

Department of Environment and Conservation
2010–11 Annual Report





ACKNOWLEDGMENTS

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September 2011



LETTER TO THE MINISTER

Hon Bill Marmion MLA

Minister for Environment

In accordance with section 63 of the *Financial Management Act 2006*, I have pleasure in submitting for presentation to Parliament the Annual Report of the Department of Environment and Conservation for the period 1 July 2010 to 30 June 2011.

This report has been prepared in accordance with provisions of the *Financial Management Act 2006*.

A handwritten signature in black ink that reads "Keiran McNamara".

Keiran McNamara

Director General



DIRECTOR GENERAL'S FOREWORD



The Department of Environment and Conservation is proud to be an outcomes-focused, science-based organisation serving the people and Government of Western Australia.

Key among DEC's achievements for the year was the release of the Kimberley Science and Conservation Strategy, which marked the start of one of the most significant conservation initiatives in Western Australia's history. As part of the strategy's Kimberley Wilderness Parks initiative that will establish the state's largest interconnected system of marine and terrestrial parks, Prince Regent Nature Reserve was converted to a national park. Prince Regent is one of only two world biosphere reserves in the state.

In fulfillment of another government election commitment, the Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands was released. Another notable achievement was the World Heritage listing of the Ningaloo Coast, which was the culmination of many years of work including stakeholder and community consultation.

DEC's long history of working with the Aboriginal community in managing parks came closer to being recognised in law following the introduction into Parliament of joint management legislation.

Encouraging the community to engage with the natural environment and visit Western Australia's national parks, marine parks and reserves is a departmental priority and, along with improvements to facilities and physical access for visitors, DEC introduced new online booking services and electronic park guides for smart phones.

One of the biggest challenges for park managers is balancing the need to meet visitor safety responsibilities while still providing for people to experience and enjoy the natural environment. Tragically, during 2010–11, eight visitors died across the extensive areas managed by DEC. The safety of visitors is a priority for the department, and through our visitor risk management program we endeavour to manage the potential for injuries and misadventure without unnecessarily diminishing visitor use and enjoyment.

Climate change work continued with funding for innovative projects being provided under the Low Emissions Energy Development Fund, while research is continuing through the Indian Ocean Climate Initiative in partnership with the CSIRO and Bureau of Meteorology.

One of DEC's key responsibilities is to manage fire risk and suppress bushfires on the land we manage. In doing this, we work closely with local bushfire brigades and the Fire and Emergency Services Authority (FESA). Early in 2011, we assisted FESA at the serious fires in Lake Clifton, Red Hill and Roleystone-Kelmscott. DEC also provided input into the government-appointed special inquiry that followed those fires.

The record dry winter in 2010 in the South West severely reduced safe conditions for our prescribed burning program and we fell short of the 200,000 hectare target. However, in the past 20 years, DEC has achieved on average 85 per cent of this target. This is a very good achievement given that several of those years have recorded among the lowest winter rainfalls on record.

The 2010–11 statewide burn program, however, was the biggest ever with prescribed burning undertaken on 3.2 million hectares. Prescribed burns create a mosaic of burnt and unburnt patches across the landscape, which helps stem the spread of bushfires and leaves a variety of habitats that benefit the diversity of both flora and fauna.

None of this would be possible without the extraordinary efforts of our staff in both the regions and the metropolitan area, and I thank them for their enthusiasm and another year of service to the department, environment and community.



It has now been five years since the amalgamation of the Department of Environment and the Department of Conservation and Land Management to form DEC. The new agency was created to improve and strengthen delivery of the core functions of protecting the environment and conserving Western Australia's fauna, flora and the habitats that support them.

DEC has delivered significant measurable improvements, particularly in the past two years in the area of approvals reform, which is a government priority. Native vegetation clearing permit decisions, for example, now take an average of 41 days compared with an average of around 200 days several years ago.

These improvements have been achieved in a challenging environment of sustained economic growth. In 2010–11, despite a doubling in the number of applications, the average processing time for works approvals for major resource projects was 41 days, well inside the 60-day target.

There has been another significant challenge—staff retention in a climate where industry and consultancies are targeting and recruiting our staff. In our Environmental Regulation Division there has been a staff turnover of 40 per cent in the branches that deal with licensing, permits, inspections and compliance.

This only serves to highlight the outstanding ongoing effort and commitment of DEC's staff. The vast and complex enterprise of protecting and conserving the state's environment is in the hands of highly trained professionals who frequently go beyond the call of duty in the course of their work, which ranges from monitoring industry to fighting fires, from scientific research to interacting with visitors in our magnificent national parks.

I thank all our staff in both the regions and the metropolitan area for their enthusiasm and another year of service to the department, environment and community. I also acknowledge the work of the members of the Conservation Commission of WA and the Marine Parks and Reserve Authority, along with members of the Waste Authority, Keep Australia Beautiful Council, the Swan River Trust and the Contaminated Sites Committee, to which the department provides advice and support.

A handwritten signature in black ink that reads "Keiran McNamara".

Keiran McNamara

Director General





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OVERVIEW OF AGENCY





EXECUTIVE SUMMARY

Another challenging year saw significant achievements on a range of fronts as the Department of Environment and Conservation focused on its vital work in protecting and conserving the environment and Western Australia's significant natural values. Achievements included amendments to legislation to better protect the environment; the release of the *Kimberley Science and Conservation Strategy*; and the start of the implementation of the *Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands*.

Protecting our biodiversity

In the Kimberley, a new landscape approach to conservation was established under the *Kimberley Science and Conservation Strategy*, one of the most significant conservation initiatives in Western Australian history. The approach includes training and employment for Aboriginal rangers, Aboriginal involvement in land management, a major marine science program and investment in nature-based tourism. It is being implemented through partnerships with traditional owners, landholders, industry, government and non-government organisations.

Protection of the Kimberley's marine environment was, and will be, a major focus as work continues on the creation of four new marine parks. The indicative management plan for the proposed Camden Sound Marine Park was released for public comment. New marine parks will also be established at Eighty Mile Beach, Roebuck Bay and in the north Kimberley, increasing the area of the state's marine parks and reserves from 1.5 million hectares to 4.1 million hectares.

Through a joint project with Western Australian taxonomists, more than 150 plant species were added to the list of priority flora for the Kimberley, taking the total for the region to 488.

The release of an integrated conservation strategy for the Great Western Woodlands in the state's south-east, another government priority area, marked an important step in the protection of this biologically significant area. The Great Western Woodlands, which extends across 16 million hectares, has 3,000 species of flowering plants and is the only arid region in the world that has tall trees. Implementation of the strategy got underway with the allocation of \$3.8 million by the state government for the management and protection of the area.

In Ningaloo Marine Park, research was undertaken to examine the interaction of fishing and climate change on reef fish populations.

Across the state, work continued in tackling the threats that face Western Australia's rich and diverse natural environment. Under the *Western Shield* program, baiting was carried out on more than 3.9 million hectares of conservation reserves and State forest to remove or reduce the numbers of feral predators, particularly in critical habitat for threatened species such as the western ground parrot, woylie and Gilbert's potoroo.

Key fauna conservation projects included translocations of 10 threatened and priority fauna species, including tamar wallabies, woylies, red-tailed phascogales, Gilbert's potoroos, dibblers and bilbies to new sites across the state. Within François Péron National Park, a 1,100-hectare fenced 'island', the Lagoon Point enclosure, was completed to support the release of captive-bred threatened species of Shark Bay marsupials.

A total of \$3.75 million was allocated to priority projects undertaking invasive animal control, environmental weed control, threatened species and ecological communities' recovery, *Phytophthora* dieback management, biological survey and research, rangelands management and the state *Cane Toad Initiative*.



The department achieved success in a major *Phytophthora* dieback project, implemented by DEC and South Coast Natural Resource Management (NRM), that operationally eradicated a *Phytophthora* dieback infestation in Cape Arid National Park.

Western Australia's vascular flora now comprises 13,430 species, subspecies and varieties after the addition of 444 new taxa to the Western Australian Plant Census. During the year, 74 new seed collections were banked at the Threatened Flora Seed Centre and the seeds of 14 critically endangered species were provided for DEC translocation projects.

Under the second round of the Environment Minister's four-year \$6 million *Environmental Community Grants* program, 129 grants worth \$1.5 million were awarded to community groups and individuals in July 2010.

Managing our parks and reserves

International acknowledgment of the significant natural values of Ningaloo Marine Park, Muiron Islands Marine Management Area, Cape Range National Park, Bundegi and Jurabi coastal parks and the Learmonth Air Weapons Range was achieved in 2010–11, with the listing of the Ningaloo Coast as a World Heritage area.

The launch of the *Rediscover Parks* program in September 2010 brought a new focus on national and regional parks and highlighted the government's commitment to providing world-class visitor facilities and encouraging people to visit parks.

During 2010–11, visitor sites were upgraded in the Shark Bay and Purnululu World Heritage areas as part of a federal government *Jobs Fund* program worth \$593,000 and \$765,000 respectively. In the South West, Warren and Midwest regions, significant capital investment in several national parks saw visitor facilities improved, including the construction of a new wheelchair-accessible lookout at Mount Frankland.

The total number of visits to DEC-managed lands and waters increased from 14.61 million visits in 2009–10 to 15.75 million in 2010–11.

In an effort to attract people to national parks and other protected areas, the new DEC Campgrounds website was launched. The website provides information on more than 110 camp sites. In March, a 10-month trial started of an online booking system for camp sites in five parks and reserves.

Work continued on the extension of Western Australia's premier cycling trail, the Munda Biddi Trail, and two new sections as well as a dedicated camp site were constructed and opened, adding 90 kilometres to the 500-kilometre trail. Once completed, the trail will be about 1,000 kilometres in length and will run from Mundaring to Albany.

Through the *Naturebank* program, eight sites were identified as suitable for appropriate ecotourism development.

Volunteers once again made a significant contribution, with 12,759 DEC-registered volunteers putting in 436,216 hours on projects across the state.

Ensuring the future of our forests

The *Forest Management Plan 2004–2013* continued to be implemented and a proposed Conservation Commission amendment to the plan was released for public comment. Preparatory work was started on the development of the next forest management plan.



Work to underpin the good management of State forest and timber reserves included research, evaluation and monitoring, management reviews, surveys and mapping, and covered fauna habitat zone selection, *Phytophthora* dieback disease management, silviculture practice, and ensuring that operations comply with environmental guidelines and conditions.

Environmental regulation and assessment

The department continued to ensure that emissions and discharges meet acceptable criteria, that pollution incidents are responded to effectively and that contaminated sites are appropriately managed.

The *Statewide Industry Regulation and Compliance Strategy* and supporting *Compliance Program 2010–11* were implemented.

Internal and external stakeholders responded positively to projects undertaken through the industry regulation reform program. The program produced a range of industry regulation policies and guides as well as material to improve licensing workflow, and the licence template system was redesigned to ensure licences are robust, enforceable, efficient and consistent.

During 2010–11, DEC processed significantly more works approvals for both major projects and other industry projects and issued 150 works approvals, compared to 71 in 2009–10 and 48 in 2008–09. Major resource project works approvals were processed on average within the target timeframe of 60 days.

The total number of sites classified under the *Contaminated Sites Act 2003* reached 1,842 following the classification of 539 sites during 2010–11.

The public had an opportunity to comment on proposed amendments to the Environmental Protection (Noise) Regulations 1997 through a public consultation process. A report on the submissions is being prepared.

The Environmental Enforcement Unit initiated 15 environmental prosecutions involving a broad range of charges including pollution, unauthorised clearing of native vegetation and littering, as well as the first prosecution under the new illegal dumping laws. Eight cases were subject to final court determination and seven remain before the courts.

Sustainability

Reducing waste continued to be a focus during 2010–11 as DEC developed and implemented policies and strategies that promote environmentally sustainable practices.

