach for the Stakeholder Satisfaction Survey.





Governance and Integrity Sub-Committee

Established in October 2021 in response to the department's commitment to governance, integrity and effective fraud and corruption risk management.

Outcomes:

- ▶ Developed and implemented a Governance and Integrity Communication Plan encouraging conversations about governance and integrity related topics and assisting in the growth of a culture of integrity.
- ▶ Provided oversight and management of action plans in response to self-assessments against the recommendations of the [Department of Communities: Housing Authority Review, EY Report](#) (Commissioned by the Public Sector Commission) and the [Public Sector Commission Integrity in financial management: Self-assessment checklist](#).
- ▶ Established an Integrity Training Working Group and a Integrity Declarations Working Group to review current practices and present recommendations for improvement where needed. Recommendations were agreed to and actioned.

Digital Technology Sub-Committee

Meets monthly to provide an opportunity for leadership to consider and discuss new and strategic approaches to DMIRS technology.

Outcomes:

- ▶ Improved DMIRS strategic technology prioritisation process to incorporate more robust financial data.

Reform Sub-Committee

Assists DMIRS to ensure accountability and strategic decision making on regulatory reform matters, aligned to government and organisational priorities and strategic direction. The sub-committee met less than usual during the year due to COVID-19 placing many projects on hold.

Outcomes:

- ▶ Monitored delivery progress of agreed regulatory reform initiatives and priority strategic projects.
- ▶ Reviewed future direction of the Sub-Committee to ensure it remains current, and changed Terms of Reference to meet quarterly.

Diversity and Inclusion Sub-Committee

Meets quarterly to ensure accountable and strategic decision-making on diversity and inclusion matters, aligned to organisational priorities and strategic direction. In addition, assists the Corporate Executive to create an inclusive work environment that is free from all forms of unlawful discrimination and where staff are valued for their diverse experience, knowledge and abilities.

Outcomes:

- ▶ Continued implementation of diversity and inclusion initiatives in line with DMIRS Diversity and Inclusion Plan 2019–2023.
- ▶ Provided a Masterclass for Women in Senior Roles series.
- ▶ Continued partnership with National Disability Services Western Australia to increase work opportunities at DMIRS for people with disability.
- ▶ Provided LGBTI awareness training for staff.
- ▶ Unveiled the latest addition to DMIRS art collection; a painting from the White Series by Perth visually impaired artist Philip Baker.



Other legal requirements

Unauthorised use of credit cards

The department adheres to *Treasurer's Instruction 321 Credit Cards – Authorised Use* regarding card expenditure. Despite all cardholders being aware of their obligations under the department's credit card policy, there were 53 instances of personal usage and zero matters referred for disciplinary action. All of this expenditure was repaid.

In accordance with *Treasurer's Instruction 903 Agency Annual Reports*, the table below discloses credit card use for personal expenditure.

Instances of unauthorised credit card use	2021–22
Number of instances the Western Australian Government Purchasing Cards have been used for personal purposes	53
Aggregate amount of personal use expenditure for the reporting period	\$2,040.80
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	\$1,962.11
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	\$78.69
Aggregate amount of personal use expenditure remaining unpaid at the end of the reporting period	\$0.00
Number of referrals for disciplinary action by the notifiable authority during the reporting period	0

Act of grace payments

In accordance with *Treasurer's Instruction 319: Act of Grace Payments*, all act of grace payments are to be disclosed in the annual report. Requests for an act of grace payment arise from many and varied situations and each request is assessed on the circumstances associated with that particular request. Act of grace payments are linked to the services delivered by the department.

This year, the department's act of grace payments relate to royalty rebates as per the financial assistance agreement for the Koolyanobbing Iron Ore Mine, and refunds of tenement rental monies paid.

Act of grace payments 2021–22		
Administered funds	Payment amount \$	Purpose of payment
Payment date (approved by the Minister)		
August 2021	132.00	Caveat fee refund
Payment date (approved by the Governor ^(a))		
August 2021	38,534,435.52	Royalty refund
November 2021	813,437.63	Royalty refund
November 2021	18,318,431.22	Royalty refund
Total acts of grace - administered	57,666,436.37	
Controlled funds		
Payment date (approved by the Minister)		
March 2022	11,620.00	Annual tenement rent refund
Total acts of grace - controlled	11,620.00	
Total acts of grace payments	57,678,056.37	

(a) Section 80(1) and (2) of the *Financial Management Act 2006* and Financial Management Regulation 8 provide that the Treasurer may approve an act of grace payment of up to \$250,000, and where the payment exceeds that amount prior approval of the Governor must be sought.



Expenditure of advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the department incurred the following expenditure in advertising, market research, polling, direct mail and media advertising. Total expenditure for 2021–22 was \$1,623,632 (ex GST). Expenditure was incurred in the following areas (detailed below).

Organisation	Amount	Total
Advertising agencies		
Initiative	\$1,052,741	
Norlap Creative	\$169,647	
FujiFilm Data Management Solutions Australia Pty Ltd	\$119,045	
Western Power - campaign contribution	\$75,000	
Mintox Media	\$16,813	
Trans Tasman Media Pty Ltd	\$5,503	
Media Junction	\$5,000	
Farm Guide Pty Ltd	\$3,060	
The Islander	\$2,172	
Platform Communications	\$2,138	
Branch Media	\$1,990	
Mulga Mail	\$549	
The Atoll	\$436	
Access Community Engagement Services	\$300	
Dubsat Pty Ltd	\$96	
Optimise Online	\$36	
Advertising agencies total		\$1,454,526
Market research organisations		
Ipsos Pty Ltd	\$37,769	
Survey Monkey	\$5,044	
Market research organisations total		\$42,813

Organisation	Amount	Total
Direct mail organisations		
Carat Australia Media Services Pty Ltd	\$55,714	
Createsend.com	\$28,389	
Quickmail	\$12,052	
Australia Post	\$7,609	
Campaign Monitor	\$2,049	
State Law Publisher	\$1,986	
Direct mail organisations total		\$107,799
Media advertising organisations		
Facebook	\$12,629	
LinkedIn	\$3,266	
Tik Tok	\$2,600	
Media advertising organisations total		\$18,494
Total		\$1,623,632

Expenditure increased with the 'Better Worker Safety' campaign for the commencement of the *Work Health and Safety Act 2020* and regulations; 'Tick Tick Tick' and 'Great Outdoors, Lethal Indoors' gas safety campaigns; and an electrical safety community notice for 'Power Off Before Entering the Roof Space'.



Risk management and business continuity

The risk management program continued to be implemented throughout the department during 2021–22. The resultant operational risk registers are maintained in an online risk database and reported on a quarterly basis to both the Audit and Risk Committee and the Corporate Executive. Highlights for 2021–22 included:

- ▶ Reviewed the DMIRS strategic and corporate risk register.
- ▶ Facilitated of 34 risk workshops with business areas.
- ▶ Developed and reviewed the operational risk registers (around 95 per cent complete).
- ▶ Risk assessments conducted for significant projects, in particular the new Work Health and Safety (WHS) laws implementation project.
- ▶ Conducted 17 pre-tender procurement risk assessments.
- ▶ Tailored quarterly risk reports to meet the needs of Audit and Risk Committee and Corporate Executive.
- ▶ Implemented new process of Group level risk reports to inform meetings between Director General and Deputy Director Generals/ Executive Directors.

Business continuity is an ongoing program, with activities for each year documented in the annual business continuity management work plan. Progress made towards achieving this plan is reported quarterly to the Audit and Risk Committee and Corporate Executive. In 2021–22, the business continuity plans for all vital business functions were refreshed to consider the impacts of COVID-19. In addition, business areas were guided in preparing business response plans for management of non-vital business functions including an appropriate response to COVID-19 and related staff shortages.

Internal audit

The Director General has established an effective internal audit function as a key component of the governance framework within the department. In compliance with the *Financial Management Act 2006* and Treasurer's Instructions, the internal audit function operates in accordance with the International Professional Practices Framework of the Institute of Internal Auditors and under an approved audit charter.

Internal audit provides independent, objective assurance, and consulting services that are designed to add value and improve the department's operations. The department's internal audit mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. It also plays an active role in developing and maintaining a culture of accountability, integrity and adherence to high ethical standards.

The annual audit plan is risk-based and covers both financial and non-financial operations. The plan is continually reviewed and amended during the year to reflect current and emerging risks. To provide a comprehensive internal auditing service, the audit plan is developed by considering operational areas across the department. This year probity audits were conducted on the Exploration Incentive Scheme to demonstrate good governance and that the grant application and assessment process is transparent, impartial and defensible.

Agency Capability Review Program

The Public Sector Commission Agency Capability Review Program (ACRP) aims to identify the capabilities needed to be a high performing agency. The review provides the participating agency with a clear understanding of its current capabilities including strengths and areas for improvement. The department's review commenced in November 2021 and is currently being finalised. DMIRS will establish commitments, reporting format and assign responsibilities for future reporting on progress as part of the ACRP.



Recordkeeping plans

The department continuously monitors and evaluates the performance of its document management systems (DMS) to ensure it is compliant with legislative standards and meets business requirements. Information that is created by staff and business systems, or received from customers, and is stored in the DMS is regularly monitored, audited, verified and reviewed for both quality assurance and data integrity. This includes qualitative and quantitative system checks that analyse information, providing accountability and transparency. The department is in the process of implementing a single unified document management solution on the Objective EDRMS platform (oneDMS). Once complete, this will replace the OurDocs/Records Manager system. This year, the oneDMS work program has progressed significantly, having moved the DMS onto the cloud in GovNext, and achieved over 50 per cent deployment across the department.



442

oneDMS deployment training sessions provided.

Training programs

All new staff receive an email introducing the Information Management Services (IMS) branch, providing details about the services offered along with mandatory information management and recordkeeping training requirements.

The mandatory online self-paced Total Recordkeeping Awareness Course (TRAC) was completed by 440 new staff during 2021–22. The course covers government employee accountability and compliance standards, legislative requirements including the *State Records Act 2000* and the *Freedom of Information Act 1992*, benefits of best practice recordkeeping, consequences of inadequate record keeping, and the creation, access, storage and disposal of government records.

Staff are also trained to use the document management systems. The training is complementary to the TRAC and guides staff to practically apply the principles of good information management practices in system use, document creation, and storage and life cycle management.

Other training options include one-on-one coaching sessions, direct support and assistance, online guides and bespoke training sessions created to meet the specific needs of individual work areas. The table below outlines the number of staff trained in 2021–22.

Recordkeeping system training	oneDMS	OurDocs
Basics (not oneDMS deployment)	444	305
Coaching	28	24
Masterclass/Business Folders	52	28

The IMS branch staff regularly attend workshops and presentations offered by the State Records Office and industry providers to ensure their skills and knowledge remain current and relevant.

Public sector standards and ethical codes

The department is committed to maintaining an ethical, transparent and accountable workforce and actively encourages staff to uphold the highest standard of conduct and integrity in accordance with the Public Sector Commissioner’s Instructions No. 7 and 8 at all times.

Induction training for new staff includes Accountable and Ethical Decision Making (AEDM) and Conflict of Interest (COI) training. As at 30 June 2022, 93 per cent and 91 per cent of staff have completed the AEDM and COI courses respectively. This training is also required to be completed every five years for existing staff as a refresher. The training is interactive, using scenarios so that the principles being taught can be applied in real world situations. Staff are encouraged to say no to any gift or benefit in any circumstances. Letters of appreciation however, are always welcome and can be submitted via our online feedback form. There were no Public Interest Disclosures during 2021–22.

Complaints and Compliments

Feedback received by the department during 2021–22:

Compliments: 61 Complaints: 154 Suggestions: 65 Total: 280

The department can confirm that the complaints were responded to in a timely manner by appropriate officers of the department.



International Labour Organization Convention 81: Labour inspections

Australia is a member nation of the International Labour Organization (ILO). The ILO 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 Organization 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 (WA), the department is the central authority responsible for conducting inspections for wages and conditions of employment, and workplace safety.

Relevant laws and regulations

The reporting in this section relates to inspection services delivered by the department during 2021–22 for: workplace safety under the *Occupational Safety and Health Act 1984* (OSH Act)¹, *Mines Safety and Inspection Act 1994* (MS&I Act), *Petroleum (Submerged Lands) Act 1982*, *Petroleum and Geothermal Energy Resources Act 1967*, and *Petroleum Pipelines Act 1969* (Petroleum Acts); and wages and conditions of employment under the *Industrial Relations Act 1979* (IR Act).

Inspection staff

During 2021–22, the department employed the full-time equivalent of 175.5 workplace safety inspectors and 8.9 industrial relations inspectors.

Workplaces liable for inspection in WA

At the beginning of the reporting period, the total number of businesses operating in WA was 230,234.

During 2021–22, a total of 1.44 million people were employed in WA.

It should be noted that workplaces covered by the Comcare system for workers' compensation are subject to the Commonwealth's work health and safety legislation, and are therefore outside of the jurisdiction of the State system for occupational safety and health.

It should also be noted that the WA industrial relations system applies only to unincorporated businesses and the State's public sector. It is estimated that between one third and one fifth of WA employees are covered by the State system.

Inspections conducted

Inspections conducted during 2021–22 relating to workplace safety totalled 7,413. Also during the period, 290 employer activities were inspected under the IR Act.

Type of inspection ^(a)	No. of inspections ^(b)
Employers inspected under the IR Act	290
Site inspections under the OSH Act ¹	6,911
Site audits under the Petroleum Acts ¹	6
Sites inspections and audits under the MS&I Act ¹	496

(a) Excludes dangerous goods safety activities

(b) Excludes Indian Ocean Territories site visits

¹ On 31 March 2022, the *Work Health and Safety Act 2020* was replaced the *Occupational Safety and Health Act 1984* and the work health and safety elements of the following Acts, covering mining and petroleum. *Mines Safety and Inspection Act 1994*; *Petroleum (Submerged Lands) Act 1982*; *Petroleum and Geothermal Energy Resources Act 1967* and *Petroleum Pipelines Act 1969*.

