



**REPORT OF THE  
STANDING COMMITTEE ON ESTIMATES  
AND FINANCIAL OPERATIONS  
IN RELATION TO THE  
COMSWEST**

**Presented by the Hon Edmund Dermer MLC**

**Report 26**

## **STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS**

The Standing Committee was established on 21 December 1989 with the following terms of reference:

1. There is hereby appointed a Standing Committee to be known as the *Estimates and Financial Operations Committee*.
2. The committee consists of 5 members.
3. The functions of the Committee are to consider and report on:
  - (a) the estimates of expenditure laid before the Council each year; and
  - (b) any matter relating to the financial administration of the State.
4. The Committee shall report on the estimates referred under clause 3 by or within one sitting day of the day on which the second reading of the *Appropriation (Consolidated Revenue Fund) Bill* is moved.
5. For the purposes of clause 3(a), the House may appoint not more than 6 members at any stage of its examination.
6. A reference in clause 3 to "estimates of expenditure" includes continuing appropriations, however expressed, that do not require annual appropriations.
7. The Committee may initiate investigations under clause 3(b) without prejudice to the right of the Council to refer any such matter.

### **Members of the Committee:**

Hon Mark Nevill MLC (Chairman)  
Hon Muriel Patterson MLC (Deputy Chairman)  
Hon Edmund Dermer MLC  
Hon Simon O'Brien MLC  
Hon Bob Thomas MLC

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**Report of the Legislative Council**  
**Estimates and Financial Operations Committee**  
**in relation to ComsWest**

**1. INTRODUCTION**

- 1.1 The Standing Committee on Estimates and Financial Operations ("the Committee") was first appointed on 21 December 1989. Under its Terms of Reference, the Committee is required to consider and report on any matter relating to the financial administration of the State.
- 1.2 In July 1997, the Committee commenced an inquiry into the provision of telecommunication services to Western Australian Government Agencies. The inquiry addressed the apparent problems associated with the arrangement of telecommunication services for State Government Agencies.
- 1.3 Between July 1997 and present, the Committee has monitored the changes which have occurred in the State of Western Australia's provision of telecommunication services to Government Agencies. The Committee has obtained regular updates from the Department of Contracts and Management Services concerning the review of these arrangements and the transition process from the former Telecommunications Management Agreement to the current arrangements.

**2. BACKGROUND**

- 2.1 In February 1995, the Western Australian Government entered into a Telecommunications Management Agreement (the "Agreement") with Pacific Communications Pty Ltd and ComsWest Pty Ltd. The Agreement was for Pacific Star Communications' Pty Ltd ("Pacific Star") wholly owned subsidiary, ComsWest Pty Ltd ("ComsWest"), to manage telecommunications services for all Western Australian Government Agencies.<sup>1</sup>
- 2.2 The term of the Agreement was three (3) years with an option to extend for a further three (3) years at the Government's discretion.<sup>2</sup> The Agreement was initially managed by the Public Sector Management Office ("PSMO") until January 1997 when it was transferred to the Department of Contract and Management Services ("CAMS").
- 2.3 In May 1997, the Government commissioned a review of the Agreement to determine whether the Agreement should be extended. On 1 July 1997, further deregulation of the

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<sup>1</sup> Telecom New Zealand Pty Ltd owned 100% of the issued ordinary shares of Pacific Star Communications Pty Ltd

<sup>2</sup> Telecommunications Management Agreement, The State of Western Australia and Pacific Star Communication Pty Ltd and ComsWest, section 4.2

telecommunications industry occurred as a result of the new *Telecommunications Act 1997 (Cwth)*. The deregulation resulted in an increased number of carriers entering the market and the Australian Competition and Consumer Commission became involved as the Regulator of the Industry.

- 2.4 On 28 July 1997, the Cabinet of the State of Western Australia considered the review and decided against extending the Agreement for a further three (3) years. Pacific Star and ComsWest were formally advised, on 31 July 1997, that the Agreement would not be extended and would expire on 31 January 1998. At that point, CAMS commenced negotiations with ComsWest, Pacific Star and Telstra on the transition arrangements from the Agreement. In particular, CAMS commenced to implement the purchasing model, approved by Cabinet, which involved the development and establishment of the new arrangements (see comments at 7.1).

### 3. AIMS AND OBJECTIVES OF THE AGREEMENT

- 3.1 Prior to the introduction of the Agreement, Government Agencies had a range of services and systems in place to support their own, individual, telecommunications needs. Essentially, the Agreement was implemented to provide a "one-stop shop" for telecommunication services.
- 3.2 As indicated, the Agreement was implemented in February 1995 and provided that ComsWest purchased and managed all telecommunications services on behalf of the Western Australian Government. The intention of this aggregated arrangement was that ComsWest would act on behalf of the State Government in the sense that they would negotiate with various telecommunication carriers and service providers to obtain the best deal for Government Agencies. In other words, ComsWest would purchase services at a low cost through exercising its "whole of Government" purchasing power and then resell those services to Government Agencies. Schedule 2 of the Agreement detailed the manner in which ComsWest determined its costs and profit component (see **Annexure 1** of this Report).
- 3.3 The Agreement included a role for ComsWest in obtaining billing data from telecommunications carriers (principally Telstra) and converting that billing data into accounts for presentation to Government Agencies.
- 3.4 The overall objectives of the Agreement were to -
- achieve better management, effective use, improved quality and better coordination of telecommunications services for Government Agencies;
  - lower costs to the Government Agencies;
  - encourage competition between telecommunication suppliers; and
  - obtain industry and community benefits and to improve delivery of telecommunications services to country and regional areas.

- 3.5 In relation to competition, ComsWest's role was to deal with telecommunication suppliers and select the best goods and services to suit the requirements of each Government Agency. This process encouraged and developed competition between suppliers to provide the best deal for Government Agencies as ComsWest customers. ComsWest also provided an information help and support service to customers.
- 3.6 In the process of collecting billing information on a whole of Government basis ComsWest could accumulate detailed information on expenditure. The information was collected at the State and Government Agency levels and included information on basic telephone services and agency-level strategic technical issues. The central instrument for collection of information was the Management Information System. This system produced information based on billing data which was provided by the carriers.
- 3.7 ComsWest was also available for Government Agencies to consult when seeking advice as to the Agencies' strategic telecommunications needs and the meeting of those needs. ComsWest sourced this advice from both its own resources and third party consultants.

#### **4. PROBLEMS ASSOCIATED WITH THE AGREEMENT**

- 4.1 In the period between February 1995 and August 1997, Government Agencies complained about the standard of service provided by ComsWest. A performance survey carried out by CAMS in May 1997 revealed a strong dissatisfaction with the billing service provided by ComsWest. In particular, the results showed that over 80% of the respondents were dissatisfied with the accuracy and timeliness component of ComsWest's billing. Furthermore, approximately 50% of the respondents said that they were dissatisfied with the completeness of accounts received by ComsWest and 60% of those respondents said this had not improved over time.<sup>3</sup>
- 4.2 During the course of this inquiry, the Committee obtained a report from the Hon Kevin Prince MLA, the then Minister for Health, concerning the Health Department's dealings with ComsWest. In the report, the Hon Kevin Prince MLA said that the Health Department was dissatisfied with the service provided by ComsWest having experienced problems with inaccuracies in billing, considerable delays in responding to account enquiries and late presentation of accounts leading to large outstanding amounts.
- 4.3 On 29 July 1997, the Committee also received a report from the General Manager of ComsWest, Mr Gary Ellis. In that report, Mr Ellis addressed a number of the criticisms which had been directed at ComsWest. In regard to the billing complaints, Mr Ellis said that ComsWest had experienced a number of difficulties in implementing the invoicing system that supported the consolidation telecommunications fees from suppliers into one bill for Government Agencies. However, Mr Ellis said that most of those difficulties had since been resolved and he was confident that service delivery would be maximised in the next quarter.