E-waste recycling and household hazardous waste management initiatives made progress with local government cooperation including an additional \$10 million in new state government funding for the household hazardous waste program. DEC also collaborated with the Western Australian Local Government Association on the development of a standard model for local waste management laws. During 2010–11, DEC addressed 22 applications from local government for the development of local laws under the *Waste Avoidance and Resource Recovery Act 2007*.

An inter-agency working group was established to investigate the potential for government to increase purchasing of products made from recycled construction and demolition waste.

A 25-year *Sustainability Framework* model was completed for the Goldfields-Esperance Development Commission.



Other significant developments during the year included the establishment of the Strategic Policy Branch, which is responsible for coordinating high-level strategic policy and legislative review across DEC, and promoting good environmental sustainability policy outcomes.

New regulations that came into effect at the end of 2010 now limit the amount of phosphorus in domestic-use fertilisers in Western Australia. This will halve the concentration of phosphorus in fertilisers and minimise leaching into the environment.

Fire management

As part of its responsibilities, DEC is involved in both the suppression of bushfires and in using fire to achieve land management objectives. The department has a team of well-trained professionals to carry out this work which is underpinned by ongoing scientific research.

In autumn 2011, DEC tested new thermal and hyper-spectral scanners that were fitted to an aircraft and will be used to map burnt and unburnt patches after prescribed burns that are undertaken for biodiversity conservation, community protection and other land management purposes.

During the 2010–11 fire season, DEC attended and monitored 629 bushfires which burnt about 645,505 hectares. The percentage of deliberately lit fires was 51 per cent and 11 per cent of fires were caused by lightning. Six per cent of the fires were the result of escapes from private burns and two per cent were escapes from DEC-prescribed burns. Fifteen per cent were accidental fires. The cause of the remaining 15 per cent of fires is unknown.

The department provided significant assistance to FESA at serious fires at Lake Clifton, Red Hill and Roleystone-Kelmscott. DEC's mobile facilities and equipment were deployed three times to major fires—two FESA-controlled fires and one DEC-controlled fire. The facilities and equipment included a communications trailer, a logistics support trailer, communication buses and mobile offices.

DEC pre-formed incident management teams were deployed five times during the 2010–11 fire season. DEC's fixed-wing water bombers flew 862 hours attending 267 bushfires. In 2009–10, the fixed-wing water bombers flew 711 hours.

The fire-detection system in high fire risk zones of the south-west forest regions used 13 lookout towers, and nine 'spotter' aircraft that flew 4,600 hours of aerial surveillance and 286 hours in support of aerial suppression operations at bushfires.

During 2010–11, DEC conducted its biggest-ever prescribed burning program across the state with prescribed burning undertaken on 3.2 million hectares.

The dry winter season in 2010 in the south-west forests affected the prescribed burning program, restricting suitable prescribed burning days in spring and into summer. DEC achieved a total burn area of about 137,000 hectares in the south-west forests in 2010–11.



OPERATIONAL STRUCTURE

Enabling legislation

On 1 July 2006 the Department of Environment and Conservation (DEC) was formed from the amalgamation of the former Department of Conservation and Land Management and the former Department of Environment under the *Public Sector Management Act 1994*.

Responsible Minister

DEC's responsibility during the reporting period was to three Ministers for Environment: Hon Donna Faragher MLC (1 July 2010 to 21 November 2010); Hon John Day MLA (22 November 2010 to 13 December 2010); and Hon Bill Marmion MLA (14 December 2010 to 30 June 2011), all of whom exercised authority under the *Environmental Protection Act 1986*, the *Conservation and Land Management Act 1984* and other DEC-administered legislation.

Legislation administered by DEC at 30 June 2011

Acts

- *Carbon Rights Act 2003*
- *Conservation and Land Management Act 1984*
- *Contaminated Sites Act 2003*
- *Environmental Protection Act 1986*
- *Environmental Protection (Landfill) Levy Act 1998*
- *National Environment Protection Council (Western Australia) Act 1996*
- *Reserves (National Parks and Conservation Parks) Act 2004*
- *Reserves (National Parks, Conservation Parks and Other Reserves) Act 2004*
- *Reserves (National Parks, Conservation Parks, Nature Reserves and Other Reserves) Act 2004*
- *Sandalwood Act 1929*
- *Wildlife Conservation Act 1950*

Regulations

- Clean Air (Determination of Air Impurities in Gases discharged into the Atmosphere) Regulations 1983
- Conservation and Land Management Regulations 2002
- Contaminated Sites Regulations 2006
- Environmental Protection Regulations 1987
- Environmental Protection (Abattoirs) Regulations 2001
- Environmental Protection (Abrasive Blasting) Regulations 1998
- Environmental Protection (Clearing of Native Vegetation) Regulations 2004
- Environmental Protection (Concrete Batching and Cement Product Manufacturing) Regulations 1998
- Environmental Protection (Controlled Waste) Regulations 2004
- Environmental Protection (Diesel and Petrol) Regulations 1999
- Environmental Protection (Domestic Solid Fuel Burning Appliances and Firewood Supply) Regulations 1998
- Environmental Protection (Fibre Reinforced Plastics) Regulations 1998



- Environmental Protection (Goldfields Residential Areas) (Sulphur Dioxide) Regulations 2003
- Environmental Protection (Kwinana) (Atmospheric Wastes) Regulations 1992
- Environmental Protection (Metal Coating) Regulations 2001
- Environmental Protection (National Environment Protection Measure-National Pollutant Inventory [NEPM-NPI]) Regulations 1998
- Environmental Protection (National Environment Protection Measure [NEPM-UPM]) Regulations 2007
- Environmental Protection (Noise) Regulations 1997
- Environmental Protection (Packaged Fertiliser) Regulations 2010
- Environmental Protection (Recovery of Vapours from the Transfer of Organic Liquids) Regulations 1995
- Environmental Protection (Rural Landfill) Regulations 2002
- Environmental Protection (Unauthorised Discharges) Regulations 2004
- Forest Management Regulations 1993
- Noise Abatement (Noise Labelling of Equipment) Regulations (No. 2) 1985
- Sandalwood Regulations 1993
- Wildlife Conservation Regulations 1970
- Wildlife Conservation (Reptiles and Amphibians) Regulations 2002

Environmental protection policies

- Environmental Protection (Swan Coastal Plain Lakes) Policy 1992
- Environmental Protection (Gnangara Mound Crown Land) Policy 1992
- Environmental Protection (Peel Inlet - Harvey Estuary) Policy 1992
- Environmental Protection (Kwinana) (Atmospheric Wastes) Policy 1999
- Environmental Protection (Goldfields Residential Areas) (Sulphur Dioxide) Policy 2003
- Environmental Protection (South West Agricultural Zone Wetlands) Policy 1998
- Environmental Protection (Western Swamp Tortoise Habitat) Policy 2002 [Appendix 1 to the Environmental Protection (Western Swamp Tortoise Habitat) Policy Approval Order 2002]

Other written laws on which DEC officers assist

- *Litter Act 1979*
 - Litter Regulations 1981
- *Swan and Canning Rivers (Consequential and Transitional Provisions) Act 2006*
 - Swan and Canning Rivers (Transitional) Regulations (No. 2) 2007
 - Swan and Canning Rivers (Transitional) Regulations 2007
- *Swan and Canning Rivers Management Act 2006*
 - Swan and Canning Rivers Foundation Rules 2009
 - Swan and Canning Rivers Management Regulations 2007
- *Waste Avoidance and Resource Recovery Act 2007*
 - Waste Avoidance and Resource Recovery Regulations 2008
- *Waste Avoidance and Resource Recovery Levy Act 2007*
 - Waste Avoidance and Resource Recovery Levy Regulations 2008



Changes made in 2010–11 to legislation administered

A number of changes to legislation administered by DEC occurred during the reporting period.

On 23 July 2010, the Environmental Protection Amendment Regulations 2010 amended the Environmental Protection Regulations 1987, effecting the deregulation of aquaculture by removing categories 3 and 4 as prescribed premises from Schedule 1 of the Environmental Protection Regulations 1987.

Three approvals by the Minister for Environment under regulation 17(7) of the Environmental Protection (Noise) Regulations 1997, namely the Environmental Protection (Carnarvon Power Station Noise Emissions) Approval 2010, the Environmental Protection (Australind Pigment Plant Noise Emissions) Approval 2010, and the Environmental Protection (Pemberton Sawmill Noise Emissions) Approval 2011 were gazetted on 31 August 2010, 7 December 2010 and 25 February 2011, respectively. The approvals allowed the Carnarvon Power Station, the Australind Pigment Plant and the Pemberton Sawmill to exceed noise level standards prescribed under regulation 7(1)(b) of the Environmental Protection (Noise) Regulations 1997. The approvals are subject to conditions including monitoring noise levels at set locations, the submission of a noise management/control plan, annual reporting detailing noise levels recorded and complaints received, and particulars of noise reduction measures implemented.

The Conservation and Land Management Amendment Regulations (No. 2) 2010 were gazetted on 3 September 2010 and inserted Part 8A – Apiary permits and licences in the Conservation and Land Management Regulations 2002 to enable apiary authorisations to be granted in respect of any land subject to Part VIII of the *Conservation and Land Management Act 1984*. An apiary authorisation enables a site to be occupied for the purpose of removing honey, beeswax and pollen.

Also, on 3 September 2010, the Forest Management Amendment Regulations (No. 2) 2010 were gazetted amending the Forest Management Amendment Regulations 1993 by providing revised sawmill rental requirements that certain decisions made under the Forest Management Regulations 1993 be the subject of review by the State Administrative Tribunal (this amendment is to be deleted in due course from the Forest Management Amendment Regulations 1993) for removal of dated references to 'Executive Director', and the deletion of Part 11 – Permits for apiary sites, which is now the subject of Part 8A of the Conservation and Land Management Regulations 2002.

On 11 September 2010, the *Standardisation of Formatting Act 2010* made amendments for the purpose of providing uniformity of layout, style and formatting in the state's legislation. This legislation amended the *Conservation and Land Management Act 1984*, the *Environmental Protection Act 1986*, the *National Environment Protection Council (Western Australia) Act 1996*, the *Wildlife Conservation Act 1950*, the *Wildlife Conservation Regulations 1970*, and the *Wildlife Conservation (Reptiles and Amphibians) Regulations 2002*.

Publication in the *Government Gazette* on 2 November 2010 made notification that as part of its review of the Environmental Protection (Western Swamp Tortoise Habitat) Policy 2002, the Environmental Protection Authority had prepared a revised draft of the Environmental Protection (Western Swamp Tortoise Habitat) Policy 2010.

There were four Conservation and Land Management (Revocation of State Forest) Orders gazetted on 12 November 2010 revoking a number of areas from State forest:

- The Conservation and Land Management (Revocation of State Forest) Order (No. 2) 2010 declared that the portion of land situated about eight kilometres east of Collie and comprising Lot 556 (four severances) on Deposited Plan 67881 (165.362 hectares) was revoked from State forest no. 4, and that portion of land situated about eight kilometres west of Ellenbrook and comprising Lot 3000 on Deposited Plan 50674 (1.2 hectares) was revoked from State forest no. 65.



- The Conservation and Land Management (Revocation of State Forest) Order (No. 3) 2010 declared that portion of land situated about eight kilometres south-east of Byford and comprising Lot 501 (three severances) on Deposited Plan 43239 (0.6446 hectares) was revoked from State forest no. 22, and that portion of land situated about 20 kilometres east of Pemberton and comprising Lot 300 on Deposited Plan 40462 (1.6513 hectares) was revoked from State forest no. 38.
- The Conservation and Land Management (Revocation of State Forest) Order (No. 4) 2010 declared that the areas described in Schedules 1–5 of that order falling within the shires of Busselton, Capel, Harvey and Manjimup were no longer State forest.
- The Conservation and Land Management (Revocation of State Forest) Order (No. 5) 2010 declared that the areas described in Schedules 1–4 of that order falling within the City of Armadale and the shires of Dardanup and Murray were no longer State forest.

