

# PILBARA DEVELOPMENT COMMISSION

## 2004/2005 ANNUAL REPORT



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# CONTACT DETAILS

## Responsible Minister:

The Honourable Jon Ford, JP, MLC  
Minister for Fisheries; the Kimberley, Pilbara and Gascoyne.

## Accountable Authority:

Pilbara Development Commission

## Offices:

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# ANNUAL REPORT SUMMARY

This Annual Report provides a comprehensive analysis of the work undertaken by the Pilbara Development Commission during the 2004/2005 financial year.

Established under the *Regional Development Commissions Act (1993)*, the role of the Pilbara Development Commission is to foster the economic and social development of the Pilbara region of Western Australia.

The Commission conducts this work through a variety of projects which are aimed at growing the region, whilst retaining the assets that make the Pilbara a great place to live, work and invest.

The Section "Our Performance" details our work and our clients' assessment of that work. A summary of the Commission's financial performance and end of year financial position is provided in the section "Financial Statements".

## MINISTER FOR KIMBERLEY, PILBARA AND GASCOYNE

The Honourable Jon Ford, JP, MLC  
Minister for Fisheries; the Kimberley, Pilbara and Gascoyne

In accordance with Section 66 (1) of the *Financial Administration and Audit Act (1985)* we hereby submit, for your information and presentation to Parliament, the Annual Report of the Pilbara Development Commission for the financial year ended 30 June 2005.

The Annual Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act (1985)*.

To fulfil the responsibilities required under Section 79 (2) of the *Financial Administration and Audit Act 1985*, the Pilbara Development Commission has complied with the following relevant written law:

*Regional Development Commissions Act (1993)*  
*Financial Administration and Audit Act (1985)*  
*Public Sector Management Act (1994)*

At the date of signing we are not aware of any circumstances which would render the particulars of this statement misleading or inaccurate.



MS ERICA SMYTH  
CHAIRMAN OF THE BOARD  
DATE 29<sup>th</sup> August 2005



MRS ROBYN M CRANE JP  
ACTING CHIEF EXECUTIVE OFFICER  
DATE 29<sup>th</sup> August 2005

# PILBARA REGION - KEY FACTS

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- The Pilbara region is Western Australia's second most northern region covering an area of 507,896 square kilometres or 20% of the State.
- The estimated resident population of the Pilbara is 39,529 persons with the majority of the region's population residing in the region's major towns.
- The region has four local government areas: The Shires of Ashburton, East Pilbara and Roebourne and the Town of Port Hedland.
- The region is known for its natural resources, which were first commercially recognised in the 1960's when the Pilbara came to national and international prominence with the development of its extensive iron ore reserves. The region gained further prominence with the discovery of substantial oil and gas resources in the 1970's.
- The total labour force in the Pilbara is 24,503 persons.
- The region's average unemployment rate is 3.2 per cent and this remains well below the State's unemployment rate of 6 per cent for the same period.

# STATEMENT OF COMPLIANCE

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The Pilbara Development Commission was established under the *Regional Development Commissions Act (1993)*. As an agency of the State Government of Western Australia, the Commission is required to comply with a number of Parliamentary Acts in the course of its business.

## COMPLIANCE WITH WRITTEN LAWS

The Pilbara Development Commission has complied with all relevant written laws including:

- ❖ *Regional Development Commissions Act (1993);*
- ❖ *Financial Administration and Audit Act (1985);*
- ❖ *Public Sector Management Act (1994);*
- ❖ *Salaries and Allowances Act (1975);*
- ❖ *Equal Opportunities Act (1984);*
- ❖ *Occupational Health, Safety and Welfare Act (1984);*
- ❖ *Workers Compensation and Rehabilitation Act (1981);*
- ❖ *State Supply Commission Act (1991);*
- ❖ *Freedom of Information Act (1992);*
- ❖ *Disability Discrimination Act (1992);*
- ❖ *Disabilities Services Act (1993);*
- ❖ *Electoral Act (1907);*
- ❖ *Library Board of Western Australia Act (1993);*
- ❖ *Public Service Award (1992);*
- ❖ *Public Service General Agreement (2004);*
- ❖ *Public Interest Disclosure Act (2003);*
- ❖ *Circulars to Ministers from the Premier.*

## ACCESS AND EQUITY

The Commission has complied with the requirements to:

- Develop and implement a Disability Services Plan - *Disability Services Act (1993);*
- Report on initiatives as part of 'Action - A State Government Plan for Young People 2000-2003'.

## PUBLIC SECTOR STANDARDS

The Commission has developed a policy with guidelines and procedures to support compliance with the Public Sector Standards, including a code of conduct that is provided to all staff on the commencement of their employment and is readily accessible on the Commission's information network.

Procedures designed to ensure compliance with the standards have also been put in place and regular internal assessments are undertaken as part of the Commission's internal audit program. No claims of breach of standards were made during the year in review.

# SECTION 1.

## OUR ORGANISATION

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The Pilbara Development Commission is one of nine Regional Development Commissions established by the *Regional Development Commissions Act (1993)*.

The Commission is a Statutory Authority managed by a Board. The composition of the Board is determined by the *Regional Development Commissions Act (1993)* and includes three local government representatives, three community representatives, three Ministerial appointments and the Chief Executive Officer by virtue of office.

The Pilbara Development Commission and its Board are responsible to the Honourable Jon Ford, JP, MLC, Minister for Fisheries; the Kimberley, Pilbara and Gascoyne. The Commission receives an annual appropriation from the State Government budget to carry out approved activities.

The Commission operates from three locations, with its main office in Port Hedland and offices in Karratha and Roebourne.

### OBJECTS AND FUNCTIONS

Under the *Regional Development Commissions Act (1993)*, the objects of the Commission are to:

- Maximise job creation and improve career opportunities in the region;
- Develop and broaden the economic base of the region;
- Identify infrastructure services to promote economic and social development within the region;
- Provide information and advice to promote business development within the region;
- Seek to ensure that the general standard of government services and access to those services in the region are comparable to that which applies to the metropolitan area; and
- Generally take steps to encourage, promote, facilitate and monitor the economic development of the region.

For the purpose of achieving those objects, the Commission is to:

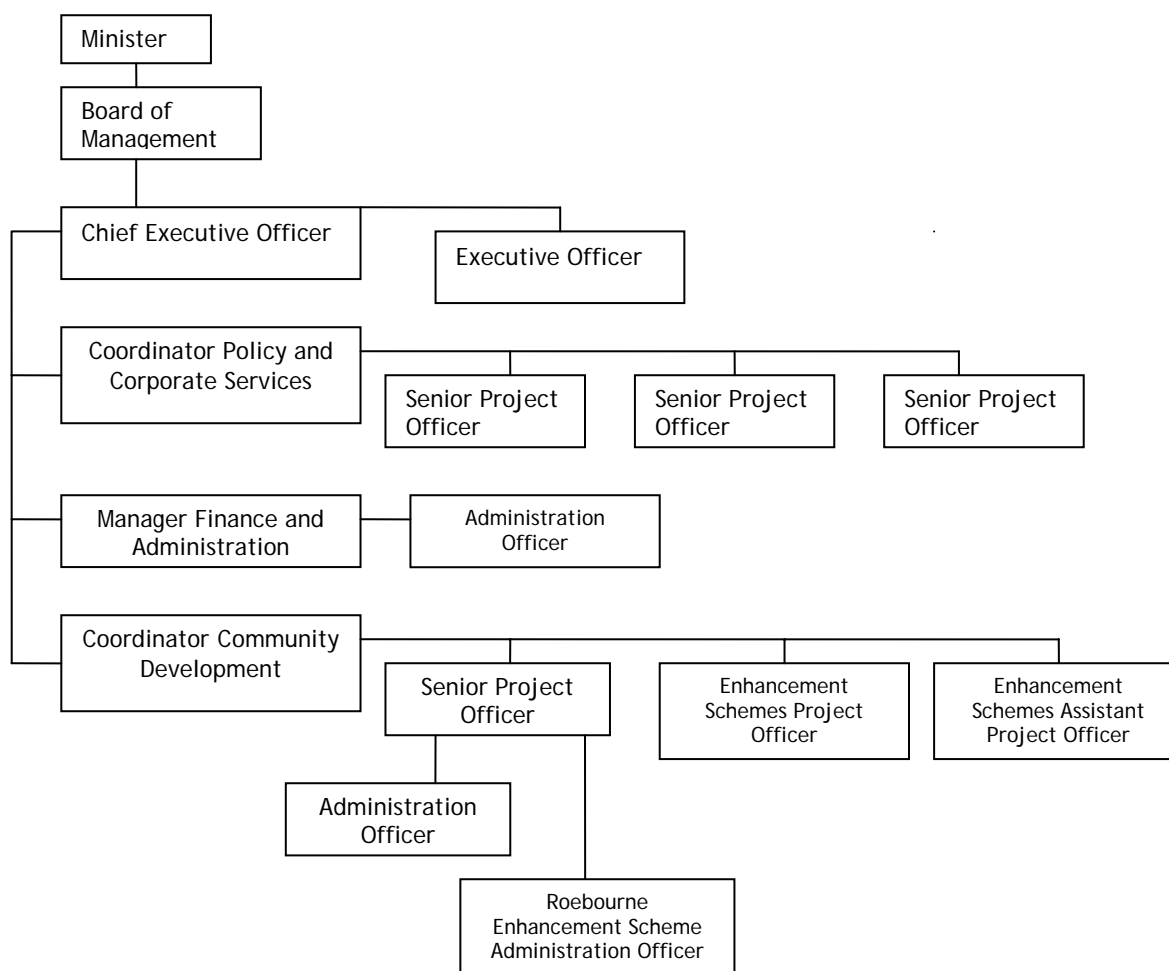
- Promote the region;
- Facilitate coordination between relevant statutory bodies and State Government agencies;
- Cooperate with representatives of industry and commerce, employer and employee organisations, education and training institutions and other sections of the community throughout the region;
- Identify the opportunities for investment in the region and encourage that investment;
- Identify the infrastructure needs of the region and encourage the provision of that infrastructure in the region; and
- Cooperate with Commonwealth, State and Local Government agencies, instrumentalities and statutory bodies in order to promote equitable delivery of services throughout the region.

## STRUCTURE

The Commission's structure is based on five areas of operation.

1. Executive Services - Manages the organisation.
2. Corporate Services - The administrative arm of the Commission.
3. Business and Industry Development - Assists business and industry to locate and to expand in the region.
4. Infrastructure and Service Identification and Coordination - Assists with the identification and co-ordination of infrastructure development across the region.
5. Regional Promotion and Information Services - Promotes the region and provides information for regional decision making.

### PILBARA DEVELOPMENT COMMISSION ORGANISATIONAL CHART AS AT 30 JUNE 2005





# SECTION 2.

## OUR REGION

The Pilbara is part of Australia's exciting North West. The region is comprised of coastal towns, inland communities and remote Indigenous communities.

The Pilbara region is rich in natural attractions. Residents and tourists take advantage of the range of activities on offer in the region, from the beauty of the inland gorges to coastal areas where fishing and diving are world class.

The region is known for its natural resources, which were first commercially recognised in the 1960's when the Pilbara came to national and international prominence with the development of its extensive iron ore reserves.

The region gained further prominence in the late 1970's with the discovery of natural gas and the construction of a natural gas plant on the Burrup Peninsula, near Dampier, during the 1980s.

The marine, tourism and pastoral sectors are also important contributors to the region's economy.

### PILBARA KEY ECONOMIC INDICATORS

<i>Pilbara Region Key Economic Indicators</i>			
Pearling	\$22,500,000	Manganese	\$80,309,662
Fin Fish	\$11,456,000	Rock	\$2,832,907
Prawns	\$ 4,310,000	Agate	\$27,893
Aggregate	\$1,501,369	Sand	\$1,185,315
Condensate	\$1,725,908,915	Gravel	\$33,800
Crude Oil	\$3,648,001,423	Granite	\$22,215
Iron Ore	\$5,164,201,472	LNG	\$2,775,881,492
Marble	\$136,609	LNG - Butane	\$154,133,908
Natural Gas	\$664,694,626	LNG - Propane	\$128,016,774
Salt	\$128,852,617	Tourism - Domestic	\$152,769,000
Copper Cathode	\$65,372,788	Tourism - International	\$19,219,000
Feldspar	\$1,800,994	Pastoral	\$53,300,000

Note 1: Figures included in this report are derived from the most up to date data sources supplied from the Department of Local Government and Regional Development. These figures may not reflect data from the 2004/2005 year.

Note 2: Domestic tourism includes all flights and overnight stays in the Pilbara and therefore includes business travel.

### HOW WE OPERATE IN THE REGION

The Pilbara Development Commission has its main office in Port Hedland with an office in Karratha and the Roebourne Enhancement Scheme office in Roebourne. Staff travel widely throughout the region. The Commission works in partnership with the region's local governments, State and Commonwealth government agencies, community organisations and business and industry groups.

The Commission aims to be a responsive government agency, which is accessible throughout the Pilbara region. For information on how to contact the Commission, please refer to our details at the beginning of this annual report.

# SECTION 3.

## OUR ROLE

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### WHO WE ARE

The Pilbara Development Commission is a State Government funded agency, created by the *Regional Development Commissions Act (1993)*. The Commission's role is to foster the economic and social development of the Pilbara region of Western Australia.

### WHAT WE DO

The Commission aims to make a significant impact on a wide range of development issues across the region. The projects and issues on which the staff work are diverse and reflect community needs and aspirations. The Commission's underpinning philosophy is to add value through input of funds and staff resources into projects that benefit the Pilbara.

The Commission works in close partnership with local government, other State and Commonwealth Government agencies, industry, business and community groups to achieve effective outcomes for the region and its people.

### OUR ROLE

- Work to help maximise local jobs by attracting new business and industry to the region whilst assisting existing business and industry to grow;
- Seek to ensure that the general standard of government services and access to those services in the region are comparable to that which applies to the metropolitan area;
- Identify infrastructure services to promote economic and social development within the region;
- Provide information and advice to promote business development within the region; and
- Generally take steps to encourage, promote, facilitate and monitor the economic and social development of the region.

### SERVICE DELIVERY

Services are delivered through three program areas: Business and Industry Development; Infrastructure and Service Identification and Coordination; and Regional Promotion and Information Services. The Commission also undertakes capital works programs on behalf of the State Government. The Commission's work is supported by the Corporate Services section which is the administrative arm of the Commission.