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Analysis of May 1997 ComsWest Performance Survey, Preliminary Report, CAMS, June 1997

- 4.4 In May and June 1997, a number of critical newspaper articles were published concerning ComsWest's performance. Around that time, the Opposition's Commerce and Trade Spokesman, the Hon Clive Brown MLA, claimed that ComsWest had failed to deliver benefits to the State and was in jeopardy because of tens of millions of dollars in unpaid bills owed by Pacific Star to Telstra.<sup>4</sup> These allegations were defended by the Government's Services Minister, the Hon Mike Board MLA, who claimed that ComsWest had achieved good savings under the Agreement.<sup>5</sup>
- 4.5 CAMS has agreed that one of the recurring problems encountered under the Agreement was the issue of billing accuracy. In regard to this matter, CAMS advised the Committee of the following issues for consideration -
- i) In February 1995, ComsWest and the telecommunication carriers estimated that the conversion of accounts would take six (6) months and that, after that time, the full benefits of aggregated discounts would become available to the State. However, the actual conversion time taken was 23 months due to a high error rate in the billing data received from the wholesale arm of Telstra; namely the Telstra Industry Services Business Unit.
  - ii) Telstra has multiple internal billing systems and the information was integrated by a single billing system called FlexCabs. The merging of this billing information generated errors as high as 30%. This billing information was then transferred from Telstra Wholesale to ComsWest for rebilling to Government Agencies. The additional 17 months taken by the conversion was the fault of Telstra and not ComsWest. The Committee has not sought Telstra's comment with respect to this claim by CAMS.
  - iii) A double conversion of accounts occurred as a result of Telstra changing to a new billing system as it was transferring accounts to ComsWest. Indications are that the State was not alone in experiencing difficulties, which were shared by other State Governments and large corporations.
  - iv) Billing enquiries from Government Agencies to ComsWest had to be referred back to Telstra for investigation and correction. This process should have taken three (3) months but took from six (6) to twelve (12) months and even then the billing problems were not resolved. This compounded the frustration at Agency level and demanded more resources from ComsWest to satisfactorily resolve the billing problems.
  - v) A reported 18 out of 20 telecommunication resellers nationwide were engaged in litigation with Telstra regarding loss of revenue brought about by poor and/or inaccurate billing information.

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<sup>4</sup> The West Australian Newspapers, 13 May 1997, 20 May 1997, 28 May 1997, 19 June 1997, 12 June 1997, 23 June 1997

<sup>5</sup> The West Australian Newspaper, 20 May 1997



- vi) The resources and effort of trying to resolve the high number of billing enquiries in the first two (2) years of the Agreement detracted from ComsWest's ability to fulfill its other roles. ComsWest committed significant resources to develop a detailed extension level billing to identify liabilities at the agency telephone extension level. This detailed billing was based on the conversion of low-level information provided by Telstra.
  - vii) The introduction of the detailed ComsWest billing system also identified accounts that did not belong to the State. The identification of these accounts and their respective legal owners involved ComsWest in complex negotiations and investigation with Telstra to identify the correct owners and their liabilities.
- 4.6 CAMS also informed the Committee that the cumulative net savings achieved by ComsWest over the period from the commencement of the Agreement until 30 June 1997 were \$20, 788 458.00. A breakdown of the principal components of this saving is contained in **Annexure 2** of this Report.

## 5. **DECISION NOT TO EXTEND THE AGREEMENT**

- 5.1 In late July 1997, the Government chose not to extend the Agreement for a further term. The Government advised ComsWest that the State Cabinet had decided not to continue the Agreement after receiving feedback from Government Agencies, the telecommunications industry and ComsWest. According to the Minister for Services, the Hon Mike Board MLA, the Agreement had been a success but a new direction in the provision of telecommunications services was required as a result of the changes brought about by the deregulation of Australia's telecommunications industry.<sup>6</sup>
- 5.2 The decision not to extend the Agreement was made following a report compiled by Ernst and Young Consulting.<sup>7</sup> As part of the review, Ernst and Young Consulting sought comment from the relevant Government Agencies, three (3) technical consultants, the Information Industry Association, the major telecommunication carriers and ComsWest. The review was also conducted in consultation with PSMO and the Information Policy Council, with input from the Steering Committee and Customer Reference Group.
- 5.3 The review highlighted two important issues concerning an extension of the Agreement being -
- i) the aggregation arrangement, as described in 3.2 above, provided by ComsWest was not considered suitable after deregulation of the telecommunications industry on 1 July 1997; and

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<sup>6</sup> The West Australian Newspaper, 30 July 1997, p 6

<sup>7</sup> Telecommunications Management for the Western Australia Public Sector Review Report, Ernst and Young, July 1997.

- ii) there was strong Government Agency opposition to extending the Agreement in its current form if the billing problems were not resolved and more flexible purchasing arrangements implemented.
- 5.4 Ernst and Young Consultant's review also identified the need for a facilitator and expert intermediary between the deregulated market and the State Government Agencies. It was thought that a brokerage role would be more relevant to the new telecommunications environment than the existing reseller role which had been ComsWest's main function under the Agreement.
- 5.5 The review highlighted that Government Agencies were keen to ensure that any future arrangement should offer a choice of carriers and service providers and that participation in any future arrangement which aggregates the provisions of telecommunication services should be subject to Agency discretion. Government Agencies also displayed a desire for a direct service relationship with their suppliers.
- 5.6 It was also noted that when the Agreement was implemented in February 1995, the State needed an aggregator and reseller to achieve whole of Government discounts. Subsequent market changes eroded the reseller margins and deregulation further threatened the viability and relevance of this form of arrangement. Furthermore, the *Telecommunications Act 1997 (Cwth)* removed the opportunity for the reseller to obtain the discounts previously offered by the telecommunications carriers on the basis of the whole of Government purchasing.

## **6. CURRENT OUTSTANDING LIABILITIES REMAINING UNDER THE AGREEMENT**

- 6.1 In February 1998, CAMS informed the Committee that the identified liabilities between the Western Australian Government and ComsWest were -
- i) \$237,314.00 owed by the Western Australia Government to ComsWest for consultancy work conducted by ComsWest to establish the viability of a Common Digital Network. At that stage, it was anticipated that the sum would be paid as part of the finalisation of the Agreement; and
  - ii) \$65,000 owed to ComsWest by various Government Agencies as the final payment for the Management Information System. The Government Agencies have been paying for this sum as part of their normal monthly billing over the duration of the Agreement. It was proposed that the State would pay the last payment as the process of transitioning billing accounts would cause the Government Agencies to cease receiving accounts prior to the final payment being made for the Management Information System.
- 6.2 At that same time, the identified liability between ComsWest and Western Australian Government Agencies was estimated between \$6 million and \$12 million. This figure varied almost daily on receipt of the monies owed.

- 6.3 The Committee obtained a further update concerning the liabilities in October 1998. At that time, the Minister for Services, Hon Mike Board MLA, advised the Committee that the State of Western Australia had finalised all financial matters with ComsWest and Pacific Star. Furthermore, CAMS had paid all outstanding obligations on behalf of the State and its Agencies as per the negotiated transition agreements.
- 6.4 On 11 December 1998, the Minister for Services, the Hon Mike Board MLA, provided the Committee with a spreadsheet relating to the debt assigned from ComsWest to CAMS. The spreadsheet is contained in **Annexure 3** of this Report and provides the following details -
- i) credits to be returned to the State by the Government Agencies;
  - ii) amounts undisputed by the Government Agencies; and
  - iii) disputes remaining unresolved.
- 6.5 The Minister for Works advised that throughout the transition process, CAMS had undertaken to remind the Chief Executive Officers and Government Agencies of their obligations to pay any amount that was undisputed with Pacific Star. Furthermore, in October 1998, CAMS contacted those Government Agencies with significant liabilities and encouraged them to finalise any outstanding payments. These actions reduced the liability from in excess of \$6 million in February 1998 to the current figure of less than \$1.5 million.
- 6.6 In his letter of 11 December 1998, the Minister for Works also said that CAMS was holding discussions with Treasury concerning suitable mechanisms for recovery of the outstanding liabilities from certain Government Agencies.

## **7. CURRENT STRUCTURE FOR THE PROVISION OF TELECOMMUNICATIONS TO GOVERNMENT AGENCIES IN WESTERN AUSTRALIA**

- 7.1 Following the expiration of the ComsWest contract on 1 February 1998, CAMS implemented a series of panel purchasing arrangements. The panel arrangements established a panel of companies to provide telecommunications and information technology services to State Government Agencies. Companies are admitted to that panel on the condition of meeting requirements specified by CAMS. State Government Agencies select from the panel(s) services they choose to purchase. The purchasing arrangements include a -
- i) common use panel contract for Basic Telecommunication Services; and
  - ii) second panel for brokerage and consultancy services.

- 7.2 The purpose of the Basic Telecommunication Services Panel included the following -
- i) provide Government Agencies with highly competitive choices for the provision of services from suppliers who can provide genuine value for money;
  - ii) obtain the benefit of aggregation of all State business with any particular supplier, in the pricing and service levels for all Government Agencies purchasing contracted services;
  - iii) allow the State the flexibility to adjust its purchasing strategies as the deregulated telecommunications environment presents opportunities;
  - iv) provide a risk managed structure through which Government Agencies can acquire telecommunications services;
  - v) capture information on a "whole of government" level to allow the development of suitable policies and strategies that will encourage State development in the most cost effective manner; and
  - vi) benchmark the performance of suppliers against industry best practice to measure the effectiveness and efficiency of the agreements and make changes as necessary.