Inspection outcomes

During 2021–22, workplace safety enforcement proceedings resulted in 30 convictions. Fines imposed totalled \$4,963,250. The table below illustrates the three-year trend for workplace safety enforcement outcomes.

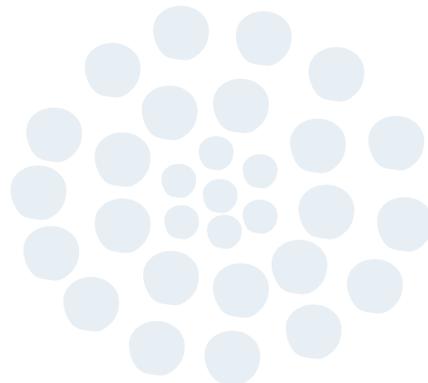
Workplace safety enforcement			
	2019–2020 ^(c)	2020–21 ^(d)	2021–22
Number of convictions	10	23	30
Total of fines imposed	\$836,000	\$2,139,750	\$4,963,250

(c) Enforcement proceedings in 2019–20 were negatively affected by the COVID-19 pandemic.

(d) The figures published in the 2020–21 annual report were those for 2019–20. The correct figures are provided in the table above.

Each year the department undertakes proactive campaigns targeting employer activities in different industries. In 2021–22 the campaign focused on the horticulture industry, which was largely compliant (of those who directly employed) resulting in fewer identified breaches compared to the previous year.

Of the 290 employer inspections conducted in 2021–22 under the *Industrial Relations Act 1979*, 477 separate breaches of awards, agreements or legislation were identified. A total of \$771,310 in wages and other entitlements was recovered for employees. Three enforcement proceedings were finalised during the period, resulting in pecuniary penalties of \$11,200.



Industrial accidents and occupational diseases

In Western Australia (WA), a lost time injury or disease (LTI/D) is defined as one day/shift lost or more. Unless specified otherwise, LTI/D data is based on workers' compensation claims for work-related injuries and diseases supplied by WorkCover WA that involve one or more days off work as a result of the work-related incident.

The LTI/D frequency and incidence rate are the principal measure of safety performance in WA, and are used to monitor performance against national targets.

Frequency rate = number of LTI/Ds / number of hours worked x 1,000,000

Incidence rate = number of LTI/Ds / number of workers x 100

According to the most recent preliminary workers' compensation claims data, work-related LTI/Ds in Western Australia recorded a 10.54 per cent increase in frequency rate, from 6.35 LTI/Ds per one million hours worked in 2019–20 (revised data) to 7.02 in 2020–21 (preliminary data). The five-year trend (2016–17 to 2020–21) shows a 3.32 per cent increase.

There was a 9.94 per cent increase in the incidence rate, from 1.06 LTI/Ds per one hundred employees in 2019–20 (revised data) to 1.16 in 2020–21 (preliminary data). The five-year trend (2016–17 to 2020–21) shows a 1.56 per cent increase.

Note 1: The LTI/D figures have been rounded up to two decimal places.

Note 2: Frequency and incidence rates have been calculated using denominator values derived from publicly available data from the Australian Bureau of Statistics.

Information on disease groups that are being monitored at a national level can be accessed on the Safe Work Australia website: www.safeworkaustralia.gov.au



Occupational safety, health and injury management Commitment

Our commitment to safety is demonstrated in our purpose of *supporting a safe, fair and responsible future for the Western Australian community, industry and resources sector*. It is also acknowledged as a priority within our Strategic Plan of *building and strengthening an inclusive and diverse workplace culture with a strong focus on our values, safety, health and wellness*. This commitment is further supported by the goal of our work health and safety management system (WHSMS) to meet and exceed the requirements of the *Work Health and Safety Act 2020* (WHS Act) and its supporting laws.



328

participants for
WHS inductions.

Our Work Health and Safety (WHS) Policy has been reviewed against the newly proclaimed WHS Act and laws. In line with the primary duty of care of the WHS Act, the department will ensure the health and safety of its staff, other workers and visitors, by eliminating any health and safety risks so far as reasonably practicable. If a risk is not able to be removed, the department will minimise the risk so far as reasonably practicable.

This commitment begins at the highest level with the Director General and Corporate Executive of the department's WHSMS, in their support, involvement and resourcing. This also includes the Working on Wellness (WOW) program, mental health awareness training and the Health and Safety Committee (HSC), which provides an avenue for health and safety consultation across the department. Staff also reflected the same level of commitment to health and safety through their positive response to the WOW program, support of mental health training sessions, representation of Health and Safety Representatives (HSR) and First Aid Officers, and participation in identifying, eliminating or managing risks and hazards.



35

internal
Newsflash
messages to
staff on WHS.

The department is determined to raise awareness of health and safety issues in the workplace by ensuring that it is a standing agenda item for Corporate Executive, divisional and branch meetings. To facilitate and encourage discussion, the WHS team circulate a monthly 'Safety on the Agenda' email to managers and HSRs, communicating key health and safety messages (including the latest COVID-19 related health advice), recent incidents, resolution of safety issues and new or updated procedures.

The WHS team continued to be key in providing support and advice by carrying out an extensive number of work health and safety assessments for those who worked at home (WAH), including an annual ergonomic WAH audit carried out by an external provider. As a result of the increased WAH agreements within the department, there are plans to increase the number of WAH audits for 2022–23. The audit found that overall, staff had a safe working environment free from most household hazards. The recommendations from the audit were predominately minor adjustments to the height or position of office equipment and the purchasing of additional equipment such as chairs or monitor raisers.



639

approved WAH
ergonomic
assessments
completed.





Consultation

Staff commitment across all levels of the department was demonstrated by the high response rate to the consultation processes conducted and various surveys on health and safety issues and initiatives.

Health Safety Representatives (HSRs) were enthusiastic in expanding their knowledge during the HSR Forum held during Safety Month and attendance at training sessions. The HSRs consult with and raise WHS issues of the staff they represent during quarterly HSR and Health and Safety Committee (HSC) meetings.

To address the requirements of the new WHS Act and laws, the WHS team, in consultation with the HSC, have developed a road map to ensure all WHS policies, procedures and guidance material are reviewed and published in the department's electronic quality management system, available for all staff to refer to and utilise. To ensure this is achieved by 31 March 2023, the department has provided a new resource to assist with this task. As at 30 June 2022, 15 WHS policies, procedures and guidelines have been reviewed, and five have been approved for publishing.

The department has passionate HSRs who are committed to demonstrating excellence in WHS matters. Every year a HSR staff member is recognised for their outstanding contribution. The 2021 winner of the department's Safety and Health Representative of the Year, was nominated by their peers for the outstanding commitment and contribution to WHS in their area. During the year, they provided information to staff about lockdowns, encouraged colleagues to participate in various initiatives such as the annual flu vaccinations and skin checks and helped foster a positive and safe environment for those who may have felt isolated while working at home. In addition to carrying out regular inspections and raising awareness on how to improve the ergonomics of workstations.



130

workplace ergonomic assessments completed.

Injury management

In addition to complying with its primary duty of care under the WHS Act, the department complies with the injury management requirements of the *Workers' Compensation and Injury Management Act 1981*.

The department commits to providing all staff with a safe work environment. Should a work related injury or disease occur, the department manages all workers' compensation claims in a fair, equitable and efficient manner, in accordance with legislative requirements. This includes assisting injured staff back to meaningful and productive work as soon as possible through a gradual return to work program. The department also manages non-work related injuries and illness, and work related injuries that do not result in a workers' compensation claim in the same fair, equitable and efficient manner.

We have continued to provide comprehensive WHS and injury management training for managers, updated in accordance with the WHS Act. This training highlights early intervention strategies and facilitating successful return to work for injured staff throughout the department.

Overall, the department continues to have low levels of workers' compensation claims when compared to industry benchmarks. In 2021–22, the department reported a significant decrease in the lost time injury and/or disease incidence rate, however did experienced an increase in the severity rate. While the 25 per cent appears to be a significant increase, it has been as a result of three psychological claims incurring, or estimated to incur, more than 60 days lost time. The percentages of staff who returned to work within 13 and 26 weeks has increased by seven per cent over the last financial year.



50

WHS related incidents reported.



88

hazard notifications.



Report on performance

Measure	Actual results			Results against target	
	2019–20	2020–21	2021–22	Target	Comment on result
Number of fatalities	0	0	0	0	Target achieved.
Lost time injury and/or disease incidence rate	0.50	0.62	0.39	0 or 10% reduction	Target achieved.
Lost time injury and/or disease severity rate	0	40.0	50.0	0 or 10% reduction	This is a 25% increase. 10 claims lodged in 2021–22, three of which were psychological claims incurring over 60 days lost time.
% of injured workers returned to work:					The percentages of injured staff returned to work are indicative of the three claims reported this period and complexity of their injuries and return to work programs.
i) within 13 weeks	100%	40%	67%	Greater than or equal to 80%	
ii) within 26 weeks	100%	60%	67%		
% of managers trained in OSH management responsibilities, including refresher training within three years	92%	85%	83%	Greater than or equal to 80%	Target achieved.

Mental health training

The department has a strong focus on mental health for its staff. In 2021–22, training for managing mental health was made mandatory for managers. The session provides specific training to assist managers with responding to mental health issues in the workplace. In addition, mental health awareness training is offered to all staff. This training is well attended and provides knowledge and information to staff on maintaining their own personal wellness and how to support friends and colleagues.



25

appointed mental health first aid officers.



Work Health and Safety Management System

The department's work health and safety management system (WHSMS) has undergone a WorkSafe Plan audit by the department's Internal Audit team. The audit was completed in June 2022 and identified a number of recommendations for implementation across the department. In order to address the strategic recommendations, Corporate Executive have approved the establishment of a Corporate Executive WHSMS Audit Steering Committee with membership including all Group heads. The audit recommendations will be addressed in consultation with stakeholders including the HSC, HSRs and the WHS and Assets branches for implementation throughout 2022–23. The department anticipates that the WHSMS will be externally audited during 2023.

Working on wellness (WOW)



400

staff had skin cancer screenings.

The purpose of the WOW program is to raise awareness of health and wellness issues to assist staff to be proactive in looking after their physical and mental health and wellbeing. The WOW program has successfully continued its focus on increasing regional engagement with many of the presentations offered by the WHS team moving to a virtual platform, resulting in sessions being well attended by staff in both metropolitan and regional offices. The core elements of the WOW program are offered in all our offices and has included annual influenza vaccinations, skin cancer screening as well as a strong and continuing focus on mental health.

The WOW program continued to adjust to the challenges presented by the COVID-19 pandemic. The program offered 25 virtual and interactive webinars to all departmental staff, only four of which were offered only face-to-face. The topics ranged from family wellbeing, such as avoiding burnout, family nutrition, a live cooking demonstration, getting a good night's sleep and nurturing family positivity, mindfulness practice, building mental fitness and resilience, to desk-based stretching and empowering your spine.



31

WOW events delivered.

The WOW program aligns with national events such as Men's and Women's Health Weeks, R U OK? Day, National Skin Cancer Action Week and Mental Health Month. The program also includes 'come and try' sessions and other physical activities, and supports staff engagement through wellness activities such as lunch time walks, 'Boxfit', guided meditation and supervised gym circuit sessions.



800

staff vaccinated against influenza.



188

staff participated in the DMIRS Great Southern Adventure Challenge.



2,970

WOW participants.



44,000

kilometres walked.



Board and committee remuneration

The department is required to report on the individual and aggregate costs of remunerating all positions on boards and committees as defined in [Premier's Circular 2021/18 – State Government Boards and Committees](#).

Audit and Risk Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Andrew Cox	Per meeting	12 months	3 years	\$5,230	\$20,920
Member	Margaret Butcher	Ineligible	12 months	2 years	Not applicable	\$0
Member	Santa Cardenia	Ineligible	12 months	3 years	Not applicable	\$0
Member	Stuart Cowie	Ineligible	12 months	3 years	Not applicable	\$0
Member	Allison Fitzpatrick	Ineligible	12 months	2 years	Not applicable	\$0
Total						\$20,920

The Audit and Risk Committee is an independent committee in compliance with Treasurer's Instruction 1201.

Consumer Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Scott Phillips	Half day	12 months	3 years	\$380	\$1,900
Member	Linda Castle	Half day	12 months	3 years	\$250	\$750
Member	Dr Jennie Gray	Half day	12 months	3 years	\$250	\$750
Member	Roberta Grealish	Half day	10 months	3 years	\$250	\$1,000
Member	Kathryn Lawrence	Half day	12 months	3 years	\$250	\$1,000
Member	Amy Pereira	Half day	12 months	3 years	\$250	\$1,000
Member	Sandy Lukjanowski	Half day	12 months	3 years	\$250	\$1,250
Member	Danielle Loizou-Lake	Half day	12 months	3 years	\$250	\$1,250
Member	Gary Newcombe – Commissioner for Consumer Protection	Ineligible	12 months	Ex-officio	Not applicable	\$0
Total						\$8,900

The following were reappointed in August 2021; Scott Phillips, Amy Pereira and Danielle Loizou-Lake.



Agricultural Working Group

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Darren Kavanagh - WorkSafe Commissioner	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Antony Pearson - UnionsWA	Did not claim	12 months	Not applicable	\$0	\$0
Member	Doug Hall - Pastoralists and Graziers Association of Western Australia	Half day	12 months	Not applicable	\$249	\$747
Member	Darren Spencer - WA Shearing Industry Association	Half day	12 months	Not applicable	\$249	\$498
Member	Nicola Kelliher - Country Women's Association of WA	Half day	12 months	Not applicable	\$249	\$996♦
Member	Trevor Naughton - Chamber of Commerce and Industry WA	Did not claim	12 months	Not applicable	\$0	\$0
Member	Peter Nunn - Chamber of Commerce and Industry WA	Did not claim	12 months	Not applicable	\$0	\$0
Member	Trevor Whittington - WA Farmers Federation	Full/half day	12 months	Not applicable	\$249	\$747
Member	Nigel Martin - DMIRS representative	Ineligible	12 months	Not applicable	Not applicable	\$0
Total						\$2,988

The Agricultural Working Group no longer functions, with the last meeting held in February 2022. The Agricultural Safety Group is being established as an advisory committee to the Work Health and Safety Commission as a replacement.