#### 1. BUSINESS AND INDUSTRY DEVELOPMENT

The Commission seeks to ensure that across the region, business and industry operate in an economic environment which maximises opportunities for growth and creates a climate to attract investment.

#### 2. INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION

The Commission works with the community to identify infrastructure and service requirements and to advocate for the development of infrastructure and equity of access to services.

### **3. REGIONAL PROMOTION AND INFORMATION SERVICES**

The Commission promotes regional opportunities with the objective of attracting new residents, investors and tourists by supporting regional promotion activities and through the provision of accurate and accessible information.

#### **CORPORATE OBJECTIVES**

##### **CORPORATE VISION**

The Pilbara region will grow as a dynamic economic area with well developed social facilities, which will offer growth opportunities whilst retaining its particular appeal as a great place to live and visit.

##### **CORPORATE MISSION**

To help achieve regional growth and prosperity in the Pilbara, the Commission seeks to add value to economic opportunities and quality of life as well as supporting and enhancing the natural environment of the Pilbara Region

##### **STRATEGIC APPROACH**

The Commission's operations are primarily aligned to support the State Government's Strategic Planning Framework Goal 4 - The Regions. An overview of the Commission's activities and how it contributes to this Goal is provided in the report on operations.

The Pilbara Development Commission places a strong emphasis on developing a strategic and planned approach to the region's development. For example, the Commission was instrumental in establishing the Central Pilbara and Port Hedland Coordinating Taskforces to deal with economic and social development issues associated with the rapid expansion of the resources sector in the region.

These Taskforces have enabled State, Federal and Local Government agencies to plan for development in a strategic and coordinated way to address key issues such as:

- Housing and land availability
- Delivery of health services
- Delivery of education and training programs
- Development of community infrastructure and services

During the 2004/05 year the Commission aligned its project planning and reporting with the issues contained in the 2003 Pilbara Regional Priority Plan. Such an approach has ensured that the Commission retains a strategic focus on the priority issues for development as determined by the Pilbara community. During the year the Commission commenced planning for the process of revising and updating the Pilbara Regional Priority Plan in consultation with key stakeholders and the wider Pilbara community.

# SECTION 4.

## OUR PEOPLE

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### BOARD OF MANAGEMENT

The *Regional Development Commissions Act (1993)* provides Regional Development Commissions with a Board of Management. The Pilbara Development Commission has a Board comprising a Chairman, Deputy Chairman and eight other members. Three members are chosen from community nominations, three from local government nominations, three appointed by the Minister for the Pilbara and the Chief Executive Officer of the Commission by virtue of office. Board Members are appointed for one, two or three year terms at the discretion of the Minister. A Board Member is eligible to serve on the Board for a maximum of six consecutive years.

### RESPONSIBILITIES

The Board is the governing body of the Pilbara Development Commission and is responsible to the Minister for the Pilbara for the efficient operations of the Commission.

The Pilbara Development Commission Board is responsible for setting the Commission's main policies and priorities. As a governing board, it guides and directs the organisation. It sets performance goals, ensures corporate compliance and management accountability, endorses strategic plans and approves operating budgets.

The Board's role is to ensure that the organisation has the resources necessary to achieve goals, monitor progress and report on outcomes.

### CODE OF CONDUCT

The Commission's Board abides by a code of conduct that promotes good practice and due diligence for Board Members in decision making.

### REMUNERATION TO BOARD MEMBERS

The following remuneration is currently paid to Board Members:

- Chairman - \$462 per full day or \$305 part day plus \$6,500 per annum - to a maximum of \$18,500 in total per annum.
- Deputy Chairman - \$385 per full day or \$254 per part day plus \$3,600 per annum.
- Members - \$308 per full day or \$203 per part day.

Motor vehicle allowance as prescribed in the *Public Service Award (1992)* is paid to Board Members on approved Commission business.

### ADVISORY COMMITTEES

Under the provisions of the *Regional Development Commissions Act (1993)*, the Board may, from time to time, establish a committee for the purpose of considering a particular matter specified by the Board and prescribe the membership, constitution and procedures of the committee.

In 2004/2005, the following sub-committees were in place:

Sustainability Strategy Sub-Committee  
Dampier Marina Sub-Committee  
Natural Advantages Sub-Committee

## Board Members for 2004/2005:

MEMBER	REPRESENTATIVE	TERM EXPIRY	MEETINGS ATTENDED
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<b>MS ERICA SMYTH (Commenced 2000) Chair</b>	<b>Ministerial</b>	<b>Ministerial Discretion</b>	<b>7 of 7</b>
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Ms Smyth has extensive experience and knowledge of the Pilbara region through her employment in the mid 1970's with Mt Newman Mining based in Newman and has retained continual close association with gold, iron-ore and petroleum industries through her previous roles with BHP Ltd and Woodside Energy Ltd. She is the Acting Chief Executive Officer of the Centre of Sustainable Resource Processing.

Ms Smyth is currently a Board Member of the Diabetes Research Foundation; a Member of the Senate of the University of WA, a Trustee of the Committee of the Economic Development of Australia and a Fellow of the Australian Institute of Company Directors.

<b>CR DES ROTHE (Commenced 2004) Deputy Chair</b>	<b>Local Government</b>	<b>2007</b>	<b>2 of 2</b>
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Cr Rothe is a long term resident of the Pilbara. He has served as a Shire of Roebourne Councillor for 5 years and is currently Deputy Shire President. Cr Rothe has owned and operated a contracting business in Karratha for 25 years. He is the President of the Karratha Country Club and a recipient of the Prime Minister's Centenary Medal.

<b>DR LOUISE RUSSELL (Commenced 2004)</b>	<b>Community</b>	<b>2007</b>	<b>2 of 2</b>
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Dr Russell previously held the position of Senior Paediatric Registrar at the Sydney Children's Hospital. She has had extensive experience working in the public health arena, including working with the Roebourne community as a Health Education Trainer. Dr Russell has an interest in social and economic development and has held the position of Chair of the Pilbara District Health Advisory Council.

<b>CR DES PIKE (Commenced 2004)</b>	<b>Local Government</b>	<b>2007</b>	<b>1 of 2</b>
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Cr Pike is a long term resident of the Pilbara. He has served as a Town of Port Hedland Councillor for a period of 3 years. He is a life member of the Finucane Island Sports and Recreation Club after serving 9 years on the Committee including a period as a Vice President. Cr Pike is also a member of a number of other committees in Port Hedland.

<b>CR DOUG STEAD (Commenced 2003)</b>	<b>Local Government</b>	<b>2006</b>	<b>6 of 7</b>
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Cr Stead has lived and worked in Newman since 1978. Cr Stead is a Mechanical Tradesperson with BHP Billiton Iron Ore and is a Councillor with the Shire of East Pilbara. He has assisted with several initiatives at Newman, including the BHP Billiton Iron Ore Housing Policy and the employment of local apprentices.

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<b>CR JOHN MACGOWAN (Commenced 2000) Community</b>	<b>2006</b>	<b>7 of 7</b>
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Cr Macgowan has lived and worked in the north of Australia for the past 27 years and specifically in the North West of Western Australia since 1989. Until the collapse of Ansett Airlines in September 2001, Mr Macgowan was the North West Manager for the airline incorporating the ports of Kununurra, Derby, Broome, Port Hedland, Newman and Karratha. In October 2001, Cr Macgowan became a partner in Harvey World Travel Karratha, which holds the ground-handling contract for Qantas and Skywest at the Karratha Airport. Cr Macgowan was elected as a Councillor of the Shire of Roebourne in December 2004.

Cr Macgowan holds an executive position with the Karratha and Districts Tourist Information Centre. He is currently Secretary of the Nor-West Jockey Club and is a member of the Karratha Rotary Club.

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<b>MR BRIAN HAYES (Commenced 2003) Local Government</b>	<b>2006</b>	<b>7 of 7</b>
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Mr Hayes is a long term Onslow resident and is a member of the Thalanyji Aboriginal people. He was a member of the Shire of Ashburton Council for ten years, during which time he served as Shire President for seven years. Mr Hayes is employed as the Administration Services and Community Liaison Officer with Onslow Salt Pty Ltd.

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<b>CR JANET GILLINGHAM (Commenced 2003) Community</b>	<b>2006</b>	<b>6 of 7</b>
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Cr Gillingham is a self employed music teacher who is a long term resident of Port Hedland. She is involved in the area of community arts development and has held many teaching positions throughout her career including lecturing in music for Edith Cowan University in Port Hedland. Cr Gillingham was elected as a Councillor of the Town of Port Hedland in May 2005.

Cr Gillingham has held the position of Community Music Programme Co-ordinator which has seen her assist in the co-ordination of numerous music festivals. She is also a member of the Isolated Children Parent's Association.

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<b>MRS ROBYN CRANE JP</b>	<b>Ex-officio Member</b>	<b>7 of 7</b>
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Mrs Crane came to live in the Pilbara in 1971 and worked in the area of small business development and management prior to joining the Western Australian Public Service in 1985. Mrs Crane has held a number of senior executive positions and has represented the Western Australia Government on several high level working groups.

Mrs Crane was a Councillor with the Shire of Roebourne for 10 years, 5 of which she served as Shire President. She continues to represent the Pilbara on a number of taskforces including the Curtin University of Technology Regional Education Committee. As the Acting Chief Executive Officer, Mrs Crane is responsible for the day-to-day management of the Pilbara Development Commission.

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**Members who retired during 2004/2005:**

<b>CR BRENT RUDLER</b>	<b>LOCAL GOVERNMENT</b>	<b>RESIGNED</b>	<b>20 DECEMBER 2005</b>	<b>3 of 5</b>
<b>MR CHARLIE SMITH</b>	<b>COMMUNITY</b>	<b>RESIGNED</b>	<b>17 MAY 2005</b>	<b>2 of 6</b>

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## OUR STAFF

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The Chief Executive Officer is accountable for the overall operation of the Pilbara Development Commission. Staff work within the Commission's five areas of operation.

### **VOLUNTEERS**

A number of the activities initiated by the Commission rely on the support and advice of volunteers. The Commission would like to acknowledge the support of our volunteers throughout the year.

### **SENIOR OFFICERS**

(Appointed under the *Public Sector Management Act (1994)*)

#### **Mrs Robyn M Crane, Acting Chief Executive Officer**

The Acting Chief Executive Officer advises the Board on policy options, advises the Minister on issues and policies pertaining to the Pilbara region and directs activities of the Pilbara Development Commission.

#### **Mr Mark Hainsworth, Coordinator Policy & Corporate Services**

The Coordinator Policy and Corporate Services researches and develops policy options and liaises with agencies, industry and community groups to progress the economic and social development of the Pilbara.

#### **Mrs Trish Barron, Coordinator Community Development**

The Coordinator Community Development undertakes the coordination of community development activities including the Port Hedland and Roebourne Enhancement Schemes.

#### **Mrs Allyson Grant, Manager Finance and Administration**

The Manager Corporate Services manages and controls the financial, administrative and human resource functions of the Commission and assists in the administration of the organisation.

# REPORT ON HUMAN RESOURCES

As at the end of June 2005 the Commission had 11 employees.

Forty five percent of employees were aged over 45 while eighteen per cent were aged less than twenty five years. Ninety percent of employees were female and nine percent of employees were from an Indigenous background.

The table below shows employees by gender as at 30 June 2005, as reported under the *Equal Opportunity Act (1984)*.

Staff Levels	Total Staff	Number of Staff	
		Female	Male
Level 1	1	1	0
Level 2	0	0	0
Level 3	3	3	0
Level 4	1	1	0
Level 5	3	3	0
Level 6	0	0	0
Level 7	2	1	1
Level 8	0	0	0
Level 9	1	1	0
Total	11	10	1

## STAFFING POLICIES

The Pilbara Development Commission has a number of staffing policies that have been developed to guide the Commission and its staff in their work. The Commission also incorporates whole of government policy, agreements and legislative initiatives in its human resource management practices.

## CODE OF CONDUCT

The Commission's staff members are guided by a Code of Conduct, which is a statement of the ethical principles, values and behaviours expected of Pilbara Development Commission employees.

The Commission's Code of Conduct articulates the way Commission staff should interact with each other and their clients. Staff members are given the Code of Conduct on appointment. It is also available on the Commission's information network.

## INDUSTRIAL RELATIONS

The Commission's employees are employed under the *Public Sector General Agreement (2004)*.

## OCCUPATIONAL HEALTH AND SAFETY

The Pilbara Development Commission continues to inform staff and make policies in relation to any Occupational Health and Safety situations.

The Pilbara Development Commission has an Occupational Health and Safety Committee as provided for by Occupational Health and Safety legislation.



## TRAINING DEVELOPMENTS AND ACHIEVEMENTS

Organisational and employee development is supported through the provision of training and staff development days. Development of employees' skills is a high priority and the Commission attempts to make training not only relevant to the needs of the organisation but of personal benefit to the employee.

Training is identified annually during staff performance reviews. Due to the dynamic environment and variety of activities undertaken by the Commission, training is also considered on an ongoing basis throughout the year.

During 2004/2005 employees were involved in a range of skill renewal, development and knowledge based activities that included topics such as Advanced Report Writing, RecFind, How to Manage Meetings as well as Government Financial and Administrative functions. All employees participated in three Commission staff development days throughout the year.

The Commission expended a total of \$13,834 on development and training activities during the reporting period.

# SECTION 5.

## OUR PERFORMANCE

### REPORT FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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The Pilbara continues to see major investment into the resources sector particularly in the iron ore and petroleum industries. During this financial year resource projects worth \$4.2 billion were completed and commissioned in the region with commitments for a further \$4.3 billion investment over the next one to two years. A further nine projects with a total capital expenditure of \$22.7 billion are currently under consideration for the Pilbara.

It is important that the region builds on the opportunities created by such large investment in order to diversify and expand the economic and social development of the region. The Commission has continued to work with industry, business and community to ensure that expansion of the resources sector contributes to a sustainable future for the region. It is important that the Commission continues to facilitate a balance of social and economic development in the region in line with evolving community priorities such as those contained in the Pilbara Regional Priority Plan.