7.3 There is a mandatory requirement that Government Agencies select basic telecommunications services from the common use panel.

7.4 The purpose of the second panel is to provide the various Government Agencies with impartial and expert advice in specialist technical areas when negotiating for telecommunications services. In this regard, the panel will provide the various Government Agencies with a list of suitably qualified vendor-independent telecommunications consultants. The consultants will be qualified to provide the suitable technical and tactical advice to assist in the negotiations.

7.5 The second panel will also assist Government Agencies in providing competitive choices for advice on the most cost effective telecommunication services. Although involvement of the panel is not mandatory, its availability has been widely publicised across State Government Agencies as part of the launch of the new arrangements.

## **8. CONCLUSION**

8.1 As outlined above, the Government commissioned Ernst and Young Consulting to review the provision of telecommunication services to Western Australian Government Agencies by ComsWest. As a result of the review, it was concluded that the aggregation model provided by ComsWest was not suitable after deregulation of the telecommunications industry on 1 July 1997. Furthermore, the review revealed that there was strong Government Agency opposition to extending the Agreement in its current form if the billing problems were not resolved and more flexible purchasing arrangements implemented.

- 8.2 Following the review, the Government decided against extending the Agreement and favoured the implementation of the purchasing arrangements outlined in 7.1 - 7.5 above. It was submitted that these arrangements were suited to a deregulated telecommunications industry and satisfied the concerns raised by the various Government Agencies surveyed. In particular, the arrangement provided the Government Agencies with purchasing flexibility and technical expertise suited to the deregulated industry.
- 8.3 It is clear that there were a number of legitimate concerns regarding the standard of service provided to Government Agencies by ComsWest. As outlined in 4.5 above, CAMS argued that ComsWest was not solely responsible for the billing problems and noted that the issue of liability will be litigated before the Courts.
- 8.4 The issue of whether ComsWest achieved savings to the State of Western Australia was also publicly debated in the weeks prior to 30 July 1997 when a decision was required concerning extending the Agreement. On the one hand, it was argued that ComsWest had failed to provide the State with any savings in the provision of telecommunications. On the other hand, ComsWest argued that it had achieved considerable savings in the provision of the telecommunication services to the State (see comments at 4.1, 4.2, 4.3, 4.4 and 5.1).
- 8.5 In order to ascertain the matter of savings, the Committee obtained information from CAMS. As outlined in 4.6 above, CAMS advised that the cumulative net saving achieved by ComsWest over the period from the commencement of the Agreement until 30 June 1997 was \$20 788 458.00.
- 8.6 The Committee believes that the period of the Agreement corresponded with a volatile period in the telecommunications industry during which the industry was impacted on by reduced regulation and increased competition. In the Committee's view, this volatility probably contributed to problems associated with the Agreement.
- 8.7 The Committee believes that the changes in the nature of the telecommunications industry rendered the Agreement less appropriate for Government Agency needs as projected at the time of consideration of the review of the Agreement in July 1997 than the Agreement was when implemented in February 1995.
- 8.8 As mentioned at 6.3, the Hon Mike Board MLA recently advised the Committee that the State of Western Australia had finalised all financial matters with ComsWest and Pacific Star. Furthermore, CAMS had paid all outstanding obligations on behalf of the State and its Government Agencies as per the negotiated transition agreements. However, the recovery by CAMS of the amounts owed by each Government Agency was ongoing (see recommendation 9.1 (i)).

## **9. RECOMMENDATIONS**

9.1 The Committee recommends that the relevant Minister -

- i) report to Parliament on the settlement of the remaining outstanding liabilities incurred under the Agreement which are owed to CAMS by various Government Agencies;
- ii) conduct a survey of the Government Agency's satisfaction with the new telecommunications panel arrangements no later than 30 June 1999; and
- iii) report to Parliament the findings of the survey of the Government Agency's satisfaction with the new telecommunications panel arrangements no later than 31 August 1999.

**Hon Mark Nevill MLC**  
**Chairman**

**Date: 16 December 1998**

## **Annexure 1**

## SCHEDULE 2

### REMUNERATION OF TELECOMMUNICATIONS MANAGER

Remuneration of the Telecommunications Manager under this Agreement shall be as provided in this Schedule.

The Telecommunications Manager shall ensure that without increased cost Customers continue to obtain the full benefit of the level of discounts and reduced tariffs existing at the date of this Agreement under the whole of Government arrangements with carriers currently administered by the Department of State Services. Telecommunications Manager remuneration for administering that arrangement and for billing shall be based on among other things total volumes and on new savings achieved over and above existing discount levels achieved and/or from the opportunity to provide additional value added services. Increases in carrier tariffs and reduced carrier discounts may be passed on to Customers.

#### 1. Remuneration Model

The following is the remuneration model for the Telecommunications Services under this Agreement for all services billed on the MIS.

Formula

Telecommunications Manager Remuneration =

$$r\%*(NBR) + 10\%*(NSA) + 10\%*(RS) + i\%*(NBR) + FSC + m\%*(NBR)$$

The formula shall be applied individually on each account not as an average across Customers. The terms used in the formula are defined below and the values for the percentage figures are given in the table below.

#### 1.1 Remuneration Agreed Percentage Table

Each Customer shall be billed individually for Telecommunications Services provided and charges incurred by that Customer. Charges shall be calculated and payable monthly in accordance with the remuneration formula above and shall be itemised on the bill.

The Total Net Billed Revenue (defined in Section 1.2 below) is used to establish charges from the relevant column in the table below which are applied each month to Customers' bills through the MIS.



Remuneration based on:		\$M	\$M	\$M	\$M	\$M
Total	Net Billed Revenue per month (TNBR)	-	3.0	4.5	7.0	13.0
r	% of Net Billed Revenue (NBR)	4.0	3.0	2.7	2.3	1.9
i	% for Service Level Bonus (SLB)	1.0	0.8	0.8	0.7	0.6
FSC	Fee for Service Component	As agreed for each approved service listed in Schedule 3				
m	% of Net Billed Revenue (NBR)	Charge for MIS - Section 1.2.7				

## 1.2 Definitions

The following definitions relate to the formula for Telecommunications Manager Remuneration:

### 1.2.1 Net Billed Revenue (NBR)

NBR is the total billed amount (in dollars) on the account for brokered Telecommunications Services sent to a Customer via the MIS net of all discounts and prior to application of remuneration fees under this Agreement. NBR includes the Fee for Service Component in accordance with paragraph 1.2.6. This excludes capital items and goods purchased to be paid on a price basis with any commission on brokerage stated and included in the price rather than collected via percentages itemised above.

### 1.2.2 Total Net Billed Revenue (TNBR)

TNBR per month is the total Net Billed Revenue (as defined in Section 1.2.1 for Customers and calculated on an equivalent basis for private sector and mobile telecommunications clients) of all bills to Customers to private sector clients of the Telecommunications Manager in the State and to clients of the mobile telecommunications business outlined in Schedule 5.

TNBR shall be calculated each month and used to select the charge percentages from the table in Section 1.1 to be used in the remuneration formula for each Customer's bill for that month using the same figures for all Customers.

Inclusion of other business of the Telecommunications Manager in determining TNBR does not imply liability or responsibility for those clients by the State.

### 1.2.3 New Savings Achieved (NSA)

NSA is a reduction in the cost of a service as measured against a benchmark agreed in the approval process for services and products as detailed in Schedule 3. This reduction is as billed to a Customer by the Telecommunications Manager and must be a result of a deliberate action taken by the Telecommunications Manager.

NSA are to be over and above any discount or other saving already enjoyed by the State at the time of entering into the Agreement and shall be measured against agreed benchmarks which are to be the same for all Customers.

The agreed benchmarks against which ongoing savings are measured shall be subject to review by the parties as often as appropriate having regard to initiatives undertaken and in any case at least every six (6) months

NSA shall include the ongoing benefit of tariff reductions resulting from negotiations by the Telecommunications Manager.

A percentage charge given in the table above on the total NSA will be included in the bill for a Customer for the period during which the Customer continues to receive benefits from the relevant savings and remains a Customer.

Excluded from New Savings Achieved are:

- (a) a general reduction in carrier tariffs not resulting from negotiations by the Telecommunications Manager;
- (b) savings in areas not billed by the Telecommunications Manager such as capital, efficiency, administrative or consequential savings which may be realised within the State Public Sector unless agreed or contemplated below.

Where projects, products or services are proposed with a significant component of savings of a non-billable nature, the project proposal submitted for approval to the Contract Manager shall include any suggested arrangements for payment of the Telecommunications Manager which shall be incorporated in the payments by Customers.

#### 1.2.4 Rationalisation Savings (RS)

RS are savings resulting from rationalisation of telecommunications services by the Telecommunications Manager for the Customer.

