

## **ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE**

### **Subcommittee Inquiry into Public Sector Expenditure**

#### **Summary of Government Agency Responses\***

\* The Subcommittee wrote to each government agency noted below requesting a response to particular questions and inviting each agency to make a submission relating to the inquiry's terms of reference. This document summarises agency responses. In the tables below 'N/A' means that the agency advised that the three percent efficiency dividend did not apply to their agency. The reason given is noted. A '-' means that the agency did not respond. Submissions are not summarised in this document. All submissions have been uploaded on the inquiry's website in their entirety.

#### **DEPARTMENTS**

<b>Department</b>	<b>Response</b>
Department of Agriculture and Food	<i>Letter from Ian Longson, Director General, dated 29/1/09</i>  'I understand that the Hon Kim Hames MLA, Acting Premier, wrote to you on 19 January on behalf of all government departments and agencies, including the Department of Agriculture and Food'.
Department of the Attorney General	-
Department of Consumer and Employment Protection	-
Department of Corrective Services	-
Department of Culture and the Arts	-
Department of Education Services	-
Department of Education and Training	-
Department of Environment and Conservation	-
Department for Communities	-
Department of Fisheries	-
Department of Health	<i>Letter from Dr Peter Flett, Director General, dated 28/1/09</i>  'I understand that the Acting Premier has already responded. Accordingly, I am not proposing to forward a response'.
Department of Housing and Works	-
Department of Indigenous Affairs	<i>Letter from Patrick Walker, Director General, dated 8/1/09</i>  'As you may already be aware, the Department intends to achieve its 3% efficiency dividend minimising any affect on service delivery ... potential savings have not been finalised ... we are

Department	Response
	unable to provide further details'.
Department of the Premier and Cabinet	-
Department of the Registrar of the Western Australian Industrial Relations Commission	-
Department of Industry and Resources	-
Department for Child Protection	-
Department of Local Government and Regional Development	-
Department for Planning and Infrastructure	-
Department of Racing, Gaming and Liquor	-
Department of Sport and Recreation	-
Department of Treasury and Finance	-
Department of Water	-

## TAFES

TAFE	Response
C. Y. O'Connor College of TAFE	-
Central TAFE	-
Central West TAFE	-
Challenger TAFE	-
Great Southern TAFE	-
Kimberley TAFE	-
Pilbara TAFE	-
South West Regional College of TAFE	-
West Coast TAFE	Provided a submission (uploaded on the inquiry's internet page)

## DEVELOPMENT COMMISSIONS

Development Commission	Response	Dividend not applicable (N/A)	Reason dividend N/A
Gascoyne Development Commission	-		
Goldfields-Esperance Development Commission	-		
Great Southern Development Commission	Letter from Bruce Manning, CEO, dated 23/12/08	N/A	The Department of Treasury and Finance (DTF) has advised that they are exempt due to their annual budget being below the prescribed threshold.
Kimberley Development Commission	-		
Mid West Development Commission	-		
Peel Development Commission	Letter from Maree De Lacey, CEO, dated 12/1/09	N/A	DTF has advised that they are exempt due to their 'inscope expenses are less than the applied threshold'.
Pilbara Development Commission	-		
South West Development Commission	-		
Wheatbelt Development Commission	-		
Pilbara Development Commission	-		

## PORT AUTHORITIES

Port Authority	Response	Dividend N/A	Reason dividend N/A
Albany Port Authority	Letter from Brad Williamson, CEO, dated 23/12/08		Port authorities are government trading enterprises governed by the <i>Port Authorities Act 1999</i> and as such are not affected by the efficiency dividend.



Port Authority	Response	Dividend N/A	Reason dividend N/A
Broome Port Authority	Email from Rosemary Braybook, Administration, Manager, dated 29/12/08	N/A	The Department of Planning and Infrastructure advised that they fall outside the parameters of the efficiency dividend.
Bunbury Port Authority	Letter from John Barratt, A/CEO, dated 31/12/08	N/A	DTF advice 4/12/08 that dividend applies only to appropriation funded agencies. 'It is our view' that the dividend does not apply because authority receives no appropriation funds. They derive their operating income from the provision of port services.
Dampier Port Authority	-		
Esperance Port Authority	-		
Fremantle Port Authority	-		
Geraldton Port Authority	Letter from Peter Klein, CEO, dated 7/1/09	N/A	The Department of Planning and Infrastructure says that the dividend applies only to agencies managed under the <i>Public Sector Management Act 1994</i> . Ports are managed under the <i>Port Authorities Act 1999</i> .
Port Hedland Port Authority	-		

## OTHERS

Agency	Response	Dividend N/A	Reason dividend N/A
Agricultural Produce Commission	Letter from Ingrid Smith, EO, dated 21/1/09	N/A	Fully externally funded through fees for service payments. Therefore dividend does not apply.
Agriculture Protection Board of Western Australia	-		
Animal Resources Authority	-		
Aqwest	-		
Architects Board of Western Australia	Letter from Nicola Kerr, Registrar, dated 21/1/09	N/A	A statutory authority funded through the payment of registration and licence fees. The board does not receive money through other streams therefore it is inappropriate for the Board to comment on the inquiry or answer the Committee's questions posed.