#### THE YEAR IN REVIEW

During 2004/5 the Commission continued to deliver services under its three key service areas of:

- Business and Industry Development
- Infrastructure and Service Identification and Coordination
- Regional Promotion and Information Services.

As part of its Infrastructure and Service Identification and Coordination service the State Government has given the Commission the additional responsibility of implementing Enhancement Schemes for the communities of Roebourne and Port Hedland.

#### BUSINESS AND INDUSTRY DEVELOPMENT

The rapid pace of industry development has been a challenge and has demonstrated the need for a coordinated State Government response to a number of economic and social issues. The Commission continued to monitor land availability in Karratha through the Nickol Bay Accommodation Taskforce and established the Central Pilbara and Port Hedland Coordinating Taskforces to respond to development issues. The Taskforces have been instrumental in addressing shortfalls in residential land availability and much needed land should become available in Karratha, Newman, Tom Price, and Port and South Hedland in early 2006.

Business development assists both in strengthening and diversifying the region's economy. During the year the Commission has worked hard to establish strong linkages with the region's Chambers of Commerce to assist the small business sector in promoting its services and obtaining advice and information.

To this end the Commission has worked with the Port Hedland and Karratha and Districts Chambers of Commerce in developing the Pilbara Business Capability Register which will provide small businesses in the region with an online presence to market their goods and services.

The relationship that has been developed with the Chambers of Commerce during the capability register project has formed a strong basis for examining issues of joint concern such as housing affordability and the shortage of skilled employees for the small business sector.

The Commission's Internet Advisor worked with industry and business in demonstrating the potential uses of broadband technology in the small business sector. Concurrently the Commission worked with Telstra Countrywide to ensure that terrestrial Broadband ADSL services were made available in Karratha, Port Hedland, Newman, Paraburdoo and Tom Price.

## **INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION**

Modern, well maintained and efficient infrastructure is critical to the delivery of community services to residents of the region as well as for the development of industry. During the year the Commission, in conjunction with the Pilbara Regional Council, completed a preliminary audit of community infrastructure across the region. The project demonstrated that a substantial amount of the region's public infrastructure is approaching the end of its economic life and that this will present a number of challenges for local government.

In response to the continuing issues surrounding provision of infrastructure and associated service delivery the State Government established the \$20 million Pilbara Fund in August 2005. The Pilbara Development Commission has played a pivotal role in providing executive support to the Pilbara Partnership Priority Steering Committee, establishing the guidelines for funding and administering the Scheme. In its first round the Scheme provided committed funding of \$6.986 million to 40 successful projects which had a total value of \$24.070 million.

This year saw the final elements of the \$3.5m Roebourne Enhancement Scheme begin to come to fruition. The Scheme has contributed to significant improvements to the amenity of the town including a redevelopment of the main street, an upgrade of community infrastructure such as parks and tourist facilities and a refurbishment of the town's historic cemetery. In addition, three of the major projects of the Scheme; the Harding River Recreation Precinct, the first stage of the town's underground power project and the first stage of the Roebourne Youth Precinct have commenced and should be completed by the end of 2005.

Similarly, the Port Hedland Enhancement Scheme has made significant progress in the Stage I elements which include the redevelopment of public recreation areas at Cemetery Beach, Pretty Pool and the ocean side of the Port Hedland Civic Centre. The Commission had hoped that construction of these areas would have been completed this year but the need to obtain appropriate environmental and heritage clearances has extended the time frame for development. However, the Commission acknowledges that the need to obtain such clearance is an integral part of community acceptance of the projects.

The Commission has also worked in partnership with the Newman Collocation Centre's Building Management Committee, BHP Billiton Iron Ore and the Shire of East Pilbara to finalise the designs and costings and identify funding for a Collocation Centre in Newman. The new facility will enhance the delivery of services to the town through the provision of affordable office space for a range of non government organisations and a dedicated wing to accommodate a range of early childhood programs and services.

## **REGIONAL PROMOTION AND INFORMATION SERVICES**

The Commission has continued to provide information on the region to a wide range of clients interested in the development of the Pilbara. The Commission maintained a presence at the Western Australia on Show Expo that coincided with the opening of the Perth Convention Centre. The Commission also continued with its successful promotion of the region at the Perth Royal Show.

The Commission supported two major planning initiatives by the Department of Planning and Infrastructure in the region namely the Dialogue with Newman and Enquiry by Design in Port Hedland.

The Commission's involvement was critical in ensuring that not only were the events well attended by local people but important issues such as dust control continue to be raised within the relevant areas of government.

The Commission initiated in collaboration with the local Soroptimists and Business and Professional Women's Associations, the Pilbara Women in Management Project Forums which were held in Dampier and Port Hedland. The Forums provided an avenue to encourage networking and professional development opportunities for women in senior management positions across the Pilbara. Both Forums were well supported and feedback showed that the information provided was highly valued.

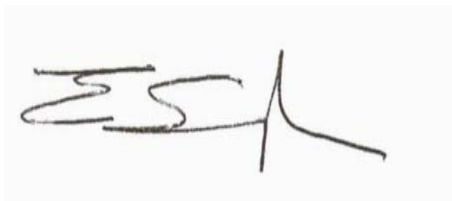
## FUTURE DIRECTIONS

The development of the resources sector in the Pilbara is likely to be a key driver of the Western Australian economy for a considerable period of time into the future. The challenge for the Commission will be to ensure that communities in the region obtain the maximum possible benefit from this development while ensuring their long term sustainability.

It is important the region develops in a sustainable way that brings new opportunities to all residents as well as supporting the region's natural environment. In 2005/06 we will not only continue our focus on facilitating the development of public infrastructure and improving community amenity and services, but will also continue to develop strategies to assist the small business sector and further promote the region. We will continue to work with other Commissions to raise the awareness of regional issues and to ensure service delivery into the regions is prioritised.

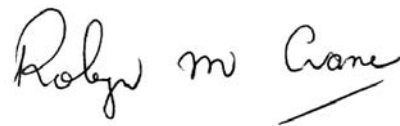
We would like to thank our fellow Board Members for their balanced and considered contributions to the Commission's strategic direction. In addition we would like to thank the hard work and dedication of the Commission's staff in achieving the organisation's objectives.

We also wish to recognise that in facilitating the development of the region the Commission is fortunate to have the support of the local communities as well as the many State, Federal and Local Government agencies, businesses and individuals with whom we interact.



Erica Smyth  
Chairman

Date: 29<sup>th</sup> August 2005



Robyn M Crane  
A/Chief Executive Officer

Date: 29<sup>th</sup> August 2005

## **KEY AREAS OF ACTIVITY**

### **SERVICE 1 - BUSINESS AND INDUSTRY DEVELOPMENT – PRIORITY OUTCOMES**

#### **KEY ACHIEVEMENTS**

##### **Provision of Enabling Infrastructure**

- Worked with Pilbara TAFE and other education stakeholders in planning the development for a series of online learning centres.
- Completed an analysis of the costs of housing construction in the Pilbara.
- In conjunction with Telstra Country Wide, ensured that the towns of Newman, Tom Price and Paraburdoo received ADSL services.
- In conjunction with the Department of Industry and Resources, secured State Government funding for Wireless North West to provide mobile telephony along the North West Coastal Highway.

##### **Land Use Planning and Timely Land Release**

- Worked with Landcorp, the Department of Planning and Infrastructure and the Department of Housing and Works to address shortfalls in residential land availability in Newman, Tom Price, Port and South Hedland and Karratha.

##### **Business and Industry Facilitation**

- Worked with the region's Chambers of Commerce and key stakeholders in the resources sector in developing an electronic Pilbara Business Capability Register.
- Regional Investment Tour of potential investment opportunities in the region completed.

##### **Government Coordination**

- Established the Central Pilbara Coordinating Taskforce to provide a coordinated approach to the expansion of the resources sector in the inland mining towns.
- Established the Port Hedland Coordinating Taskforce to provide a coordinated approach to the expansion of the resources sector in the Town of Port Hedland.
- Worked with key stakeholders in providing assistance and advice to Murdoch University's Pilbara Sustainability Strategy.
- Administered the Pilbara Regional Development Scheme.

### **SERVICE 2 - INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION - PRIORITY OUTCOMES**

#### **KEY ACHIEVEMENTS**

##### **Focused Health Services**

- Worked with the Department of Planning and Infrastructure and the Department of Health to determine viability of an intra-regional air service to support patient transfers
- Commenced work with the Department of Indigenous Affairs and the Federal Government's regional Indigenous Coordinating Centre to examine passenger transport options for Indigenous communities.
- Worked with the Pilbara Gascoyne Health Service to improve the quality of housing for staff in Port Hedland.

### **Sustainable Local Government**

- Assisted the Shire of Ashburton in achieving the outcomes of the “Towards Tomorrow Prosperity” conference.
- In conjunction with the Pilbara Regional Council, completed an infrastructure audit of local government authorities of the region.
- Assisted the Shire of Ashburton and the Onslow community to develop, implement and enhance infrastructure and services to the community.

### **Government Coordination**

- Assisted the Jigalong community in securing funding for a collocation project in the community to enhance service delivery.
- Worked with the Newman community in finalising designs and securing funding for a collocation centre in Newman.
- Hosted an annual forum for State Government agencies to enable sharing of information and improvement of coordinated service delivery.
- Established the guidelines and administered the first round of the Pilbara Fund.

### **Roebourne Enhancement Scheme**

- Completed the redevelopment of the old Roebourne Cemetery.
- Completed upgrades of Andover and Yijardi Parks.
- Provided funding to assist with Western Power's program to underground the Roebourne power supply.
- Commenced the upgrade of Roe Street.
- Completed the design of a multi-use outdoor facility and secured funding for its construction.
- Finalised the development of the Mt Welcome tourist facilities.
- Commenced the upgrade of Harding River Precinct including the upgrade of Centenary Park.
- Facilitated the planning of a Youth Centre and shared use oval.
- Facilitated the planning for a position to develop the skills and capacity of Roebourne youth.

### **Port Hedland Enhancement Scheme**

- Finalised designs and costings for the redevelopment of the Pretty Pool recreation area.
- Finalised designs and costings for the redevelopment of the Cemetery Beach Park.
- Finalised designs and costings for the redevelopment of the ocean side of the Civic Centre as a performing arts area.
- Provided shade and seating as part of the redevelopment of the foreshore walking circuit.
- Provided additional beach shade along the Port Hedland foreshore.
- Completed concept design and report for the upgrade the Wedge Street amenity in the CBD.
- Commenced a project to develop an Arts Precinct in the Port Hedland CBD.
- Commenced a project to investigate recreation development opportunities on the Spoilbank at Mystery Bay.
- Commenced a project to upgrade the Port Hedland Cultural and Heritage Trail.

## **SERVICE 3 - REGIONAL PROMOTION AND INFORMATION SERVICES - PRIORITY OUTCOMES**

### **KEY ACHIEVEMENTS**

#### **Government Coordination**

- Supported the Department of Planning and Infrastructure in conducting Dialogue with Newman promoting sustainable development and determining priority issues in Newman.
- Supported the Department of Planning and Infrastructure in conducting the Enquiry by Design process in Port Hedland.
- Produced a housing and land snapshot for the Karratha and surrounding areas to indicate changes in rental and housing prices over the last 2 financial years.

#### **Regional Promotion**

- Developed promotional material for a Pilbara stand at the Western Australia On Show exhibit.
- Completed promotional material and stand promoting the Pilbara at the Perth Royal Show.
- Developed a static display for future promotional and marketing opportunities.
- Provided support to the Cossack Art Award and Pilbara Music Festival.
- Developed a photographic library of images promoting the Pilbara.

#### **Business and Industry Facilitation**

- Provided support for regional small business awards.
- Held a series of Women in Management Seminars.

# REPORT ON ACCESS, EQUITY AND CUSTOMER FOCUS

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This section, which includes a number of the Commission's obligatory reporting requirements, is presented according to the goal areas of the State Government's 'Strategic Planning Framework': People and Communities, The Economy, The Environment, The Regions and Governance.

## GOAL 1: PEOPLE AND COMMUNITIES

### DISABILITY SERVICES PLAN

The Commission is responsible for monitoring and implementing the Pilbara Development Commission's 'Disability Services Plan', which is currently under review. The Disability Services Plan provides an important mechanism for monitoring and evaluating the Commission's services to ensure that it meets the accessibility needs of its customers, people with disabilities, their families and carers.

During 2004/2005, the Commission has:

- Adapted existing services where necessary to ensure they met the needs of people with disabilities;
- Continued to review the suitability of access to buildings and facilities and addressed the requirement for disabled access by providing access for people with disabilities in its tenancy lease renewal;
- Made information about services available in different formats to meet the communication requirements of people with disabilities;
- Made staff aware at induction of all legal requirements and Commission policies, including the Disability Services Plan; and
- Advertised all conferences, seminars and promotions in the local newspaper and on radio to ensure opportunities are provided for people with disabilities to participate in public consultations and decision making processes.

The Commission is committed to providing information to people with disabilities in appropriate formats on request and is compiling a register of services available in the region that can provide formats such as Braille as required.

### CULTURAL DIVERSITY AND LANGUAGE SERVICES OUTCOMES

The Commission will continue to use interpreter services such as the Western Australian Institute of Translators and Interpreters and local Indigenous groups such as Wangka Maya Pilbara Aboriginal Language Centre to provide information on its activities and programs as required.

### YOUTH OUTCOMES

The Pilbara Development Commission recognises that provision of programs and services that benefit young people in the region have a positive impact on the well-being of not only young people but the community at large. During the year the Commission instigated a number of programs targeted at young people including:

- Facilitating the Roebourne Youth Development Officer program
- The development of on-line learning and video conference facilities across the region
- Facilitating Stage 1 of the Roebourne Youth precinct Master Plan



## CUSTOMER FOCUS OUTCOMES

The Commission's Executive monitors the customer service operations of the Pilbara Development Commission to ensure that throughout the Commission there is an understanding of the needs of our customers and that our services are delivered in a relevant manner.

The Pilbara Development Commission Board and staff are committed to providing a high level of customer service in a friendly and courteous manner. The Commission's staff maintain the highest ethical standards of honesty and fairness and endeavour to respond quickly to all verbal, written and electronic requests for information and services.

At all times, the staff and Board of the Commission guarantee confidentiality and to report regularly on the progress of work. Information is provided in an open, honest and accountable manner. A comprehensive annual survey is conducted to monitor performance.