Tenure terms were not specified for the Agricultural Working Group.

♦ Includes outstanding payment for 2020–21.

Motor Vehicle Industry Advisory Committee

The terms of the Motor Vehicle Industry Advisory Committee members expired on 30 April 2021 and the composition of the committee is under review by the department.



Building Services Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Venetia Bennett	Full/half day	12 months	3 years	\$758 full/\$498 half	\$8,338
Deputy Chair	Serena Giudice	Full/half day	7 months	3 years	\$498 full/\$325 half	\$4,482
Deputy Chair	Helmut Schwanke	Full/half day	5 months	2 years, 4 months	\$498 full/\$325 half	\$1,754
Member	Joanne Motteram	Full/half day	12 months	2 years	\$498 full/\$325 half	\$4,980
Member	Jack Mast	Full/half day	12 months	3 years	\$498 full/\$325 half	\$5,478
Member	Michael Adams	Full/half day	7 months	2 years	\$498 full/\$325 half	\$3,486
Member	Angela Lefante	Full/half day	12 months	3 years	\$498 full/\$325 half	\$5,976
Member	Jason Pennings	Full/half day	7 months	2 years	\$498 full/\$325 half	\$2,988
Member	Jeya Ramanathan	Full/half day	7 months	3 years	\$498 full/\$325 half	\$3,486
Member	Faye Stewart	Full/half day	11 months	2 years	\$498 full/\$325 half	\$3,984
Member	Laurie Kruize	Full/half day	3 months	2 years, 7 months	\$498 full/\$325 half	\$1,494
Member	Deborah Smith	Full/half day	3 months	2 years, 8 months	\$498 full/\$325 half	\$1,494
Total						\$47,940

If a member's term has expired and a new member has not been appointed, the member may continue in the role for a period of 3 months.

The following were reappointed in November 2021; Angela Lefante.

Deborah Smith, Helmut Schwanke and Laurie Kruize ceased being members in September 2021. Faye Stewart ceased being a member in May 2022.

Charitable Collections Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Annette Frazer	Half day	12 months	2 years	\$370	\$4,070
Member	Dr Jane Hutchison	Half day	12 months	2 years	\$250	\$2,750
Member	Rachelle Spyker	Half day	12 months	2 years	\$250	\$2,500
Member	Henry (Han Kee) Thong	Half day	12 months	2 years	\$250	\$2,750
Member	Dr Helen Gryzb	Half day	6 months	1 year	\$250	\$1,500
Member	Mick Tuteja	Half day	6 months	2 years	\$250	\$1,250
Total						\$14,820

Dr Helen Gryzb ceased as a member in December 2021. The following were reappointed in January 2022; Annette Frazer and Dr Jane Hutchison.



Construction Industry Safety Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Darren Kavanagh - WorkSafe Commissioner	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Bob Benkesser - Construction, Forestry, Mining and Energy Union	Did not claim	12 months	Not applicable	\$0	\$0
Member	Charlotte Sutton - Master Builders Association of WA	Did not claim	8 months	Not applicable	\$0	\$0
Member	Kim Drew - Chamber of Commerce and Industry WA	Did not claim	12 months	Not applicable	\$0	\$0
Member	Libby Pracillo - Housing Industry Australia	Did not claim	12 months	Not applicable	\$0	\$0
Member	Tony Poulton - DMIRS representative	Ineligible	12 months	Not applicable	Not applicable	\$0
Member	Glenn McLaren - Australian Manufacturing Workers' Union	Did not claim	12 months	Not applicable	\$0	\$0
Total						\$0

Tenure terms not specified for the Construction Industry Safety Advisory Committee.

Charlotte Sutton ceased being a member in February 2022.

Electrical Licensing Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Peter Beveridge	Full/half day	12 months	3 years	\$510 full/\$330 half	\$4,230
Member	Momcilo Andric	Full/half day	12 months	2 years, 4 months	\$340 full/\$220 half	\$2,600
Member	Geoff Kelly	Full/half day	12 months	2 years, 4 months	\$340 full/\$220 half	\$3,160
Member	Melissa Mammone	Ineligible	12 months	2 years 6 months	Not applicable	\$0
Member	Christopher Sweeting	Full/half day	12 months	2 years, 6 months	\$340 full/\$220 half	\$3,160
Member	Peter Carter	Full/half day	12 months	2 years, 4 months	\$340 full/\$220 half	\$2,820
Member	Natalia Kostecki-Baranski	Full/half day	12 months	2 years, 4 months	\$340 full/\$220 half	\$2,480
Total						\$18,450

The following were reappointed in February 2020; Peter Beveridge, Melissa Mammone and Christopher Sweeting.



Plumbers Licensing Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Shona Zulsdorf	Full/half day	12 months	3 years	\$689 full/\$451 half	\$7,877
Deputy Chair	Sonia McKeiver	Full-half day	9 months	2 years	\$451 full/\$298 half	\$3,608
Member	Murray Thomas	Full-half day	12 months	2 years	\$451 full/\$298 half	\$5,259
Member	Brian Bintley	Full-half day	12 months	2 years	\$451 full/\$298 half	\$4,808
Member	Michael Wynne	Full-half day	12 months	2 years	\$451 full/\$298 half	\$5,259
Member	Gladys Demissie	Full-half day	12 months	3 years	\$451 full/\$298 half	\$4,357
Member	Tehani Mahony	Full-half day	12 months	3 years	\$451 full/\$298 half	\$4,357
Member	Rebecca Johnston	Full-half day	3 months	3 years	\$451 full/\$298 half	\$1,353
Total						\$36,878

The following were reappointed in February 2022; Brian Bintley and Michael Wynne.

Sonia McKeiver ceased being a member in April 2022.

Property Industry Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Gary Newcombe – Commissioner for Consumer Protection	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Fran Andrews	Did not claim	12 months	2 years	\$0	\$0
Member	Andrea Constable	Did not claim	12 months	2 years	\$0	\$0
Member	Dion Dosualdo	Did not claim	12 months	2 years	\$0	\$0
Member	Lisa Joyce	Did not claim	12 months	2 years	\$0	\$0
Member	Catherine Lezer	Did not claim	12 months	1 year, 5 months	\$0	\$0
Member	Neville Pozzi	Did not claim	12 months	2 years	\$0	\$0
Member	Rajeev Rajan	Did not claim	12 months	2 years	\$0	\$0
Member	Patrick Lilburne	Did not claim	12 months	2 years	\$0	\$0
Total						\$0



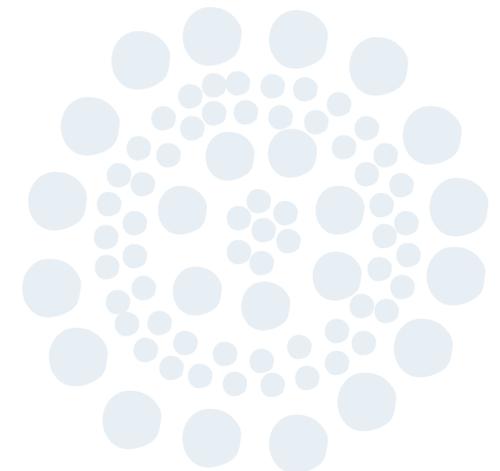
Mining Industry Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Andrew Chaplyn - DMIRS - Chief Inspector of Mines	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Christina Folley - DMIRS representative	Ineligible	12 months	1 year	Not applicable	\$0
Member	Elysha Millard - Industry representative	Half day	10 months	1 year	\$261	\$1,566♦
Member	Glenn McLaren - Union representative	Did not claim	12 months	1 year	Not applicable	\$0
Member	Greg Stagbouer - Industry representative	Did not claim	12 months	1 year	Not applicable	\$0
Member	Rob Watson - Industry representative	Did not claim	4 months	1 year	Not applicable	\$0
Member	Dr Gary Bryant - Expert member	Did not claim	12 months	1 year	Not applicable	\$0
Member	Meagan Smart - Expert member	Half day	12 months	1 year	\$261	\$1,305
Member	Vanessa Colmer - Industry representative	Did not claim	12 months	1 year	Not applicable	\$0
Member	Helen Anderson - Expert member	Half day	12 months	1 year	\$261	\$1,566
Member	Pearl Lim - Union representative	Did not claim	12 months	1 year	Not applicable	\$0
Member	Gregory Busson - Union representative	Did not claim	12 months	1 year	Not applicable	\$0
Member	Samantha Panickar - Industry representative	Half day	7 months	1 year	\$261	\$1,305
Member	Laila Nowell - Industry representative	Did not claim	1 month	1 year	Not applicable	\$0
Total						\$5,742

The Mining Industry Advisory Committee was established under the *Occupational Safety and Health Act 1984* (WA) which has now been repealed. This committee will be disbanded by or on 31 September 2022. It will be replaced by the Mining and Petroleum Advisory Committee which is currently being established.

♦ Includes outstanding payment for 2020–21.

Rob Watson ceased being a member in October 2021. Elysha Millard ceased being a member in April 2022.





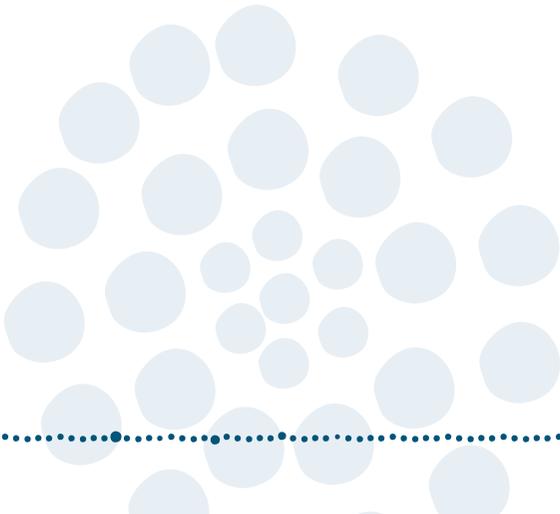
Work Health and Safety Commission

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Dr Patricia Todd	Annual	12 months	3 years	\$22,618.44	\$22,618.44
Deputy Chair	Darren Kavanagh - WorkSafe Commissioner	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Andrew Chaplyn - Chair of the Mining Industry Advisory Committee	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Paul Moss - Chamber of Commerce and Industry WA	Did not claim	12 months	3 years	\$0	\$0
Member	Jennifer Low - Chamber of Commerce and Industry WA	Half day	12 months	3 years	\$396	\$3,960
Member	Owen Whittle - UnionsWA	Did not claim	12 months	3 years	\$0	\$0
Member	Glen McLaren - UnionsWA	Did not claim	12 months	3 years	\$0	\$0
Member	Prof. Jacqueline Fritschi - expert member	Half day	12 months	3 years	\$396	\$3,564
Member	Dr Julia Norris - expert member	Half day	12 months	3 years	\$396	\$3,168
Member	Naomi McCrae - UnionsWA	Did not claim	7 months	3 years	\$0	\$0
Member	Dr Matthew Davies - expert member	Half day	12 months	3 years	\$396	\$4,356
Member	Elysha Millard - Chamber of Minerals and Energy	Half day	10 months	3 years	\$396	\$3,168♦
Member	Erin Gisborne - UnionsWA	Did not claim	2 months	3 years	\$0	\$0
Total						\$40,834.44

Previously the Commission for Occupational Health and Safety, changed name to Work Health and Safety Commission on 31 March 2022.

Erin Gisborne ceased being a member in August 2021. Elysha Millard ceased being a member in April 2022.

♦ Includes outstanding payment for 2020–21.





Mines Survey Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Andrew Chaplyn - DMIRS - State Mining Engineer	Ineligible	12 months	Ex-officio	\$0	\$0
Member	Dione Bilick - Surveyor General	Did not claim	12 months	3 years	\$0	\$0
Member	Leith Coaker - Institution of Surveyors Australia	Did not claim	12 months	3 years	\$0	\$0
Member	Martin Robinson - Curtin University and TAFE	Did not claim	12 months	3 years	\$0	\$0
Member	Shane Watson - Institution of Engineering and Mining Surveyors Australia	Did not claim	12 months	3 years	\$0	\$0
Member	Gemma Murphy - Institution of Engineering and Mining Surveyors Australia	Did not claim	12 months	3 years	\$0	\$0
Total						\$0

Legislative Advisory Committee

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Darren Kavanagh - WorkSafe Commissioner	Ineligible	12 months	Not applicable	\$	\$0
Member	Owen Whittle - Union representative	Did not claim	12 months	Not applicable	\$	\$0
Member	Elysha Millard - Industry representative	Half day	10 months	Not applicable	\$249	\$1,494
Member	Laila Nowell - Industry representative	Did not claim	2 months	Not applicable	\$	\$0
Member	Anil Atri - DMIRS representative	Ineligible	10 months	Not applicable	\$	\$0
Member	Paul Moss - Industry representative	Did not claim	12 months	Not applicable	\$	\$0
Member	Andrew Chaplyn - DMIRS representative	Ineligible	2 months	Not applicable	\$	\$0
Total						\$1,494

Tenure terms not specified for the Legislative Advisory Committee.

Elysha Millard and Anil Atri ceased being members in April 2022.



Board of Examiners

Winding Engine Driver's Certificate Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021-22 FY
Chair	Andrew Chaplyn - DMIRS - State Mining Engineer	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Jose Sanchez - DMIRS representative	Ineligible	12 months	3 years	Not applicable	\$0
Member	Nominee of the Trades and Labour Council	No appointment	0 months	3 years	\$0	\$0
Total						\$0

In Western Australia there are few mine shafts consequently requests for new drivers are rare. Subsequently, the Nominee of the Trades and Labour Council is not appointed at this time, as the board is not required to convene due to lack of applications.