The *Environmental Protection Amendment Act 2010* took effect on 25 November 2010. It amended the *Environmental Protection Act 1986* by introducing the offence of dumping waste, which prohibits discharging or abandoning waste into any place without the consent of the person in control or management of the place, or into publicly accessible water. It also amended the defence provisions to take the new offence into account, and introduced the power for inspectors and authorised persons appointed under the *Environmental Protection Act 1986* to stop, enter and search any vehicle if they have reason to believe that an offence has been or is likely to be committed.

Further amendments were made to the *Environmental Protection Act 1986* by the *Approvals and Related Reforms (No. 1) (Environment) Act 2010*, which commenced on 26 November 2010, by streamlining appeal provisions and decision-making processes under other legislation while the Environmental Protection Authority assesses a proposal. Specifically, the amendments remove appeal rights for the Environmental Protection Authority's decision not to assess a proposal where it recommends that the proposal can be managed under Part V, Division 2 of the *Environmental Protection Act 1986* (clearing of native vegetation); the recorded level of assessment following the Environmental Protection Authority's decision to assess a proposal; the scope and content of an assessment of a scheme; the declaration by the Environmental Protection Authority that a proposal is a derived proposal; third parties on the Chief Executive Officer's (CEO) refusal to grant a clearing permit, works approval or licence; and the revocation or suspension of a clearing permit, works approval or licence by a third party, which are rights that affect the applicant or approval holder only.

Also on 26 November 2010, by special gazettal, the Environmental Impact Assessment Administrative Procedures 2010 came into effect. The Environmental Protection Authority has prepared these Administrative Procedures for the purpose of establishing the principles and practices of environmental impact assessment within the context of Part IV of the *Environmental Protection Act 1986*. The Environmental Protection Authority undertakes the environmental impact assessment of some proposals referred to it under Part IV of the *Environmental Protection Act 1986*. Environmental impact assessment includes considering ways in which the proposal, if implemented, could avoid, reduce and ameliorate the impacts on the environment, including its alternatives.

On 3 December 2010, the Conservation and Land Management Amendment Regulations (No. 3) 2010 were gazetted and made administrative amendments to the Conservation and Land Management Regulations 2002 in respect of areas set aside for abseiling, camping, dogs and horses; inclusion of vessels, moorings and pontoons in the meaning of property; vessel storage facilities; the placement of signs about entry fees; aircraft landing areas and associated fees; and entrance fees for Monkey Mia Conservation Park and Dirk Hartog Island National Park.



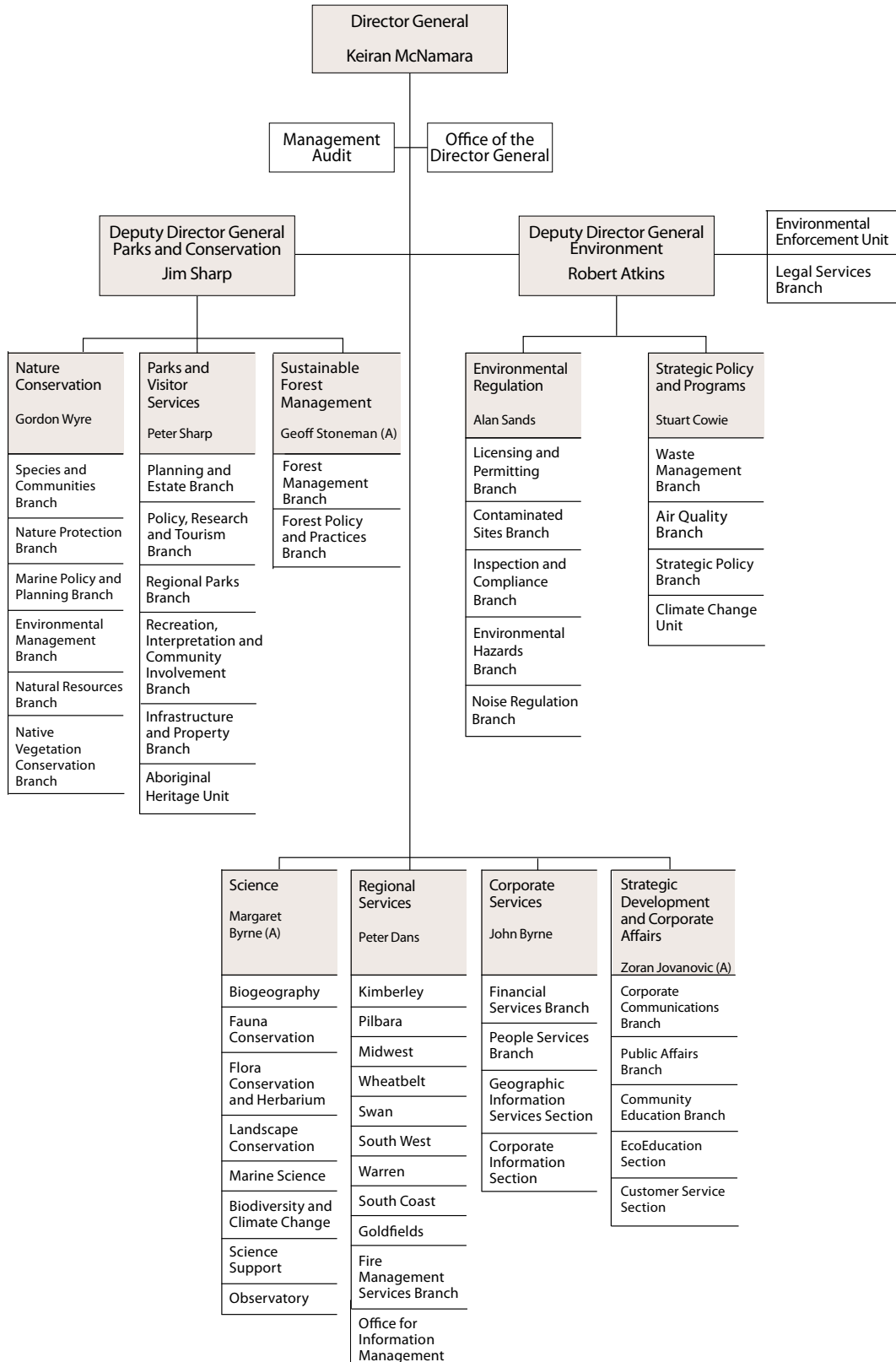
On 31 December 2010, the Environmental Protection (Packaged Fertiliser) Regulations 2010 came into effect. The purpose of these regulations is to limit the amount of phosphorus contained in domestic-use fertiliser throughout Western Australia. The regulations aim to effectively halve the concentration of phosphorus in domestic-use fertilisers and minimise phosphorus leaching into the environment from residential sources, and to regulate nitrogen to phosphorus ratios in garden, lawn and all-purpose fertilisers.

By gazettal on 8 April 2011, delegation No. 94 revised existing delegation No. 84 to enable the addition of the Deputy Director General Approvals of the Department of Mines and Petroleum as delegate of the powers and duties in relation to clearing under Part V, Division 2 of the *Environmental Protection Act 1986* (other than sections 51E(1)(a), 51M(1)(a) and 51S) and sections 107 and 110 of the Act from the CEO of DEC. It also enabled the passing of restricted powers to the Manager Native Vegetation Assessment of the Department of Mines and Petroleum given that these powers were administrative only. The delegation is subject to conditions in respect of clearing that is the result of carrying out an activity under an authority granted, or a requirement imposed, under the *Mining Act 1978*, the *Petroleum and Geothermal Energy Resources Act 1967*, the *Petroleum Pipelines Act 1969* or the *Petroleum (Submerged Lands) Act 1982*, or an activity under a government agreement administered by the Department of State Development.

Copies of the legislation administered by the department are available on the State Law Publisher's website at www.slp.wa.gov.au/legislation/agency.nsf/dec_menu.htmlx.



DEC Organisational Chart



Correct as of 30 June 2011



Performance management framework

DEC supports government goals with more specific desired outcomes, achieved via services delivered across six areas.

The following table illustrates the relationship between our agency-level desired outcomes and the most appropriate government goal.

| Government goal | Desired outcomes | Services |
|---|--|---|
| Social and environmental responsibility Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the state | Conservation and sustainable utilisation of biodiversity | 1. Nature Conservation 2. Sustainable Forest Management |
| | Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks | 3. Parks and Visitor Services |
| | Emissions and discharges meet acceptable criteria | 4. Environmental Regulation |
| | Adoption of environmentally sustainable practices to protect, manage and restore the state's natural resources | 5. Environmental Sustainability 6. Coordinate the response to climate change |

Changes from the 2009–10 reporting year

There are no changes to the performance management framework other than noting that responsibility and resources for former Service 6, Environmental Impact Assessment and Policies for the Environmental Protection Authority, were transferred to the Office of the Environmental Protection Authority from 27 November 2009.

Shared responsibilities with other agencies

During the year, DEC contributed to whole-of-government reform initiatives including corporate services reform, implementation of efficiency and other targeted savings. The department also contributed to the following key cross-agency initiatives.

| Initiative | Contributing agencies | Result for 2010–11 |
|------------------------------|---|---|
| Responding to climate change | DEC (lead agency), Department of Planning, Department of the Premier and Cabinet, Department of Transport, Department of Treasury and Finance, Office of Energy | Whole-of-government integrated response to climate change |
| Salinity | Department of Agriculture and Food (lead agency), DEC | |

AGENCY PERFORMANCE





REPORT ON OPERATIONS

Service 1: Nature Conservation

This service develops and implements programs for the conservation of biodiversity, including:

- management of threatened species and ecological communities
- sustainable use of commercially exploited species
- acquisition, conservation and protection of representative ecosystems for the national reserve system and network of marine protected areas
- promotion of public awareness, understanding and support for nature conservation.

The service is delivered through six key strategic directions:

1. Building biodiversity knowledge

The department develops and maintains a biological inventory of the state through strategic regional and area-based biological surveys, ecological and genetic research, taxonomic studies, and the maintenance of biological data management systems, including the maintenance of the state's flora collection.

2. Establishing a terrestrial and marine conservation reserve system

DEC provides expert advice and recommendations to the Conservation Commission and the Marine Parks and Reserves Authority in developing and maintaining a conservation reserve system comprising national parks, nature reserves, conservation parks, miscellaneous conservation reserves, marine parks, marine nature reserves and marine management areas under the *Conservation and Land Management Act 1984*.

3. Effective management of the conservation reserve system

In consultation with stakeholders including the Western Australian public, the department develops, implements and reviews management plans for conservation reserves, including such operational programs as weed control, introduced animal control and fire management for biodiversity.

4. Recovery of threatened species and ecological communities, and management of other significant species and ecosystems

DEC makes recommendations for changes to the lists of threatened flora and fauna under the state *Wildlife Conservation Act 1950* and the federal *Environment Protection and Biodiversity Conservation Act 1999*, maintains a state list of threatened ecological communities, and develops and implements recovery plans for threatened flora, fauna and ecological communities. The department coordinates responses to whale and dolphin strandings and other incidents of injury or harm to marine fauna, and manages and regulates commercial activities, including the issuing of flora and fauna licences and wildlife interaction licences, and enforces compliance under the *Wildlife Conservation Act 1950*. DEC also takes a lead role for the state in conserving Western Australian wetlands, including through the international Convention on Wetlands (the Ramsar Convention).