The Pilbara Development Commission welcomes feedback on its activities and services and encourages clients and the general public to contact the Commission with any comments or suggestions that may assist the Commission to improve its service delivery.

## CLIENT SURVEY

The Commission measures its performance through an annual client survey. Key customer groups of the Commission are State and Commonwealth Government agencies, the region's Local Governments, the business and industry sector and local community organisations.

Clients are surveyed to determine their views and understanding of the Commission's role, activities and performance.

The survey questionnaire was distributed to 146 clients. A total of 107 completed surveys were returned to the Commission, representing a client response rate of 73.29%.

The results of the survey indicate that there has been an increase in the recognition that the Commission performs a role involving economic and social development in the region. There has been an increase in the broad recognition that the Commission is involved in the development of the Pilbara.

Survey respondents rated the Commission positively in providing a regional development service in relation to effectiveness, timeliness and quality of service.

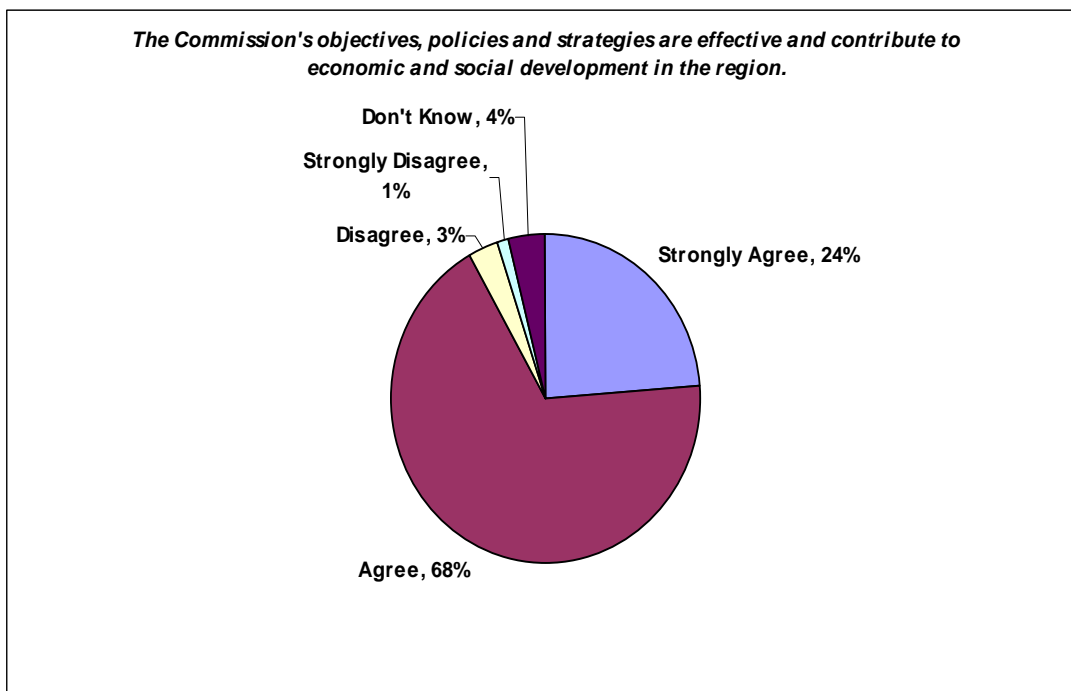
The Commission's three strategic service areas were evaluated in this survey period. All responses are above the mid range level of the rating scale indicating an overall belief that the priorities are effective.

The results for the Commission's clients show that the level of accessibility to the Commission's services has remained constant.

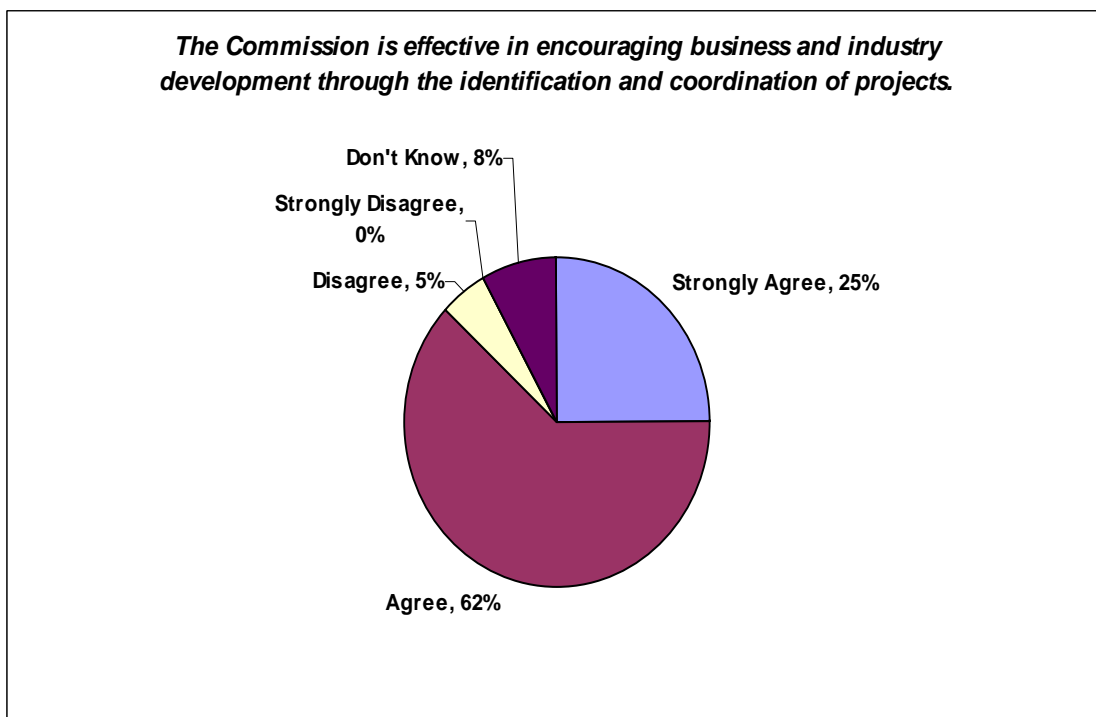
Ratings of the Commission's performance in relation to the effectiveness of the services delivered show sound results. When compared to 2003/2004 there is an overall improvement in the level of satisfaction with the Commission's services.

The Commission performed well in relation to all aspects of organisational performance, with results reflecting a marginal improvement.

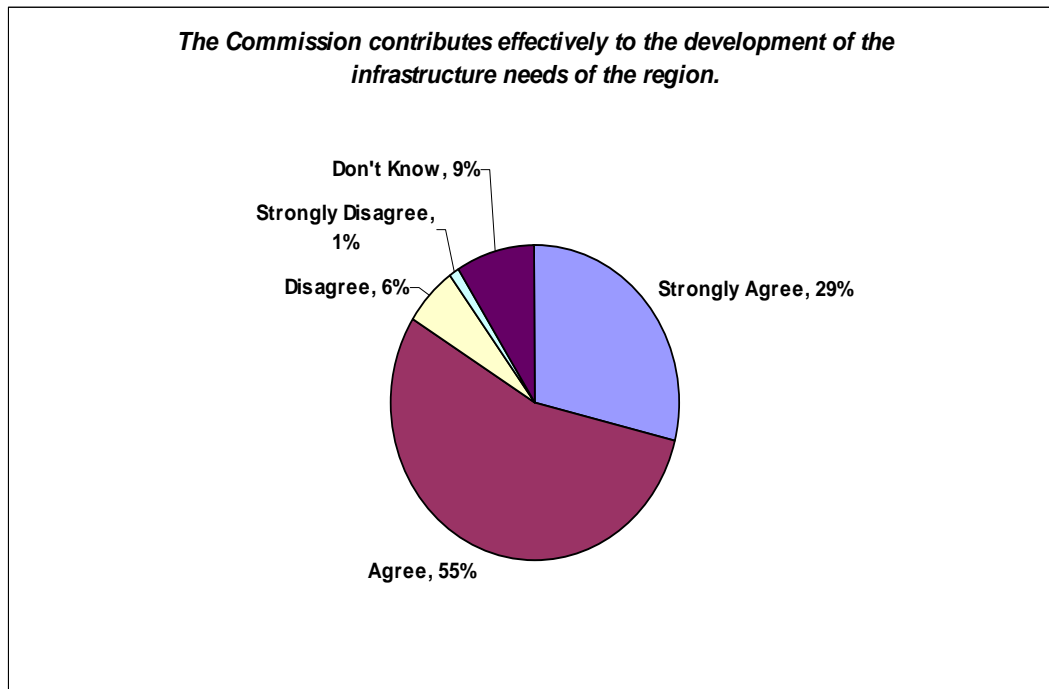
Question - The Commission's objectives, policies and strategies are effective and contribute to the economic and social development in the region.



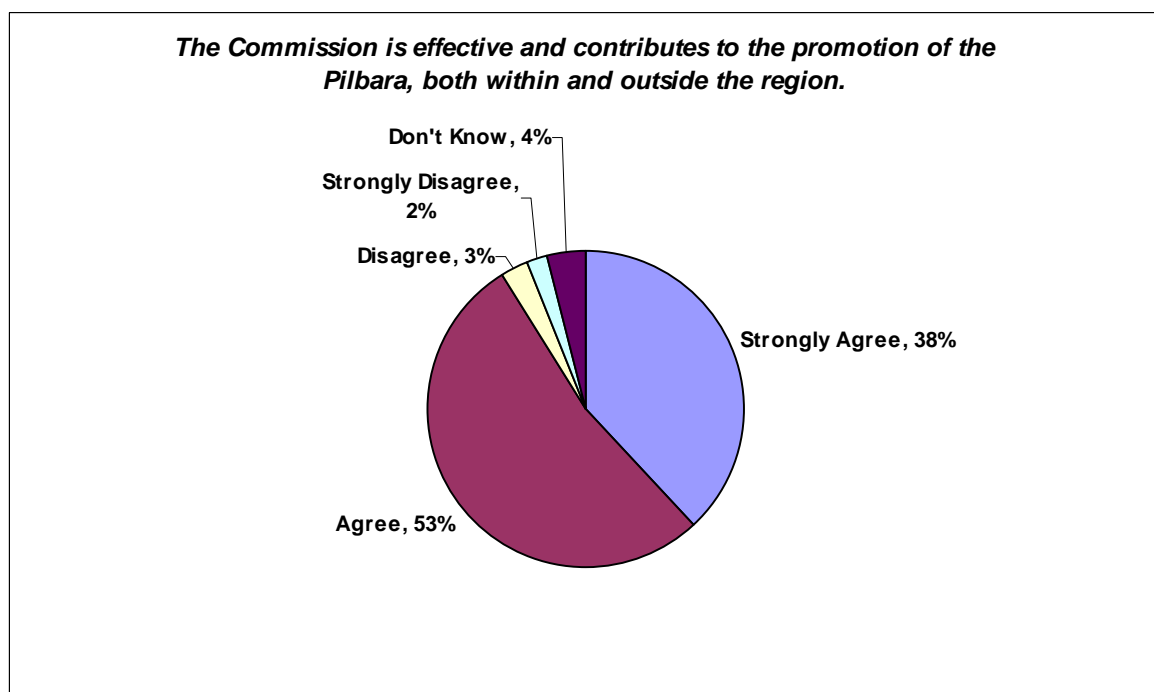
Question - The Commission is effective in encouraging business and industry development through the identification and coordination of projects.



Question - The Commission contributes effectively to the development of infrastructure needs of the region.



Question - The Commission is effective and contributes to the promotion of the Pilbara, both within and outside the region.



## GOAL 2: THE ECONOMY

The Pilbara Development Commission complies with the prescribed accounting and reporting requirements for government agencies. The Commission's performance indicators for the year ended 30 June 2005 are provided in Section 6 and its financial statements for the period, prepared in compliance with the provisions of the *Financial Administration and Audit Act (1985)*, in Section 7.

## GOAL 3: THE ENVIRONMENT

The Commission is committed to the State's strategic goal to improve the amenity of our environment.

The Commission has partially completed the cleanup of the Harding River in Roebourne which to date has resulted in approximately 34 tonne of glass being removed.

The Commission has also co-funded with the Shire of Roebourne, an environmental program in Roebourne, to improve the amenity of the town.

The Commission has undertaken considerable consultation to ensure that the lighting for the upgrade of foreshore parks in Port Hedland has been designed to minimise any impact on the Flatback Turtle nesting environment.

## GOAL 4: THE REGIONS

### REGIONAL DEVELOPMENT POLICY

As an agency responsible for facilitating and promoting the economic and social development of the Pilbara region, the Pilbara Development Commission contributes to the State Government's outcome on Strong and Vibrant regions.

Similarly the activities of the Commission assist the State Government in achieving the outcomes of the *Western Australian Regional Development Policy*. The Commission is required to report on strategies in 7 of the 16 Outcome areas of the policy.

The report on the operations of the Commission contained in this Annual Report provides examples of activities and projects where the Commission has contributed to the outcomes of the policy.

### COMMISSION GRANTS

The Pilbara Development Commission administered two grant programs during 2004/2005: The Pilbara Regional Development Scheme and the Pilbara Fund.

### PILBARA REGIONAL DEVELOPMENT SCHEME

The aim of Regional Development Scheme is to encourage, promote and support the sustainable development of the Pilbara region of Western Australia. This is achieved by funding projects that assist in attracting investment and increasing job opportunities, enhancing the quality of life for Pilbara communities and contribute to protecting the environment.