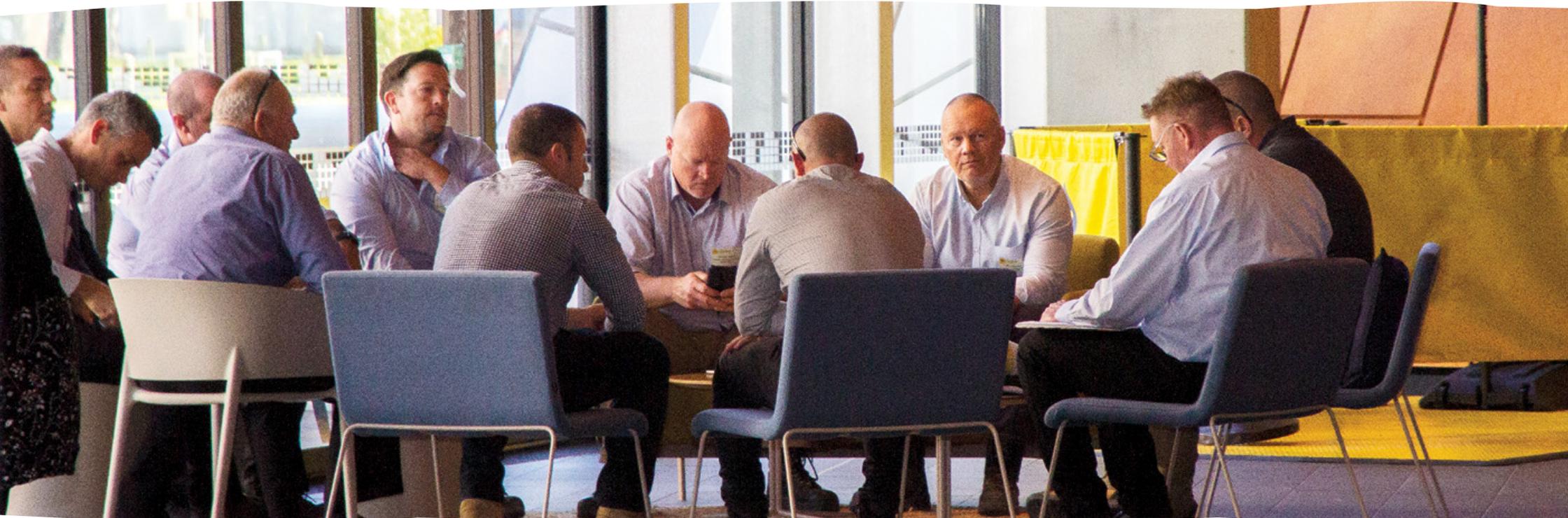
Mine Manager's and Underground Supervisor's Certificate Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021-22 FY
Chair	Andrew Chaplyn - DMIRS - State Mining Engineer	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Anil Atri - DMIRS representative	Ineligible	12 months	3 years	Not applicable	\$0
Member	Sabina Shugg - Principle of the WA School of Mines	Did not claim	12 months	Ex-officio	\$0	\$0
Member	Russell Cole - Chamber of Minerals and Energy of WA	Did not claim	12 months	3 years	\$0	\$0
Member	Holly Allday - Chamber of Minerals and Energy of WA	Did not claim	12 months	3 years	\$0	\$0
Total						\$0



Quarry Manager’s Certificate Board

Position	Name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/sitting fee	Gross/actual remuneration 2021–22 FY
Chair	Andrew Chaplyn - DMIRS - State Mining Engineer	Ineligible	12 months	Ex-officio	Not applicable	\$0
Member	Anil Atri - DMIRS representative	Ineligible	12 months	3 years	Not applicable	\$0
Member	Claudia Baker - Department of Technical and Further Education	Did not claim	12 months	3 years	\$0	\$0
Member	Andrew Haslam - Chamber of Mines and Energy of WA	Did not claim	12 months	3 years	\$0	\$0
Member	Robert Murdoch - Chamber of Mines and Energy of WA	Did not claim	12 months	3 years	\$0	\$0
Total						\$0





Disclosures and legal compliance

Financial performance



Auditor General

Independent Auditor's Report 2022

Department of Mines, Industry Regulation and Safety

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Department of Mines, Industry Regulation and Safety (Department) which comprise:

- ▶ the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- ▶ Administered schedules comprising the Administered assets and liabilities at 30 June 2022 and the Administered income and expenses by service for the year then ended
- ▶ Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- ▶ based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Department of Mines, Industry Regulation and Safety for the year ended 30 June 2022 and the financial position at the end of that period
- ▶ in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Director General for the financial statements

The Director General is responsible for:

- ▶ keeping proper accounts
- ▶ preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- ▶ such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for:

- ▶ assessing the entity's ability to continue as a going concern
- ▶ disclosing, as applicable, matters related to going concern
- ▶ using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Department.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of Mines, Industry Regulation and Safety. The controls exercised by the Director General are those policies and procedures established 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 (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Department of Mines, Industry Regulation and Safety 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 2022.

The Director General's responsibilities

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

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Department of Mines, Industry Regulation and Safety for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Department of Mines, Industry Regulation and Safety are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Director's responsibilities 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 internal control as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Director General is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the

risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Director General is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 Mines, Industry Regulation and Safety for the year ended 30 June 2022 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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 contact the entity to confirm the information contained in the website version.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 September 2022



Disclosures and legal compliance

Financials

Financial Statements

Certification of Financial Statements

For the reporting period ended 30 June 2022

Department of Mines, Industry Regulation and Safety

The accompanying financial statements of the Department of Mines, Industry Regulation and Safety 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 reporting period ended 30 June 2022 and the financial position as at 30 June 2022.

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.



Richard Sellers
Director General
7 September 2022



Ralph De Giorgio
Chief Finance Officer
7 September 2022





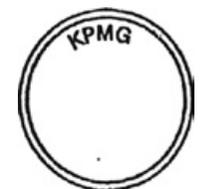
Statement of comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$000	2021 \$000
Cost of services			
Expenses			
Employee benefits expense	2.1(a)	183,558	189,405
Supplies and services	2.3	71,201	60,619
Depreciation and amortisation expenses	4.1, 4.2, 4.3	4,043	4,619
Finance costs	6.3	97	105
Accommodation expenses	2.3	17,113	16,217
Grants and subsidies	2.2	22,198	18,001
Other expenses	2.3	4,577	5,658
Total cost of services		302,787	294,624
Income			
User charges and fees	3.2	168,639	154,522
Sales	3.2	40	43
Interest revenue	3.3	1,922	1,150
Commonwealth grants and contributions	3.4	42	–
Other income	3.5	4,947	4,404
Total income		175,590	160,119
Gains			
Gain on disposal of non-current assets	3.6	30	3
Total Gains		30	3
Total income other than income from State Government		175,620	160,122
Net cost of services		127,167	134,502

	Notes	2022 \$000	2021 \$000
Income from State Government			
Service appropriation	3.1	148,443	160,719
Income from other public sector entities	3.1	4,535	–
Services received free of charge	3.1	3,585	3,665
State grants and subsidies	3.1	100	100
Royalties for Regions Fund	3.1	186	505
Total income from State Government		156,849	164,989
Surplus for the period		29,682	30,487
Other comprehensive income			
<i>Items not reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	4.1	7,546	944
Total other comprehensive income		7,546	944
Total comprehensive income for the period		37,228	31,431

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





Statement of financial position

As at 30 June 2022

	Notes	2022 \$000	2021 \$000
Assets			
Current Assets			
Cash and cash equivalents	6.4	8,261	4,852
Restricted cash and cash equivalents	6.4	460,791	424,212
Receivables	5.1	17,849	15,066
Amounts receivable for services	5.2	914	914
Other current assets	5.3	3,879	3,319
Total Current Assets		491,694	448,363
Non-Current Assets			
Restricted cash and cash equivalents	6.4	4,117	2,970
Amounts receivable for services	5.2	38,283	37,306
Property, plant and equipment	4.1	135,844	124,330
Right-of-use assets	4.3	2,371	3,206
Intangible assets	4.2	975	1,957
Total Non-Current Assets		181,590	169,769
Total assets		673,284	618,132
Liabilities			
Current Liabilities			
Payables	5.4	15,330	7,760
Amounts due to the Treasurer	5.5	5,000	2,000
Revenue received in advance	5.6	24,877	22,446
Employee related provisions	2.1.b	39,656	41,617
Lease liabilities	6.1	938	1,326
Other current liabilities	5.7	1,499	1,248
Total Current Liabilities		87,300	76,397

	Notes	2022 \$000	2021 \$000
Non-Current Liabilities			
Payables	5.4	665	601
Employee related provisions	2.1.b	6,872	8,475
Lease liabilities	6.1	1,621	2,052
Other non-current liabilities	5.7	5,297	5,452
Total Non-Current Liabilities		14,455	16,580
Total liabilities		101,755	92,977
Net assets		571,529	525,155
Equity			
Contributed equity		248,312	239,166
Reserves		112,509	104,963
Accumulated surplus/(deficit)		210,708	181,026
Total equity		571,529	525,155

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 2022

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus/ (deficit) \$000	Total equity \$000
Balance at 1 July 2020		235,636	104,019	150,539	490,194
Surplus/(deficit)		–	–	30,487	30,487
Other comprehensive income		–	944	–	944
Total comprehensive income for the period		–	944	30,487	31,431
<i>Transactions with owners in their capacity as owners:</i>					
Capital appropriations		3,530	–	–	3,530
Total		3,530	–	–	3,530
Balance at 30 June 2021		239,166	104,963	181,026	525,155
Balance at 1 July 2021		239,166	104,963	181,026	525,155
Surplus/(deficit)		–	–	29,682	29,682
Other comprehensive income	4.1	–	7,546	–	7,546
Total comprehensive income for the period		–	7,546	29,682	37,228
<i>Transactions with owners in their capacity as owners:</i>					
Capital appropriations		6,592	–	–	6,592
Other contributions by owners		2,554	–	–	2,554
Distributions to owners		–	–	–	–
Total		9,146	–	–	9,146
Balance at 30 June 2022		248,312	112,509	210,708	571,529

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 2022

Notes	2022 \$000	2021 \$000
Cash flows from State Government		
Service appropriation	151,087	158,521
Capital appropriations	6,592	3,530
Other contributions by owners	2,554	–
Holding account drawdown	914	914
Royalties for Regions Fund	186	505
Net cash provided by State Government	161,333	163,470
Utilised as follows:		
Cash flows from operating activities		
Payments		
Employee benefits	(185,534)	(186,149)
Supplies and services	(55,659)	(56,018)
Accommodation	(18,942)	(17,912)
Grants and subsidies	(22,198)	(18,001)
Other payments	(7,712)	(6,209)
GST payments on purchases	(15,237)	(13,119)
Receipts		
Sale of goods and services	64	67
User charges and fees	160,035	152,059
Grants and contributions	–	100
GST receipts on user charges and fees	4,959	5,150
GST receipts from taxation authority	9,725	7,969
Other receipts	14,313	10,664
Net cash (used in) operating activities	(116,186)	(121,399)

Notes	2022 \$000	2021 \$000
Cash flows from investing activities		
Payments		
Purchase of non-current physical assets	(2,984)	(2,835)
Repayments of loans/advances		
Receipts	2	–
Proceeds from sale of non-current assets	(2,982)	(2,835)
Net cash (used in) investing activities		
Receipts		
Proceeds from Borrowings	3,000	–
Payments		
Right of use lease liability payment	(4,030)	(1,438)
Net cash provided by/(used in) financing activities	(1,030)	(1,438)
Net increase in cash and cash equivalents		
	41,135	37,798
Cash and cash equivalents at the beginning of the period		
	432,034	394,236
Cash and cash equivalents at the end the period	473,169	432,034

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



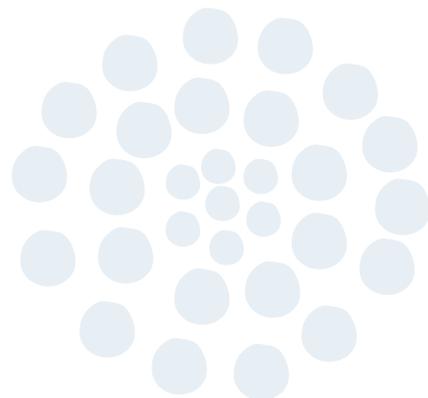


Administered income and expenses

	2022 \$000	2021 \$000
Income		
For transfer:		
Mining Rentals	184,777	12,312,935
Regulatory fees and fines	89	160
Commonwealth Grants	236	261
Appropriations	103,246	134,809
Other revenue	27,537	31,077
Total administered income	315,885	12,479,242
Expenses		
Refunds of previous years' revenue	40,335	22,269
Services and contracts	41,972	27,880
Receipts paid into Consolidated Account ^(a)	181,266	10,752,882
Grants and subsidies	30,013	104,582
Total administered expenses	293,586	10,907,613

(a) Receipts paid into the Consolidated Account represent the transfer of non-retainable regulatory fees, fines and penalties to the Consolidated Account.

(b) Further explanations of variances are contained in [note 9.2](#) 'Explanatory statement for administered items'.



Administered assets and liabilities

As at 30 June 2022

	2022 \$000	2021 \$000
Current Assets		
Cash and cash equivalents	9,539	9,258
Restricted cash and cash equivalents	512,415	461,772
Receivables	10,560	3,811,897
Finance Lease Receivable	825	779
Total administered current assets	533,339	4,283,706
Non-current assets		
Finance Lease Receivables	2,538	5,361
Total administered non-current assets	2,538	5,361
Total administered assets	535,877	4,289,067
Current Liabilities		
Payables	4,095	4,296
Other liabilities	850	850
Other current liabilities	463,350	434,876
Total Current Liabilities	468,295	440,022
Total administered liabilities	468,295	440,022

Supplementary financial information

Other matters of uncertainty

There were no matters of uncertainty recognised during the financial year.