5. Conserving landscapes and seascapes: integrating off and on-reserve conservation and managing threatening processes

The department maintains the state's biodiversity through a range of strategies including:

- providing advice on, and implementing, state legislation and policy
- participating in national working groups developing national policies and procedures



- developing five-year nature conservation plans for guiding biodiversity management in each DEC region
- taking the lead in establishing and promoting a scientifically robust regional marine planning framework
- addressing the system-wide threat of salinity through the management of natural diversity recovery catchments
- implementing strategies to manage feral animals and environmental weeds
- working in partnership with stakeholders to research and implement management measures to contain and counteract the effects of *Phytophthora* disease
- carrying out targeted fire preparedness, and pest and weed control, on unallocated Crown land and unmanaged reserves
- undertaking regional conservation planning activities in the Kimberley and Great Western Woodlands
- implementing provisions of the *Environmental Protection Act 1986* through the processing of applications to clear native vegetation, and providing advice on major development projects including approving associated management plans.

6. Encouraging public understanding and support for biodiversity conservation and other DEC programs and activities

The department promotes public understanding and support through a number of functions, including:

- providing support for the Minister for Environment’s *Environmental Community Grants* program, which distributes grant money to community groups and individuals engaged in projects or activities that promote environmental responsibility
- supporting private landholders on the Swan Coastal Plain by providing technical and financial assistance to manage wetlands of high conservation value through the *Healthy Wetland Habitats* program
- facilitating best-practice management of remnant vegetation in transport corridors through awareness-raising, liaison and cooperation with stakeholders via the Roadside Conservation Committee
- providing technical advice and support to stakeholders and land managers through the *Urban Nature* program
- providing biodiversity conservation support and advice for private land through a range of programs including *Land for Wildlife* and the *Nature Conservation Covenant* program.

Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|---|-----------------------------|-----------------------------|---------------------|
| Expense by service | 131,451 | 121,556 | (9,895) |
| Key Efficiency Indicator | 2010–11 Target | 2010–11 Actual | Variance |
| Average cost per hectare of managing wildlife habitat | \$4.76 | \$4.36 | (\$0.40) |



Performance highlights

- The *Kimberley Science and Conservation Strategy* was released with an implementation budget of \$63 million over five years and a commitment to ongoing funding for key initiatives. The strategy includes the creation of the Kimberley Wilderness Parks, the state's biggest interconnected system of marine and terrestrial parks; a new landscape approach to conservation to manage threats to biodiversity across property boundaries; training and employment for Aboriginal rangers, as well as Aboriginal involvement in land management; a major marine science program; and investment in nature-based tourism.
- A total of \$6.8 million over four years was allocated to the department as part of the budget for the Kimberley Science and Conservation Strategy for the establishment and management of the Camden Sound and Eighty Mile Beach marine parks.
- A total of \$11 million over four years was also allocated to the department for the establishment and management of marine parks at the south-west Capes and Dampier Archipelago.
- The department led development of the *Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands*. Work commenced, with support from a reference group, on implementation of the strategy using \$3.8 million allocated over three years by the government to better manage and protect the area.
- Strategic terrestrial biological surveys continued, with 150 sites surveyed on three banded ironstone formation ranges in the Yilgarn.
- The indicative management plan for the proposed Camden Sound Marine Park was released for public comment, outlining strategies to conserve one of the world's biggest humpback whale nurseries and breeding areas.
- The department continued to implement a range of programs and strategies for biodiversity conservation including those in keeping with *Australia's Strategy for the Conservation of Biodiversity 2010–2030* endorsed by the Natural Resource Management Ministerial Council in October 2010.
- A collaborative approach has been initiated between the department, the Swan River Trust, and Murdoch and Curtin universities with the community *Swan River Trust Guardians* program in monitoring the Swan Canning Riverpark's bottlenose dolphin population.
- Studies have been undertaken into the interaction between fishing and climate change on reef fish populations in Ningaloo Marine Park to provide a better understanding of some of the changes that could occur in this marine park over the next few decades.
- A total of \$3.75 million was allocated to 38 priority projects focussing on invasive animal control, environmental weed control, threatened species and ecological communities' recovery, *Phytophthora* dieback management, biological survey and research, rangelands management and the state *Cane Toad Initiative*.
- The state *Cane Toad Initiative* continued to be implemented during 2010–11, with the Kimberley Regional Cane Toad Team carrying out 274 nights of trapping and covering 2,547 kilometres of surveillance transects.
- Research by the University of Sydney undertaken in cooperation with DEC to evaluate the potential role of nematode lungworms in control of cane toads was completed.
- More than 3.9 million hectares of conservation reserves and State forest were baited for feral predators to achieve native species recovery, using nearly 1.1 million poison baits, under the *Western Shield* program.
- DEC provided assessment and ongoing management advice to proponents and decision-making authorities, including the Environmental Protection Authority, on a range of development



proposals affecting critical biodiversity assets, DEC-managed lands, and wetlands recognised for biodiversity values.

- The department had an ongoing role in reviewing amendments to management plans and tenure applications required for the Gorgon Gas Development on Barrow Island Nature Reserve. Six reserves officers have been based on Barrow Island to provide an operational and regulatory presence.
- The *Natural Diversity Recovery Catchment* program continued at Buntine-Marchagee, Drummond, Lake Bryde, Lake Muir-Unicup, Lake Warden and Toolibin Lake to slow degradation and recover high value biodiversity assets at risk from altered hydrology. Improvement as a result of the gravity pipeline installed in the Lake Warden wetland complex has been one of the more notable results in 2010–11.
- The number of specimens held at the Western Australian Herbarium increased by 0.5 per cent (3,826 specimens).
- A total of 444 new taxa was added to the Western Australian Plant Census; 11 of these taxa were new unpublished (temporary) names and 333 new published names. Western Australia's vascular flora (flowering plants, ferns, cycads and conifers) now comprises 13,430 species, subspecies and varieties (12,212 native and 1,218 introduced to the state).
- A total of 10 species of flora was added to the *Wildlife Conservation Act 1950* list of specially protected (threatened) flora, while one species was deleted from the list but retained in the Priority 4 list for monitoring purposes. One species was regraded in threat ranking from vulnerable to critically endangered, and one species regraded from endangered to vulnerable. At 30 June 2011, there was a total of 402 extant threatened flora species, and 13 listed as presumed to be extinct, with a further 2,875 taxa on the department's priority flora list.
- The number of priority flora listed in the Kimberley Region continued to increase through a joint project with Western Australian taxonomists who are recording new taxa and reviewing existing records of taxa that are restricted to, or predominantly distributed in, the Kimberley Region. Over 150 dicotyledonous plant species were added to the list, making a total of 488 priority flora listed in the Kimberley.
- A total of 218 species of threatened and priority flora was surveyed or monitored (totalling 458 populations), and 18 new populations or sub-populations of threatened flora, and 77 new populations of priority flora, were located.
- One species of fauna, the tree-stem trapdoor spider (*Aganippe castellum*), was deleted from the list of specially protected (threatened) fauna, and one species, the Australasian bittern (*Botaurus poiciloptilus*), was regraded from vulnerable to endangered following a national review of its status. At 30 June 2011, there was a total of 209 extant fauna species considered to be threatened, and 18 listed as presumed to be extinct, with a further 195 species identified on the department's priority fauna list.
- Key fauna conservation projects funded by the Western Australian Natural Resource Management (NRM) program included the establishment of the Perup woylie sanctuary; integrated cat and fox baiting of critical habitat and establishment of a captive colony of western ground parrots (*Pezoporus wallicus flaviventris*); conservation of Carnaby's cockatoo (*Calyptorhynchus latirostris*); the completion of Lagoon Point enclosure—a 1,100-hectare fenced 'island' within François Péron National Park to support release of captive-bred threatened species of Shark Bay marsupials; and translocations of 10 threatened and priority fauna species including tammar wallabies (*Macropus eugenii*), woylies (*Bettongia penicillata*), red-tailed phascogales (*Phascogale calura*), Gilbert's potoroos (*Potorous gilbertii*), dibblers (*Parantechinus apicalis*) and bilbies (*Macrotis lagotis*) to new sites across the state.



- The state NRM program also funded a major *Phytophthora* dieback project implemented by DEC and South Coast Natural Resource Management Inc, with a major success achieved in operationally eradicating a *Phytophthora* dieback infestation in Cape Arid National Park. This project successfully demonstrated the value of maintaining areas free of dieback, and also the costs that would be incurred if protectable priority areas are to be rehabilitated after infestation.
- The recovery program for Gilbert's potoroo, the world's rarest marsupial, continued during the year, and a supplementary translocation from Bald Island occurred with individuals released into the 380-hectare predator-free enclosure on the mainland at Waychinicup National Park.
- As part of the DEC-led Western Swamp Tortoise Recovery program, 33 western swamp tortoise (*Pseudemydura umbrina*) hatchlings were bred at Perth Zoo from 17 females, with the subsequent translocation of 15 hatchlings to Moore River Nature Reserve.
- Surveys for the graceful sun-moth (*Synemon gratiosa*) were carried out by DEC staff and volunteers across the Swan Coastal Plain and southern Midwest regions from February to April 2011. DEC also completed a conservation advice for the species in January 2011. The translocation of *Lomandra maritima* (host plant of the graceful sun-moth) was trialed for improving available habitat for this species.
- Flora conservation projects undertaken with funding from the state NRM program included weed control, fencing, fire management and seed collections. New and enhanced translocated populations of eight threatened plant taxa were also established.
- A total of 74 new seed collections was banked at the Threatened Flora Seed Centre during the year with the assistance of state NRM program funding. Fifty-two were from threatened flora and 22 from priority listed flora. Banked or newly collected seeds of 14 critically endangered species were provided for DEC translocation projects.
- Dissemination of knowledge and information was achieved through publication of 254 scientific papers, articles and reports.
- One new fauna recovery plan was approved for the heath mouse (*Pseudomys shortridgei*) to guide efforts to conserve this species across its range, and a new national draft recovery plan was prepared for the woylie (*Bettongia penicillata*). Twelve interim flora recovery plans were also approved.
- A total of 500 occurrences of threatened or priority ecological communities was added to the corporate *Threatened Ecological Community and Priority Ecological Community* database. This assisted in resolving the status of 20 priority ecological communities through collation of biological data, and boundary mapping.
- DEC completed ecological character descriptions for all 12 wetland systems listed under the international Convention on Wetlands (Ramsar Convention), and undertook revision of information sheets for these sites.
- The second round of funding under the Minister for Environment's four-year, \$6 million *Environmental Community Grants* program was distributed in 2010–11, with 129 grants awarded to community groups and individuals in July 2010. Applications for the third funding round were invited in February 2011.
- The *Land for Wildlife* scheme registered 75 new properties, bringing the total area of registered sites to 309,622 hectares.
- The voluntary *Nature Conservation Covenant Program* entered into covenants in perpetuity on 21 land titles, which protected an additional 853 hectares of native vegetation.
- The Roadside Conservation Committee met four times during the year, and published the management guidelines 'Biodiversity conservation and fire in road and rail reserves'.



- In 2010–11, 11 matters were taken to court, and 791 infringement notices and 334 caution notices were issued through compliance activities under the *Wildlife Conservation Act 1950* and associated Regulations, and the *Conservation and Land Management Act 1984* and associated Regulations.

Native vegetation clearing permits

DEC's clearing permit system database records details of all clearing permit applications and decisions made during the year for both DEC and the Department of Mines and Petroleum (DMP), and forms the basis of the published records available on DEC's website.

DEC received 498 applications to clear native vegetation in 2010–11, and made 486 decisions.

Under delegation from DEC, DMP received 260 applications and made 271 decisions (some carried over from previous reporting periods).

During the year, a total of 26,927 hectares was approved to be cleared, and a total of 2,618 hectares was refused.

The reduction of the target timeframes in the beginning of 2009 to 80 per cent of decisions made in 60 calendar days and 100 per cent of decisions in 90 calendar days reflects the department's ongoing improved performance in dealing with applications. The timeframes specifically recognise a risk-based approach to assessments that is based on sensitivity of the environment, magnitude of impact/s and urgency of the clearing. DEC publishes quarterly reports of its performance in achieving timeframes for all native vegetation clearing decisions.