Under this Scheme \$439,316 was provided during the reporting period for the Pilbara Development Commission to administer grants for regional development projects in the Pilbara region. The following successful grant applications were approved in 2004/2005:

Recipient	Project Name	Grant
Shire of East Pilbara	Stage 2 of the Newman Skate Park	\$19,912
Town of Port Hedland	Assist with running costs of the Pilbara Black Rock Stakes	\$14,500
Pilbara Aboriginal Chamber of Commerce	Assist establish a Pilbara Association of Non-Government Organisations	\$55,000
Paraburdoo & Tom Price Youth Support Association Inc	Expansion of an existing music program for youth in the area	\$26,295
Hedland Well Women's Association	Assist complete the Association's new premises	\$26,208
Shire of East Pilbara	Upgrade of grandstand and toilet facilities at Boomerang Oval	\$16,091
Shire of East Pilbara	Development of a recreational lookout at Nullagine	\$21,562
Paraburdoo Community Support Group Inc	Feasibility study into a multi-functional sports complex	\$ 6,000
Shire of Ashburton	Upgrade Doug Talbert park in Tom Price	\$50,000
Shire of Ashburton	Lions Park improvement plan	\$59,459
Shire of Ashburton	Support for an analysis of works required for the refurbishment of public pools	\$ 5,000
Shire of East Pilbara	Support for an analysis of works required for the Newman Fitness Centre upgrade	\$ 9,000
Shire of East Pilbara	Consultancy to provide a detailed strategy for Shire accommodation upgrades in Newman	\$ 7,500
Dept of Indigenous Affairs	Development of literature for cultural protocols	\$ 4,000
Pilbara TAFE	Support for enrolled nursing students to travel to Perth	\$ 6,136
The Pilbara Regiment	Assist with costs to erect a Pilbara Regiment memorial	\$ 5,000
Karratha Youth Housing Project Inc	Assist with costs for travel for the Roebourne Youth Group to attend a Trade Fair and Awards Night in Perth	\$22,000
Port Hedland Chamber of Commerce Inc	Funds to purchase a new telephone system and computer	\$ 6,000

## THE PILBARA FUND

The Pilbara Development Commission manages the financial administration for the Pilbara Fund which was established to provide financial support to accelerate investment in the community and Government infrastructure throughout the Pilbara, particularly in the areas of health, education, recreation, culture and other infrastructure projects.

The Premier of Western Australia announced the \$20 million Pilbara Fund on 26 July 2004. The allocation of funds to the Pilbara Fund was set at \$5 million per annum for four years commencing in the 2004/05 year.

The following successful grant applications were approved in 2004/2005:

Recipient	Project Name	Grant
Shire of Ashburton and Shire of East Pilbara	Shared Town Planner to assist in strategic and statutory planning issues arising as a result of the expansion of the resources sector	\$112,500
Shire of East Pilbara	Refurbishment of the 25 metre pool at Newman and the development of a hydrotherapy facility	\$327,272
Shire of Roebourne	For the construction of a sport and recreation facility at Bulgarra Oval	\$354,000
Town of Port Hedland	Upgrading the South Hedland Aquatic centre	\$162,750
Shire of East Pilbara	To fit out the Community Centre in Marble Bar as a multifunctional building	\$ 76,000
Shire of East Pilbara	For play equipment upgrades in Newman, Nullagine and Marble Bar.	\$104,545
Shire of Ashburton	Assist with planning the revitalisation of Tom Price, Paraburdoo and Onslow town centres	\$ 30,000
Town of Port Hedland	Assist in the completion of the Well Women's Centre in South Hedland	\$ 63,636
Shire of Roebourne	Extend the Millars Well Childcare facility to provide additional childcare places to meet excess demand	\$500,000
Shire of Ashburton	To undertake a technical study to determine the cause of poor Television reception in Onslow	\$ 5,000
Town of Port Hedland	Upgrade of the South Hedland Library	\$213,036
Hedland Senior High School	Upgrade of the Matt Dann Performing Arts Centre and to provide disabled access to the second storey of the school	\$430,000
Western Australian Country Health Service	The refurbishment of Newman Community Health Centre	\$ 45,454

Recipient	Project Name	Grant
Western Power	Assist in the undergrounding of the electrical network in Roebourne	\$500,000
Tom Price Senior High School	Development of a shared community service area	\$59,091
Port Hedland Primary School	Construction of additional permanent shade area	\$100,000
Disability Services Commission	To assist in the provision of equipment for people with disabilities in the Pilbara	\$ 8,181
Tom Price Primary School	Reinvigorate the school grounds and student play areas	\$ 50,000
Hedland State Emergency	Construct a stowage facility for emergency service vehicles and equipment	\$350,000
Karratha Senior High School	Assist in developing Pilbara Secondary schools as Special Program Schools with an environmental management focus	\$ 34,876
Western Australian Country Health Service	To provide quality housing for medical staff in Port Hedland	\$750,000
Baptist Union of Western Australia	Upgrade of existing childcare and recreation facilities in South Hedland	\$ 30,000
Curtin University	Provide scholarships for Pilbara residents wishing to undertake higher education	\$ 75,000
Gumala Aboriginal Corporation	Establish a range of tourist accommodation facilities at the Savannah Camp Ground in the Karijini National Park	\$1.233 million
Ngarliyarndu Bindirri Aboriginal Corporation	Transform a disused building in Roebourne into a purpose built art teaching facility	\$169,755
Pilbara Aboriginal Chamber Of Commerce Inc	Establish a coordination hub to increase the effectiveness of non government organisations	\$ 40,000
Wangka Maya Pilbara Aboriginal Language Centre	Assist in the development of an Indigenous language, culture and heritage centre in South Hedland	\$400,000
Billabong Playgroup	Refurbishment of playgroup facilities	\$ 10,000
Newman Sobering up Shelter	To restructure and revitalise the existing mobile patrol service	\$ 84,959
Port Hedland Tennis Club	Upgrade courts and buildings	\$ 54,545
Nintirri Centre	Upgrade of furniture and equipment for the Nintirri Day Care Centre in Tom Price	\$ 8,153
Dampier Community Association Inc	Upgrade of the Transit Caravan Park in Dampier	\$ 16,142

Recipient	Project Name	Grant
Hedland Community Living Association Inc	Provide equipment to enable people with disabilities and their carers to access beach locations	\$ 8,000
Karratha Kart Club	Replacement and upgrade of lighting	\$ 41,967
Paraburdoo and Tom Price Youth Support Association Inc	Employment of a Project Officer to identify and respond to the needs of "at risk" youth living in Tom Price, Paraburdoo and surrounding communities	\$150,000
Youth Involvement Council	Extend existing facilities to provide greater opportunities for young people to access the South Hedland Youth Centre	\$234,000
St Cecilia's College	Assist in the completion of a junior playground area and surrounding gardens	\$ 10,000
South Hedland Bowling And Tennis Club Inc	Installation of a synthetic bowling green to enhance existing facilities	\$ 45,454
Juluwarlu Aboriginal Corporation	Assist in the development of a business plan for a Digital Media Productions facility	\$ 15,000
Ngarluma Yindjibarndi Foundation	Assist in the design of a Cultural Centre in Roebourne	\$ 85,000

## GOAL 5: GOVERNANCE

### EQUAL EMPLOYMENT OPPORTUNITY (EEO)

The Pilbara Development Commission is committed to the promotion of a non-discriminatory and harassment free working environment for all employees.

As at 30 June 2005 the Commission had 11 employees. Forty five percent of employees were aged over 45 whilst eighteen percent of employees were aged less than 25 years.

Indigenous employees made up nine percent of the staff.

The Commission recognises the benefits of workplace diversity and has a continued commitment to furthering these principles. The Commission has developed appropriate policies and procedures for matters relating to Equal Employment Opportunity which have been incorporated into the Commission's Code of Conduct.

The Equal Employment Opportunity (EEO) Plan was prepared in the 1998/1999 financial year. Implementation of the strategies of the plan includes EEO principles which are being incorporated into the Commission's corporate documentation and monitored through the Executive of the Commission. The application of the principles remains the responsibility of managers and is a key consideration in the recruitment, appointment and management of employees. This plan is currently under review.



## FREEDOM OF INFORMATION

The Commission maintains a range of documents relating to its business activities in both hard copy and electronic form. These documents include inward and outward correspondence, contracts, agreements, reports, administrative files, personnel records, project files, financial records, internal manuals, statistical information, minutes of meetings, promotional material, pamphlets and brochures, human resource information and asset records.

The Commission does not charge for brochures and publications. No charge is levied on requests for information or access to files although the Commission does reserve the right to recoup costs.

The contact details of the Freedom of Information Officer are as follows:

Manager Finance and Administration  
Pilbara Development Commission  
PO Box 544  
Port Hedland WA 6721

The Pilbara Development Commission received one application to access information under the *Freedom of Information Act (1992)* during 2004/2005. Full access was granted for this application.

## RECORD KEEPING PLAN

The Pilbara Development Commission is required to have a Record Keeping Plan (RKP) under section 19 of the *State Records Act (2000)*. The Record Keeping Plan is to provide an accurate reflection of the record keeping program of the Commission and must be complied with by the Commission and its employees. Under Part 3, Division 4, the Commission is required to review its RKP periodically or when there is any significant change to the Commission's functions.

As required under Standard 2, Principle 6, of the *State Records Act (2000)*, the Commission confirms the following:

- The efficiency and effectiveness of the Commission's record keeping system is evaluated not less than once every five years;
- The Commission conducts record keeping training for staff through its staff induction program as well as annual refresher training;
- The efficiency and effectiveness of the record keeping training program is reviewed from time to time for continuous improvement; and
- The Commission's induction program addresses employees' roles and responsibilities in regard to their compliance with the Commission's Record Keeping Plan.

## PUBLIC SECTOR STANDARDS AND CODE OF ETHICS

The Commission has complied fully with the 'Public Sector Standards, Code of Conduct and Code of Ethics'. Compliance has been monitored throughout the year through a process of quality assurance decisions relating to recruitment, selection and employment.

During the 2004/2005 year the Commission developed 'Code of Conduct' manuals for both staff and Board Members of the Commission which incorporated the Public Sector's 'Code of Ethics'. The review of the Commission's 'Code of Conduct' is to be incorporated into the Commission's internal audit program.

The Commission views the principles embodied in the 'Public Sector Standards, Code of Conduct and Code of Ethics' as paramount and as such they are reflected in the management processes practised by the agency.

The Commission did not receive any complaints relating to its compliance with the 'Public Sector Standards, Code of Conduct and Code of Ethics' during 2004/2005.

## COMPLIANCE WITH HUMAN RESOURCE MANAGEMENT STANDARDS

As the Commission is a relatively small agency, senior officers and the Acting CEO review, on an informal and case by case basis, the relevant standards that apply to the Commission's operations during the year.

It is the assessment of the Commission that it adhered to all Human Resource Management standards that applied to the Commission's operations during 2004/2005.

The Commission did not receive any breach claims during 2004/2005.

## PUBLIC INTEREST DISCLOSURE

The Pilbara Development Commission views the *Public Interest Disclosure Act (2003)* as the foundation for increasing accountability and public confidence. The provision of complaints and grievance avenues, to both employees and members of the public, is indicative of sound management. Protected disclosures offer another avenue for receiving and resolving complaints.

The *Act* provides a means of assisting in the identification of areas of maladministration, criminal and ethical risk of public interest and taking remedial action in addressing those issues.

A '*Public Interest Disclosure Act (2003)*' policy and internal procedures have been developed to enable the Pilbara Development Commission to meet its obligations under the *Act*.

The Pilbara Development Commission takes all reasonable steps to provide protection to those who make such disclosures from any detrimental action in reprisal for the making of a public interest disclosure. The Pilbara Development Commission does not accept any of its Board members, officers, employees or contractors engaging in acts of victimisation or reprisal against those who make public interest disclosures.

The Public Interest Disclosure Officer is responsible for receiving disclosures of public interest information relating to matters falling within the sphere of responsibility of the Pilbara Development Commission.

The details of the Public Interest Disclosure Officer are as follows:

Manager Finance and Administration  
Pilbara Development Commission  
PO Box 544  
Port Hedland WA 6721

There were no public interest disclosures during the year in review.

## CORRUPTION PREVENTION

A major risk management program in accordance with Treasurer's Instruction 825 using the processes set out in "AS 4360 Risk Management" commenced during 2004/2005 and will be completed in the first quarter of 2005/2006. It will focus on the risks associated with corruption and misconduct and particular attention will be paid to unauthorised access and disclosure of confidential information. The risk management assessment program will focus on the following areas:

### Computer Access

Ensure that a Chief Information Officer with delegated responsibility for managing compliance with privacy requirements and computer security is appointed.

## Staff and Board Induction

Induction practices for staff and Board members are revised to ensure that they are aware of their responsibilities to safeguard confidential information.

## ADVERTISING AND SPONSORSHIP

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

1. Total Expenditure for 2004/2005 was \$27,156-88
2. Expenditure was incurred in the following areas:

Advertising Agencies	Nil		
Market Research Organisations	Nil		
Polling Organisations	Nil		
Direct Mail Organisations	Nil		
Media Advertising Agencies	\$27,156-88	Marketforce	\$19,630-00
		Karratha & Districts Chamber	
		Of Commerce	\$ 900-82
		Britel Enterprises	\$ 680-00
		Northwest Telegraph	\$ 3,073-60
		Unity Publications	\$ 675-00
		The West Australian	\$ 52-00
		Onslow Telecentre	\$ 31-82
		Marble Bar Telecentre Network	\$ 9-09
		Karrungal Neighbourhood Centre	\$ 45-46
		Port Hedland Chamber of	
		Commerce	\$ 1,359-09
		Newman News	\$ 70-00
		WA Police Legacy	\$ 630-00

## COMPLAINT MANAGEMENT SYSTEM

The Pilbara Development Commission is committed to providing its customers with high quality services to meet their needs. Should customers not be satisfied with the services provided or the way in which they are delivered, the Commission is keen to investigate and where necessary, take appropriate actions to rectify any problems.

As such the Commission has developed a 'Complaints Management Policy and Procedures' and has established a customer feedback section on the Commission's website.

## STATE SUSTAINABILITY STRATEGY

The Pilbara Development Commission has a mandate to coordinate and promote the economic and social development of the Pilbara region. In fulfilling this commitment the Commission recognises that development needs to be sustainable.

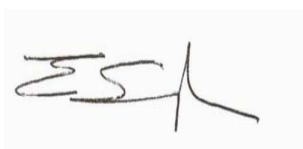
During the year in review, the Commission reported on relevant actions within the 'State Sustainability Strategy', provided comment on the 'Draft Sustainability Code for Practice for Government Agencies' and prepared to comply with requirements outlined in the resource guide for implementing the 'Sustainability Code for Practice for Government Agencies', including the development of a Pilbara Development Commission Sustainability Action Plan.

## SECTION 6.

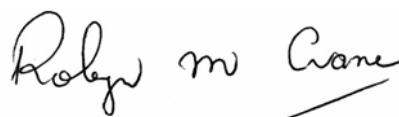
# CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

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We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Pilbara Development Commission's performance and fairly represent the performance of the Pilbara Development Commission for the financial year ended 30 June 2005.