Home Indemnity Insurance

The contingent liability for Home Indemnity Insurance (HII) has been assessed to be the future claims liability (FCL) as at 30 June 2022. The FCL is an estimation of the future claims costs which will arise as a result of events which will occur in the future for currently in-force HII policies. In accordance with the PricewaterhouseCoopers actuarial report, the future claims liability has been assessed at an approximate value of \$42,030,000 (2021: \$28,100,000).



Write-offs

During the financial year, \$111,786 (2021: \$328,752) was written off the department's asset register under the authority of:

	2022 \$000	2021 \$000
Director General	112	329
	112	329

32 individually recognised debts which were written-off during the period related to lease rentals and licences recognised under The Mining Act.

Act of grace payments

During the financial year, 4 payments totalling \$57.666 million (2021 \$106.8 million from four payments) were paid out as act of grace payments for circumstances relating to and returned royalties under the authority of:

	2022 \$000	2021 \$000
The Minister	–	10
The Governor	57,666	106,787
	57,666	106,797

Approval from the Governor was granted for payment of a royalty rebate on Iron Ore royalty revenue relating to the Koolyanobbing Mine.



Notes to the Financial Statements

1. Basis of Preparation

The department is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The department is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Director General of the department on 7 September 2022.

Statement of Compliance

These general purpose financial statements have been prepared in accordance with:

- 1) The *Financial Management Act 2006 (FMA)*
- 2) Treasurer's Instructions (**TI's**)
- 3) Australian Accounting Standards (**AASs**) - Simplified Disclosures
- 4) Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *FMA* and *TI's* take precedence over *AASs*. Several *AASs* are modified by the *TI's* to vary application, disclosure format and wording. Where modification is required and has had a material or significant effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).



Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the department as a purchaser that is not recoverable from the Australian Tax Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from the investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed Equity

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, as designated as contributions by owners (at the time of, or prior, to transfer) 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.

Administered items

The department administers, but does not control, certain activities and functions for and on behalf of Government that do not contribute to the department's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives.

Transactions relating to the administered activities are not recognised as the Department's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income and expenses', and 'Administered assets and liabilities'.

As of July 1, 2021 the department no longer administers the Mining Royalty collections on behalf of State Government. The function and administrative activities surrounding the collection of these royalties have been transferred to the Department of Finance.

The accrual basis of accounting and applicable AASs have been adopted.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- ▶ Property, Plant and Equipment reconciliations;
- ▶ Intangible Asset reconciliations; and
- ▶ Right-of-Use Asset reconciliations

Judgement and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the department's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the department in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1(a)
Employee benefits provisions	2.1(b)
Grants and subsidies	2.2
Other expenditure	2.3



2.1 (a) Employee benefits expenses

	2022 \$000	2021 \$000
Employee benefits	166,457	173,237
Termination benefits	116	52
Superannuation - defined contribution plans	16,985	16,116
Employee benefits expenses	183,558	189,405
Add: AASB 16 Non-monetary benefits	1,472	1,567
Less: Employee Contributions	(274)	(414)
Total employee benefits provided	184,756	190,558

Employee benefits include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

AASB 16 non-monetary benefits are non-monetary employee benefits, predominately relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee Contributions are contributions made to the department by employees towards employee benefits that have been provided by the department. This includes both AASB 6 and non-AASB 16 employee contributions.

2.1 (b) Employee related provisions

	2022 \$000	2021 \$000
Current		
<u>Employee benefits provisions</u>		
Annual leave	19,027	19,729
Long service leave	19,871	21,123
Deferred salary scheme	277	226
Purchased leave	236	228
	39,412	41,306
<u>Other provisions</u>		
Employment on-costs	244	311
Total current employee benefits provisions	39,656	41,617
Non-current		
<u>Employee benefits provisions</u>		
Long service leave	6,829	8,412
<u>Other provisions</u>		
Employment on-costs	43	63
Total non-current employee benefits provisions	6,872	8,475
Total employee benefits provisions	46,528	50,092

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.



The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

These statements are prepared on the expectation that it is unlikely for annual leave to be settled wholly within 12 months after the end of the reporting period.

Long service leave liabilities are unconditional long service leave provisions which 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 end of 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.

The provision for long service leave is calculated at present value as the department does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms of maturity that match, as closely as possible, the estimated future cash flows.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2022 \$000	2021 \$000
Within 12 months of the end of the reporting period	6,653	7,554
More than 12 months after the end of the reporting period	20,048	21,981
	26,701	29,535

Deferred salary scheme liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

	2022 \$000	2021 \$000
Deferred salary scheme		
Within 12 months of the end of the reporting period	277	226
	277	226

Purchased leave liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

	2022 \$000	2021 \$000
Purchased leave		
Within 12 months of the end of the reporting period	236	228
	236	228

Employment on-costs involves settlements of annual and long service leave liabilities which gives rise to the payment of employment on-costs including workers' compensation insurance.

Employment on-costs, including workers' compensation insurance premiums, 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, [note 2.3](#) (apart from the unwinding of the discount (finance cost) and are not included as part of the departments 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.



Employment on-costs provision	2022 \$000	2021 \$000
Carrying amount at start of period	374	278
Additional provisions recognised	164	200
Payments /other sacrifices of economic benefits	(251)	(104)
Carrying amount at end of period	287	374

Key sources of estimation uncertainty – long service leave

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.

Several estimates and assumptions are used in calculating the department's long service leave provision. These 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. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2.2 Grants and subsidies

	2022 \$000	2021 \$000
Recurrent		
Co-Funded Drilling Scheme (Exploration Incentive Scheme)	7,015	4,900
Mineral Research Institute of WA (MRIWA)	408	905
Farmsafe WA	70	70
Asbestos Diseases Society	125	50
Circle Green Community Legal	430	330
Property Industry Grants	7,124	7,735
Australian Building Codes Board	519	649
Mental Health in the Workplace	1,000	–
Mental Awareness Respect and Safety Initiative	1,692	–
Other Miscellaneous Grants - contributions to Commonwealth & others	3,815	3,362
Total grants and subsidies	22,198	18,001

Transactions in which the department provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grants or subsidy expenses'. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. They include transactions such as grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sectors agencies, local government, non-government schools, and community groups.

The department is not responsible for administering a government subsidy scheme.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.



2.3 Other expenditure

	2022 \$000	2021 \$000
Supplies and services		
Consultants and contractors	47,212	42,543
Advertising and promotion	2,011	870
Travel	1,138	1,207
Communication	572	1,026
Consumables	2,634	2,368
Maintenance	1,157	812
Insurance	1,367	1,299
Lease rent and hire costs	1,203	1,093
Utilities	1,222	1,158
Other	12,685	8,243
Total supplies and services expenses	71,201	60,619
Accommodation expenses		
Rental	14,190	12,744
Repairs and maintenance	1,750	2,415
Cleaning	1,173	1,058
Total accommodation expenses	17,113	16,217
Other expenses		
Audit Fees (internal and external)	389	526
Expected credit losses expense	26	2
Employment On Costs	(87)	96
Industry fidelity claims	968	506
Minor Plant and Equipment	3,643	2,220
Refunds of prior years revenues	50	1,970
Other expenses	(412)	338
Total other expenses	4,577	5,658
Total other expenditure	92,891	82,494

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses:

Rental Expenses is expensed as incurred as a Memorandum of Understanding Agreements between the department and the Department of Finance for the leasing of office accommodation contain significant substitution rights

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Audit Fees: an expense is recognised for internal and external audit services received during the 2021–22 reporting period.

Expected credit losses is recognised for movement in allowance for impairment of trade receivables. Refer to [note 5.1](#) Movement in the allowance for impairment of receivables.

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on costs liability associated with the recognition of annual and long service leave liabilities is included at [Note 2.1\(a\) Employee benefit provision](#). Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Industry Fidelity Claims are paid as a reimbursement to people who suffer pecuniary or property loss through defalcation by a licensee or employee of a real estate agent or settlement agent.

Minor Plant and Equipment: items identified as portable and attractable that do not meet the criteria of an asset are expensed in the year the item is acquired.

Other Expenses: this includes items recorded as prior period expenses and various other minor other miscellaneous expense items.



3. Our funding sources

How we obtain our funding

This section provides additional information about how the department obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the department and the relevant notes are:

	Notes
Income from State Government	3.1
User charges and fees and sales	3.2
Interest revenue	3.3
Commonwealth grants and contributions	3.4
Other revenue	3.5
Gains/(Losses)	3.6

3.1 Income from State Government

	2022 \$000	2021 \$000
Appropriation received during the period:		
- Service appropriation	148,443	160,719
Total service appropriation	148,443	160,719
Income received from other public sector entities during the period:		
Digital Capability Fund	4,535	-
Total income from other public sector entities	4,535	-
Resources received free of charge from other public sector entities during the period:		
State Solicitors Office		
- legal services	2,753	2,498
Department of Treasury and Finance		
- accommodation services	658	605
Landgate		
- land dealings, land information, valuation services and products	173	519

	2022 \$000	2021 \$000
Department of Primary Industries and Regional Development		
- to support the Accountable Authority of the Commission to fulfil its statutory obligations	1	35
Department of Water and Environmental Regulation		
- provision of spatial and water information data	-	8
Total resources received	3,585	3,665
State grants and subsidies - Specific Purpose	100	100
Total grants and subsidies	100	100
Royalties for Regions Fund:		
- District allowance	104	205
- Royalties for Regions funding agreement	82	300
Total Royalties for Regions Fund	186	505
Total Income from State Government	156,849	164,989

Service Appropriations are recognised as income at the fair value of consideration received 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 in the bank account or credited to the holding account held at Treasury.

Income from other public sector entities are recognised as income when the department has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the department receives the funds.

Resources received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

The Regional Infrastructure and Headworks Account, funding agreement and, Regional Community Services Accounts are sub-funds within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as revenue when the department gains control on receipt of the funds.



Summary of consolidated account appropriations

For the year ended 30 June 2022

	2022 Budget \$000	2022 Supplementary Funding \$000	2022 Revised Budget \$000	2022 Actual \$000	2022 Variance \$000
Delivery of Services					
Item 86 Net amount appropriated to deliver services	118,528	6,503	125,031	125,031	–
Service appropriation - Service to industry component	21,910	–	21,910	21,910	–
Amount authorised by other statutes - <i>Salaries and Allowances Act 1975</i>	1,502	–	1,502	1,502	–
Total appropriations provided to deliver services	141,940	6,503	148,443	148,443	–
Administered Transactions					
Item 46 Amount provided for Administered Grants, Subsidies and other transfer payments	126,662	(23,416)	103,246	103,246	–
<i>Item 121 Capital Appropriation</i>	6,592	–	6,592	6,592	–
Total administered transactions	133,254	(23,416)	109,838	109,838	–
Total consolidated account appropriations	275,194	(16,913)	258,281	258,281	–





3.2 User fees and charges and sales

	2022 \$000	2021 \$000
User fees and charges		
Petroleum annual licenses	5,103	5,084
Mining, prospecting and exploration licenses	9,642	10,149
Explosives and dangerous goods licenses and fees	7,387	5,616
Mining Safety Levy	40,920	39,664
Petroleum Safety	3,945	4,258
Mining Rehabilitation Fund	38,235	34,669
WorkSafe	6,627	4,537
EnergySafety	14,920	11,615
Motor Vehicle Dealers and Repairers	2,852	2,534
Consumer Protection	3,073	2,690
Building Commission	26,368	26,296
Rental Accommodation Account	8,664	6,465
Other fees	903	945
Total user fees and charges	168,639	154,522
Sales		
General Sales	40	43
Total sales	40	43
Total user fees and charges and sales	168,679	154,565

User fees and charges

Revenue is recognised at the transaction price when the department transfers control of the services to customers.

Revenue is recognised at a point in time for user fees and charges. The performance obligations for these user fees and charges are satisfied when services have been provided.

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

Sales

Revenue from the sale of goods and services is recognised at the transaction price when the department transfers control of the goods to customers.

3.3 Interest revenue

	2022 \$000	2021 \$000
Mining Rehabilitation Fund Interest	1,278	694
Other Interest Revenue	644	456
Total interest revenue	1,922	1,150

3.4 Commonwealth grants and contributions

	2022 \$000	2021 \$000
Total grants and other funding contributions	42	-

Recurrent grants are recognised as income when the grants are receivable.

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the department is recognised when the department satisfies its obligations under the transfer. The department satisfies the obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The department typically satisfies the obligations under the transfer when it achieves milestones specified in the grant agreement and amounts received in advance of obligation satisfaction are reported at [note 5.6](#).

3.5 Other income

	2022 \$000	2021 \$000
Employee contributions	274	414
Miscellaneous revenue	2,929	2,493
Other Revenue - Recoups	1,744	1,497
Total other income	4,947	4,404



Income received by the department from subleasing of right-of-use assets relates to lease payments received from operating leases. The department has leased a number of right-of-use assets from the Government Regional Officer Housing (GROH), which it subleases out to employees at a subsidised rate. Information on the department's leasing arrangements with GROH can be found in [note 2.1\(a\)](#).