Agency	Response	Dividend N/A	Reason dividend N/A
Armadale Redevelopment Authority	Letter from John Ellis, Executive Director, dated 15/1/09	N/A	Not required to provide a three percent productivity dividend.
Art Gallery of Western Australia	-		
Botanic Gardens and Parks Authority	-		
Builders' Registration Board of Western Australia	Letter from Kim Fare, Registrar, dated 15/1/09	N/A	'As the Board is not funded through consolidated revenue, it does not propose to implement a three percent efficiency dividend'.
Building and Construction Industry Training Board	Letter from Ralph Dawson, Executive Director, dated 23/12/08	N/A	Statutory Authority that operates under the <i>Building and Construction Industry Training Fund and Levy Collection Act 1991</i> . The Government does not contribute to the fund. Funded by training levies. Operates 'at a high level of efficiency'.
Burswood Park Board	Letter from Brian Wishart, General Manager, dated 9/1/09	N/A	A non consolidated revenue fund statutory authority deemed by DTF to be exempt from dividend.
Busselton Water	-		
Chemistry Centre (WA)	-		
Community and Public Sector Union	-		
Conservation Commission of Western Australia	Letter from Gordon Graham, A/Director, dated 24/12/08	Funding handled by a department	Department of Environment and Conservation will address the request as funding allocation for the Commission and staff is handled by the Department. At this stage there has been no discussion between the Commission and the Department regarding changes in allocations to the Commission.
Corruption and Crime Commission	-		
Country High School Hostels Authority	-		
Country Housing Authority	Letter from Jim Vanopoulos, Acting Director, dated 14/1/09	N/A	Sought advice from DTF and determined that the dividend did not apply to the authority.
Curriculum Council	-		



Agency	Response	Dividend N/A	Reason dividend N/A
Curtin University of Technology	Letter from Prof Jeanette Hacket, Vice-Chancellor, dated 6/1/09	N/A	'Section 22 of the <i>Curtin University of Technology Act 1966</i> restricts the application of the <i>Financial Management Act 2006</i> such that section 40 thereof, being the requirement to prepare and submit annual estimates, does not have effect'.
Disability Services Commission	Letter from Dr Ron Chalmers, Director General, dated 28/1/09		'I have been advised that the Acting Premier has written to the subcommittee to provide a consolidated response to these questions for all public sector agencies. Accordingly, I will not be submitting a separate response from the Disability Services Commission'.
East Perth Redevelopment Authority	-		
Economic Regulation Authority	-		
Edith Cowan University	Letter from Professor Kerry Cox, Vice-Chancellor, dated 13/1/09		As 'the University is not public sector organisation, I have not included the information requested'.
Environmental Protection Authority	Phone call on 5/1/09	Department will respond	Will be included in submission from Department of Environment and Conservation.
Equal Opportunity Commission	Letter from Yvonne Henderson, Commissioner, dated 5/1/09	N/A	Exempt from the Government's requirement of a dividend.
Fire and Emergency Services Authority of Western Australia	-		
Forest Products Commission	Phone call	N/A	
Gold Corporation (The Perth Mint Australia)	Letter from M E Harbuz, CEO, dated 9/1/09	N/A	<p>'No specific plan is in place for the three percent efficiency dividend initiative in terms of reduced expenditure'. It is arguable whether the Gold Corporation, a profit driven business that does not draw on the consolidated fund, fits within the inquiry.</p> <p>Letter addresses term of reference (e) - the impact of current financial crisis on state's economy and finances. 'The effects of the crisis on the Gold Corporation have been positive. Uncertainty and losses on the world's markets have led to an unprecedented demand for Gold</p>