Ms Erica Smyth  
Chairman  
Dated: 29<sup>th</sup> August 2005



Mrs Robyn M Crane JP  
Acting Chief Executive Officer  
Dated: 29<sup>th</sup> August 2005

# OPINION OF THE AUDITOR GENERAL

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## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### PILBARA DEVELOPMENT COMMISSION PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

#### **Audit Opinion**

In my opinion, the key effectiveness and efficiency performance indicators of the Pilbara Development Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2005.

#### **Scope**

##### *The Commission's Role*

The Commission is responsible for developing and maintaining proper records and systems for preparing performance indicators.

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

##### *Summary of my Role*

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON  
AUDITOR GENERAL  
9 November 2005

# PERFORMANCE INDICATORS

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## INTRODUCTION

As part of its reporting requirements, the Commission must report on key effectiveness and efficiency indicators.

The Commission's performance indicators are derived from three sources. These are;

- Financial statements and project reporting sheets
- Survey of Board Members of the Commission
- Customer Survey of Commission Clients

## METHODOLOGY

### Customer Survey of Commission Clients

As a requirement of its strategic plan, the Commission undertook an evaluation of its operations in May 2005. Clients were surveyed to determine their views and understanding of the Commission's role, activities and performance. Previously, similar surveys have been undertaken on an annual basis.

Key performance results from the 2005 survey, including a comparison with results from the 2004 and 2003 survey, are detailed below.

The survey was sent to 146 key clients of the Commission. The key clients comprise Commonwealth and State agencies, Local Governments, business and community organisations that have had regular contact with the Commission over the last twelve months.

Customers are surveyed annually to determine the extent to which the Commission's project activities and services fulfil their needs. Specific questions relating to the outcomes of the Commission were included in the survey and are reported as Key Effectiveness Performance Indicators. The number of questions was maintained at seven. Those questions relating specifically to the effectiveness of the Commission in the delivery of its outputs were retained to enable comparison from year to year. Customers were also given the opportunity to comment on the ways in which the agency could further enhance the economic and social development of the Pilbara.

The Government's desired outcome from the activities of the Pilbara Development Commission is the enhancement of the Pilbara region's economic and social development. The Commission achieves this outcome by undertaking project activities that deliver services within the region to Pilbara people generally, and to business and community groups specifically. The Commission's outputs are structured around the project activities and services provided to these customers which in turn contribute to the desired outcome. The satisfaction of customers with Commission outputs therefore directly measures the effectiveness of the Commission in achieving the enhancement of the Pilbara region's economic and social development.

A total of 107 completed surveys were received by the Commission. This represents a key client response rate of 73.29%. The response rate is sufficient to ensure that the overall results are representative of the opinions of the Commission's key clients within a possible sampling error of +/- 5 per cent. The sampling error for this survey period is +/- 4.83%.

The questions related to performance indicators inform the reader how effective the Commission is in achieving its desired outcome through its contribution to business and industry development and regional promotion, as perceived by Commission customers. Measures were calculated as the total number of 'strongly agree' and 'agree' responses to each question divided by the total number of respondents to the survey.

Services	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
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The Commission's objectives, policies and strategies are effective and contribute to economic and social development in the region.

24.30% 68.22% 2.80% 0.93% 3.74%

The Commission is effective in encouraging business and industry development through the identification and coordination of projects.

25.23% 61.86% 4.67% 0.00% 8.41%

The Commission contributes effectively to the development of the infrastructure needs of the region.

28.97% 55.14% 5.61% 0.93% 9.35%

The Commission is effective and contributes to the promotion of the Pilbara, both within and outside the region.

38.32% 53.27% 2.80% 1.87% 3.74%

The services of the Commission are easily accessible.

35.51% 57.94% 1.87% 0.93% 3.74%

## EFFICIENCY INDICATORS

The operating costs of the Pilbara Development Commission are based on the Statement of Financial Performance total cost of services for the relevant period.

## SERVICE 1 - BUSINESS AND INDUSTRY DEVELOPMENT

### DESCRIPTION

Encourage business and industry development through the identification and coordination of projects.

### PERFORMANCE MEASURES

Performance Measures	Actual 2004/2005	Target 2004/2005	Actual 2003/2004
Total Cost of Output	\$2,118,632	\$784,000	\$924,522
Number of Projects	21	20	26
Average cost per project	\$100,887	\$39,200	\$35,559
Board satisfaction with quality of service	84%	80%	84%
Board satisfaction with timeliness of output	88%	80%	84%

## PERFORMANCE AGAINST TARGETS

The table provides details of the output measures relevant to the Business and Industry Development Output. It shows the target outcomes for 2004/2005 against the actual outcomes for the year.

During the year the Commission undertook a total of 21 projects, which represents a variance of 1 more than the target number of projects.

The variance of \$61,687 between target and actual cost per project is due to the escalation of the Port Hedland and Roebourne Enhancement Schemes and the establishment of the Pilbara Fund in July 2004.

Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Business and Industry Development Output.

On average, Board members reported a satisfaction level of 84% with the quality of the output produced which is 4% greater than the target outcome. Similarly, the Board members reported an 88% level of satisfaction with the timeliness of this Output.

## SERVICE 2 - INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION

### DESCRIPTION

Identify infrastructure needs and coordinate the removal of impediments to achieve delivery of service.

### PERFORMANCE MEASURES

Performance Measures	Actual 2004/2005	Target 2004/2005	Actual 2003/2004
Total Cost of Output	\$4,777,464	\$5,655,000	\$1,454,424
Number of Projects	21	25	24
Average cost per project	\$227,498	\$226,200	\$60,601
Board satisfaction with quality of service	88%	80%	84%
Board satisfaction with timeliness of output	87%	80%	86%

## PERFORMANCE AGAINST TARGETS

The above table provides details of the output measures relevant to the Infrastructure AND Service Identification and Coordination Output. It shows the target outcomes for 2004/2005 against the actual outcomes for the year.

The variance of 4 between target and actual number of projects is less than projected due to the progression of two major projects in service two, the Port Hedland and Roebourne Enhancement Schemes.



The variance of \$1,298 between target and actual cost per project is minimal and is close to the projected cost per project for the year.

Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Infrastructure and Service Identification and Co-ordination Output.

On average, Board members reported a satisfaction level of 88% with the quality of the Output produced which is 8% higher than the target outcome. Similarly, the Board members reported an 87% level of satisfaction with the timeliness of this Output.

## **SERVICE 3 - REGIONAL PROMOTION AND INFORMATION SERVICES**

### **DESCRIPTION**

Raise awareness of the advantages of both living in and visiting the Pilbara region through the provision and promotion of accurate and accessible information.

### **PERFORMANCE MEASURES**

Performance Measures	Actual 2004/2005	Target 2004/2005	Actual 2003/2004
Total Cost of Output	\$1,950,927	\$450,000	\$510,400
Number of Projects	17	15	20
Average cost per project	\$114,760	\$30,000	\$25,520
Board satisfaction with quality of service	88%	80%	86%
Board satisfaction with timeliness of output	87%	80%	88%

### **PERFORMANCE AGAINST TARGETS**

The above table provides details of the output measures relevant to the Regional Promotion and Information Provision Output. It shows the target outcomes for 2004/2005 against the actual outcomes for the year.

During the year the Commission undertook a total of 17 projects, which represents a variance of 2 more than the target number of projects.

The variance of \$84,760 between target and actual cost per project is due to the internal reallocation of projects between services during the reporting period.

During the year, the Commission continued its focus on promoting the region and providing an information service. This effort is reflected in the increased number of projects undertaken throughout the year.

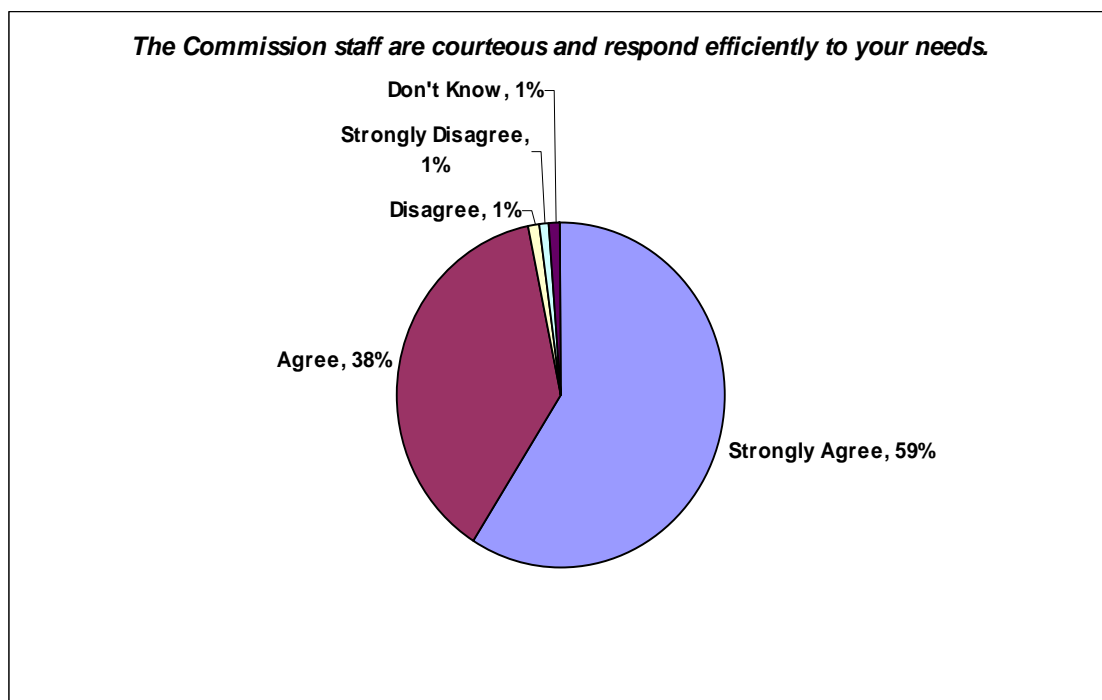
Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Regional Promotion and Information Services Output.

On average, Board members reported a satisfaction level of 88% with the quality of the Output produced which is 8% greater than the target outcome. Similarly, the Board members reported an 87% level of satisfaction with the timeliness of this Output.

### **ADDITIONAL PERFORMANCE INDICATORS FROM CLIENT SURVEY**

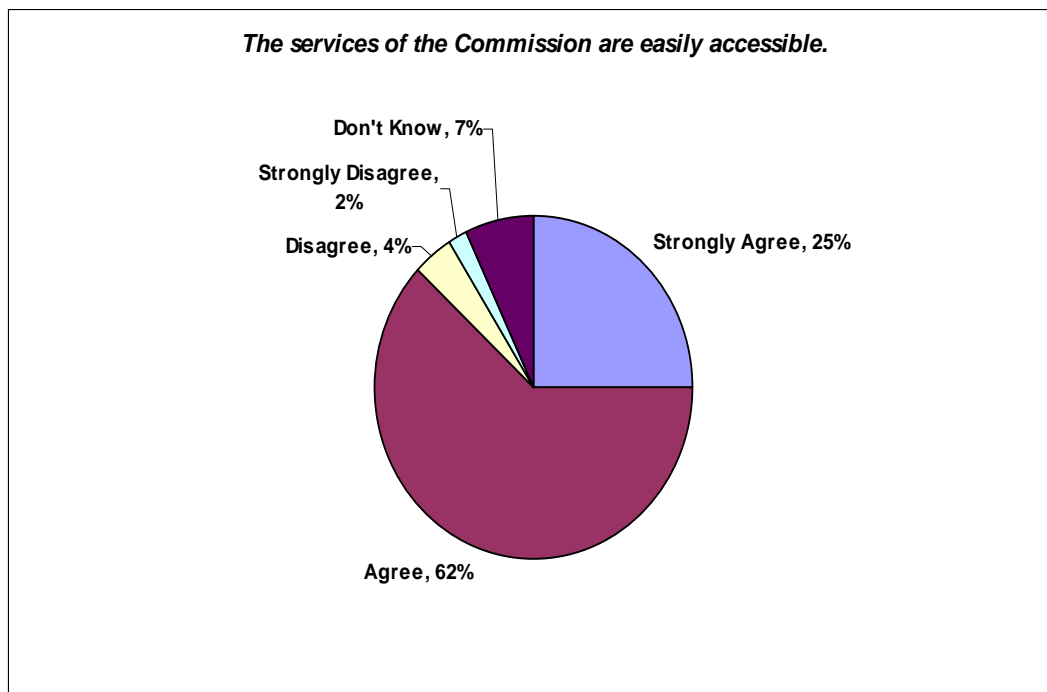
The Commission also asks other questions of its key clients regarding its performance. These questions are not required to be audited but provide information on the Commissions performance.

**QUESTION** - The Commission staff are courteous and respond efficiently to your needs.



Overall, 97% of respondents strongly agreed or agreed that Commission staff are courteous and respond efficiently to their needs. This result is an increase of 3% of the results achieved in 2003/2004.

**QUESTION** - The services of the Commission are easily accessible.



Overall, 87% of respondents strongly agreed or agreed that the services of the Commission are easily accessible. This result is the same as those achieved in 2003/2004.

## SECTION 7.

# CERTIFICATION OF FINANCIAL STATEMENTS

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The accompanying financial statements of the Pilbara Development Commission have been prepared in compliance with the provisions of the *Financial Administration and Audit Act (1985)* from proper accounts and records to present fairly the financial transactions for the year ended 30 June 2005 and the financial position as at 30 June 2005.

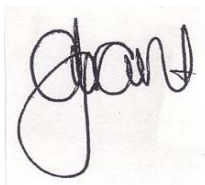
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Ms Erica Smyth  
Chairman  
Dated: 29<sup>th</sup> August 2005



Mrs Robyn M Crane, JP  
Acting Chief Executive Officer  
Dated: 29<sup>th</sup> August 2005



Mrs Allyson Grant  
Manager Finance and Administration  
Dated: 29<sup>th</sup> August 2005

# OPINION OF THE AUDITOR GENERAL

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## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### PILBARA DEVELOPMENT COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

#### Audit Opinion

In my opinion,

- (i) the controls exercised by the Pilbara Development Commission provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Commission at 30 June 2005 and its financial performance and cash flows for the year ended on that date.