RS includes without limitation

- (a) bill scrubbing - an analysis of existing bills to identify opportunities for savings;
- (b) discounts currently available but not being achieved; and
- (c) reductions in services able to be made.

The basis for calculating savings due to rationalisation including the duration of RS charges is to be agreed in advance between the Customer and the Telecommunications Manager. A percentage charge given in the formula above on the total Rationalisation Savings shall be included in the bill for that Customer for the period during which the Customer continues to receive the relevant benefits from those savings and remains a Customer.

#### 1.2.5 Service Level Bonus (SLB)

SLB is a bonus payment calculated as a percentage on NBR for achievement of agreed levels of service to Customers. The application of SLB shall be on an individual Customer basis rather than based on averages across Customers and shall be separately itemised on each bill.

SLB shall be measured by reference to whether or not the Telecommunications Manager has met its obligations contained in clause 8 of the Agreement and any service level agreed by the Customer and the Telecommunications Manager from time to time. Subject to those obligations being met Customers shall pay the SLB. A Customer may elect not to pay the SLB in the event that the level of service is not acceptable to the Customer. The Customer shall provide reasons for non-payment of the SLB and contact details sufficient for the Telecommunications Manager to follow up and address issues raised.

**1.2.6 Fee for Service Component (FSC)**

FSC shall be billed as agreed for each approved service listed in Schedule 3 and shall unless specifically excluded in Schedule 3 be included in the NBR for each Customer. The parties acknowledge and agree that such inclusion in the NBR shall be taken into account in setting the prices to be stipulated in Schedule 3.

**1.2.7 Charge for Management Information System (MIS)**

Payments for the MIS shall be as provided in Schedule 8.

The Telecommunications Manager shall recover payments for the MIS each month by spreading the monthly payment across Customers from month to month in proportion to each Customer's NBR for that month.

To achieve this a percentage (m) shall be calculated by the Telecommunications Manager each month by dividing the required month's MIS payment by the total of the NBR for all Customers for that month. The percentage (m) shall be applied to the NBR on each Customer's bill in accordance with the remuneration formula above.

**1.3 Reporting**

Reporting under this Schedule shall be in accordance with the relevant provisions of Schedule 4.

## **Annexure 2**

The savings achieved, based on ComsWest Management Information System (MIS) as audited by KPMG

Component		Savings
Aggregation discounts	95/96	\$4,912,090.00
Aggregation discounts	96/97	\$6,557,368.00
Overcharged amount by Telstra credited back		\$1,300,000.00
Cancellation of 1300 accounts no longer required		\$1,755,000.00
Reduced number of payments from 4625 accounts to only 305 bills p/m		\$6,264,000.00
<b>Total savings</b>		<b>\$20,788,458.00</b>

## **Annexure 3**

BAN Number	BAN Name	Total Outstanding	Total in Dispute	Outstanding & Undisputed
<b>Agency covered by Indemnity</b>				
386000016001	SIR CHARLES GAIRDNER HOSPITAL	\$ (106,164.99)	\$ -	\$ (106,164.99)
3860000303001	TAFE INTERNATIONAL WA	\$ (28,334.88)	\$ -	\$ (28,334.88)
3860000287001	ROYAL PERTH HOSPITAL	\$ (26,450.52)	\$ -	\$ (26,450.52)
3860000003001	WATER & RIVERS COMM LVL 2, HYATT CENTRE	\$ (25,331.10)	\$ -	\$ (25,331.10)
3860000295001	AGRICULTURE WESTERNAUSTRALIA	\$ (25,283.28)	\$ -	\$ (25,283.28)
3860000150001	WATER CORPORATION -LEEDERVILLE	\$ (22,784.56)	\$ -	\$ (22,784.56)
3860000216001	WA POLICE DEPT-DATACOMMUNICATIONS	\$ (17,120.44)	\$ -	\$ (17,120.44)
3860000106001	CENTRAL PSYCHIATRIC SERVICES	\$ (13,236.00)	\$ -	\$ (13,236.00)
3860000483001	GASCOYNE HEALTH SERVICES	\$ (12,831.56)	\$ -	\$ (12,831.56)
3860000085001	HOMESWEST	\$ (12,708.91)	\$ -	\$ (12,708.91)
3860000194001	HAWTHORN HOSPITAL LNMHS	\$ (8,495.78)	\$ -	\$ (8,495.78)
3860000199001	COMMUNITY HEALTH SERVICES (LNMHS)	\$ (7,077.80)	\$ -	\$ (7,077.80)
3860000193001	MINISTRY FOR PLANNING IT BRANCH	\$ (6,955.23)	\$ -	\$ (6,955.23)
3860000117001	HEALTH DEPT OF WA - DATA COMMS	\$ (6,687.65)	\$ -	\$ (6,687.65)
3860000189001	FREMANTLE PORT AUTHORITY	\$ (5,696.03)	\$ -	\$ (5,696.03)
3860000480001	RURAL HEALTH DEVELOPMENT UNIT	\$ (5,681.98)	\$ -	\$ (5,681.98)
3860000023001	OFFICE OF THE PUBLIC SECTOR STANDARDS COM	\$ (5,421.81)	\$ -	\$ (5,421.81)
3860000178001	WA FIRE BRIGADES	\$ (4,888.11)	\$ -	\$ (4,888.11)
3860000020001	DEPARTMENT OF COMMERCE & TRADE	\$ (4,764.66)	\$ -	\$ (4,764.66)
3860000113001	LIBRARY & INFORMATION SERVICES	\$ (4,588.51)	\$ -	\$ (4,588.51)
3860000190001	ESPERANCE DISTRICT HOSPITAL	\$ (4,574.80)	\$ -	\$ (4,574.80)
3860000079001	KING EDWARD HOSPITAL	\$ (4,478.73)	\$ -	\$ (4,478.73)
3860000008001	DEPT OF CONSERVATION & LAND MANAGEMENT	\$ 35,762.45	\$ 40,000.00	\$ (4,237.55)
3860000497001	MINISTER FOR THE ENVIRONMENT	\$ (4,068.36)	\$ -	\$ (4,068.36)
3860000076001	WA MEAT MARKETING CORPORATION	\$ (3,946.70)	\$ -	\$ (3,946.70)
3860000326001	KUNUNOPPIN & DISTRICTS HOSPITAL	\$ (3,811.21)	\$ -	\$ (3,811.21)
3860000269001	DEPT OF COMMERCE & TRADE	\$ (3,511.19)	\$ -	\$ (3,511.19)
3860000001001	WESTRAIL	\$ (3,437.81)	\$ -	\$ (3,437.81)
3860000293001	ALBANY PORT AUTHORITY	\$ (3,361.00)	\$ -	\$ (3,361.00)
3860000406001	FAMILY & CHILDREN SVC-WEST KIMBERLEY	\$ (3,286.48)	\$ -	\$ (3,286.48)
3860000066001	DISABILITY SERVICES COMMISSION SEMR	\$ (2,957.28)	\$ -	\$ (2,957.28)
3860000452001	OFFICE OF YOUTH AFFAIRS	\$ (2,422.00)	\$ -	\$ (2,422.00)
3860000195001	PHYSICAL RESOURCES HEALTH DEPT OF WA	\$ (2,264.25)	\$ -	\$ (2,264.25)
3860000104001	JOONDALUP HEALTH CAMPUS	\$ (2,250.75)	\$ -	\$ (2,250.75)
3860000403001	FAMILY AND CHILDRENSVCS-SCARBOROUGH	\$ (1,963.92)	\$ -	\$ (1,963.92)
3860000129001	NORTHERN GOLDFIELDS HEALTH SERVICES	\$ (1,678.83)	\$ -	\$ (1,678.83)
3860000028001	DEPT OF RESOURCES DEVELOPMENT	\$ (1,657.83)	\$ -	\$ (1,657.83)
3860000232001	OFFICE OF THE MINISTER FOR WORKS	\$ (1,307.52)	\$ -	\$ (1,307.52)
3860000063001	DEPARTMENT OF LOCAL GOVERNMENT	\$ (1,274.21)	\$ -	\$ (1,274.21)
3860000144001	DISEASE CONTROL-HEALTH DEPT OF WA	\$ (1,255.83)	\$ -	\$ (1,255.83)
3860000314001	PORT HEDLAND COMMUNITY HEALTH	\$ (1,169.56)	\$ -	\$ (1,169.56)
3860000446001	FAMILY AND CHILDRENSVCS-CENTRAL-NORTHAM	\$ (1,021.36)	\$ -	\$ (1,021.36)
3860000207001	NORTHAM RESIDENTIAL COLLEGE	\$ (989.07)	\$ -	\$ (989.07)
3860000166001	CENTRAL GREAT SOUTHERN HEALTH SERVICE	\$ (987.67)	\$ -	\$ (987.67)
3860000108001	PEEL DEVELOPMENT COMMISSION	\$ (915.97)	\$ -	\$ (915.97)
3860000201001	MIRRABOOKA MENTAL HEALTH-NMHS	\$ (910.49)	\$ -	\$ (910.49)
3860000313001	PILBARA PUBLIC HEALTH	\$ (907.34)	\$ -	\$ (907.34)
3860000397001	FAMILY AND CHILDRENSVCS-E PILBARA DIST	\$ (905.59)	\$ -	\$ (905.59)
3860000212001	BRIDGETOWN DISTRICT HOSPITAL	\$ (782.12)	\$ -	\$ (782.12)
3860000478001	GOOMALLING HEALTH SERVICE	\$ (766.66)	\$ -	\$ (766.66)
3860000179001	DENTAL SERVICES	\$ (734.90)	\$ -	\$ (734.90)
3860000013001	WORKSAFE WESTERN AUSTRALIA	\$ (471.44)	\$ -	\$ (471.44)
3860000143001	DEPT PRODUCTIVITY AND LABOUR RELATIONS	\$ (434.09)	\$ -	\$ (434.09)
3860000082001	FREMANTLE HOSPITAL	\$ (433.39)	\$ -	\$ (433.39)
3860000112001	WA POLICE DEPT O/COMMUNICATIONS BRCH	\$ (427.19)	\$ -	\$ (427.19)
3860000286001	OFFICE OF ENERGY-LEEDERVILLE	\$ (416.20)	\$ -	\$ (416.20)
3860000121001	ROCKINGHAM KWINANA HEALTH SERVICE	\$ (415.41)	\$ -	\$ (415.41)
3860000133001	DUNDAS HEALTH SERVICE	\$ (414.81)	\$ -	\$ (414.81)
3860000370001	COCKBURN SKILL SHARE	\$ (372.76)	\$ -	\$ (372.76)
3860000099001	COAL INDUSTRY SUPERANNUATION BOARD	\$ (354.71)	\$ -	\$ (354.71)
3860000353001	SOUTHWEST DEVELOPMENT COMMISSION-COLLIE	\$ (335.05)	\$ -	\$ (335.05)
3860000123001	KIMBERLEY DEVELOPMENT COMMISSION	\$ (328.66)	\$ -	\$ (328.66)
3860000380001	MINISTER FOR COMMERCE AND TRADE	\$ (314.24)	\$ -	\$ (314.24)
3860000080001	DIRECTOR OF PUBLIC PROSECUTIONS	\$ (304.08)	\$ -	\$ (304.08)
3860000379001	MINISTER FOR WORKS AND SERVICES	\$ (276.61)	\$ -	\$ (276.61)
3860000165001	NORTHAM REGIONAL HOSPITAL	\$ (272.98)	\$ -	\$ (272.98)
3860000488001	DEPT OF GENERAL PRACTICE - A BLOCK	\$ (268.10)	\$ -	\$ (268.10)
3860000329001	NAREMBEEN DISTRICT MEMORIAL HOSPITAL	\$ (261.84)	\$ -	\$ (261.84)
3860000119001	WOMEN'S POLICY DEVELOPMENT	\$ (261.46)	\$ -	\$ (261.46)
3860000276001	EQUAL OPPORTUNITY COMMISSION	\$ (259.22)	\$ -	\$ (259.22)