3.6 Gains/(Losses) on Disposal

	2022 \$000	2021 \$000
Net proceeds from disposal of non-current assets	30	3

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

4. Key Assets

This section includes information regarding the key assets the department utilises to gain economic benefits or assets the department utilises for economic benefit or service potential or provide service potential. This section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes
Property, plant and equipment	4.1
Intangible assets	4.2
Right-of-use assets	4.3





4.1 Property, plant and equipment

	Land \$000	Buildings \$000	Leasehold Improvements \$000	Furniture, plant, equipment and vehicles \$000	Computer hardware and software \$000	Scientific equipment \$000	Works in Progress \$000	Total \$000
Year ended 30 June 2022								
1 July 2021								
Gross Carrying Amount	71,932	46,010	1,068	12,537	9,566	1,141	1,958	144,212
Accumulated Depreciation	–	(1,231)	(551)	(8,173)	(9,537)	(390)	–	(19,882)
Carrying amount at start of period	71,932	44,779	517	4,364	29	751	1,958	124,330
Additions	–	–	–	193	6	1,146	4,311	5,656
Transfers ^(a)	–	–	–	–	–	–	–	–
Revaluation increments/(decrements)	2,694	4,852	–	–	–	–	–	7,546
Depreciation	–	(1,020)	(107)	(417)	(23)	(121)	–	(1,688)
Carrying amount at 30 June 2022	74,626	48,611	410	4,140	12	1,776	6,269	135,844
Gross carrying amount	74,626	48,611	1,068	12,380	9,272	2,287	6,269	154,514
Accumulated depreciation	–	–	(658)	(8,240)	(9,260)	(511)	–	(18,669)
Accumulated impairment loss	–	–	–	–	–	–	–	–

(a) The Department of Planning, Lands and Heritage (DPLH) is the only department with the power to sell Crown land. The land is transferred to DPLH for sale and the department accounts for the transfer as a distribution to owner.

Initial recognition

Items of property, plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of comprehensive income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.



Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- ▶ land; and
- ▶ buildings

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Landgate) 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.

Land and buildings were revalued as at 1 July 2021 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022. In undertaking the revaluation, fair value was determined by reference to market values for land: \$37,636,000 (2021: \$36,540,000) and buildings: \$29,207,000 (2021: \$27,793,000). For the remaining balance, unobservable (level 3) inputs were used to determine the fair value. As at 30 June 2022, there were no indications of impairment to property, plant and equipment.

Unobservable (level 3) inputs used to determine fair values of property, plant and equipment are

Land:	Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).
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Buildings:	<i>Historical cost per square metre floor area (m2)</i>
	The costs of constructing specialised buildings with similar utility are extracted from financial records of the Model Department, then indexed by movements in CPI.
	<i>Consumed economic benefit/obsolescence of asset</i>
	These are estimated by the Western Australian Land Information Authority (Valuation Services).

Significant assumptions and judgements: The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic 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.

Useful lives

All property, plant and equipment 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. The exceptions to this rule include assets held for sale, and land.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful Life
Buildings	33 to 50 years
Lease Improvements	10 years
Furniture	5 to 10 years
Office Equipment	3 to 5 years
Computer Servers	3 years
Software ^(a)	3 to 5 years
Scientific Equipment	7 years
Motor Vehicles	3 to 5 years
Plant and Equipment	5 to 25 years



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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Impairment

Non-financial assets, including items of property, plant and equipment and intangibles are tested for impairment whenever there is an indication that the asset may be impaired. 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 its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the department is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

4.2 Intangible assets

	Computer Software \$000	Total \$000
Year ended 30 June 2022		
1 July 2021		
Gross carrying amount	25,716	25,716
Accumulated amortisation	(23,760)	(23,760)
Accumulated impairment losses	–	–
Carrying amount at start of period	1,956	1,956
Additions	–	–
Classification as held for sale	–	–
Impairment losses	–	–
Amortisation expense	(981)	(981)
Carrying amount at 30 June 2022	975	975

Initial recognition

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.

Acquisition of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$200,000 or more that comply with the recognition criteria as per AASB 138 *Intangible Assets* (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- An intention to complete the intangible asset and use or sell it;



- (c) The ability to use or sell the intangible asset;
- (d) The intangible asset will generate probable future economic benefit;
- (e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

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

Useful Lives

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the department have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful Life
Computer Software ^(a)	3 years
Licences	3 years

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

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2022 there were no indications of impairment to intangible assets.

The policy in connection with testing for impairment is outlined in [note 4.1](#)

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

Development Costs

Research costs are expensed as incurred. Development costs incurred for an individual project are carried forward when the future economic benefits can be reasonably regarded as assured and the total project costs are likely to exceed \$200,000. Other development costs are expensed as incurred.

Computer Software

Software that is an integral part of the related hardware is recognised as part of the tangible asset. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

4.3 Right-of-use assets

	Vehicles \$000	Residential Housing \$000	Total \$000
Carrying amount at beginning of period	2,888	318	3,206
Additions	299	240	539
Impairment Losses	–	–	–
Impairment Losses Reversed	–	–	–
Depreciation	(1,136)	(238)	(1,374)
Net carrying amount as at the end of the period	2,051	320	2,371

The department has leases for vehicles and residential housing. The lease contracts are typically made for fixed periods of 1–10 years with an option to renew the lease after that date.

The department subleases residential housing to employees at a subsidised rate. The department recognises lease payments from operating leases as income on a straight-line basis over the term of the lease.



The department has also entered into a Memorandum of Understanding Agreement with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Initial recognition

At the commencement date of the lease, the department recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- ▶ the amount of the initial measurement of lease liability;
- ▶ any lease payments made at or before the commencement date less any lease incentives received;
- ▶ any initial direct costs; and
- ▶ restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in [note 6.2](#).

The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in [note 4.1](#).

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the department's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	5.1
Amounts receivable for service	5.2
Other assets	5.3
Payables	5.4
Amounts due to the Treasurer	5.5
Revenue received in advance	5.6
Other liabilities	5.7

5.1 Receivables

	2022 \$000	2021 \$000
Current		
Trade receivables	13,854	13,348
Allowance for impairment of trade receivables	(502)	(1,249)
Accrued interest revenue	892	291
GST receivable	1,365	812
Accrued Revenue	2,240	1,864
Total current	17,849	15,066
Total receivables	17,849	15,066

Trade receivables are initially recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. The department holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.



The department recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs are based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when the Agency has no reasonable expectations of recovering the contractual cash flows.

For trade receivables, the department recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The department has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to [note 2.3](#) for the amount of ECLs expensed in this financial year.

5.2 Amounts receivable for services (Holding Account)

	2022 \$000	2021 \$000
Current	914	914
Non-current	38,283	37,306
Total amount receivable for services at end of period	39,197	38,220

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

The amounts receivable for services are financial assets at amortised cost, and are not considered impaired (i.e. there is no expected credit loss of the Holding Account).

5.3 Other assets

	2022 \$000	2021 \$000
Current		
Prepayments	3,879	3,319
Total current	3,879	3,319
Total other assets at end of period	3,879	3,319

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4 Payables

	2022 \$000	2021 \$000
Current		
Trade payables	4,213	1,764
Other payables	7,538	3,078
Accrued salaries	3,579	2,873
Accrued expenses	–	45
Total current	15,330	7,760
Non-current		
Trust accounts		
Consumer Credit Act (WA)	133	75
Real Estate and Business Agents Supervisory Board	532	526
Total non-current	665	601
Total payables at end of period	15,995	8,361

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 settlement is generally within 20 days.





Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The department considers the carrying amount of accrued salaries to be equivalent to its fair value.

TI 323 Timely Payment Of Accounts requires payments for goods, services and construction of less than \$1 million and not subject to an exemption, to be paid within 20 days. Payments over \$1 million are required to be settled within 30 calendar days of the receipt of a correctly rendered invoice, or provision of goods or services.

5.5 Amounts due to the Treasurer

	2022 \$000	2021 \$000
Current		
Petroleum and Geothermal Safety Levy	2,000	2,000
Home Buyers Assistance	3,000	–
Total amount due to the Treasurer at end of period	5,000	2,000

The **amount due to the Treasurer** is in respect of a Treasurer's Advance. This amount is payable within 12 months after the reporting period. Although no interest is charged on the outstanding amount, the carrying amount is equivalent to fair value.

5.6 Revenue received in advance

	2022 \$000	2021 \$000
Current		
Licences and fees ^(a)	24,877	22,446
Total Current	24,877	22,446
Total revenue received in advance at end of period	24,877	22,446

(a) Revenue received in advance - Licences and fees are revenues received for multiple year licences. This balance represents the unearned revenue of the multiple year licence, that will be recognised incrementally over the remaining term of the licence.

5.7 Other liabilities

	2022 \$000	2021 \$000
Current		
Unclaimed monies	1,499	1,248
Total Current	1,499	1,248
Non Current		
Government Office Accommodation ^(a)	5,297	5,452
Total Non Current	5,297	5,452
Total other liabilities at end of period	6,796	6,700

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost.

(a) Balance arising from the straight lining of rental expense on government office accommodation (GOA) arrangements being out of scope for AASB 16.





6. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the department.

	Notes
Lease liabilities	6.1
Assets pledged as security	6.2
Finance costs	6.3
Cash and cash equivalents	6.4

6.1 Lease liabilities

	2022 \$000	2021 \$000
Not later than one year	938	1,326
Later than one year and not later than five years	1,611	2,052
Later than five years	10	–
	2,559	3,378
Current	938	1,326
Non-current	1,621	–
	2,559	1,326

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the department uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the department as part of the present value calculation of lease liability include:

- ▶ fixed payments (including in-substance fixed payments), less any lease incentives receivable;

- ▶ variable lease payments that depend on an index or a rate initially measured using the index rate or rate as at the commencement date;
- ▶ amounts expected to be payable by the lessee under residual value guarantees;
- ▶ the exercise price of purchase options (where these are reasonably certain to be realised);
- ▶ payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease; and
- ▶ periods covered by extension or termination options are only included in the lease term by the department if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the department if the lease is reasonably certain to be extended (or not terminated).

This section should be read in conjunction with [note 4.2](#).

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with [note 4.3](#).

The department has not received any COVID-19 rent concessions and therefore has made no assessment of whether a concession is a lease modification. This assessment impacts the measurement of the lease liability and AASB 1060 requires additional consequential disclosures.



	2022 \$000	2021 \$000
Lease expenses recognised in the Statement of comprehensive income		
Lease interest expense	97	105
	97	105

6.2 Assets pledged as security

	2022 \$000	2021 \$000
Assets pledged as security		
The carrying amounts of non-current assets pledged as security are:		
Right-of-use asset - vehicles	2,051	2,888
Balance at end of period	2,051	2,888

The department has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

6.3 Finance Costs

	2022 \$000	2021 \$000
Finance Costs		
Lease interest expense	97	105
Finance costs expensed	97	105

Finance cost includes the interest component of lease liability repayments, interest component of service concession financial liabilities and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

6.4 Cash and cash equivalents

	2022 \$000	2021 \$000
Cash and cash equivalents	8,261	4,852
Restricted cash and cash equivalents	464,908	427,182
Balance at end of period	473,169	432,034

	2022 \$000	2021 \$000
Restricted cash and cash equivalents		
Current		
- Current Special Purpose Funds	460,791	424,212
Non-current		
- Accrued salaries suspense account ^(a)	4,117	2,970

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

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.

The accrued salaries suspense account consists of amounts paid annually, from department appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.



7. Financial instruments and contingencies

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2022 \$000	2021 \$000
<u>Financial assets</u>		
Cash and cash equivalents	8,261	4,852
Restricted cash and cash equivalents	464,908	427,182
Financial assets at amortised cost ^(a)	55,681	52,474
Total financial assets	528,850	484,508
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost ^(b)	22,494	11,609
Total financial liability	22,494	11,609

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

Measurement

All financial assets and liabilities are carried without subsequent remeasurement.

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent Litigation Assets and Liabilities

The following contingent assets are excluded from the assets included in the financial statements:

Litigation in progress

The department's legal matters reported as having a contingent liability or benefit at the corresponding time in the previous financial year have been reviewed, and where appropriate, updated or removed from consideration. All legal matters commenced on or after July 1, 2021 have been reviewed, and where appropriate, have been included in the report. A materiality factor of **\$65,000** has been adopted.

The department currently has three legal matters in progress, one recognising a potential benefit, and two recognising a potential liability. The contingent liabilities of the department amount to \$160,000, with the contingent benefit amount estimated at being \$3,000,000.

7.2.2 Contingent Fidelity Guarantee Account (FGA) Claims

A total of 15 claims against the Fidelity Guarantee Accounts with a total value of \$1,223,441 consisting of:

- 11 claims against the Real Estate Agents FGA yet to be decided and with a total value of \$1,215,701.
- 4 claims against the Settlement Agents FGA yet to be decided and with a total value of \$7,740.

These figures do not include legal costs or any interest claims. Reasonable legal costs are claimable. Claims for interest are not allowable, as per proceedings in the Supreme Court after the State Administrative Tribunal decided that interest wasn't allowable.



Contaminated sites

Under the *Contaminated Sites Act 2003*, the department is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the department may have a liability in respect of investigation or remediation expenses.

Three sites are still identified as known or “suspected” of being “contaminated”. These three sites are still yet to be classified by the Department of Water and Environmental Regulation. The department is unable to assess the likely outcome of the classification process, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows.

Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the department may apply for funding from the Contaminated Sites Management Account (2015) to undertake further investigative work or to meet remediation costs that may be required.



8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Special purpose accounts	8.6
Remuneration of auditors	8.7
Act of Grace (and ex-gratia) payments	8.8
Supplementary financial information	8.9

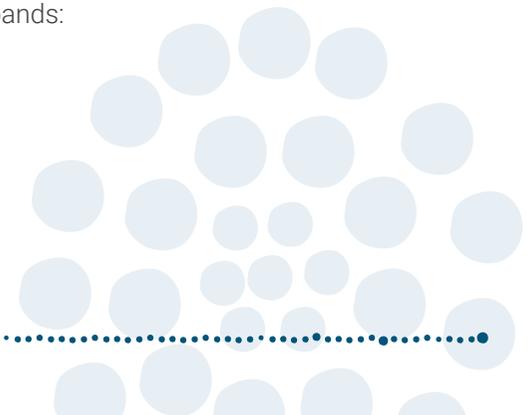
8.1 Events occurring after the end of the reporting period

A Machinery of Government (MoG) merger recognises Energy Policy WA joining the department from July 1 2022.