DEC continued to meet its timeframe target for processing clearing applications during 2010–11 with 82 per cent of decisions made in 60 calendar days and the remainder within 90 days.

Flora and fauna licences

In 2010–11 DEC issued a total of 8,978 licences under the *Wildlife Conservation Act 1950* to take, collect, keep and breed, deal in, trap or export native fauna, and a total of 1,937 licences to collect native flora. A further 571 licences were issued to scare, destroy, or trap and relocate nuisance wildlife.



Service 2: Sustainable Forest Management

This service provides economic, social and cultural benefits from State forest and timber reserves while conserving biodiversity, maintaining soil and water values and sustaining health, vitality and productive capacity of the forest for current and future generations.

Functions through which the department delivers this service include:

1. Implementing approved forest management plans, and government policies and programs, including:

- implementing actions outlined in the *Forest Management Plan 2004–2013*
- carrying out the community forest inspection program.

2. Inventory, assessment and modelling of natural resources, including:

- acquiring and analysing wood inventory data to assist the Forest Products Commission, DEC and the Conservation Commission to plan, manage and monitor wood production in State forest and timber reserves
- mapping vegetation to inform silvicultural decisions, old-growth forest assessments, disease impact predictions and the protection of poorly represented vegetation complexes
- carrying out field measurement programs to monitor the yields and silvicultural standards realised in timber harvest operations
- providing specialist services, including aerial photography, photo-interpretation, photogrammetry, vegetation and disease-mapping surveys and database design and development, to other DEC services, the Forest Products Commission and other government agencies, natural resource management groups and external clients.

3. Maintaining and enhancing biodiversity and other values of forests, including:

- providing planning support to guide the selection and management of public firewood and flora harvesting areas; monitoring areas burnt by bushfire and prescribed forest fires to support fire planning and reporting; and assisting to evaluate biodiversity assets at risk from the effects of infrastructure construction
- delivering information about and mapping of *Phytophthora* dieback and evaluating disease hygiene standards to minimise spread through operations
- establishing and implementing an approvals, monitoring and compliance management system, and setting standards for the management of a range of forest values
- undertaking research to enhance management of biodiversity, ecosystem health and vitality, and soil and water values
- managing an approvals process for access to harvest areas
- implementing fauna habitat zones
- monitoring timber harvesting operations
- assessing 10 *FORESTCHECK* monitoring grids in the Wellington District, through the eastern jarrah forest, and trapping and surveying fauna populations to gauge their response to timber harvesting
- carrying out forest audits.



4. Providing for harvesting, regeneration and growth of forest products in accordance with approved management plans and guided by the principles of ecologically sustainable forest management, including:

- reviewing and monitoring silviculture guidelines and preparing reference material and conducting training for silvicultural practices
- monitoring areas subject to timber harvesting and associated treatments
- reviewing regional harvest plans submitted.

5. Maintaining partnerships, including with:

- the community and other key stakeholder groups (including volunteer projects on vegetation condition and multi-resource inventory)
- other state agencies and authorities
- federal government agencies.

Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|--------------------|--------------------------------------|--------------------------------------|-----------------------------|
| Expense by service | 48,286 | 48,539 | 253 |

| Key Efficiency Indicator | 2010–11 Target | 2010–11 Actual | Variance |
|---|---------------------------|---------------------------|-----------------|
| Average cost per hectare of managing State forest and timber reserves | \$37.21 | \$37.41 | \$00.20 |

Performance highlights

- The *Forest Management Plan 2004–2013* continued to be implemented.
- A guideline for the selection of fauna habitat zones, protocols for a range of key performance indicators from the *Forest Management Plan*, two manuals, a field guide and a technical report that support the management of soil and water values were completed.
- Evaluation and monitoring of more than 80 disturbance operations exceeding 7,000 hectares within State forest and timber reserves were conducted, to ensure compliance with the environmental outcomes sought in the *Forest Management Plan*.
- Effective fire management was implemented to protect the values on State forest and timber reserves within the south-west.
- Preliminary work was undertaken on the design of 19 indicative fauna habitat zones, and the location of eight fauna habitat zones was finalised totalling a gross area exceeding 1,700 hectares of State forest.
- The detection and mapping of *Phytophthora* dieback disease on DEC-managed lands was undertaken on 15,542 hectares to inform the planning and management of disturbance operations and the prioritisation of disease treatments.
- An internal review was undertaken of the guidelines for silviculture, and an expert panel was established to review silvicultural policy and practice.
- Preparatory work was undertaken to inform the development of the next forest management plan. This will involve a suite of projects including forest inventory and wood yield projections.



- A systematic review was undertaken of existing biological survey information for a range of biota within the area of the *Forest Management Plan*.
- Improvements were made to mapping and classifying jarrah and karri regeneration and karri two-tiered forest to assist in ongoing forest management and protection.
- A review of the management of the Whicher Scarp vegetation types was undertaken.
- A proposed amendment to the *Forest Management Plan* was released for public comment.

Service 3: Parks and Visitor Services

This service manages lands and waters, dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the department, including:

- preparing and implementing management plans in accordance with the *Conservation and Land Management Act 1984*
- preparing and implementing recreation master and site development plans
- providing, managing and maintaining appropriate access, recreation opportunities and visitor facilities
- protecting natural areas, visitors and facilities from bushfire
- training departmental staff and volunteers
- working with local tourist bureaux and commercial tour operators
- involving Aboriginal people in park management and the provision of visitor facilities and services
- providing visitor information and designing and initiating educational and interpretive activity programs that enrich visitor experience and help develop greater community awareness and support for parks, natural areas, astronomy, nature-based tourism and recreation services and policies
- undertaking scientific, visitor and social research, in cooperation with other research institutions
- providing services to the Conservation Commission and the Marine Parks and Reserves Authority.

Functions through which the department delivers this service include:

1. Planning for management

At 30 June 2011 there were:

- 61 final statutory terrestrial management plans in place
- 12 final terrestrial management plans in preparation
- eight draft terrestrial management plans in preparation
- three marine indicative management plans in preparation
- one marine indicative management plan released for public comment.

2. Acquiring and administering protected areas, through:

- reserve creation and land acquisition
- leasing arrangements involving 231 formal lease agreements for activities such as recreation, tourism accommodation, utilities and sawmills
- apiary site management involving 3,405 current permits, of which 1,695 occur on DEC-managed lands.



3. Park presentation and resource protection, including:

- improving and maintaining recreation and tourism assets on DEC-managed lands through capital works
- managing DEC's 38,000-kilometre road network
- recreation planning and design.

4. Visitor communication and management, through:

- interpretive planning and design
- community liaison, consultation and advisory services
- guided interpretive programs.

5. Aboriginal liaison, consultation and heritage, including:

- developing and implementing joint management agreements and initiatives
- providing for customary activities
- providing for heritage and culture protection
- relationship building, education and training.

6. Business management, including:

- developing and disseminating communication and promotional material, and establishing and maintaining relationships with reference groups and industry bodies
- selling and distributing park passes, and processing requests for fee waivers
- licensing commercial operations and communicating conditions to licence-holders.

7. Legislation and policy for parks and visitor services, including:

- developing and amending legislation and regulations, and drafting and administering policies for visitor activities on DEC-managed lands.

8. Recreation activities and trails, including:

- managing outdoor recreation activities
- coordinating the management of the Bibbulmun Track and the Munda Biddi Trail
- working with associations and clubs such as the Western Australian 4WD Association and Outdoors WA
- planning for better management of off-road vehicle use
- developing and implementing recreation plans.

9. Community involvement, including:

- enlisting community support by providing access to meaningful and interesting opportunities, and ongoing projects and programs
- engaging with community groups
- providing support and training to volunteers
- engaging in cross-promotional opportunities with other government bodies and other organisations for DEC's *Healthy Parks, Healthy People* program and promoting the initiative through presentations and activities
- managing Western Australia's regional parks through planning and estate management, conservation works, on-ground park improvements and community liaison and participation.



10. Social and visitor research, through:

- monitoring visitor use in national parks, State forests and other reserves
- conducting a visitor survey program to assess visitor needs and expectations, and gauge visitor satisfaction with recreation and tourism facilities and services.

11 Astronomy, including:

- facilitating public participation through visitor activities
- carrying out research activities.

12. Support to the Conservation Commission, through:

- staffing of the Conservation Commission Service Unit
- providing advice and information relating to the statutory functions of the Conservation Commission.

(As an independent statutory authority, the Conservation Commission reports on its activities in a separate annual report.)

13. Other initiatives, including:

- formalising partnerships through memoranda of understanding
- progressing world and national heritage nominations.

14. Carrying out parks and visitor services through the nine DEC regions

Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|--------------------|--------------------------------------|--------------------------------------|-----------------------------|
| Expense by service | 72,828 | 87,228 | 14,400 |

| Key Efficiency Indicator | 2010–11 Target | 2010–11 Actual | Variance |
|---------------------------------|---------------------------|---------------------------|-----------------|
| Cost per visit | \$4.72 | \$5.54 | \$0.82 |

Performance highlights

- The state and federal governments secured World Heritage listing of the Ningaloo Coast comprising Ningaloo Marine Park, the Muiron Islands Marine Management Area and the Muiron Islands, Cape Range National Park, Bundegi and Jurabi coastal parks, and the Learmonth Air Weapons Range.
- The Conservation Legislation Amendment Bill 2010 was introduced into Parliament on 17 November 2010 to amend the *Conservation and Land Management Act 1984* to enable joint management of lands and waters between DEC and other landowners, or those with a vested or other interest in the land, including Aboriginal people. The Bill also proposes amendments to enable Aboriginal people to undertake customary activities on reserves and other land.



- Significant capital investment resulted in improvements to visitor facilities at Castle Rock, Porongurup National Park; Hangover Bay, Nambung National Park; Mount Frankland lookout, the Walpole Wilderness; Cascades, Gloucester National Park; and at sites in D'Entrecasteaux National Park.
- Construction continued on the Munda Biddi Trail between Nannup and Albany, and on camp sites south of Nannup, using funding of \$3 million over three years from Royalties for Regions and DEC capital works funding. In 2010–11, two new sections of trail were constructed and opened, including the extension of the trail between Nannup and Manjimup (83 kilometres), and a section of rail trail in Torbay near Albany (eight kilometres). The Nannup to Manjimup section of trail includes a new dedicated Munda Biddi Trail camp site called Karta Burnu, meaning 'hill of trees' in the traditional Nyoongar language.
- Visitor sites were upgraded in the Shark Bay and Purnululu World Heritage areas as part of a federal government *Jobs Fund* program worth \$593,000 and \$765,000 respectively.
- A joint \$40 million state and federal government-funded improvement project continued in Fitzgerald River National Park with further visitor master planning, site development planning, site works, and construction of new road works by Main Roads Western Australia.
- Transitional management arrangements continued for Araluen Botanic Park, which is managed by DEC on behalf of the Western Australian Planning Commission.
- The *Naturebank* program, launched in 2009, which involves the identification and preparation of sites within DEC-managed lands for appropriate sustainable ecotourism accommodation development identified eight sites at: Purnululu, Windjana Gorge, François Péron, Cape Le Grand and Millstream Chichester national parks; Wharncliffe Mill in Bramley National Park; Mount Hart Wilderness Lodge in King Leopold Ranges Conservation Park; and Yoorooyang Dawang Regional Park.
- Commencing in September 2010, the *Rediscover Parks* program created a new focus on national and regional parks, highlighting the government's commitment to providing world-class visitor facilities and to encouraging the community to visit parks. A rolling series of *Free Park Days* was offered with free public entry into Beedelup, Cape Le Grand, Cape Range, D'Entrecasteaux, Gloucester, Kalbarri, Nambung, Walyunga and Yanchep national parks.
- The DEC Campgrounds website was launched—www.dec.wa.gov.au/campgrounds—detailing more than 110 camp sites throughout the state. In March 2011, a 10-month trial of an online booking system for camp sites, with automated revenue distribution, commenced. Bookings were taken at selected popular sites in Cape Range, Purnululu and Beelu national parks, and Lane Poole Reserve, Dwellingup.
- Successful joint management initiatives for conservation reserves in and around Kununurra and Broome got underway with the Yawoorroong Miriuwung Gajerrong Yirrgeb Noong Dawang and Yawuru Native Title Holders Aboriginal Corporations respectively.
- The number of DEC-registered volunteers increased to 12,759 people who contributed 436,216 hours to projects across Western Australia. Volunteers took part in a wide range of activities.
- The total number of visits to DEC-managed lands and waters increased to 15.75 million from 14.61 million last year (see Figure 1).
- The 2010–11 visitor satisfaction index, averaged from visitor responses to a survey at selected parks, reserves and forest areas around the state, was 86.8 per cent. This outcome, with results from previous years of the survey program, is illustrated in Figure 2.