386000086001	KARRATHA COLLEGE	\$	(238.59)	\$	-	\$	(238.59)
3860000404001	FAMILY AND CHILDRENSVCS-STH WEST RURAL	\$	(207.08)	\$	-	\$	(207.08)
3860000395001	FAM&CHILD SVCS-KEITH MAINE YOUTH CAMP	\$	(199.17)	\$	-	\$	(199.17)
3860000111001	JOINT LIBRARY COMMITTEE	\$	(184.05)	\$	-	\$	(184.05)
3860000305001	HEALTH DEPARTMENT WA MESSAGING SERVICE	\$	(177.39)	\$	-	\$	(177.39)
3860000206001	WONGAN HILLS DISTRICT HOSPITAL	\$	(167.06)	\$	-	\$	(167.06)
3860000241001	MFP-ARALUEN BOTANICPARK	\$	(147.58)	\$	-	\$	(147.58)
3860000073001	STATE REVENUE DEPT	\$	(146.79)	\$	-	\$	(146.79)
3860000407001	FAMILY & CHILDREN SVC-PEEL DISTRICT	\$	(146.05)	\$	-	\$	(146.05)
3860000064001	PUBLIC TRUSTEE	\$	(133.50)	\$	-	\$	(133.50)
3860000132001	RAVENSTHORPE HEALTHSERVICE	\$	(127.27)	\$	-	\$	(127.27)
3860000120001	OFFICIAL CORRUPTIONCOMMISSION	\$	(125.53)	\$	-	\$	(125.53)
3860000440001	FCS - GOLDFIELDS DISTRICT	\$	(122.59)	\$	-	\$	(122.59)
3860000343001	SWAN HEALTH SERVICE	\$	(122.30)	\$	-	\$	(122.30)
3860000054001	GOLD CORPORATIONAttn: Sharolyn Barr	\$	(111.10)	\$	-	\$	(111.10)
3860000065001	DSC - NORTH METROPOLITAN REGION	\$	(102.57)	\$	-	\$	(102.57)
3860000062001	ABORIGINAL AFFAIRS DEPARTMENT	\$	(89.77)	\$	-	\$	(89.77)
3860000116001	MINISTER FOR PRIMARYINDUSTRY & FISHERIES	\$	(86.50)	\$	-	\$	(86.50)
3860000122001	CONSTRUCTION INDUSTRY LONG SERVICE LEAVE	\$	(86.02)	\$	-	\$	(86.02)
3860000391001	FAMILY & CHILDREN SVCS-CRISIS CARE UNIT	\$	(85.96)	\$	-	\$	(85.96)
3860000415001	MINISTER FOR LOCAL GOVERNMENT	\$	(75.70)	\$	-	\$	(75.70)
3860000026001	SUBIACO REDEVELOPMENT AUTHORITY	\$	(66.40)	\$	-	\$	(66.40)
3860000301001	PERTH THEATRE TRUSTPLY	\$	(61.69)	\$	-	\$	(61.69)
3860000057001	VALUER GENERAL'S OFFICE	\$	(59.06)	\$	-	\$	(59.06)
3860000182001	FISHERIES DEPARTMENT OF WA	\$	(52.90)	\$	-	\$	(52.90)
3860000385001	FAMILY AND CHILDRENSVCS-PERTH DISTRICT	\$	(51.96)	\$	-	\$	(51.96)
3860000146001	MORAWA & DISTRICTS HEALTH SERVICE	\$	(41.48)	\$	-	\$	(41.48)
3860000002001	OFFICE OF RACING/GAMING & LIQUOR	\$	(38.52)	\$	-	\$	(38.52)
3860000384001	FAMILY&CHILDREN SVCS-MIRRABOOKA DIST OFF	\$	(36.44)	\$	-	\$	(36.44)
3860000115001	HERITAGE COUNCIL OFWESTERN AUSTRALIA	\$	(31.93)	\$	-	\$	(31.93)
3860000017001	WESTERN POTATO	\$	(30.97)	\$	-	\$	(30.97)
3860000386001	FAMILY AND CHILDRENSVCS-FREMANTLE OFFCE	\$	(28.62)	\$	-	\$	(28.62)
3860000052001	KINGS PARK AND BOTANICAL GARDENS	\$	(19.17)	\$	-	\$	(19.17)
3860000107001	KALAMUNDA HEALTH SERVICE	\$	(17.20)	\$	-	\$	(17.20)
3860000489001	KOONDOOLA CHILD DEVELOPMENT CENTRE	\$	(16.20)	\$	-	\$	(16.20)
3860000324001	EASTERN WHEATBELT MENTAL HEALTH SERVICES	\$	(14.10)	\$	-	\$	(14.10)
3860000299001	PERTH THEATRE TRUSTHMT	\$	(13.41)	\$	-	\$	(13.41)
3860000018001	MINISTRY FOR FAIR TRADING	\$	(12.63)	\$	-	\$	(12.63)
3860000058001	DAIRY INDUSTRY AUTHORITY OF WA	\$	(10.88)	\$	-	\$	(10.88)
3860000159001	CALM-PERTH OBSERVATORY	\$	(7.11)	\$	-	\$	(7.11)
3860000089001	MID WEST DEVELOPMENT COMMISSION	\$	(4.77)	\$	-	\$	(4.77)
3860000170001	DEPT OF FIRE AND EMERGENCY SERVICES	\$	-	\$	-	\$	-
3860000341001	SMALL BUSINESS DEVELOPMENT CORPORATION	\$	-	\$	-	\$	-
3860000265001	WA POLICE DEPT-JOONDALUP DISTRICT	\$	-	\$	-	\$	-
3860000346001	WESTERN HEALTH SERVICE	\$	-	\$	-	\$	-
3860000069001	METROPOLITAN CEMETERIES BOARD	\$	-	\$	-	\$	-
3860000124001	CONTRACT AND MANAGEMENT SERVICES (CAMS)	\$	-	\$	-	\$	-
3860000226001	SOUTH METRO COLLEGE OF TAFE-ROCKINGHAM	\$	-	\$	-	\$	-
3860000259001	WA POLICE DEPT-KARRATHA DISTRICT	\$	-	\$	-	\$	-
3860000262001	WA POLICE DEPT-NORTHAM DISTRICT	\$	-	\$	-	\$	-
3860000038001	MRWA (ROAD TRANSPORT)	\$	-	\$	-	\$	-
3860000245001	MRWA-ADAMS DRIVE (ROAD PROJECTS)	\$	-	\$	-	\$	-
3860000311001	NEWMAN DISTRICT HOSPITAL	\$	-	\$	-	\$	-
3860000263001	WA POLICE DEPT-CANNINGTON DISTRICT	\$	-	\$	-	\$	-
3860000192001	PRINCESS MARGARETHOSPITAL	\$	-	\$	-	\$	-
3860000256001	WA POLICE DEPT-BUNBURY DISTRICT	\$	-	\$	-	\$	-
3860000267001	WA POLICE DEPT-MIRRABOOKA DISTRICT	\$	-	\$	-	\$	-
3860000044001	MRWA (SOUTH WEST REGION)	\$	-	\$	-	\$	-
3860000255001	WA POLICE DEPT-BROOME DISTRICT	\$	-	\$	-	\$	-
3860000051001	MRWA (GASCOYNE REGION)	\$	-	\$	-	\$	-
3860000257001	WA POLICE DEPT-GERALDTON DISTRICT	\$	-	\$	-	\$	-
3860000043001	MRWA (MIDWEST REGION)	\$	-	\$	-	\$	-
3860000266001	WA POLICE DEPT-MIDLAND DISTRICT	\$	-	\$	-	\$	-
3860000261001	WA POLICE DEPT-NARROGIN DISTRICT	\$	-	\$	-	\$	-
3860000253001	WA POLICE DEPT-PERTH DISTRICT	\$	-	\$	-	\$	-
3860000035001	MRWA (BUS SUPPORT MAN LAND&PRO)	\$	-	\$	-	\$	-
3860000421001	MRWA DIRECTOR CORPORATE & PUBLIC AFFAIRS	\$	-	\$	-	\$	-
3860000426001	MRWA ROAD TECHNOLOGY SERVICES	\$	-	\$	-	\$	-
3860000260001	WA POLICE DEPT-MEEKATHARRA	\$	-	\$	-	\$	-
3860000375001	MRWA (ROAD STRATEGIES AND SVC)	\$	-	\$	-	\$	-
3860000036001	MRWA (BRIDGE)	\$	-	\$	-	\$	-
3860000034001	MRWA (PLANT SECTION)	\$	-	\$	-	\$	-
3860000049001	MRWA (KIMBERLEY REGION)	\$	-	\$	-	\$	-