#### Scope

##### *The Commission's Role*

The Commission is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

##### *Summary of my Role*

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

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

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON  
AUDITOR GENERAL  
9 November 2005

**STATEMENT OF FINANCIAL PERFORMANCE**  
**For The Year Ended 30 June 2005**

		<b>2005</b>	<b>2004</b>
		<b>\$</b>	<b>\$</b>
<b>COST OF SERVICES</b>			
<b>Expenses from ordinary activities</b>			
Employee expenses	2	1,316,304	1,195,629
Supplies and services	3	2,070,430	1,034,322
Depreciation expense	4	40,214	53,776
Accommodation expense	5	153,925	141,107
Grants & Subsidies	6	5,243,660	457,576
Capital User Charge	7	22,490	
Cost of disposal on non-current assets	10	-	6,936
<b>Total cost of services</b>		<b>8,847,023</b>	<b>2,889,346</b>
<b>Revenues from Ordinary Activities</b>			
<b><i>Revenues from operating activities</i></b>			
State and Local Government grants	8	3,002,178	491,964
Other revenues from ordinary activities	9	2,145,068	1,983,375
<b><i>Revenues from non operating activities</i></b>			
Proceeds from disposal of non current assets	10	687	
		5,147,933	2,475,339
<b>NET COST OF SERVICES</b>		<b>3,699,090</b>	<b>414,007</b>
<b>REVENUES FROM STATE GOVERNMENT</b>			
Service Appropriation	11	6,431,000	2,143,000
Resources received free of charge	11	-	-
<b>Total revenues from State Government</b>		<b>6,431,000</b>	<b>2,143,000</b>
<b>CHANGE IN NET ASSETS</b>		<b>2,731,910</b>	<b>1,728,993</b>

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

# STATEMENT OF FINANCIAL POSITION

As at 30 June 2005

		2005	2004
		\$	\$
<b>Current Assets</b>			
Cash assets	21(a)	434,633	335,765
Restricted cash assets	12	5,223,882	1,648,171
Receivables	13	61,568	1,102,550
Amounts receivable for services	14	86,000	-
Other assets	15	11,500	4,583
<b>Total current assets</b>		<b>5,817,583</b>	<b>3,091,069</b>
<b>Non-Current Assets</b>			
Office equipment, computer equipment and furniture	16	89,327	102,889
Intangibles	16	12,659	
<b>Total Non-Current Assets</b>		<b>101,986</b>	<b>102,889</b>
<b>Total Assets</b>		<b>5,919,569</b>	<b>3,193,958</b>
<b>Current Liabilities</b>			
Payables	17	20,732	119,789
Provisions	18	131,748	92,292
Other liabilities	19	22,424	47,072
<b>Total Current Liabilities</b>		<b>174,904</b>	<b>259,153</b>
<b>Non-Current Liabilities</b>			
Provisions	18	69,810	79,078
Other liabilities			-
<b>Total Non-Current Liabilities</b>		<b>69,810</b>	<b>79,078</b>
<b>Total Liabilities</b>		<b>244,714</b>	<b>338,231</b>
<b>NET ASSETS</b>		<b>5,674,855</b>	<b>2,855,727</b>
<b>EQUITY</b>			
Accumulated surplus/(deficiency)	20	5,417,241	2,684,113
Contributed Equity	20	257,614	171,614
<b>TOTAL EQUITY</b>		<b>5,674,855</b>	<b>2,855,727</b>

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

**STATEMENT OF CASH FLOWS**  
**For The Year Ended 30 June 2005**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From State Government</b>		
Recurrent Appropriations	1,431,000	2,143,000
Capital Contributions	5,000,000	-
<b>Net cash provided by State Government</b>	<b>6,431,000</b>	<b>2,143,000</b>
<i>Utilised as follows:</i>		
<b>Cash Flows from Operating Activities</b>		
<b>Payments</b>		
Employee Costs	(1,314,405)	( 1,116,033)
Supplies and Services	( 2,093,052)	(1,592,728)
Accommodation	(153,925)	-
Grants and Subsidies	(5,234,160)	-
Capital User Charges	( 22,490)	-
GST payments on Purchases	(734,534)	(157,063)
<b>Receipts</b>		
Other Government grants and contributions	3,002,178	491,964
GST Receipts on revenue	358,195	166,796
GST Receipts from taxation authority	331,383	56,039
Other Receipts	3,141,656	867,968
<b>Cash Flows from Operating Activities</b>	<b>21(b) (2,719,154)</b>	<b>(1,283,057)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from the sale of Non Current Physical Assets	687	
Purchase of Non Current Physical Assets	( 39,312)	(42,611)
Other	1,218	
<b>Net cash used in Operating Activities</b>	<b>(37,407)</b>	<b>(42,611)</b>
Net Increase/decrease in cash held	3,674,578	817,332
Cash assets at the beginning of the Financial Year	1,984,076	1,166,744
<b>CASH ASSETS AT END OF THE FINANCIAL YEAR</b>	<b>21(a) 5,658,515</b>	<b>1,984,076</b>

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



## NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

#### General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The *Financial Administration and Audit Act (1985)* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

#### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at valuation.

#### (a) Service Appropriations

Service Appropriations are recognised as revenues in the period in which the Commission gains control of the appropriated funds. The Commission gains control of the appropriated funds at the time those funds are deposited into the Commission's bank account or credited to the holding account held at the Department of Treasury and Finance.

#### (b) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position.

#### (c) Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Pilbara Development Commission obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

**(d) Revenue Recognition**

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the Commission has passed control of the goods or other assets or delivery of the service to the customer.

**(e) Acquisitions of Assets**

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Assets costing less than \$1000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

**(f) Depreciation of Non-Current Assets**

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

Depreciation is provided for on the straight line basis, using rates which are reviewed annually. Useful lives for each class of depreciable assets are:

Plant, Furniture and Equipment	4 years
Computing equipment	4 years
Software	4 years

Works of art controlled by the Commission are classified as heritage assets. They are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

**(g) Leases**

The Pilbara Development Commission has entered into a number of operating lease arrangements for the rent of office buildings and motor vehicles where the lessor effectively retains all of the risks and benefits incidental to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property and vehicles.

**(h) Cash**

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets net of outstanding bank overdrafts. These include short term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

**(i) Receivables**

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubts as to collection exists and in any event where the debt is more than 60 days overdue.

(j) **Intangible assets and expenditure carried forward**

(i) *Computer Software*

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefit, which varies from three to five years.

(ii) *Web site costs*

Costs in relation to web sites controlled by the Authority are charged as expenses in the period in which they are incurred unless they relate to the acquisition of an asset, in which case they are capitalised and amortised over the period of expected benefit. Generally, costs in relation to feasibility studies during the planning phase of a website and ongoing costs of maintenance during the operating phase are considered to be expenses. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits controlled by the Authority that can be reliably measured, are capitalised as an asset and amortised over the period of the expected benefits which vary from three to five years.

(k) **Payables**

Payables, including accruals not yet billed, are recognised when the Pilbara Development Commission becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

(l) **Employee benefits**

*Annual Leave*

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

*Long Service Leave*

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits, and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with the terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Superannuation*

Staff may contribute to the Pension Scheme, a defined benefits scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non contributory members of the West State Superannuation Scheme, an accumulation fund. The Commission contributes to this accumulation fund in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act (1992)*. All of these Schemes are administered through the Government Employees Superannuation Board (GESB).

From 30 June 2005, the Treasurer has assumed the liability for pension and pre-transfer benefit superannuation liabilities. The assumption was designated as a contribution by owners under TI 955(iv) on 30 June 2005.

The superannuation expense comprises the following elements:

- (i) Change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) Employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided to the Commission in the current year.

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Commission is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

The liabilities for superannuation charges under the Gold State Superannuation Scheme and West State Superannuation Scheme are extinguished by payment of employer contributions to the GESB.

#### *Employee benefit on-costs*

Employee benefit on-costs, including payroll tax, are recognised and included in the employee benefits liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses. (See notes 2 and 28)

#### **(m) Accrued Salaries**

Accrued salaries (refer note 29) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The Pilbara Development Commission considers the carrying amount approximates net fair value.

#### **(n) Resources Received Free of Charge or For Nominal Value**

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

#### **(o) Comparative Figures**

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

#### **(p) Rounding of Amounts**

Amounts in Financial Statements have been rounded to the nearest dollar (\$).

<b>2. EMPLOYEE EXPENSES</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Wages & Salaries	821,549	750,764
Superannuation	79,187	72,469
Long Service Leave	27,799	30,777
Annual Leave	104,204	54,429
Other related expenses (1)	283,565	287,190
	<u>1,316,304</u>	<u>1,195,629</u>

(1) These employee expenses include superannuation, workers compensation premiums and other employment on-costs associated with the recognition of annual long service leave liability. The related on-costs liability is included in employee benefit liabilities at note 18.

<b>3. SUPPLIES AND SERVICES</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Communications	46,680	153,853
Consultants and Contractors	1,787,785	633,642
Consumables	113,534	140,967
Repairs and Maintenance	11,936	12,667
Travel	107,371	84,566
Other related expenses	3,124	8,627
	<u>2,070,430</u>	<u>1,034,322</u>

Includes Administration expenses which were previously a separate line item and disaggregated.

<b>4. DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Depreciation		
Plant, Furniture & General Equipment	19,413	24,979
Computer Equipment	<u>20,801</u>	<u>28,797</u>
Total Depreciation	40,214	53,776
Amortisation		
Intangible Assets		-
Total Amortisation	-	-
	<u>40,214</u>	<u>53,776</u>

<b>5. ACCOMMODATION EXPENSES</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
Lease Rentals	110,098	95,721
Outgoings	32,942	35,370
Cleaning	10,885	10,016
	<u>153,925</u>	<u>141,107</u>

<b>6. GRANTS AND SUBSIDIES</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
<u>Recurrent</u>		
Commonwealth, State and Local Government grants	329,782	432,076
Non Government Grants and Subsidies	-	25,500
<u>Capital</u>		
Commonwealth, State and Local Government grants	4,913,878	-
Non Government Grants and Subsidies	-	-
	<u>5,243,660</u>	<u>457,576</u>

	2005 \$	2004 \$
<b>7. CAPITAL USER CHARGE</b>		
User charges	22,490	-
	<u>22,490</u>	<u>-</u>

A capital user charge of 8% has been set by the Government for the 2004-05 year and represents the opportunity cost of capital invested in the net assets of the Commission used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.

	2005 \$	2004 \$
<b>8. STATE, LOCAL AND OTHER GRANTS</b>		
State and Local Government Grants	3,000,000	491,964
Other Grants	2,178	-
	<u>3,002,178</u>	<u>491,964</u>

	2005 \$	2004 \$
<b>9. OTHER REVENUES FROM ORDINARY ACTIVITIES</b>		
Miscellaneous including revenue for the Port Hedland Enhancement Scheme and Networking the Nation Projects	2,145,068	1,983,375
	<u>2,145,068</u>	<u>1,983,375</u>

	2005 \$	2004 \$
<b>10. NET GAIN/ (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS</b>		
<u>Gain on Disposal of Non-Current Assets</u>		
Office Equipment	687	-
<u>Loss on Disposal of Non-Current Assets</u>		
Computer Equipment	-	(6,936)
	<u>687</u>	<u>(6,936)</u>

	2005 \$	2004 \$
<b>11. REVENUES FROM STATE GOVERNMENT</b>		
Appropriation revenue received during the year:		
Service appropriation (I)	6,431,000	2,143,000
	<u>6,431,000</u>	<u>2,143,000</u>

The following liabilities have been assumed by the Treasurer during the financial year:

Superannuation	-	-
Total liabilities assumed by the Treasurer		
Resources received free of charge (III)		
Determined on the basis of the following estimates provided by agencies:		
	-	-
	<u>-</u>	<u>-</u>

- (I) Service appropriations are accrual amounts reflecting the full cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.
- (ii) The assumption of the superannuation liability by the Treasurer is notional revenue to match the notional superannuation expense reported in respect of current employees who are members of the Pension scheme and current employees of who have a pre-transfer benefit entitlement under the Gold State Superannuation scheme.
- (III) Where assets or services have been received free of charge or for nominal consideration, the Commission recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the Commission shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

12. RESTRICTED CASH ASSETS	2005 \$	2004 \$
Aboriginal Economic Development Officer - Provision of Aboriginal Economic Development Officer for the Pilbara Region	111,128	39,244
Pilbara Internet Services - Funding through the Networking the Nation program to provide Communication & Information Technology to the region.	12,344	24,827
Pilbara Regional Development Scheme - Administration of grant funds provided by Department of Local Government & Regional Development	112,793	36,314
Roebourne Enhancement Scheme - Administration of funds to enhance the economic and social development & infrastructure needs for the town of Roebourne.	1,341,204	960,966
Port Hedland Enhancement Scheme - Administration of funds to enhance the economic and social development & infrastructure needs for the town of Port Hedland	3,270,626	203,075
DLGRD Telecentres - Administration of funds for three Telecentre projects in the Pilbara	75,000	75,000
Carryover - Carryover of unrestricted funds from the 2002 - 2003 financial year	150,000	200,000
Invest Northwest - Funds provided through the Regional Investment Fund Program to provide a North West Regions Promotions Officer for the Pilbara. Gascoyne & Kimberley Development Commissions.	34,465	70,000
Other Projects - Other minor projects	116,322	38,745
	<u>5,223,882</u>	<u>1,648,171</u>

	2005 \$	2004 \$
<b>13. RECEIVABLES</b>		
Current:		
Debtors	2,303	1,102,550
FBT Receivable	4,701	-
GST Receivable	54,564	
	<u>61,568</u>	<u>1,102,550</u>

	2005 \$	2004 \$
<b>14. AMOUNTS RECEIVABLE FOR SERVICES</b>		
Current	86,000	
Non-current	0	
	<u>86,000</u>	

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

	2005 \$	2004 \$
<b>15. OTHER ASSETS</b>		
Current:		
Prepayments	11,500	4,583
Other	-	-
	<u>11,500</u>	<u>4,583</u>

	2005 \$	2004 \$
<b>16. PLANT, FURNITURE AND EQUIPMENT</b>		
Plant and Equipment:		
At cost	126,366	118,194
Accumulated Depreciation	<u>(85,055)</u>	<u>(80,942)</u>
	<u>41,311</u>	<u>37,252</u>
Computer Equipment:		
At cost	109,983	115,373
Accumulated Depreciation	<u>(61,967)</u>	<u>(49,736)</u>
	<u>48,016</u>	<u>65,637</u>
Intangibles		
At fair value	12,659	-
Previously property, plant and equipment assets now classified as intangibles as per AASB 138		
Total plant, furniture and equipment	<u>101,986</u>	<u>102,889</u>

*Reconciliations:*

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



2005	Plant, Equipment & Furniture	Computer Equipment	Intangibles	Total
	\$	\$	\$	\$
Carrying amount at start of year	37,251	65,638	-	102,889
Additions	23,473	15,838	12,659	51,970
Disposals	(15,300)	(21,228)	-	(36,528)
Accumulated depreciation on disposal	15,300	8,569	-	23,869
Revaluation increments				
Depreciation	(19,413)	(20,801)	-	(40,214)
Carrying amount at end of year	41,311	48,016	12,659	101,986

#### 17. PAYABLES

	2005 \$	2004 \$
Current:		
Accounts Payable	20,732	28,109
Funds Held in Trust	-	3,636
GST Payable	-	88,044
	<u>20,732</u>	<u>119,789</u>

#### 18. PROVISIONS

	2005 \$	2004 \$
Current:		
Annual Leave	100,227	61,692
Long Service Leave	31,521	30,600
	<u>131,748</u>	<u>92,292</u>

#### *Non-Current:*

Long Service Leave	69,810	79,078
	<u>69,810</u>	<u>79,078</u>

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers compensation premiums. The liability for such on-cost is included here. The associated expense is included under employee expenses at note 2.