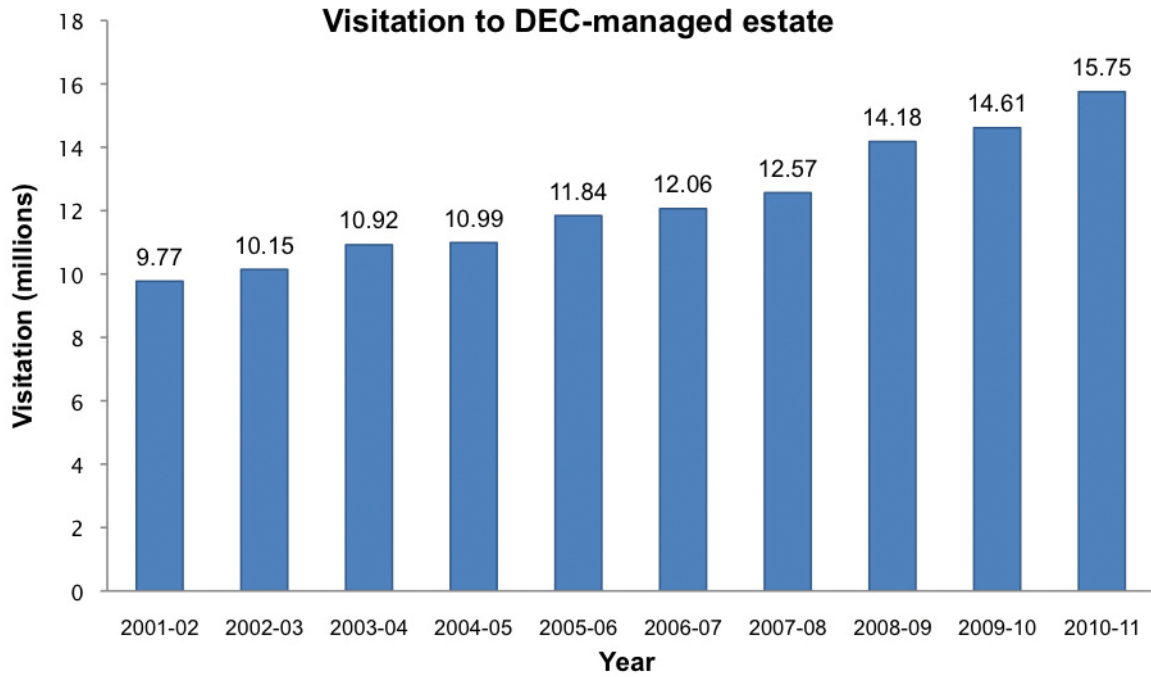


Figure 1: Total visits to lands and waters managed by DEC



Figure 2: A comparison of annual visitor satisfaction levels within DEC-managed lands and waters



Service 4: Environmental Regulation

This service protects the environment and community, by ensuring that emissions and discharges meet acceptable criteria, that pollution incidents are responded to effectively, and that contaminated sites are appropriately managed. The service also oversees the monitoring of ambient air quality, the provision of technical and strategic advice, and the implementation of air quality management programs, which contribute to achieving these goals.

The functions through which the department delivers this service include:

1. Industry regulation

DEC has responsibility under Part V of the *Environmental Protection Act 1986* for the licensing and registration of prescribed premises, licensing of controlled waste transporters, and administration of a range of regulations. The department also monitors and audits compliance with works approvals, licence conditions and regulations; takes enforcement actions as appropriate; and develops and implements departmental licensing and industry regulation policy. Key features and projects in this reporting period include:

- **regulation of prescribed premises:** overseeing works approvals and licensing of prescribed premises
- providing an environmental **industry regulation compliance strategy:** a statewide initiative aligning inspection and compliance activities to meet performance targets based on risk
- **controlled waste:** enforcing the Environmental Protection (Controlled Waste) Regulations 2004 by licensing carriers, vehicles and drivers transporting controlled waste, providing driver training, and tracking controlled waste
- providing environmental **regulatory operations in Indian Ocean territories:** servicing Christmas Island and Cocos (Keeling) Islands as part of a formal arrangement with the federal government
- providing **noise regulation:** technical advice to the Environmental Protection Authority and to planning and local government authorities as well as policy, technical, enforcement and training support for DEC, police and local government officers
- **pollution and complaint response:** identifying and resolving serious environmental hazards, responding to pollution incidents and hazardous material emergencies, supporting local governments in managing minor pollution issues through training and advice, and providing a joint DEC/FESA resource DVD kit to local governments for hazardous materials emergency planning.

2. Contaminated sites

Under the *Contaminated Sites Act 2003*, the department regulates contaminated sites by receiving reports of known or suspected contaminated sites, assessing and classifying contaminated sites, maintaining public information on contaminated sites, and, where indicated, ordering and monitoring remediation.

3. Implementing approvals reforms

DEC has been progressively implementing reform of project approvals processes, and continues to steadily improve processing times for both large and small development project proposals.



4. National Pollutant Inventory

The department works with Western Australian industry to coordinate the provision of data to the *National Pollutant Inventory*, a publicly accessible internet database designed to provide the community, industry and government with information on the emissions of 93 selected substances from industry, transport and commercial premises to air, land and water.

5. Air Quality Management

DEC provides air quality technical, scientific and strategic advice to the Environmental Protection Authority, state and federal government agencies, and local government authorities. DEC leads, advises and assists with the implementation of the *Perth Air Quality Management Plan*, with a focus on motor vehicle emissions and haze from domestic wood heaters. The department investigates ambient air quality in regional areas, with a current focus on Port Hedland, Kalgoorlie and Collie. DEC monitors ambient air quality via a fixed network to meet its obligations under the National Environment Protection (Ambient Air Quality) Measure. The department also conducts strategic campaign monitoring programs to investigate and inform local air quality issues. During 2010–11, DEC maintained and operated 10 metropolitan (including two temporary sites) and five regional fixed air quality monitoring stations to assess the presence of pollutants including carbon monoxide, nitrogen dioxide, ozone, sulfur dioxide and particles. These ambient air quality data are made publicly available through twice-daily updates on the DEC website, and in publications such as the annual *Western Australia Air Monitoring* report.

Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|---|-----------------------------|-----------------------------|---------------------|
| Expense by service | 38,111 | 41,625 | 3,514 |
| Key Efficiency Indicators | 2010–11 Target | 2010–11 Actual | Variance |
| Average cost per air monitoring station | \$363,288 | \$441,585 | \$78,297 |
| Average cost per industry licence | \$15,691 | \$26,657 | \$10,966 |
| Average cost per contaminated site assessment | \$9,002 | \$8,297 | (\$705) |
| Average cost of remediating state sites | \$1,063,728 | \$164,182 | (\$899,546) |

Performance highlights in 2010–11

- The *Statewide Industry Regulation Compliance Strategy* and supporting *Compliance Program 2010–11* were implemented. This resulted in compliance inspections being undertaken across a range of prescribed premises and industry sectors.
- DEC classified 539 sites during 2010–11, bringing the total number of sites classified under the *Contaminated Sites Act 2003* to more than 1,842.
- The proposed amendments to the Environmental Protection (Noise) Regulations 1997 were released for public consultation and preparation of a report on the submissions commenced.



- The industry regulation reform program, principally through *Re-Engineering for Industry and Environment* (REFIRE) and the *Industry Licensing System* (ILS), delivered a range of industry regulation policies and officers' guides. The program is designed to make the licensing process more robust, enforceable, efficient and, most of all, consistent. Both the REFIRE and ILS projects have received positive support from internal and external stakeholders.
- Major resource project approvals were processed, on average, within the target timeframe of 60 days.
- DEC processed significantly more works approvals for both major resource projects and other industry projects than in previous years, with 150 works approvals issued in 2010–11 compared to 71 in 2009–10, and 48 in 2008–09.

Service 5: Environmental Sustainability

This service develops and implements policies and strategies that promote environmentally sustainable practices in industry, government and the community.

Functions through which the department delivers this service include:

1. Office of the Waste Authority

The Office of the Waste Authority provides secretariat services to the Waste Authority.

2. Delivery of programs on behalf of the Waste Authority

The department's Waste Management Branch provides program delivery support to the Waste Authority in accordance with a service level agreement established in 2009. The Waste Management Branch manages the administration of various funding programs, such as the *Strategic Waste Initiatives Scheme*, *Community Grants Scheme*, *Regional Funding Program*, *Household Hazardous Waste Program* and *Western Australian Transitional E-waste Program*. It also provides policy advice to government and other stakeholders on waste and recycling issues.

The branch implements the *Waste Avoidance and Resource Recovery Act 2007*; *Waste Avoidance and Resource Recovery Levy Act 2007*; and related regulations. Under this legislation, landfills in the Perth metropolitan area, and landfills anywhere in the state that receive waste from the metropolitan area, are obliged to pay a landfill levy on the waste received. DEC administers receipt of landfill levy funds and compliance with the legislation, and deals with applications from local governments for the development of local laws.

3. Strategic Waste Initiatives Scheme and Community Grants Scheme

These two grant funding programs, overseen by the Waste Authority, are funded from the Waste Avoidance and Resource Recovery Account and administered by DEC. Administration involves advertising of funding rounds, assessment of applications, development of recommendations for grant funding, and administration of funding contracts and payments.

4. Support for participation in the Environment Protection and Heritage Council

DEC participates in inter-jurisdictional working groups to implement national projects and provides policy advice to the Minister for Environment on Environment Protection and Heritage Council issues. Western Australia is currently represented on seven *National Waste Policy* implementation working groups.



In addition, DEC participates in the following Environment Protection and Heritage Council working groups:

- Ambient Air Quality National Environment Protection Measure (NEPM) Review
- Standard Setting Methodology
- Non Road Spark Ignition Engines
- Non Road Diesel Engines Emission Reduction
- Ambient Air Quality NEPM Peer Review Committee
- National Wood Heater Emissions Reductions
- Managing Emissions from Surface Coatings
- Packaging Impacts (including beverage containers)
- Australian Packaging Covenant and Used Packaging Materials NEPM
- Review of Fresh and Marine Water Quality Guidelines
- National Framework for Chemicals Environmental Management
- Council of Australian Governments Chemicals and Plastics Regulation
- Noise Labeling and Limit Scheme
- Assessment of Site Contamination NEPM Review.

As part of the implementation of the Australian Packaging Covenant, the department administers a funding program. The Used Packaging Materials NEPM is implemented in Western Australia through enforcement of the Environment Protection (NEPM-UPM) Regulations 2007.

5. Strategic Policy

A new Strategic Policy Branch was established in December 2010 with responsibility for coordinating high-level strategic policy and legislative review across DEC, and promoting good environmental sustainability policy outcomes.

Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|---|-------------------------------------|-------------------------------------|----------------------------|
| Expense by service | 17,143 | 15,230 | (1,913) |
| Key Efficiency Indicator | 2010–11 Target | 2010–11 Actual | Variance |
| Cost of administering Waste Avoidance and Resource Recovery Account | 6.0% | 6.0% | 0.0% |



Performance highlights

- The Strategic Policy Branch was established.
- An agreement was negotiated with the Western Australian Local Government Association for it to manage the *Household Hazardous Waste* program on behalf of the Waste Authority for the next four years.
- Interim funding of \$400,000 was provided to local government for e-waste recycling. Under the *Western Australian Transitional E-waste* program, an additional \$1.5 million is being provided over three years to support e-waste collections prior to the introduction of a national scheme.
- Funding of \$6.78 million over a five-year period was approved through the Regional Funding Program to help local governments increase rates of recycling and reduce waste going to landfill. A new version of the Household Hazardous Waste Program was also funded for \$10 million, to commence in July 2011 and run for four years, to support the collection and disposal of hazardous materials.
- One round each of the *Strategic Waste Initiatives Scheme (SWIS)* and *Community Grants Scheme (CGS)* were completed. Four grants were awarded under SWIS, at a total value of \$180,575, and six grants under CGS to a total value of \$74,108.
- Western Australia's participation in the national Environment Protection and Heritage Council was coordinated, including implementation of the *National Waste Policy*, the *Australian Packaging Covenant* and the Used Packaging Materials NEPM.
- Applications from 22 local governments were addressed for the development of local laws under the *Waste Avoidance and Resource Recovery Act 2007* in 2010–11, and DEC collaborated with the Western Australian Local Government Association on the development of a standard model for local laws that can be readily adopted by local governments.
- An inter-agency working group was established to investigate the potential for government to increase purchasing of products made from recycled construction and demolition waste.
- Development of a 25-year sustainability framework model was completed for the Goldfields-Esperance Development Commission.
- Amendments were made to the Waste Avoidance and Resource Recovery Regulations and Waste Avoidance and Resource Recovery Levy Regulations to address issues identified by the Joint Standing Committee on Delegated Legislation.
- Amendments were made to the *Environmental Protection Act 1986* to remove duplicated and unnecessary appeals, and to align appeal periods across processes.
- Amendments were made to the *Environmental Protection Act 1986* to introduce a new offence of illegal dumping.

Service 6: Coordinate the response to climate change

This service provides leadership in the development and implementation of strategies to reduce greenhouse gas emissions and adaptation initiatives to reduce the impact of climate change for Western Australia.

As the state government's lead agency for climate change policy coordination, DEC advises on the impact of climate change and develops mitigation and adaptation strategies for the state.

DEC is working with other state agencies to develop a climate change adaptation and mitigation strategy for Western Australia. This will assess the likely impacts and risks of climate change and make recommendations for mitigation and adaptation actions, covering each major sector of Western Australian industry as well as urban planning agencies, and state water and energy utilities.



Other functions through which DEC delivers this service include:

1. Low Emissions Energy Development Fund

This leveraged industry support fund is a state government initiative to invest in the development of low emission technologies to cut greenhouse gas emissions from the energy sector and is administered via a grants program.

2. Indian Ocean Climate Initiative (IOCI) (Stage 3)

This initiative is a \$4 million investment by the state government in partnership with CSIRO and the Bureau of Meteorology to provide climate research in Western Australia. Stage 3 is building on the work already completed by IOCI to provide better understanding of the current and future climate and the impact of changes particularly in the north-west of the state. This investment will enable the development of better projections of regional weather and make the knowledge available in a policy-ready form to enable individuals and businesses, as well as state government agencies, to plan and adapt to a changing climate.

3. Electric vehicles trial

The department is participating in a trial of electric vehicles managed by The University of Western Australia and CO2Smart Pty Ltd. This trial has the aim of testing the feasibility of converting standard internal combustion vehicles to run on electricity.

4. System for Accounting and Reporting of Government Emissions

DEC administers the *System for Accounting and Reporting of Government Emissions* program, assisting government agencies to account for and report their greenhouse gas emissions and reductions.

5. Enabling local government adaptation

DEC helps local government organisations to identify climate change risks and vulnerabilities, and to build council capacity to address them.

6. Climate change adaptation advice

DEC provides advice to state agencies, local governments and other stakeholders on undertaking climate change risk and vulnerability assessments and adaptation planning, and integrating adaptation considerations into existing policies, programs and decision making.

7. Climate change mitigation advice

DEC provides advice to state agencies, local governments and other stakeholders on measures to achieve mitigation of greenhouse gas emissions. The department also provides advice on the impact of, and ways to complement, national policies in the area of greenhouse gas mitigation.



Performance summary

| | 2010–11 Target \$'000 | 2010–11 Actual \$'000 | Variation \$'000 |
|--|--------------------------------------|--------------------------------------|-----------------------------|
| Expense by service | 11,883 | 7,226 | (4,657) |
| Key Efficiency Indicator | 2010–11 Target | 2010–11 Actual | Variance |
| Cost of administering Low Emissions Energy Development fund as a percentage of total funds | 0.48% | 0.52% | 0.04% |

Performance highlights

- A working draft of the *Climate Change Adaptation and Mitigation Strategy for Western Australia* was developed and consultation with state agencies commenced.
- The fourth round of the *Low Emissions Energy Development (LEED) Fund* got underway, with up to \$8 million available for suitable projects.
- LEED funding of \$2 million was provided to Aurora Algae for a demonstration biofuel facility.
- An electric vehicle was delivered to DEC on 9 May 2011 as part of the trial of electric vehicles managed by The University of Western Australia and CO2Smart Pty Ltd.
- The 2009–10 *System for Accounting and Reporting of Government Emissions* program successfully assisted 26 government agencies to account for and report their greenhouse gas emissions and reductions for the year.
- A partnership project with the Western Australian Local Government Association was completed to prepare advice for local governments regarding incorporating climate change adaptation into their planning policies.
- A partnership with Tourism Western Australia developed resources to enable tourism operators to adapt to climate change impacts.
- The joint management of the IOCI stage 3 with CSIRO and the Bureau of Meteorology continued.



SUPPORTING OUR DEPARTMENT

Strategic Development and Corporate Affairs

The Strategic Development and Corporate Affairs Division (SDCA) provides corporate leadership in communications and community relations for the department. The division works with other areas of DEC to provide services and products that support the department in achieving its mission and maintaining community trust. Responsibilities include internal and external communications, education programs, media relations, publications and online services, public participation planning, events coordination, advertising, and a variety of corporate programs.

The division's media unit provided communications support across the department through the preparation of communication plans, the release of media statements covering the full spectrum of the department's activities, and providing information for the Minister's office and responses to media inquiries. As part of the preparation for the 2010–11 bushfire season, the media unit provided an overview to regional staff on community advice and emergency warning systems to ensure accurate information is provided to the public quickly and efficiently during a fire.

With the support of a diverse range of sponsors from industry and government, the *Western Australian Environment Awards* recognise projects and initiatives that set new benchmarks in protecting and conserving Western Australia's environment. In 2010, the awards continued to be an excellent avenue to acknowledge, promote and celebrate community involvement in biodiversity conservation and environmental care. More than 90 entries were received from corporations, small businesses, local and state government agencies, community groups and individuals. Submissions were received from as far north as Kununurra, to Esperance on the south coast. Nominated projects were honoured at a presentation dinner attended by the Minister for Environment and 340 guests.

The division manages the department's busy publishing program, processing more than 500 jobs per year. A number of new and revised major titles was produced during the year including *Exploring Western Australia's natural wonders—national, marine and regional parks* and *A botanical journey—the story of the Western Australian Herbarium*. In addition, the department produced four issues of *LANDSCOPE* magazine and 25 issues of the online corporate newsletter *Environment and Conservation News*.

In 2010–11, the division continued to manage the department's online presence through its various websites in accordance with the state government's *Website Governance Framework*, and implemented an online publishing policy providing an accountability framework enabling departmental staff to make use of social media. In addition, work continued to develop phase 2 of the department's intranet site, *the Source*, enabling staff dispersed across the state to collaborate and consolidate their business on a common platform.

Through its frontline services, SDCA provided access to a range of internal and external library resources and answered thousands of phone and visitor inquiries. About 290 inquiries per month were received and either answered by Atrium Information Centre staff or forwarded to the appropriate area of the department. About 18,000 public inquiries were handled by Kensington front counter staff during the year.

The division continued to provide valuable learning experiences and activities in the natural environment, targeting schools through such programs as *EcoEducation* and *Bush Rangers Western Australia*, and providing unique school holiday programs through the *Nearer to Nature* program. More than 280,000 students, teachers and parents have participated in *EcoEducation*, which was named as a finalist in the 2010 national *Eureka Science Awards*. *Bush Rangers Western*



Australia continued to offer Western Australian Certificate of Education-endorsed voluntary nature conservation participation to school students in Years 7–12, with more than 300,000 volunteer hours being contributed to conservation and community projects.

Development and implementation continued on a range of ‘education for sustainability’ programs:

Airwatch continued to support 50 schools to report weather data through Weatherwatch in partnership with Channel 7, with 18 schools completing the *Energy Smart for Air*, student-led behaviour change program in 2011. The program also won the Clean Air Society of Australia and New Zealand’s *Clean Air Achievement Award*.

Waste Wise Schools Program saw 43 new schools join during 2010–11, meaning more than 600 metropolitan and regional schools are now actively participating in the program. Grants totalling \$175,000 were provided to schools to help them implement their *Waste Wise* strategies.

TravelSmart Workplace saw completion of travel plans for the City of Cockburn, Parsons Brinckerhoff and St John of God Hospital Subiaco—workplaces that were recognised at the annual *TravelSmart* Workplace launch on 18 October 2010 and presented with certificates by the Minister for Transport.

Ribbons of Blue is continuing to rebuild after the loss of the Ribbons of Blue Regional Coordinators as a consequence of the withdrawal of federal government funding.

Place-based Education has received funding from the Department of Education to develop a new framework to unify and strengthen DEC’s existing school education programs and provide further support to the *Australian Sustainable Schools Initiative*.

Environmental Enforcement Unit

Enforcement support

The Environmental Enforcement Unit contributes to the protection of the environment by providing investigative and enforcement support to the department’s environment stream. The unit is responsible for providing enforcement legal quality assurance, coordination and management of all environmental prosecutions mounted by the department, and takes the lead role in investigations into major environmental incidents. During the year, the unit successfully coordinated and concluded departmental investigations into a broad range of environmental events throughout the state in partnership with regional investigators and environmental staff, which resulted in prosecutions and other sanctions.

The unit also continued to deliver the *Authorised Officers Training Course* in consultation with the department’s Regulatory Training Section. This course is offered as part of the unit’s ongoing commitment to improve environmental enforcement outcomes through training and mentoring, and to provide investigative support through working partnerships with regional and branch incident owners.

Finalised environmental prosecutions for 2010–11

Eight environmental prosecutions were subject to final court determination during 2010–11, including cases relating to the *Litter Act 1979*, *Environmental Protection Act 1986*, *Controlled Waste Regulations 2004* and the *Unauthorised Discharge Regulations 1987*.



Modified penalty fines

Modified penalties fines are administered under Section 99A of the *Environmental Protection Act 1986*, which empowers the department to issue a fine where statutory conditions are met. These conditions include minimising and remedying the impacts of the incident, and amending procedures to ensure a similar incident does not reoccur. The amount of the fine is determined by legislation that directs that the first and second offences will be at 10 and 20 per cent respectively of the maximum penalty available. If the fine is not paid within the specified time, the department will commence prosecution action.

