



PUBLIC

30/10/14



**Minister for Planning; Culture & the Arts
Government of Western Australia**

Our ref: 33-26902

Hon Ken Travers MLC
Chair
Standing Committee on Estimates and Financial Operations
Parliament House
PERTH WA 6000

Dear Mr Travers

**QUESTIONS PRIOR TO HEARING - 2013/14 AGENCY ANNUAL REPORTS -
DEPARTMENT OF CULTURE AND THE ARTS**

I refer to your letter dated 9 October 2014 in relation to the 2013/14 Agency Annual Report Hearings and the Questions Prior to Hearing submitted by Members of the Legislative Council for the Department of Culture and the Arts.

As requested, please find enclosed hard copy responses to the questions in the requested format. An electronic copy of the responses will be sent to Ms Hannah Moore, Committee Clerk via the email address provided.

Yours sincerely

John Day MLA
**MINISTER FOR PLANNING;
CULTURE AND THE ARTS**

Encl

ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
QUESTIONS ON NOTICE SUPPLEMENTARY INFORMATION

Department of Culture and the Arts

Question No. 1: Hon Alanna Clohesy MLC asked –

I refer to page 36 of the Annual Report, “Goldfields Arts Centre upgrade”, and ask –

(a) Is there a business plan for Stage 2 of the implementation of the Goldfields Arts Centre upgrade?

(b) If yes, could the Department table this plan please?

(c) If no, are there any plans for Stage 2 in development and what funding has been allocated?

Answer:

(a – c) Cabinet approved an allocation of \$6.2 million to the Goldfields Arts Centre project, \$5 million for capital upgrades and \$300 000 per annum over four years for operational costs.

The Department of Culture and the Arts has an advisory role with regard to investment of the funding for Goldfields Arts Centre; the facility is owned by the Department of Training and Workforce Development which has a management arrangement in place with the City of Kalgoorlie-Boulder.



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Department of Culture and the Arts

Question No. 2: Hon Alanna Clohesy MLC asked –

I refer to page 17 of the Annual Report, “Partnerships with key stakeholders”, - The Australia Council recently announced significant changes to its funding model. In particular, new six-year funding contracts have been announced. How is the Department responding to these changes?

Answer:

The Australia Council is yet to announce the administrative arrangements to support the new funding model. When these are released the Department of Culture and the Arts will liaise with the Australia Council to discuss issues such as selection criteria for organisations, how the peer process will be applied, and how states and territories will be involved to ensure that investment is made equitably across states and art-forms. The Department will then consider if any changes to its policies or processes are required.



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Question No. 3: Hon Alanna Clohesy MLC asked –

I refer to page 18 of the Annual Report, “Stakeholders, Commonwealth Government Ministry for the Arts”-

The DCA continued to work with the Commonwealth Government’s Ministry of the Arts to facilitate the development of Aboriginal Art Centres across WA through a professional development program delivered both in Perth and onsite at each art centre.

(a) Which Aboriginal Arts Centres participated in this program?

Answer:

Waringarri Aboriginal Arts, Martumili Artists, Mowanjum Art and Cultural Centre, Roebourne Art Group, Tjarlirli Art, Tjukurba Art Gallery, Warakurna Artists, Wirnda Barna Artists, Yamaji Art, Yarliyil Art Centre, Bidyadanga Artists, Gwoonwardu Mia Cultural Centre, Maruku Arts, Spinifex Hill Artists and Mangakaja Arts

(b) What is the cost of the implementation of this program?

Answer:

The total project budget for professional development is \$147 000.

This figure combines contribution of \$107 000 from the Australian Government and \$40 000 from the State Government.

(c) How is this program evaluated?

Answer:

The program is evaluated by an independent consultant.



ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
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Department of Culture and the Arts

Question No. 4: Hon Kate Doust MLC asked –

I refer to page 91 of the Annual Report and this statement - "Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) ... "and ask -

(a) Is the Yirra Yaakin Theatre (0.0852ha) at 65 Murray Street, Perth owned by the Department?

Answer:

No

(b) If no to (a), what agency does own the property?

Answer:

The Department of Lands

(c) If yes to (a), then

- i. When was the site last valued and at what price was it valued?*
- ii. What is the site's current zoning?*
- iii. Have contamination issues been identified for this site and, if so, what are they?*
- iv. Please outline any other factors which would affect the remediation of this site?*

Answer:

Not applicable



ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
QUESTIONS ON NOTICE SUPPLEMENTARY INFORMATION

Department of Culture and the Arts

Question No. 5: Hon Lynne McLaren MLC asked –

I refer to “Statement of comprehensive income” on page 81 of the Annual Report. Please breakdown how employees benefits expense dropped from \$49 283 000 to \$14 339 000 from 2013-14?

Answer:

The decrease in Employee Benefits Expenses from \$49 283 000 to \$14 339 000 in 2013-14 is due to the Machinery of Government Change effective from 1 July 2013 as disclosed in Notes 6 and 7 on page 103.

“Note 6. Machinery of Government Change

Effective from 1 July 2013, the Culture and the Arts portfolio arrangements were adjusted to return employing authority to the relevant statutory bodies (by delegation from the Director General), along with budget appropriation for salaries.

The statutory authorities are:

- Art Gallery of Western Australia*
- Western Australian Museum*
- Perth Theatre Trust*
- State Library of Western Australia*

This has the following impact:

(a) Employee benefits which were previously appropriated to the Department of Culture and the Arts are now being appropriated direct to the statutory authorities. This has resulted in a reduction in both employee benefits expenses and service appropriation.