The Commission considers the carrying amount of employee benefits approximates the net fair value.

#### Employee Benefit Liabilities

The aggregate employee entitlement liability recognised and included in the financial statements is as follows:

Provision for employee benefits:	2005 \$	2004 \$
Current	131,748	92,292
Non-Current	69,810	79,078
	<u>201,558</u>	<u>171,370</u>

Where employee benefit liabilities have been measured at their present value, the Accounting Standard encourages disclosure of:

- a) Changes in the estimated timing and amount of future cash outflows to settle employee benefit liabilities; and
- b) The weighted average discount rate used, and its source (that is, the bonds used).

#### 19. OTHER LIABILITIES

	2005 \$	2004 \$
Current:		
Accrued Salaries	-	29,468
Accrued Expenses	22,424	17,604
Other	-	-
	<u>22,424</u>	<u>47,072</u>

#### 20. EQUITY

	2005 \$	2004 \$
Contributed Equity		
Opening Balance	171,614	115,000
Capital Contributions (i)	43,000	45,000
Contributions by Owners (ii)	-	11,614
Prior Period Adjustments	43,000	-
Closing balance	<u>257,614</u>	<u>171,614</u>

(i) Capitals contributions have been designated as contributions by owners and are credited directly to equity in the statement of financial position.

(ii) Assumption of Superannuation liability by the Treasurer (refer notes 1(f) and 18).

	2005 \$	2004 \$
Accumulated Surplus /(Deficiency)		
Opening Balance	2,684,113	955,120
Change in Net Assets	2,731,910	1,728,993
Net Initial Adjustments on adoption of a new Accounting Standard	-	-
Sundry Adjustment	1,218	-
Closing balance	<u>5,417,241</u>	<u>2,684,113</u>

#### 21. NOTES TO THE STATEMENT OF CASH FLOWS

##### (a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash on Hand	1,000	1,000
Cash Assets	433,633	334,905
Restricted Cash Assets (refer to note 12)	5,223,882	1,648,171
	<u>5,658,515</u>	<u>1,984,076</u>

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

	2005 \$	2004 \$
Net cost of services	(3,699,090)	(414,007)
Non-cash items:		
Write back of capital expenditure against funded projects	-	23,648
Liabilities assumed by Treasury	-	167
Depreciation expense	40,214	53,776
Resources received free of charge	-	-
(Profit) / loss on sale of property, plant and equipment	(687)	6,936
(Increase) / decrease in assets:		
Current receivables	1,095,546	(1,002,423)
Other current assets	(6,917)	22,154
Increase / (decrease) in liabilities:		
Current accounts payable/accrued expenses	(6,193)	(5,621)
Accrued Salaries	(29,468)	10,027
Current provisions	39,456	(2,607)
Non-current provisions	(9,268)	(40,974)
Net GST receipts / (payments)		
Change in GST in receivables / payables	(142,747)	65,867
Net cash provided by / (used in) operating activities	(2,719,154)	(1,283,057)

## 22. COMMITMENTS FOR EXPENDITURE

### (a) Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amount reported in the financial statements, are payable as follows:

	2005	2004
Within 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	-	-

### (b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, are payable as follows:

Within 1 year	154,372	159,936
Later than 1 year and not later than 5 years	19,999	25,712
Later than 5 years	-	-
	174,371	185,648

Representing:		
Non-cancellable operating leases	174,371	185,648

(b) (i) Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1 year

Later than 1 year and not later than 5 years

Later than 5 years

The property lease is a non-cancellable lease with a five year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by the lower of CPI or 5% per annum. An option exists to renew the lease at the end of the five year term for an additional term of five years.

**23. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Nil

**24. EVENTS OCCURRING AFTER REPORTING DATE**

Nil

**25. EXPLANATORY STATEMENT**

**(i) Significant variations between estimates and actual results for the financial year**

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% or \$500,000.

	2005 Actual \$	2005 Estimates \$	Variance \$
Employee expenses	1,316,304	721,000	595,304
Supplies and services	2,070,430	603,000	1,467,430
Accommodation expense	153,925	91,000	62,925

**Employee expenses**

Increase in wages through EBA increase and increased costs through additional staff housing requirements.

**Supplies and services**

Progression of projects through the Port Hedland and Roebourne Enhancement Schemes.

**Accommodation expense**

Annual increase in lease rentals and outgoings.

**(ii) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year.**

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% or \$500,000.

	2005 \$	2004 \$	Variance \$
Employee expenses	1,316,304	1,195,629	120,675
Supplies and services	2,070,430	1,034,322	1,036,108
Accommodation expense	153,925	141,407	12,518
Grants and subsidies	5,243,660	457,576	4,786,084
Capital User Charge	22,490	-	22,490
State and local government grants	3,002,178	491,964	2,510,214
Other revenues from ordinary activities	2,145,068	1,983,375	161,693
Service appropriation	6,431,000	2,143,000	4,288,000

**Employee expenses**

Increase in wages through EBA increase and increased costs through additional staff housing requirements.

**Supplies and services**

Progression of projects through the Port Hedland and Roebourne Enhancement Schemes.

**Accommodation expense**

Annual increase in lease rentals and outgoings.

**Grants and subsidies**

Administration and distribution through the Pilbara Fund.

**Capital user charge**

Charge not levied in prior years.

**State and local government grants**

Revenue through Regional Investment Fund Program for the Port Hedland and Roebourne Enhancement Schemes.

**Other revenues from ordinary activities**

Revenue from external sources for the Port Hedland Enhancement Scheme.

**Service appropriation**

Funding for the Pilbara Fund through annual service appropriation.

**26. FINANCIAL INSTRUMENTS****(a) Interest Rate Risk Exposure**

The following tables detail the Pilbara Development Commission's exposure to interest rate risk as at the reporting date:

		Fixed Interest Rate Maturity					
	Weighted Average Effective Interest rate %	Variable Interest Rate %	Less than 1 Year \$	1 to 5 Years \$	More than 5 Years \$	Non- Interest Bearing \$	Total \$
<b>2005</b>							
Financial Assets	-	-	-	-	-		
Cash assets						520,633	520,633
Restricted cash assets	-	-	-	-	-	5,223,882	5,223,882
Receivables	-	-	-	-	-	61,568	61,568
						5,806,083	5,806,083
Financial Liabilities	-	-	-	-	-	20,732	20,732
Payables						20,732	20,732

Fixed Interest Rate Maturity							
	Weighted Average Effective Interest rate %	Variable Interest Rate %	Less than 1 Year \$	1 to 5 Years \$	More than 5 Years \$	Non- Interest Bearing \$	Total \$
2004	-	-	-	-	-	3,086,486	3,086,486
Financial Assets	-	-	-	-	-	119,789	119,789
Financial Liabilities	-	-	-	-	-	-	-

(b) Credit Risk Exposure  
Nil

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values.

## 27. JOINT VENTURE OPERATIONS

The Commission has no joint venture operations.

## 28. REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

### Remuneration of Members of the Accountable Authority

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

	2005	2004
	\$	\$
\$ 0-10,000	15	12

The total remuneration of the members of the accountable authority is: \$18,632      \$15,785

The superannuation included here represents the superannuation expense incurred by the Authority in respect of Members of the Accountable Authority.

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

### Remuneration of Senior Officers

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

\$	2005	2004
70,001-80,000	-	2
80,001-90,000	1	1
90,001-100,000	1	-
100,001-110,000	1	-
120,001-130,000	1	1

The total remuneration of Senior Officers is: \$413,017      \$435,489

The superannuation included here represents the superannuation expense incurred by the Authority in respect of Senior Officers other than Senior Officers reported as members of the Accountable Authority.

No Senior Officers are members of the Pension Scheme.

## 29. REMUNERATION OF AUDITOR

2005  
\$

2004  
\$

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

Auditing the accounts, financial statements and performance indicators.

15,000

-

-

-

15,000

-

## 30. SCHEDULE OF SERVICES DELIVERED

	Business and Industry Development		Infrastructure and Service Identification and coordination		Regional Promotion and Information Service		Total	
	2005	2004	2005	2004	2005	2004	2005	2004
	\$	\$	\$	\$	\$	\$	\$	\$
<b>COST OF SERVICES</b>								
<b>Expenses from Ordinary activities</b>								
Employee expenses	320,606	427,667	722,960	464,456	295,228	303,506	1,338,794	1,195,629
Supplies and services	495,814	38,219	1,118,049	869,001	456,567	127,102	2,070,430	1,034,322
Depreciation expenses	9,630	16,132	21,716	18,822	8,868	18,822	40,214	53,776
Accommodation expenses	36,861	42,333	83,121	49,387	33,943	49,387	153,925	141,107
Grants and subsidies	1,255,720	398,091	2,831,619	50,333	1,156,321	9,152	5,243,660	457,576
Net loss on disposal of non-current assets	-	2,080	-	2,428	-	2,428	-	6,936
Other expenses from ordinary activities	-	-	-	-	-	-	-	-
<b>Total cost of services</b>	<b>2,118,632</b>	<b>924,522</b>	<b>4,777,464</b>	<b>1,454,427</b>	<b>1,950,927</b>	<b>510,397</b>	<b>8,847,023</b>	<b>2,889,346</b>
<b>Revenues from Ordinary activities</b>								
Commonwealth Grants and Contributions	-	-	-	-	-	-	-	-
State, Local Government and Other Grants	718,944	400,000	1,621,201	21,964	662,034	70,000	3,002,178	491,964
Non Government Grants	239,474	-	540,008	-	220,518	-	1,000,000	-
Other revenues from ordinary activities	274,214	43,303	618,346	1,782,540	252,508	157,532	1,145,068	1,983,375
Net Profit on the disposal of non current assets	165	-	371	-	152	-	687	-
	1,232,796	443,303	2,779,926	1,804,504	1,135,212	227,532	5,147,933	2,475,339
<b>NET COST OF SERVICES</b>	<b>885,836</b>	<b>481,219</b>	<b>1,997,539</b>	<b>(350,077)</b>	<b>815,716</b>	<b>282,865</b>	<b>3,699,090</b>	<b>414,007</b>

## REVENUES FROM GOVERNMENT

Appropriations	1,540,057	435,171	3,472,792	1,152,358	1,418,151	555,471	6,431,000	2,143,000
Asset assumed / (transferred)	-	-		-		-		-
Resources received free Of charge	-			-		-		-
<b>Total revenues from Government</b>	<b>1,540,057</b>	<b>435,171</b>	<b>3,472,792</b>	<b>1,152,358</b>	<b>1,418,151</b>	<b>555,471</b>	<b>6,431,000</b>	<b>2,143,000</b>
<b>Change in net assets</b>	<b>654,221</b>	<b>(46,048)</b>	<b>1,475,253</b>	<b>1,502,435</b>	<b>602,435</b>	<b>272,606</b>	<b>2,731,910</b>	<b>1,728,993</b>

### 31. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

Following the mandatory adoption of Australian Accounting Standards equivalent to IFRS there has been no material adjustment to the total equity of the Pilbara Development Commission as presented under the previous AGAAP to that under the newly applicable AIFRS.



# SECTION 8.

## PUBLICATIONS

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The following publications are available from the Commission's Port Hedland and Karratha offices.

If required, the Commission can provide a publication in an alternative format.

Many of these publications are available on the Commission's website at [www.pdc.wa.gov.au](http://www.pdc.wa.gov.au)

### PRODUCED BY THE PILBARA DEVELOPMENT COMMISSION

#### *Pilbara Regional Priority Plan*

Current to October 2003. A publication that outlines the priority development actions for the sustainable development of the Pilbara in the immediate future.

#### *Pilbara Prices Surveillance*

Current to March 2005. A periodic information sheet prepared by the Commission showing the latest pricing differentials between Perth and various towns in the Pilbara.

#### *Pilbara Government Agencies Directory*

The Commission published and distributed the 2004 Pilbara Government Agencies Directory in July 2003. The Directory contains information and contact details for the Government Departments and Agencies in the Pilbara region.

#### *Pilbara Economic Perspective*

The most current version of the Pilbara Economic Perspective was released in September 2003. An update on the economy of the Pilbara region prepared by the Department for Local Government and Regional Development in conjunction with the Commission.

#### *Pilbara Resources Register*

Current as at June 2004. The Pilbara Resources Register contains details of all resource projects operating, committed and under consideration in the Pilbara.

#### *Housing and Land Snapshot*

The Commission produces a monthly Housing and Land Snapshot (HALS) report, which outlines the accommodation situation in the Karratha area and timelines for projects expected to proceed in the area.

The HALS report compares figures with previous month's trends and provides information on the movement of the real estate market.