Agency	Response	Dividend N/A	Reason dividend N/A
			Corporation's investment products: precious metal coins, precious metal bars and Depository custodial services'.
Government Employees Superannuation Board	Letter from Michele Dolin, CEO, dated 13/1/09	N/A	Has not been required to implement a three percent dividend. Does not participate in the forward estimates review process.
Governor's Establishment	Email from Carol Buckley, Deputy Official Secretary, dated 12/1/09	N/A	Exempt from dividend.
Grain Licensing Authority	Phone call from Fiona Goss dated 5/1/09	N/A	
Hairdressers Registration Board of Western Australia	Phone call on 23/1/09	N/A	Won't make a submission because don't receive Government funds.
Heritage Council of Western Australia	Phone call	N/A	
Horizon Power	Email from Amelia Yam, General Manager Finance Services, dated 24/12/08	N/A	Dividend is not applicable to Government Trading Entities.
Housing Authority	-		
Insurance Commission of Western Australia	Letter from Vic Evans, Managing Director, dated 2/1/09	N/A	Refers to DTF advice dated 4/12/08. The Commission is not an 'appropriation funded agency', therefore it is exempt from the dividend. (The Commission will be subject to Economic Audit Committee Review proposals relating to self funding agencies).
Independent Market Operator (IMO)	Letter from Allan Dawson, CEO, dated 6/1/09	N/A but adopting a 3% expenditure saving	DTF has advised that the dividend does not apply. The IMO is a body corporate established under Regulations, not a public sector body. 'Nevertheless, the IMO is conscious of the fiscal challenges facing the State and has taken a decision to support the Government's approach by adopting its own 3% expenditure saving, which has been noted by the Minister for Energy'.
Keep Australia Beautiful Council	-		
LandCorp	Phone call from Frank Marra dated 6/1/09	N/A	Landcorp is a Trading Enterprise and is therefore exempt.



Agency	Response	Dividend N/A	Reason dividend N/A
Landgate	-		
Law Reform Commission of Western Australia	-		
Legal Aid Commission of Western Australia	Letter from George Turnbull, Director, dated 16/1/09	N/A	Is exempt from the dividend as it does not receive direct appropriation from government.
Legal Practice Board	Letter from Graeme Geldart, Executive Director, dated 12/1/09	N/A	'The Board would not be subject to the audit or the terms of the subject inquiry'. The Board is funded primarily by fees. The Government funds the rental of premises and provides an annual Supreme Court Law Library grant (but for years has not met its agreed obligation to meet half the library operating costs). The Board has budgeted for a deficit in 2008-09.
Library Board of Western Australia	Letter from Dr Margaret Nowak, Chairman, Financial Committee, dated 29/1/09		
Liquor Commission	Letter from Jim Freemantle, Chairman, dated 23/1/09	Funded by a department	The Commission is fully funded through Department of Racing, Gaming and Liquor appropriations.
Lotteries Commission	-		
Metropolitan Cemeteries Board	Phone call	N/A	
MainRoads Western Australia	-		
Midland Redevelopment Authority	Letter from Keiran Kinsella, CEO, dated 15/1/09	N/A	Is not required to provide a three percent productivity dividend.
Minerals and Energy Research Institute of Western Australia	Letter from Dr Don Martin, Acting Executive Officer, dated 22/1/09	Funded by a department	A small statutory authority. Funding is provided through the Department of Mines and Petroleum.
Murdoch University	-		
The National Trust of	Letter from	N/A	'The National Trust has been advised by



Agency	Response	Dividend N/A	Reason dividend N/A
Australia (W.A.)	Thomas Perrigo, CEO, dated 7/1/09		Treasury that due to the minimal amount of government appropriation funding allocated to the Trust, the National Trust is exempt from the three percent efficiency cut'.
Nurses and Midwives Board of Western Australia	Letter from Adj Assoc Professor Robyn Collins, CEO, dated 12/1/09	N/A	The Board is funded by fees, not the State Government, therefore the 3 percent efficiency dividend 'would not apply to the Board'.
Office of the Director of Equal Opportunity in Public Employment	Letter from Michael Palermo, A/Director, dated 23/12/08	The OPSSC will respond	The Office of the Public Sector Standards Commissioner (OPSSC) will respond as they are included under Service 2 of the OPSSC Budget Papers.
Office of the Inspector of Custodial Services	Phone call	N/A	
Office of the Public Advocate	Letter from Pauline Bagdonavicius, Public Advocate, dated 22/12/08	Department will respond	Response will be incorporated in the response by the Department of the Attorney General, as the Office reports to the Department of the Attorney General on financial and administrative matters.
Painters' Registration Board	Letter from Kim Fare, Registrar, dated 15/1/09	N/A	'As the Board is not funded through consolidated revenue, it does not propose to implement a three percent efficiency dividend'.
Parliamentary Inspector	-		
Perth Market Authority (Market City)	Letter from Mike Donnelly, CEO, dated 16/1/09	N/A	Advice from DTF states that the dividend does not apply.
Perth Theatre Trust	-		
Pharmaceutical Council of Western Australia	-		
Plumbers Licensing Board	-		
Office of Energy	-		
Office of Health Review	-		
Office of the Commissioner for Children and Young People	-		
Office of the Director of Public Prosecutions	-		