Note 7. Employee benefits expense

	2014	2013
<i>Wages and salaries (a)</i>	<i>\$10 271 000</i>	<i>\$38 08 000</i>
<i>Leave</i>	<i>\$2 407 000</i>	<i>\$6 031 000</i>
<i>Superannuation - defined contribution plans (b)</i>	<i>\$1 402 000</i>	<i>\$4 682 000</i>
<i>Other related expenses</i>	<i>\$259 000</i>	<i>\$48 000</i>
<i>Total</i>	<i>\$14 339 000</i>	<i>\$49 283 000</i>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State, GESBS and other eligible funds.

Employment on-costs expenses, such as workers' compensation insurance, are included at note 12 'Other expenses'.

Employment on-costs liability is included at note 28 'Provisions'.

Please also refer to note 6."

AD.

ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
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Department of Culture and the Arts

Question No. 6: Hon Lynne McLaren MLC asked –

I refer to “Statement of income and expenses by services” on page 85 of the Annual Report, and ask –

(a) If services provided to external agencies is significantly less, who is taking on the work load to provide corporate services within the Culture and Arts portfolio?

Answer:

Services provided to external agencies in 2013 included Employee Benefits expenses for the Art Gallery of Western Australia, the State Library of Western Australia, the Western Australian Museum, and the Perth Theatre Trust. These employees were employed and paid by the Department of Culture and the Arts from Appropriation received for this purpose.

This was recognised in the Financial Statements as ‘Services provided Free of Charge (Note 32 Page 122). As a result of the Machinery of Government Change effective from 1 July 2013 (Note 6 Page 103), these employees are now paid directly by their respective agencies. The services provided by these employees to their agencies remain unchanged.

(b) Can the Department provide a breakdown of where the funding was reallocated to source services internally?

Answer:

There was no reallocation of funding to source services internally. As disclosed in Note 6 Page 103, the funding for employees providing services to respective agencies was paid directly by Treasury to the respective agencies.

(c) Does a reduction in record keeping and archival services funding factor in moving materials into digital storage?

Answer:

The budget does not factor in moving archived digital materials from government agencies into digital storage since these transfers are currently not being undertaken.

(d) How many FTEs have been committed to the transfer of archived materials into digital storage?

Answer:

The SRO does not currently transfer archived digital materials from government agencies into storage.

The SRO does however employ one FTE to undertake the management of digitised copies of government archives from the State collection and give advice to government agencies about making, managing and keeping born-digital records.

In addition the SRO is working to develop the policy, technical and administrative framework which will allow, subject to resources, the transfer of unique born-digital government records into a digital archive system to permanently preserve, control and provide appropriate access.

(e) Which specific groups have been impacted by the removal of \$125 000 in Arts Industry Support that was sourced from the Royalties for Regions fund?

Answer:

No groups have been impacted. The funding was allocated to the Regional Arts Touring Boost project, which is ongoing. The project budget is as follows:

- 2014-15 - \$444 000
- 2015/16 - \$300 000
- 2016-17 - \$250 000

(f) What percentage of the overall state budget was allocated to Arts this year?

Answer:

0.53 per cent of the overall State Budget was allocated to the Culture and Arts portfolio in 2013-14.

Government funding for culture and the arts activity is not solely allocated through the Culture and Arts portfolio. In addition to appropriations through the portfolio, funding is allocated to metropolitan and regional programs and events through Lotterywest, Regional Development, Eventscorp and the Metropolitan Redevelopment Authority. Much of this funding will support arts and cultural activities at a grass roots level, encouraging community engagement and participation.

The State Government has allocated \$428 million for investment in a new museum for Western Australia. Over the forward estimates this investment increases to reflect the capital program with \$140 million in 2017-18.

(g) How does that compare to ten years ago?

Answer:

0.97 per cent of the State Budget was allocated to the Culture and Arts portfolio in 2003-04.



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Question No. 7: Hon Lynne McLaren MLC asked –

I refer to “Statement of consolidated Account Appropriations and Income Estimates” on page 87 of the Annual Report, and ask –

(a) Can the Department list which services were impacted from a decreased net amount appropriated to deliver services from \$71 561 000 in 2013 to \$38 319 000 in 2014?

Answer:

No Services were impacted. The decrease reflects the accounting treatment of the Machinery of Government change disclosed in Note 6 on page 103 which moved the appropriation for Employee Benefits expenses from the Department to the Agencies. Please see the answer to Question 5 for more detail on this change.

(b) How many FTEs were allocated to deliver services in 2013 compared to 2014?

Answer:

2013 FTEs: 604

2014 FTEs: 602.33



ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE
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Department of Culture and the Arts

Question No 8: Hon Lynne McLaren MLC asked –

Where are the statistics on gender diversity across the management tiers in the Department?

Answer:

It is not a requirement of the Public Sector Commission to provide gender diversity statistics under the Public Sector Commission's *Annual Reporting Framework 2013/2014*.

Workforce and diversity issues are aligned to Government legislation, strategies and a range of cross-government documents including

- i. Equal Opportunity Act 1984*
- ii. Public Sector Management Act 1994*
- iii. Strategic Directions for the Public Sector Workforce 2009–2014*
- iv. Aboriginal Employment Strategy 2011–2015*
- v. CEO Performance Agreements*
- vi. Skilling WA—A Workforce Development Plan for Western Australia*
- vii. Disability Access and Inclusion Plans*

As outlined in the Public Sector Commissioner's Circular 2013-04 authorities are required to report annually under section 146 of the *Equal Opportunity Act 1985* to the Director of Equal Opportunity in Public Employment (DEOPE) in the Public Sector Commission (PSC). The information provided by authorities to DEOPE is published in the State of the Sector Bulletin and is available on the Public Sector Commission's website.

The 2013 State of the Sector Bulletin can be found at

<http://www.publicsector.wa.gov.au/document/state-sector-statistical-bulletin-2013>