3860000424001	MRWA ROAD SAFETY STRATEGIES-SUE DONALD	\$	-	\$	-	\$	-
3860000198001	OSBORNE PSYCHIATRICCLINIC & LODGE LNMHS	\$	-	\$	-	\$	-
3860000175001	DEPT OF FIRE AND EMERGENCY SERVICES	\$	-	\$	-	\$	-
3860000453001	MINISTRY FAIR TRADING-TRADE MEASUREMENT	\$	-	\$	-	\$	-
386000042001	MRWA-WHEAT BELT SOUTH REGION	\$	-	\$	-	\$	-
3860000031001	MRWA (ROAD DATA BRANCH)	\$	-	\$	-	\$	-
3860000250001	MRWA-ADAMS DRIVE	\$	-	\$	-	\$	-
3860000422001	MRWA EXEC DIRECTOR RD STRATEGIES & SVCS	\$	-	\$	-	\$	-
3860000425001	MRWA ROAD STRATEGIES & SERVICES - HR	\$	-	\$	-	\$	-
3860000025001	ART GALLERY OF WESTERN AUSTRALIA	\$	-	\$	-	\$	-
3860000252001	MURDOCH TAFE - CAMPUS	\$	-	\$	-	\$	-
3860000377001	GERALDTON REGIONAL MUSEUM	\$	-	\$	-	\$	-
3860000470001	WA POLICE DEPTSTATE EMERGENCY SVC	\$	-	\$	-	\$	-
3860000468001	WA POLICE DEPTHUMAN RESOURCES	\$	-	\$	-	\$	-
3860000208001	SOBERING UP SHELTER(HALLS CREEK)	\$	-	\$	-	\$	-
3860000029001	MRWA-CUSTOMER SERVICE SECTION	\$	-	\$	-	\$	-
3860000465001	WA POLICE DEPTCRIME OP'S PORTFOLIO	\$	-	\$	-	\$	-
3860000244001	WESTERN POWER-TRANSMISSION	\$	-	\$	-	\$	-
3860000242001	MFP-WHITEMAN PARK	\$	-	\$	-	\$	-
3860000251001	MRWA-ADAMS DVE (CITYNORTHERN BYPASS)	\$	-	\$	-	\$	-
3860000009001	MINISTRY OF SPORT & RECREATION	\$	-	\$	-	\$	-
3860000323001	EASTERN WHEATBELT COMMUNITY HEALTH SVCS	\$	-	\$	-	\$	-
3860000335001	HARVEY YARLOOP HEALTH SERVICES	\$	-	\$	-	\$	-
3860000464001	MINISTRY FAIR TRADE MEASUREMENT UNIT	\$	-	\$	-	\$	-
3860000437001	WORKCOVER-RHEOLA ST	\$	-	\$	-	\$	-
3860000223001	SOUTH METRO COLLEGE OF TAFE-ROSSMOYNE	\$	-	\$	-	\$	-
3860000283001	WESTERN POWER-CUSTOMER SERVICES	\$	-	\$	-	\$	-
3860000032001	MRWA (STRATEGIC PLANNING)	\$	-	\$	-	\$	-
38600000361001	PINGELLY DISTRICT HOSPITAL BOARD	\$	-	\$	-	\$	-
3860000254001	WA POLICE DEPT-ALBANY DISTRICT	\$	-	\$	-	\$	-
3860000258001	WA POLICE DEPT-KALGOORLIE DISTRICT	\$	-	\$	-	\$	-
3860000348001	ROTTNEST ISLAND NURSING POST	\$	-	\$	-	\$	-
3860000312001	PORT HEDLAND REGIONAL HOSPITAL	\$	-	\$	-	\$	-
3860000224001	SOUTH METRO COLLEGE OF TAFE-APPLECROSS	\$	-	\$	-	\$	-
3860000171001	DEPT OF FIRE AND EMERGENCY SERVICES	\$	-	\$	-	\$	-
3860000486001	GERALDTON HEALTH SERVICE	\$	-	\$	-	\$	-
3860000430001	MRWA MAJOR CONTRACTS BUSINESS SVC MGR	\$	-	\$	-	\$	-
3860000219001	DEPARTMENT OF MINERALS AND ENERGY	\$	-	\$	-	\$	-
3860000292001	WORKCOVER	\$	-	\$	-	\$	-
3860000240001	MINISTER FOR HEALTH30TH FLOOR	\$	-	\$	-	\$	-
3860000125001	BENTLEY HEALTH SERVICE	\$	-	\$	-	\$	-
3860000211001	WARREN DISTRICT HOSPITAL	\$	-	\$	-	\$	-
3860000149001	MIDWEST HEALTH SERVICE	\$	-	\$	-	\$	-
3860000139001	SCREENWEST	\$	-	\$	-	\$	-
3860000004001	OFFICE OF ENERGY PERTH	\$	-	\$	-	\$	-
3860000498001	WA POLICE DATA DESKTOP SUPPORT SERVICE	\$	-	\$	-	\$	-
3860000458001	WATER%MISSION - PEEL	\$	-	\$	-	\$	-
3860000087001	CURRICULUM & CUSTOMISED TRAINING NETWORK	\$	-	\$	-	\$	-
3860000500001	SOUTH METROPOLITAN COLLEGE TAFE -FINANCE	\$	-	\$	-	\$	-
3860000264001	WA POLICE DEPT-FREMANTLE DISTRICT	\$	-	\$	-	\$	-
3860000358001	NARROGIN REGIONAL HOSPITAL	\$	-	\$	-	\$	-
3865555555555	Dept of Arts - Festival Perth (See dispute BAN 53)	\$	-	\$	-	\$	-
3860000491001	WA TECHNICAL & FURTHER EDUC-WEMBLY	\$	-	\$	-	\$	-
3860000164001	MURDOCH TAFEATT:ACCOUNTS PAYABLE	\$	-	\$	-	\$	-
3860000045001	MRWA (CARLISLE)	\$	-	\$	-	\$	-
3860000221001	SOUTH METRO COLLEGE OF TAFE-FLEET/SOUTH	\$	-	\$	-	\$	-
3860000030001	MRWA (INFORMATION SEVICES)	\$	-	\$	-	\$	-
3860000318001	WATER CORPORATIONFINANCE DEPARTMENT	\$	-	\$	-	\$	-
3860000173001	DEPT OF FIRE AND EMERGENCY SERVICES	\$	-	\$	-	\$	-
3860000176001	DEPT OF FIRE AND EMERGENCY SERVICES	\$	-	\$	-	\$	-
3860000355001	MURCHISON HEALTH SERVICE	\$	-	\$	-	\$	-
3860001000001	EDUCATION-RESERVED	\$	2.63	\$	-	\$	2.63
3860000456001	GOLDEN MILE COMMUNITY House	\$	34.72	\$	-	\$	34.72
3860000273001	MINISTRY OF PREM & CABS-GOVT MES/SVCS	\$	38.66	\$	-	\$	38.66
3860000306001	MINISTRY OF JUSTICEJUDGES	\$	50.20	\$	-	\$	50.20
3860000077001	WA ALCOHOL & DRUG AUTHORITY	\$	58.14	\$	-	\$	58.14
3860000140001	SOUTH METROPOLITAN COLLEGE-FINANCE	\$	63.75	\$	-	\$	63.75
3860000278001	UWA-LIBRARY	\$	65.75	\$	-	\$	65.75
3860000387001	FAMILY AND CHILDRENSVCS-JOONDALUP	\$	67.54	\$	-	\$	67.54
3860000462001	MINISTER FOR LANDS	\$	69.76	\$	-	\$	69.76
3860000105001	DEPARTMENT OF ENVIRONMENTAL PROTECTION	\$	80.48	\$	-	\$	80.48
3860000285001	PILBARA DEVELOPMENTCOMMISSION	\$	83.06	\$	-	\$	83.06
3860000091001	JOINT PRINTING COMMITTEE	\$	94.91	\$	-	\$	94.91