8.2 Key management personnel

The department has determined key management personnel to include cabinet ministers and senior officers of the department. The department does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Department for the reporting period are presented within the following bands:





Compensation Band \$	2022	2021
0 to 10,000	1	–
30,001 to 40,000	–	1
60,001 to 70,000	1	1
100,001 to 110,000	–	–
140,001 to 150,000	1	1
150,001 to 160,000	–	–
160,001 to 170,000	1	–
170,001 to 180,000	–	3
180,001 to 190,000	2	5
190,001 to 200,000	7	8
200,001 to 210,000	2	–
210,001 to 220,000	1	1
230,001 to 240,000	1	–
240,001 to 250,000	–	–
250,001 to 260,000	3	3
260,001 to 270,000	1	1
270,001 to 280,000	1	1
340,001 to 350,000	–	–
400,001 to 410,000	–	1
440,001 to 450,000	1	–

	2022 \$000	2021 \$000
Short-term employee benefits	4,616	5,016
Other long-term benefits	108	140
Termination benefits	–	–
Total compensation of senior officers	4,723	5,156

Total compensation includes the superannuation expense incurred by the department in respect of senior officers.

8.3 Related party transactions

The department is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the department include:

- ▶ all Cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- ▶ all senior officers and their close family members, and their controlled or jointly controlled entities;
- ▶ other agencies and statutory authorities, including related bodies that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- ▶ associates and joint ventures of a wholly-owned public sector entity; and
- ▶ the Government Employees Superannuation Board (GESB).

Material transactions with other related parties

Outside of normal citizen type transactions with the department, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.4 Related bodies

The department had no related bodies as defined in the *'Financial Management Act 2006'* and Treasurer's Instruction 951.

8.5 Affiliated bodies

The department has no affiliated bodies.



8.6 Special Purpose Accounts

Controlled	2022	2021
Special Purpose Accounts S.16 of <i>Financial Management Act 2006</i>	\$000	\$000
Building Services Account	4,338	6,275
Consumer Credit Act (WA)	5	5
EnergySafety Account	12,504	14,012
Mines Safety Levy	54,907	43,472
Mining Rehabilitation Fund Levy	253,820	219,493
Motor Vehicle Repair (MVR) Industry Compensation Account	173	144
Motor Vehicle Repair (MVR) Industry Education and Research Account	189	157
Petroleum and Geothermal Energy Safety Levy	3,683	4,617
Real Estate - Education and General Purpose Account	3,844	8,612
Real Estate - Fidelity Guarantee Account	45,965	45,988
Real Estate - Home Buyers Assistance Account	3,703	2,836
Real Estate and Business Agents Supervisory Board Trust Account	530	526
Settlement Agents - Education and General Purpose Account	28,525	28,924
Settlement Agents - Fidelity Guarantee Account	47,920	48,381
Royalties for Regions	65	105
State Trading Concerns	620	665
Total controlled special purpose accounts	460,791	424,212

Administered	2022	2021
	\$000	\$000
Environmental Called-In Performance Bond Money Fund	5,022	5,116
Special Projects Fund	1,140	979
Total administered special purpose accounts	6,162	6,095

Building Services Account

Holds funds used for the provision of functions and services in accordance with building services acts.

	2022	2021
	\$000	\$000
Balance at start of period	6,275	7,575
Add Receipts	27,591	28,012
Less Payments	(29,528)	(29,312)
Balance at end of period	4,338	6,275

Consumer Credit Act (WA)

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

	2022	2021
	\$000	\$000
Balance at start of period	5	6
Add Receipts	–	–
Less Payments	–	(1)
Balance at end of period	5	5



Energy Safety Account

Holds funds used for the provision of functions and services in accordance with the *Energy Safety Act 2006*.

	2022 \$000	2021 \$000
Balance at start of period	14,012	14,967
Add Receipts	15,711	14,391
Less Payments	(17,219)	(15,346)
Balance at end of period	12,504	14,012

Environmental Called-In Performance Bond Money Fund

The account is to hold called-in performance bond monies received in respect to section 126 of the *Mining Act (1978)*. Funds are to be used to provide for the rehabilitation of mining sites.

	2022 \$000	2021 \$000
Balance at start of period	5,116	5,061
Add Receipts	–	61
Less Payments	(94)	(6)
Balance at end of period	5,022	5,116

Mines Safety Levy

This fund is to hold all levies received from mining companies and is to be applied to the cost of administering the *Mines Safety and Inspection Act 1994*.

	2022 \$000	2021 \$000
Balance at start of period	43,472	27,916
Add Receipts	41,352	41,870
Less Payments	(29,917)	(26,314)
Balance at end of period	54,907	43,472

Mining Rehabilitation Fund Levy

This fund is to hold all levies which are applied to the cost of administering the Mining Rehabilitation Fund Levies for regulatory services under the *Mining Rehabilitation Fund Act 2012*.

	2022 \$000	2021 \$000
Balance at start of period	219,493	185,237
Add Receipts	38,576	36,313
Less Payments	(4,249)	(2,057)
Balance at end of period	253,820	219,493

Motor Vehicle Repair (MVR) Industry Compensation Account

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

	2022 \$000	2021 \$000
Balance at start of period	144	144
Add Receipts	32	–
Less Payments	(3)	–
Balance at end of period	173	144

Motor Vehicle Repair (MVR) Industry Education and Research Account

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

	2022 \$000	2021 \$000
Balance at start of period	157	152
Add Receipts	32	5
Less Payments	–	–
Balance at end of period	189	157



Petroleum and Geothermal Energy Safety Levy

This fund is to hold all levies which are applied to the cost of administering the Petroleum and Geothermal Energy Safety Levies for regulatory services under the *Petroleum and Geothermal Energy Resource Act 1967* (PGERA67) and the *Petroleum Pipelines Act 1969* (PPA69).

	2022 \$000	2021 \$000
Balance at start of period	4,617	4,207
Add Receipts	4,053	4,233
Less Payments	(4,987)	(3,823)
Balance at end of period	3,683	4,617

Real Estate - Education and General Purpose Account

Holds funds used for the operation of the Education and General Purpose Account in accordance with the *Real Estate and Business Agents Act 1978*.

	2022 \$000	2021 \$000
Balance at start of period	8,612	16,083
Add Receipts	5,058	2,111
Less Payments	(9,826)	(9,582)
Balance at end of period	3,844	8,612

Real Estate - Fidelity Guarantee Account

Holds funds used for the operation of the Fidelity Guarantee Account in accordance with the *Real Estate and Business Agents Act 1978*.

	2022 \$000	2021 \$000
Balance at start of period	45,988	46,276
Add Receipts	266	231
Less Payments	(289)	(519)
Balance at end of period	45,965	45,988

Real Estate - Home Buyers Assistance Account

Holds funds used for the operation of the Home Buyers Assistance Account in accordance with the *Real Estate and Business Agents Act 1978*.

	2022 \$000	2021 \$000
Balance at start of period	2,836	8,706
Add Receipts	4,041	164
Less Payments	(3,174)	(6,034)
Balance at end of period	3,703	2,836

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.

	2022 \$000	2021 \$000
Balance at start of period	526	529
Add Receipts	4	-
Less Payments	-	(3)
Balance at end of period	530	526

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 WA regional areas.

	2022 \$000	2021 \$000
Balance at start of period	105	99
Add Receipts	103	109
Less Payments	(143)	(103)
Balance at end of period	65	105



Settlement Agents - Education and General Purpose Account

Holds funds used for the operation of the Education and General Purpose Account in accordance with the *Settlement Agents Act 1981*.

	2022 \$000	2021 \$000
Balance at start of period	28,924	29,097
Add Receipts	290	285
Less Payments	(689)	(458)
Balance at end of period	28,525	28,924

Settlement Agents - Fidelity Guarantee Account

Holds funds used for the operation of the Fidelity Guarantee Account in accordance with the *Settlement Agents Act 1981*.

	2022 \$000	2021 \$000
Balance at start of period	48,381	48,169
Add Receipts	220	227
Less Payments	(681)	(15)
Balance at end of period	47,920	48,381

Special Projects Fund

The account was created to hold funds for the purpose of participating in significant projects with other countries, the Commonwealth and the private sector to the mutual benefit of the other participants and the State of Western Australia.

This account includes an agreement between the Commonwealth and the department to carry out inspection services at Christmas Island. With an opening balance of \$215,972, receipts of \$250,318 and payments of \$208,449, the closing balance is \$257,841.

	2022 \$000	2021 \$000
Balance at start of period	979	744
Add Receipts	361	829
Less Payments	(200)	(594)
Balance at end of period	1,140	979

State Trading Concerns

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

	2022 \$000	2021 \$000
Balance at start of period	665	969
Add Receipts	8	3
Less Payments	(53)	(307)
Balance at end of period	620	665

8.7 Remuneration of auditors

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

	2022 \$000	2021 \$000
Auditing the accounts, financial statements controls, and key performance indicators	288	281



8.8 Act of grace

Act of Grace payments are those payments that are not payable in pursuance of the law or are not payable under a legal liability, approved by the relevant accountable authority.

	2022 \$000	2021 \$000
The Minister	12	25

8.9 Supplementary financial information

(a) Write-offs

During the financial year, \$285,125 (2021: \$160,881) was written off the department's asset register under the authority of:

	2022 \$000	2021 \$000
The Minister	226	-
The Director General	59	161
	<u>285</u>	<u>161</u>

(b) Losses through theft, defaults and other causes

	2022 \$000	2021 \$000
Losses of public moneys and, public and other property through theft or default.	-	-
Amounts recovered.	-	-
	<u>-</u>	<u>-</u>

During the year two Dell laptops were stolen from a DMIRS pool vehicle, parked in a public car park, whilst two staff members were attending Wardens Court. Incident reports were lodged, and the theft reported to WA Police.

9. Explanatory statements

This section explains variations in the financial performance of the department.

	Notes
Explanatory Statement for controlled operations	9.1
Explanatory statement for administered items	<u>9.2</u>

9.1 Explanatory statement (Controlled Operations)

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which are greater than 10% and 1% of Total Cost of Services for the Statements of Comprehensive Income and Statement of Cash Flows (i.e. 1% of \$302.8m), and are greater than 10% and 1% of Total Assets for the Statement of Financial Position (i.e. 1% of \$673.3m).





9.1.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
Expenses						
Employee benefits expenses		194,903	183,558	189,405	11,345	(5,847)
Supplies and services	1 A	49,110	71,201	60,619	(22,091)	10,582
Depreciation and amortisation expense		5,581	4,043	4,619	1,538	(576)
Finance costs		215	97	105	118	(8)
Accommodation expenses		20,128	17,113	16,217	3,015	896
Grants and subsidies	2 B	16,636	22,198	18,001	(5,562)	4,197
Other expenses	3	15,536	4,577	5,658	10,959	(1,081)
Total cost of services		302,109	302,787	294,624	(678)	8,163
Income						
<i>Revenue</i>						
User charges and fees		163,296	68,639	154,522	(5,343)	14,117
Sales		855	40	43	815	(3)
Commonwealth Grants received		379	42	–	337	42
Interest revenue		–	1,922	1,150	(1,922)	772
Other income		4,306	4,947	4,404	(641)	543
Total Income		168,836	175,590	160,119	(6,754)	15,471
Gains						
Gain on disposal of non-current assets		–	30	3	(30)	27
Total Gains		–	30	3	(30)	27
Total income other than income from State Government		168,836	175,620	160,122	(6,784)	15,498
NET COST OF SERVICES		(133,273)	(127,167)	(134,502)	6,106	(7,335)



	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
Income from State Government						
Service appropriation		141,940	148,443	160,719	(6,503)	(12,276)
Income from other public sector entities	4	–	4,535	–	(4,535)	4,535
Services received free of charge		2,846	3,585	3,665	(739)	(80)
Other Revenues	5	9,150	100	100	9,050	–
Royalties for Regions Fund		228	186	505	42	(319)
Total income from State Government		154,164	156,849	164,989	(2,685)	(8,140)
SURPLUS/(DEFICIT) FOR THE PERIOD		20,891	29,682	30,487	(8,791)	(805)
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus	6 C	–	7,546	944	(7,546)	6,602
Total other comprehensive income		–	7,546	944	(7,546)	6,602
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		20,891.	37,228	31,431	(16,337)	5,797

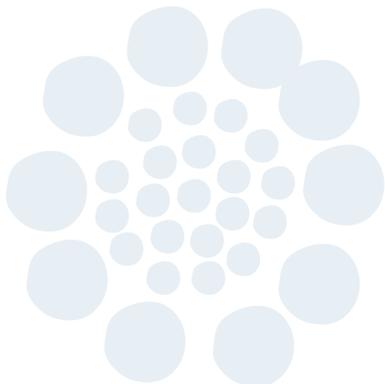


Major estimate and actual (2022) variance narratives

- 1) Supplies and services are over budget by \$22.09m (31.03%) as a result of increased costs for Contractors and Consultants charges due to labour shortages and an increase in labour hire charges as a result of premium amounts paid to hire and retain contractors and an alignment difference between Actuals and Budget.
- 2) Grants and subsidies are over budget by \$5.56m (25.06%) as a result of increased payments made with regards to the Home Buyers Assistance program from increased market conditions.
- 3) Other Expenses is under budget by \$10.96m (239.4%) as a result of Budget alignment, with amounts contained within Supplies and Services. Refer to Point (1) above.
- 4) Income from other public sector agencies is under budget by \$4.5m (100%) as a result of additional funding received after the preparation of the budget and mid-year budget reviews, and reporting difference between budget and actual. Refer to point (5) below.
- 5) Other revenues is under budget by \$9.1m (9,050.0%) as a result of a classification difference between budget and actuals. Actual amounts are reported as Income from other public sector entities. Refer to point (4) above.
- 6) Changes in asset revaluation surplus is over budget by \$7.54m (100%) as a result of significant revaluation upwards of land and buildings held by the Department as a result of current market conditions.

Major actual (2022) and comparative data (2021) variance narratives

- A) Supplies and Services are higher in 2022 than 2021 by \$10.58m (17.46%) as a result of increased Contractors costs as a result of labour shortages within the market. Also refer to Point (1) above.
- B) Grants and subsidies are higher than last year by \$4.19m (23.32%) mainly due to increased Grants provided for the Exploration Incentive Scheme as a part of Government investment initiative.
- C) Changes in Asset revaluation surplus is higher in 2022 compared to 2021 by \$6.6m (87.5%) due to revaluation of land and buildings held by the Department as a result of current market conditions. Refer to Point (6) above.