Agency	Response	Dividend N/A	Reason dividend N/A
Office of the Information Commissioner	-		
Office of the Ombudsman of Western Australia	-		
Office of the Public Sector Standards Commissioner	-		
Potato Marketing Corporation of Western Australia (PMC)	Letter from Llewellyn Skelton, CFO, dated 22/1/09	Self funded but reducing overheads by 3% to comply with the Gvt request	<p>- The PMC is established under the <i>Marketing of Potatoes Act 1946</i>. The PMC is funded entirely by the growers, not Government funding. They deduct their costs from selling potatoes received from growers. Of the turn over of approximately \$35 million, \$33 million is paid to growers and \$2 million is costs.</p> <p>- 'To save 3% implies a reduction in drawing from the State Treasury - we clearly do not draw from Treasury, however in an effort to comply with this Government request we are endeavouring to reduce our administration overheads by at least 3%. This saving will then on flow to the growers in the form of a slightly increased return ... it does have the effect of putting the savings back into the public pockets.'</p>
Professional Combat Sports Commission	Letter from Simon Watters, Chairman, dated 27/1/09	N/A	'Our understanding that Grant payments were excluded from the 3% efficiency dividend and therefore the PCSC funding (partly subsidised by Government grants) is not within the scope of the efficiency dividend policy'.
Professional Standards Council	-		
Public Sector Commission	-		
Public Transport Authority	-		
Public Trustee Office	Phone call.		Refuses to respond to request.
Queen Elizabeth II Medical Centre Trust	Letter from Steven Cole, Chairman dated 28/1/09		The Trusts three percent efficiency dividend is included as part of the 'Whole of Health' efficiency dividend.
Racing and Wagering WA	-		
Rottnest Island Authority	-		
Rural Business Development Corporation	-		

Agency	Response	Dividend N/A	Reason dividend N/A
Salaries and Allowances Tribunal	-		
ScreenWest	-		
Small Business Development Corporation	-		
Solicitor General's Office	Letter from Robert Meadows QC, Solicitor General, dated 24/12/08	Department will respond	The Department of Attorney General will coordinate the response.
State Administrative Tribunal	Letter from Alistair Borg, Executive Officer, dated 28/1/09	Department will respond	The Department of the Attorney General will provide a response.
State Supply Commission	Letter from Richard Adolphe, A/CEO, dated 9/1/09	N/A	DTF 'has advised that, given the small size of the SSC budget, the three percent efficiency dividend is not applied to the SSC'.
Subiaco Redevelopment Authority	-		
Swan River Trust	-		
Swan TAFE	-		
Synergy	Letter from James Mitchell, Managing Director, dated 7/1/09	N/A	DTF has confirmed that the dividend does not apply to Synergy.
The Western Australian Museum	-		
University of Notre Dame Australia	-		
University of Western Australia	Letter from Alan Robson, Vice-Chancellor, dated 27/1/09	N/A	Not subject to Treasurer's Instructions.
Verve Energy	Phone call	N/A	
Veterinary Surgeons' Board	-		
Water Corporation	Letter from Sue Murphy, CEO,	N/A	The dividend does not apply to 'Public Non Financial Corporations', such as the Water



Agency	Response	Dividend N/A	Reason dividend N/A
	dated 14/1/09		Corporation. (Refers to Hansard).
Western Australian Alcohol and Drug Authority	-		
Western Australian Building Management Authority	-		
Western Australian Coastal Shipping Commission (Stateships)	Phone call	N/A	
Western Australian College of Teaching	Letter from Dr Suzanne Parry, Director, dated 22/12/08	N/A	The College is an independent statutory authority established under the <i>Western Australia College of Teacher Act 2004</i> . The College receives no Government funds and is financed by membership fees.
Western Australian Electoral Commission	-		
Western Australian Gas Disputes Arbitrator	-		
Western Australian Greyhound Racing Association (Greyhounds WA)	Letter from David Simonette, CEO, dated 30/12/08	N/A	The Association 'would seek to be exempt' from the dividend. They are a Schedule 1 statutory authority that does not receive Treasury funds. Recently the Crown Solicitor stated that they are a body corporate, not an agent or servant of the Crown.
Western Australian Health Promotion Foundation	-		
Western Australian Institute of Sport (WAIS)	Email from Natalie Graham, Executive Assistant and Events Co-ordinator, dated 9/1/09	N/A	Not subject to the dividend.
Western Australian Meat Industry Authority	-		
Western Australian Planning Commission	-		
Western Australia Police Service	Letter from the Office of the Commissioner dated 29/12/08.		Letter dated 29/12/09 - the request has been forwarded to the Executive Director. [No further written response received].
Western Australian Sports Centre Trust	-		

Agency	Response	Dividend N/A	Reason dividend N/A
Western Australian Tourism Commission	-		
Western Australian Treasury Corporation	-		
Western Power	-		
WorkCover WA Authority	-		
WorkSafe WA	Letter from Nina Lyhne, Commissioner, dated 23/12/08	Department will respond	Will be included in the DOCEP response.
Zoological Parks Authority	-		