386000378001	MINISTER FOR RESRCES DEVLPMNT ENERGY EDUC	\$	105.22	\$	-	\$	105.22
386000398001	FAMILY AND CHILDRENSVCS-PARENT HELP CTR	\$	126.19	\$	-	\$	126.19
386000392001	FAMILY & CHILDREN SVCS-MIDLAND DISTRICT	\$	136.74	\$	-	\$	136.74
386000188001	DEPT OF TRANSPORT LICENSING DIVISION	\$	169.17	\$	-	\$	169.17
386000414001	MINISTER FOR LABOUR RELATIONS	\$	180.46	\$	-	\$	180.46
386000396001	FAM&CHILDREN SVCS-NTH C/TRY DIRECTORATE	\$	187.96	\$	-	\$	187.96
386000405001	FAMILY & CHILDREN SVCS-GREAT SOUTHN DIST	\$	242.53	\$	-	\$	242.53
386000408001	FAMILY & CHILDREN SVCS-SOUTH COUNTRY	\$	260.82	\$	-	\$	260.82
386000388001	FAMILY AND CHILDRENSVCS-ARMADALE DIST	\$	299.86	\$	-	\$	299.86
386000401001	FAM&CHILDN SVCS-KARRINYUP DIRECTRTE OFF	\$	304.66	\$	-	\$	304.66
386000325001	KELLERBERRIN MEMORIAL HOSPITAL	\$	314.32	\$	-	\$	314.32
386000410001	CARINE SMALL BUS INSTITUTE - PROGRAM MGR	\$	389.73	\$	-	\$	389.73
386000204001	PUNDULMURRA COLLEGE	\$	393.02	\$	-	\$	393.02
386000411001	MINISTER FOR LOCAL GOVERNMENT	\$	416.40	\$	-	\$	416.40
386000067001	OSC - EAST METROPOLITAN REGION	\$	420.70	\$	-	\$	420.70
386000015001	THE WESTERN AUSTRALIAN MUSEUM	\$	428.86	\$	-	\$	428.86
386000270001	DEPT OF CONSERVATION & LAND MANAGEMENT	\$	449.72	\$	-	\$	449.72
386000307001	DEPARTMENT OF LAND ADMINISTRATION	\$	471.05	\$	-	\$	471.05
386000308001	SOUTH HEOLAND COMMUNITY HEALTH	\$	498.30	\$	-	\$	498.30
3860000466001	PILBARA AGED CARE	\$	507.47	\$	-	\$	507.47
386000494001	DEPT OF TRANSPORT2ND FL DUMAS HOUSE	\$	512.48	\$	-	\$	512.48
386000382001	FAMILY AND CHILDRENSERVICES-MIDLAND	\$	533.25	\$	-	\$	533.25
386000096001	LAW REFORM COMMISSION	\$	543.58	\$	-	\$	543.58
386000389001	FAMILY AND CHILDRENSVCS-ROCKINGHAM	\$	638.75	\$	-	\$	638.75
386000369001	WEST KIMBERLEY HEALTH SERVICE	\$	60,642.78	\$	60,000.00	\$	642.78
386000484001	CENTRAL WHEATBELT HEALTH SERVICE	\$	662.68	\$	-	\$	662.68
386000205001	NATIONAL TRUST OF AUSTRALIA (WA)	\$	725.91	\$	-	\$	725.91
386000210001	NANNUP DISTRICT HOSPITAL	\$	734.81	\$	-	\$	734.81
3860000158001	Bureau Services	\$	774.05	\$	-	\$	774.05
3860000373001	PORT HEDLAND REGIONAL ABORIGINAL CORP	\$	777.56	\$	-	\$	777.56
386000339001	MOUNT HENRY HOSPITAL	\$	830.94	\$	-	\$	830.94
386000394001	FAMILY & CHILDREN SVMETRO REGIONAL	\$	898.96	\$	-	\$	898.96
386000441001	JOONDALUP CHILD DEVELOPMENT CENTRE	\$	941.27	\$	-	\$	941.27
386000056001	GOVT EMPLOYEES SUPERANNUATION	\$	971.31	\$	-	\$	971.31
386000310001	NEWMAN COMMUNITY HEALTH	\$	972.31	\$	-	\$	972.31
386000435001	MINISTER FOR ABORIGINAL AFFAIRS	\$	1,053.28	\$	-	\$	1,053.28
386000492001	WA SERVICE SUPPORTLV 31 ST MARTINS TWR	\$	1,120.00	\$	-	\$	1,120.00
386000213001	NORTHCLIFFE NURSINGPOST	\$	1,173.61	\$	-	\$	1,173.61
3860000229001	SCARBOROUGH CENTRE MANAGER - Jackson Ave	\$	1,319.36	\$	-	\$	1,319.36
3860000128001	BEVERLEY DISTRICT HOSPITAL	\$	1,332.69	\$	-	\$	1,332.69
386000090001	HEDLAND COLLEGE	\$	1,485.73	\$	-	\$	1,485.73
3860000374001	WARWICK CHILD AND ADOLESCENT CLINIC	\$	1,486.89	\$	-	\$	1,486.89
3860000501001	OFFICE OF THE AUDITOR GENERAL	\$	1,537.24	\$	-	\$	1,537.24
386000376001	ATTORNEY GENERAL MIN OF JUSTICE-THE ARTS	\$	1,541.42	\$	-	\$	1,541.42
386000476001	WA MARITIME MUSEUM FREMANTLE	\$	1,653.57	\$	-	\$	1,653.57
386000097001	GASCOYNE DEVELOPMENT COMMISSION	\$	1,788.08	\$	-	\$	1,788.08
386000412001	****92(JA) THE ENVIRONMENT AND JUSTICE	\$	1,830.23	\$	-	\$	1,830.23
3860000220001	SOUTH METRO COLLEGE OF TAFE-FREMANTLE	\$	1,992.57	\$	-	\$	1,992.57
386000249001	CASE	\$	2,078.09	\$	-	\$	2,078.09
386000413001	MINISTER FOR POLICE	\$	2,110.68	\$	-	\$	2,110.68
386000294001	ALINTA GAS	\$	2,212.65	\$	-	\$	2,212.65
3860000127001	HEALTH DEPT OF WA -CENTRAL SUPPORT	\$	2,595.95	\$	-	\$	2,595.95
386000336001	HEALTH PROMOTION FOUNDATION	\$	2,850.35	\$	-	\$	2,850.35
3860000234001	OSBORNE HEALTH SVC-PSYCH REHABILITATION	\$	3,705.97	\$	-	\$	3,705.97
386000451001	CENTRAL METRO COLL OF TAFE-LEEDERVILLE	\$	3,735.00	\$	-	\$	3,735.00
386000402001	FAMILY&CHILDREN SVCS-BUNBURY DIST PHONES	\$	4,000.32	\$	-	\$	4,000.32
386000068001	DISABILITY SERVICES COMMISSION (LAC)	\$	4,195.65	\$	-	\$	4,195.65
386000475001	ALBANY RESIDENCY MUSEUM	\$	4,206.14	\$	-	\$	4,206.14
386000383001	FAMILY AND CHILDRENSVCS-CANNING DISTRICT	\$	4,228.36	\$	-	\$	4,228.36
386555555557	Unclaimed Services	\$	4,607.28	\$	-	\$	4,607.28
386000078001	DEPARTMENT OF TRANSPORT	\$	6,784.00	\$	2,000.00	\$	4,784.00
386000248001	UWA-COMPUTING SERVICES-PABX	\$	5,078.97	\$	-	\$	5,078.97
386555555556	WA Training Info Center	\$	5,412.74	\$	-	\$	5,412.74
3860000271001	DISABILITY SERVICESCOMMISSION	\$	5,471.06	\$	-	\$	5,471.06
386000350001	SOUTHWEST DEVELOPMENT COMMISSION	\$	5,532.97	\$	-	\$	5,532.97
3860000191001	NURSES BOARD OF WA	\$	5,718.26	\$	-	\$	5,718.26
386000481001	LOWER GREAT SOUTHERN HEALTH SERVICE	\$	5,977.17	\$	-	\$	5,977.17
3860000196001	AVRO COMMUNITY PSYCHIATRIC CLINIC LNMHS	\$	6,503.56	\$	-	\$	6,503.56
386000344001	YURA YUNGI MEDICAL SERVICE	\$	6,577.95	\$	-	\$	6,577.95
3860000168001	EAST KIMBERLEY HEALTH SERVICES	\$	7,137.13	\$	-	\$	7,137.13
3860000371001	WEST PILBARA HEALTHSERVICE	\$	7,237.82	\$	-	\$	7,237.82
386000334001	GOLDFIELDS ESPERANCE DEVELOPMENT COMM	\$	7,415.03	\$	-	\$	7,415.03
386000274001	WEST AUSTRALIAN LAND INFORMATION SYSTEMS	\$	7,973.61	\$	-	\$	7,973.61