9.1.2 Statement of financial position variances

	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
ASSETS						
Current Assets						
Cash and cash equivalents		14,926	8,261	4,852	6,665	3,409
Restricted cash and cash equivalents		439,309	460,791	424,212	(21,482)	36,579
Receivables		17,126	17,849	15,066	(723)	2,783
Amount receivable for services		906	914	914	(8)	–
Other current assets		2,929	3,879	3,319	(950)	560
Total Current Assets		475,196	491,694	448,363	(16,498)	43,331
Non current Assets						
Restricted cash and cash equivalents		2,228	4,117	2,970	(1,889)	1,147
Right of use asset		–	2,371	3,206	(2,371)	(835)
Amounts receivable for services		38,291	38,283	37,306	8	977
Property, plant and equipment		130,130	135,844	124,330	(5,714)	11,514
Intangible assets		1,011	975	1,957	36	(982)
Other non-current assets		39	–	–	39	–
Total Non-Current Assets		171,699	181,590	169,769	(9,891)	11,821
TOTAL ASSETS		646,895	673,284	618,132	(26,389)	55,152



	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
LIABILITIES						
Current Liabilities						
Payables	7 D	6,495	15,330	7,760	(8,835)	7,570
Other current liabilities	8	23,973	1,499	1,248	22,474	251
Revenue received in advance	9	–	24,877	22,446	(24,877)	2,431
Amount due to Treasurer		–	5,000	2,000	(5,000)	3 000
Employee provisions		44,188	39,656	41,617	4,532	(1,961)
Lease liabilities		3,244	938	1,326	2,306	(388)
Total Current Liabilities		77,900	87,300	76,397	(9,400)	10,903
Non-Current Liabilities						
Payables		–	665	601	(665)	64
Employee provisions		8,120	6,872	8,475	1,248	(1,603)
Lease liabilities		1,464	1,621	2,052	(157)	(431)
Other non-current liabilities		5,882	5,297	5,452	585	(155)
Total Non-Current Liabilities		15,466	14,455	16,580	1,011	(2,125)
TOTAL LIABILITIES		93,366	101,755	92,977	(8,389)	8,778
NET ASSETS		553,529	571,529	525,155	(18,000)	46,374
EQUITY						
Contributed equity		244,485	248,312	239,166	(3,827)	9,146
Reserves		107,524	112,509	104,963	(4,985)	7,546
Accumulated surplus/(deficit)	E	201,520	210,708	181,026	(9,188)	29,682
TOTAL EQUITY		553,529	571,529	525,155	(18,000)	46,374



Major estimate and actual (2022) variance narratives

- 7) Payables is over budget by \$8.8m (57.6%) as a result of invoices remaining unpaid as at 30 June 2022. Of this balance, three invoices totalling \$5.5m remain unpaid as at 30 June 2022.
- 8) Current Liabilities are under budget by \$22.5m (1,499.3%) due to classification difference between Actuals and Budget of Revenue Received in Advance. Refer to Point 9 below.
- 9) Revenue Received in Advance is over budget by \$24.9m (100%) due to a classification difference between Actuals and Budget of Revenue Received in Advance. Refer to Point 8 above.

Major actual (2022) and comparative data (2021) variance narratives

- D) Payables has increased in 2022 compared to 2021 by \$7.57m (49.4%) as a result of unpaid invoices as at 30 June 2022. Refer to Point (7) above.
- E) Accumulated surplus is higher in 2022 when compared to 2021 by \$29.68m (16.4%) as a result of increased collections of the department revenue.





9.1.3 Statement of cash flows variances

	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		140,049	151,087	158,521	(11,038)	(7,434)
Capital appropriations	E	6,592	6,592	3,530	–	3,062
Other contributions by owners		–	2,554	–	(2,554)	2,554
Holding account drawdown		914	914	914	–	–
Royalties for Regions Fund		228	186	505	42	(319)
Net cash provided by State Government		147,783	161,333	163,470	(13,550)	(2,137)
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(195,151)	(185,534)	(186,149)	(9,617)	615
Supplies and services	10	(45,474)	(55,659)	(56,018)	10,185	359
Accommodation		(20,058)	(18,942)	(17,912)	(1,116)	(1,030)
Grants and subsidies	11 G	(16,636)	(22,198)	(18,001)	5,562	(4,197)
Other payments	12	(16,491)	(7,712)	(6,209)	(8,779)	(1,503)
GST payments on purchases	13	(7,507)	(15,237)	(13,119)	7,730	(2,118)
Finance costs		(215)	–	–	(215)	–
Sale of goods and services		1,248	64	67	1,184	(3)
User charges and fees		163,296	160,035	152,059	3,261	7,976
Grants and contributions		379	–	100	379	(100)
GST receipts on sales		7,507	4,959	5,150	2,548	(191)
GST receipts from ATO	14	–	9,725	7,969	(9,725)	1,756
Other receipts	15 H	3,782	14,313	10,664	(10,531)	3,649
Net cash provided by/(used in) operating activities		(125,320)	(116,186)	(121,399)	(9,134)	5,213



	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Proceeds from sale of non-current assets		–	2	–	(2)	2
Receipts						
Purchase of non-current physical assets		(7,542)	(2,984)	(2,835)	(4,558)	(149)
Net cash provided by/(used in) investing activities		(7,542)	(2,982)	(2,835)	(4,560)	(147)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Right of use lease liability payment		(1,567)	(4,030)	(1,438)	2,463	(2,592)
Receipts						
Proceeds from borrowings	1	–	3,000	–	(3,000)	3,000
Net cash provided by/(used in) financing activities		(1,567)	(1,030)	(1,438)	(537)	408
Net increase/(decrease) in cash and cash equivalents		22,162	41,135	37,798	(18,973)	3,337
Cash balances transferred in		–	–	–	–	–
Cash balances transferred out		–	–	–	–	–
Cash and cash equivalents at the beginning of the period		434,301	432,034	394,236	2,267	37,798
Cash and cash equivalents at the end of the period		456,463	473,169	432,034	(16,706)	41,135

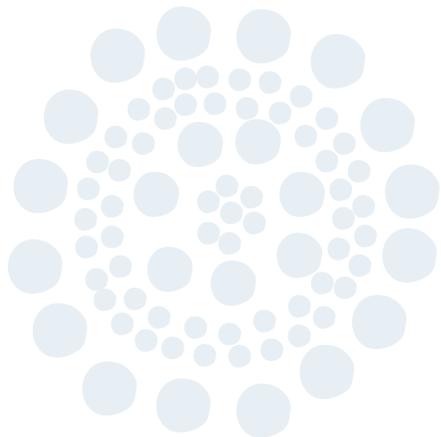


Major estimate and actual (2022) variance narratives

- 10) Supplies and services is over budget by \$10.18m (22.4%) due to increased costs for labour hire and consultant and contractor expense as a result of market conditions and having to pay a premium for services.
- 11) Grants and subsidies payments are over budget by \$5.6m (33.43%) as a result of increased payments made with regards to the Home Buyers Assistance program from increased market conditions. Refer to point (2) above.
- 12) Other payments is under budget by \$8.8m (53.24%) due to a classification difference between actuals and budgets. Budget amounts aligned to Supplies and Services. Refer to points (3) and (4) above.
- 13) GST payments on purchases is over budget \$7.7m (102.97%) due to a classification difference between Budgets and Actuals where GST amounts have been netted for Budget purposes. Refer to Point (14) below.
- 14) GST receipts from ATO is over budget by \$9.7m (100%) as a result of a classification difference between budgets and actuals. Refer point (13) above.
- 15) Other receipts is over budget by \$10.5m (278.45%) due to an increase in Service Delivery Agreement collections as a result of the Department administering the Special Purpose accounts.

Major actual (2022) and comparative data (2021) variance narratives

- F) Capital appropriations has increased by \$3.1m (46.4%) in 2022 when compared to 2021 as a result of additional funding mainly for the Customer Identity Access Management program.
- G) Grants and subsidies are higher in 2022 when compared to 2021 by \$4.19 (23.32%) as a result of increased payments made with regards to the Home Buyers Assistance program from increased market conditions. Refer to points (2) and (11) above.
- H) Other receipts are higher by \$3.6m (25.5%) in 2022 when compared to 2021 as a result of an increase in Service Delivery Agreement collections as a result of the Department administering the Special Purpose accounts. Refer to point (15) above.
- I) Proceeds from borrowings has increased by \$3.0m (100%) in 2022 when compared to 2021 as a result of a payment made from Department of Treasury to enable payment of a backlog of eligible Home Buyers Assistance Account (HBAA) grant applications made by first home buyers and anticipated grant applications to 31 December 2022.





9.2 Explanatory statement for administered items

All variances between annual estimates and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary by more than 10% from their comparative and that the variation is more than 1% of Total Administered Income budgeted for the year (i.e. 1% of \$269.7m).

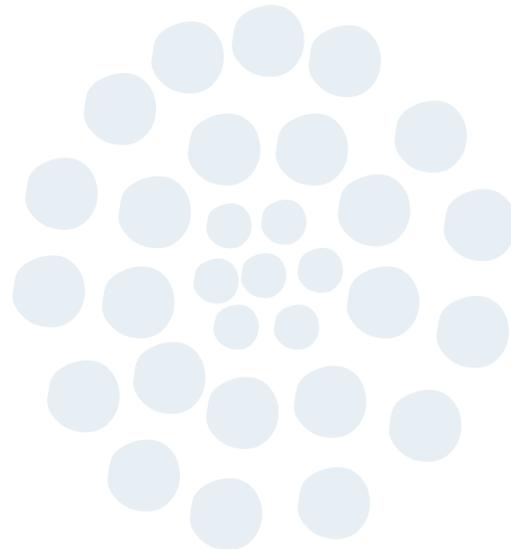
As a result of a Machinery of Government change the Royalty collection and administration function has transferred to the Department of Finance. Please refer to the explanatory notes below.

	Variance Note	Estimate 2022 \$000	Actual 2022 \$000	Actual 2021 \$000	Variance between estimate and actual \$000	Variance between actual results for 2022 and 2021 \$000
INCOME FROM ADMINISTERED ITEMS						
Income						
For transfer:						
Mining Rentals	1 A	115,323	184,777	12,312,935	(69,454)	(12,128,157)
Regulatory fees		254	89	160	165	(71)
Commonwealth Grants		–	236	261	(236)	(25)
Appropriations	2 B	126,662	103,246	134,809	23,416	(31,563)
Other revenue		27,462	27,537	31,077	(75)	(3,540)
Total administered income		269,701	315,885	12,479,242	(46,184)	(12,163,357)
Expenses						
Refunds of previous years' revenue	3 C	1,960	40,335	22,269	(38,375)	18,066
Services and contracts	4 D	125,362	41,972	27,880	83,390	14,092
Receipts paid into Consolidated Account	5 E	116,591	181,266	10,752,882	(64,675)	(10,571,616)
Grants and subsidies	E	29,315	30,013	104,582	(698)	(74,569)
Total administered expenses		273,228	293,586	10,907,613	(20,358)	(10,614,027)



Major estimate and actual (2022) variance narratives

- 1) Mining Tenement Rentals are over budget by \$69.45m(37.6%) due to the area under tenure increasing by 100,000 km², applications increasing by 20% and the rate increasing by 10%. Actuals remain 20% above target even after allowing for the Budget increase as part of Treasury's mid-year review.
- 2) Appropriations are under budget by \$23.4m (22.7%) as a result of decreased price for iron ore from its record high earlier in the year. As a result of this decrease in price, this has seen a reduction in the Iron Ore Financial Assistance paid to suppliers which has seen a reduction in appropriations received.
- 3) Refunds of previous years' revenue is over budget by \$38.4m (95.1%) because of a classification difference between budgets and actuals.
- 4) Services and contracts expense is under budget by \$83.39m (198.68%) as alignment differences between budget and actual as per point (4) above, and reduced payments made for the Iron Ore Financial Assistance program as a result of a reduction in Iron Ore prices, and the subsequent reduced royalty collections.
- 5) Receipts paid into consolidated is over budget by \$64.67m (35.7%) as a result of increased collections paid to Treasury for Mining Tenement Rentals. Refer to Point (1) above.



Major actual (2022) and comparative data (2021) variance narratives

- A) Mining Rentals have decreased by \$12.1b (6,563.7%) in 2022 when compared to 2021 as a result of a Machinery of Government change that has transferred the Royalty collection and administration function to the Department of Finance. For comparability purposes, Royalty collection data for all years is reflected in the Department of Finance Budget Statements.
- B) Appropriations have decreased in 2022 when compared to 2021 by \$31.6m (23.41%) as a result of decreased price for iron ore from its record high in 2021. As a result of this decrease in price, this has seen a reduction in the Iron Ore Financial Assistance paid to suppliers which has seen a reduction in appropriations received.
- C) Refunds of prior years revenue has increased by \$18.1m (81.13%) in 2022 when compared to 2021 as a result of increased Royalty rebates paid to producers from higher iron ore prices in the previous financial year.
- D) Services and contracts is higher in 2022 when compared to 2021 by \$14.09m (50.54%) as a result of increased Service Agreement payments from a recalculation undertaken in FY2022.
- E) Receipts paid into consolidated has reduced by \$10.6b (5,773%) via a Machinery of Government change which transferred the Royalty collection and administration function to the Department of Finance. For comparability purposes, Royalty collection data for all years is reflected in the Department of Finance Budget Statements.
- F) Grants and subsidies expenses has decreased in 2022 by \$74.6m (71.3%) when compared to 2021 as a result of a reduction of amounts provided for the Koolyanobbing Mine Financial Assistance Program. This is as a result of lower royalties payments made, which is because of the lower iron ore prices which is partially offset by lower exchange rates.