3860000280001	MINISTER FOR FAMILY & CHILDRENS	\$ 8,115.00	\$ -	\$ 8,115.00
3860000321001	OFFICE OF SENIORS INTERESTS	\$ 8,299.34	\$ -	\$ 8,299.34
3860000417001	PARLIAMENTARY ELECTORATE OFFICES	\$ 8,370.44	\$ -	\$ 8,370.44
3860000275001	JOONDALUP CAMPUS MANAGER	\$ 8,640.72	\$ -	\$ 8,640.72
3860000083001	DISABILITY SERVICES COMMISSION - W PERTH	\$ 9,964.74	\$ -	\$ 9,964.74
3860000316001	GERALDTON REGIONAL COLLEGE OF TAFE	\$ 10,425.59	\$ -	\$ 10,425.59
3860000390001	FAMILY AND CHILDRENSVCS-GERALDTON	\$ 10,543.00	\$ -	\$ 10,543.00
3860000060001	AMTC	\$ 11,277.14	\$ -	\$ 11,277.14
3860000167001	WOMEN'S CANCER SCREENING SERVICE	\$ 12,918.66	\$ -	\$ 12,918.66
3860000231001	GREAT SOUTHERN DEVELOPMENT COMMISSION	\$ 12,930.32	\$ -	\$ 12,930.32
3860000399001	FAMILY AND CHILDRENSVCS-STUDENT HOSTELS	\$ 13,196.11	\$ -	\$ 13,196.11
3860000071001	BUSH FIRES BOARD OF WESTERN AUSTRALIA	\$ 13,572.80	\$ -	\$ 13,572.80
3860000304001	EDUCATION DEPT OF WA INFORMATION SYSTEMS	\$ 14,554.04	\$ -	\$ 14,554.04
3860000131001	ARMADALE KELMSCOTT HEALTH SERVICE	\$ 17,439.77	\$ -	\$ 17,439.77
3860000290001	MINISTRY OF PREM & CAB	\$ 19,624.10	\$ -	\$ 19,624.10
3860000296001	TREASURY DEPARTMENT	\$ 19,982.60	\$ -	\$ 19,982.60
3860000372001	ADULT MIGRANT EDUCATION CENTRE	\$ 20,544.19	\$ -	\$ 20,544.19
3860000103001	PEEL HEALTH SERVICES	\$ 20,634.91	\$ -	\$ 20,634.91
3860000186001	KIMBERLEY COLLEGE OF TAFE	\$ 21,381.48	\$ -	\$ 21,381.48
3860000180001	FAMILY AND CHILDRENS SERVICES	\$ 23,550.47	\$ -	\$ 23,550.47
3860000053001	MINISTRY FOR CULTURE AND THE ARTS	\$ 24,726.51	\$ -	\$ 24,726.51
3860000315001	GREAT SOUTHERN REGIONAL COLLEGE	\$ 27,513.90	\$ -	\$ 27,513.90
3860000101001	DEPT OF FAMILY & CHILDRENS SERVICES	\$ 29,639.84	\$ -	\$ 29,639.84
3860000247001	UWA-COMPUTING SERVICES-DATA	\$ 30,179.03	\$ -	\$ 30,179.03
3860000445001	FAMILY AND CHILDRENSVCS-WEST PILBARA	\$ 33,040.63	\$ -	\$ 33,040.63
3860000342001	SOUTHWEST REGIONAL COLLEGE - BUNBURY	\$ 37,755.01	\$ -	\$ 37,755.01
3860000449001	CENTRAL METROPOLITAN COLLEGE OF TAFE	\$ 42,981.18	\$ -	\$ 42,981.18
3860000461001	DEPT OF TRAINING DATA SERVICES	\$ 217,234.61	\$ 87,000.00	\$ 130,234.61
3860000185001	DEPARTMENT OF TRAINING - VOICE SERVICES	\$ 287,264.57	\$ -	\$ 287,264.57

NET AMOUNTS	\$ 904,834.80	\$ 215,000.00	\$ 689,834.79
Credits to be returned			\$ (430,066.03)
Debits claimed under the indemnity			\$ 1,119,900.81

<b>Non Agency, but covered under capped Indemnity</b>				
3860000022001	TAB - HEAD OFFICE	\$ 50,702.07	\$ 26,000.00	\$ 24,702.07
3860000142001	LOTTERIES COMMISSION	\$ (1,506.17)	\$ -	\$ (1,506.17)
3860000487001	PUNTUKURNU ABORIGINAL MEDICAL SERVICE	\$ -	\$ -	\$ -
3860000075001	STATESHIPS	\$ (98.83)	\$ -	\$ (98.83)
3860000218001	COMMONWEALTH OMBUDSMAN	\$ 7,063.26	\$ -	\$ 7,063.26

NET AMOUNTS	\$ 50,702.07	\$ 26,000.00	\$ 24,702.07
Credits to be returned			\$ (1,506.17)
Debits claimed under the indemnity			\$ 7,063.26

<b>Grand Total - Net Amounts</b>	<b>\$ 904,834.80</b>	<b>\$ 215,000.00</b>	<b>\$ 689,834.79</b>
<b>Credits to be returned</b>			<b>\$ (430,066.03)</b>
<b>Debits claimed under the indemnity</b>			<b>\$ 1,119,900.81</b>
<b>Amount already paid by Indemnity</b>			<b>\$ 1,323,744.81</b>
<b>Money due to State as overpayment of indemnity</b>			<b>\$ 203,844.00</b>
<b>Money due to State due to accounts in credit</b>			<b>\$ 430,066.03</b>
<b>Money due to State from Pacific Star</b>			<b>\$ 633,910.02</b>

**Please Note:**

- \* Net Amounts is the total amount, net of debits and credits, owed to (owed by) Pacific Star
- \* Credits to be returned is the total amount of credits owed, by Pacific Star to Government Agencies
- \* Debits claimed under the indemnity is the total of all accounts where money is owed to Pacific Star. Equals Net Amounts plus the absolute value of the Credits to be returned