DEC issued one Modified Penalty Notice in 2010–11:

Modified Penalty Notice 1/2010 – DEC issued a \$25,000 modified penalty fine to AngloGold Ashanti Australia Limited (AGAAL) for allegedly causing material environmental harm. The penalty was issued after an investigation identified that between 28 February 2009 and 6 March 2009, AGAAL caused hypersaline water from their tailing storage facility at the Sunrise Dam Goldmine, Laverton, to be pumped onto native vegetation, causing 6.5 hectares of native vegetation to die. The fine was paid.

Environmental prosecutions currently before the courts

Fifteen environmental prosecutions were initiated by the department during 2010–11 involving a broad range of charges including pollution, unauthorised clearing of native vegetation and littering. Included in the charges was the first prosecution commenced under illegal dumping laws enacted in 2011.

At 30 June 2011, there remained seven environmental prosecutions before the courts.

There were an additional 19 pending cases that, subject to the evidentiary standard being met, were likely to result in prosecution or high-level sanction.

Legal Services Branch

The Legal Services Branch provides general legal advice to DEC in relation to issues of significance to the department, including issues relating to the legislation administered by the department and legislative reform.

Litigation

During 2010–11, the department received five writs issued out of the South Australian District Court for damages for personal injury, and one Federal Court application for damages and compensation for misleading and deceptive and unconscionable conduct. The five writs related to nervous shock claims from truck drivers exposed to the bushfire that began in Boorabbin National Park in December 2007. The Federal Court application is related to the operation of a cattle feedlot in Narrogin and licensing of the premises by the department.

Freedom of Information

The Legal Services Branch manages the processes for the department under the *Freedom of Information Act 1992*. The department's *Information Statement 2010–11* (available on DEC's website) describes the functions of the department and its related agencies, the nature of the information held by the department and its related agencies, and the type of information which is made available to the public.



DEC received 323 applications for access to information, 14 of which were subsequently withdrawn. The average time taken to process each application was 25 days.

The department received 18 applications requesting internal review of the department's decision. Of those applications, seven applicants requested an external review.

Fire Management Services Branch

DEC is involved in both the suppression of bushfires and the use of fire to achieve land management objectives in all the varied environments of the state. DEC's Fire Management Services Branch has developed comprehensive fire management systems and maintains state-of-the-art fire management equipment and technologies.

DEC has numerous well-trained professional fire managers and undertakes internationally recognised scientific studies into fire-related topics to constantly increase the knowledge available to fire practitioners.

Fire season 2010–11

DEC staff attended and monitored 629 bushfires which burnt about 645,505 hectares in 2010–11, including:

- 38,862 hectares in the Pilbara Region
- 55,710 hectares in the Goldfields Region
- 470,885 hectares in the Kimberley Region
- 14,744 hectares in the South Coast Region
- 22,906 hectares in the Midwest Region
- 14,209 hectares in the Wheatbelt Region
- 28,189 hectares in the three forest regions (Swan, South West and Warren regions).

The causes of these fires were:

- lightning—11 per cent (below the 10-year average of about 23 per cent)
- deliberately lit or arson-caused fires—51 per cent (above the 10-year average of about 44 per cent)
- accidental fires—15 per cent
- escapes from private burns—six per cent.

The cause of 15 per cent of fires that DEC attended is unknown, and two per cent were the result of escapes from DEC prescribed burns.

The most serious bushfires attended by the department occurred in the Midwest and Swan regions. Significant assistance was provided to local governments and FESA at fires at Lake Clifton, Red Hill and Roleystone-Kelmscott. Other fires of interest occurred at Yeagarup block near Pemberton and Lesueur National Park near Jurien Bay. Large fires also occurred in the South Coast Region near Norseman and Salmon Gums in Dundas Nature Reserve, and in Cape Arid National Park.

DEC pre-formed incident management teams were deployed, either in full or in part, five times during the 2010–11 fire season.



Prescribed burning

The dry 2010 winter, which was the third dry winter in 10 years, saw rainfall in the south-west reduced to unprecedented levels. The lack of rainfall restricted suitable prescribed burning days in the south-west forests because fuels quickly became too volatile to burn safely under prescribed conditions. The summer months burning period was also abnormally dry. Autumn prescribed burning commenced in early April and resulted in a successful autumn burning program in the south-west forests.

The target for 2010–11 prescribed burning in the south-west was set at 200,000 hectares. DEC achieved a total burn area of about 136,746 hectares, including about 9,570 hectares that were burnt for pine plantation protection.

The department also completed its largest ever program of about 3.1 million hectares of prescribed burning on DEC-managed lands in the Kimberley, Pilbara, Goldfields, Midwest, Wheatbelt and South Coast regions, as well as on unallocated Crown land and unmanaged reserves.

The combined total area of prescribed burning undertaken throughout the state in 2010–11 was 3.2 million hectares. This is the largest figure that DEC has ever achieved.

DEC contracted seven aerial ignition rotary and fixed-wing aircraft to conduct this program.

Fire preparedness on unallocated Crown lands

DEC is responsible for the coordination and on-ground management of fire risk prevention and fire preparedness works on 89 million hectares of unallocated Crown land and unmanaged reserves. During the year, DEC continued to make significant progress in burning across the state, particularly in the Kimberley, Pilbara and Goldfields regions. This involved the use of planned fire for developing landscape-scale mosaics for mitigating the impacts of large bushfires, protecting biodiversity values and achieving designated nature conservation outcomes. Much of this work closely involved traditional owners in fire planning and operations.

Fire Management Services Branch also carried out activities in the following areas:

Aerial fire suppression operations

DEC contracted nine fixed-wing water bomber aircraft from early November 2010 to late April 2011. These consisted of two Air Tractor 602 aircraft based at Manjimup, and two Air Tractor 802 aircraft each at Albany, Bunbury and Perth, with an Air Tractor 802 available on ad hoc hire from the Perth base. These aircraft provided rapid aerial suppression capability in the south-west forest regions, Midwest, Wheatbelt and South Coast regions, and provided an aerial rapid-response capability to assist ground crews in the initial attack on bushfires.

Fixed-wing water bombers were used successfully on numerous bushfires that threatened residential areas across the south-west. These aircraft flew 862 operational hours while attending 267 bushfires, and dropped 1,509 loads, delivering a total of 4.2 million litres of product. This compares with 711 hours and 1,121 loads in 2009–10.

Fire detection

DEC provided an effective fire-detection system in the high fire risk zones of the south-west region using 13 fixed-lookout towers and nine single-engine aircraft. The 'spotter' aircraft flew 4,600 hours for aerial surveillance within pre-determined circuits in the south-west forest regions at schedules that varied according to the fire danger levels and fire activity. The aircraft, which also



flew 286 hours in support of aerial suppression operations, were flown by two permanent senior pilots and 14 casual pilots filling 12 seasonal pilot positions.

Logistics support for bushfire response

DEC has developed a cache of facilities and equipment designed to fully support fire crews and incident management teams (IMT) in the field. The cache was fully deployed on three occasions during the year to major fires at Lake Clifton (FESA-controlled fire), Muchea (FESA-controlled fire), and Nilgen, near Lancelin (DEC-controlled fire).

At each incident, a DEC State Facilities team was able to transport the components to site and make them fully operational within four to five hours, providing a stand-alone Incident Control Centre (ICC) in an appropriate field-based location close to the fire, where the IMT can operate most effectively. The efficiency of deployment and the effectiveness of the mobile ICC were acknowledged by fire response personnel from DEC, FESA, local government and other agencies.

Some components of the cache are hired and DEC acknowledges the many service providers across the state, without whose support rapid deployment of the mobile ICC facilities and equipment would not be possible. In addition, the Salvation Army has provided catering facilities and services to complement DEC's own capacity.

The DEC mobile cache facilities and equipment include:

- mobile communications facility (Pantech)
- communications buses (five)
- logistics support trailer (Pantech)
- minor logistics support sea containers (two)
- Royal Wolf sea container offices (12).

Fire training and development

Fire Management Services Branch development and education staff conducted 25 formal fire training courses involving 300 participants. In addition, district and regional staff delivered 16 formal fire-training programs to 230 participants. These courses included:

- Introduction to Australasian Inter-service Incident Management System (AIIMS)
- AIIMS Awareness
- Advanced Incident Leadership Program
- Prescribed Burning
- Fire Line Construction Using Machines
- Fire Operations 1
- Operational Management
- Situation Unit Management
- Incident Mapping
- Basic Wildfire Awareness
- Fire Fighting Level 1 and Level 2
- Structural Fire Fighting
- WAERN Radio Training
- Introduction to Managing Fire in DEC.



Course participants were predominantly from DEC, including campground host volunteers and bush ranger cadets, but included personnel from the Forest Products Commission, FESA and local governments.

The *Advanced Incident Leadership* program was delivered by DEC staff for the Department of Sustainability and Environment in Victoria to senior incident management personnel from fire and land management agencies across Australia.

Aviation Section personnel provided training for 146 aerial operations personnel including fire detection pilots, air attack supervisors, air observers, air base managers, helitorch operators, incendiary operations supervisors and aerial incendiary bombardiers. In addition, 22 courses were provided for 208 participants to support aerial water bombing operations. The majority of these participants were from volunteer bushfire brigades and local State Emergency Service units throughout the south-west. Aerial incendiary bombardier and aerial drip-torch operator training was also provided to the Department of Environment and Natural Resources in South Australia and Bushfires Northern Territory.

The development and promotion of common fire training programs and course materials continued between DEC and FESA under the auspices of the Interagency Bushfire Management Committee, and with other agencies in Australia and New Zealand.

Fire Planning and Monitoring

Work commenced to redesign and modernise DEC's procedures, tools and information management systems for prescribed fire planning, implementation and reporting. The initial phase of this major project involved reviewing current approaches and scoping the redevelopment works to be undertaken over the next two years. This development will build upon DEC's long history of nationally and internationally recognised expertise in prescribed burning.

With the support of federal government funds, DEC purchased thermal and hyper-spectral scanners which were fitted to a department-owned American Champion Scout aircraft in early 2011. This equipment is intended to map burnt and unburnt patches following prescribed burns to be better able to gauge the outcomes and effectiveness of those burns for a range of biodiversity conservation and land management purposes. Calibration and operational testing occurred during autumn 2011.

Interagency Bushfire Management

Significant DEC fire management resources were dedicated during 2010–11 to improving inter-agency bushfire management arrangements through the Interagency Bushfire Management Committee (IBMC), and the associated sub-committees.

The current sub-committees servicing the IBMC are as follows:

- Bushfire Research (chaired by DEC)
- Fuel Load Management (chaired by FESA)
- Training (chaired by FESA)
- Fire Operations (chaired by DEC)
- Aerial Fire Suppression (chaired by FESA).



Fire ecology education programs

The Fire Management Services Branch continued to work in partnership with the Strategic Development and Corporate Affairs Division to deliver DEC's fire education program. A total of 8,053 students, teachers and parents took part in fire-related *EcoEducation* programs at Perth Hills Centre, Henderson Centre, Wellington Discovery Forest and Margaret River Eco-Discovery Centre. The *EcoEducation* section updated the *Fire – a force of life* program to meet updated curriculum requirements of courses in geography and biology.

In collaboration with DEC Kimberley staff, approximately 20 teachers attended a fire education symposium, led by DEC fire staff during a three-day *EcoEducation* program in Kununurra. The attendees included the Chief Scientist of Western Australia, Professor Lyn Beazley.

The department also conducted a DEC *Bush Rangers* fire awareness course at Dwellingup, which included coursework and field exercises involving the conduct of a small prescribed burn in nearby forest.

Information Technology and Data Management

The DEC-developed *Spatial Support System* was upgraded to improve the user experience and include additional data and functionality, such as map production and data capture. This open source online spatial viewer was primarily designed to display DEC vehicular tracking data, but is now being used for a variety of other purposes such as monitoring of prescribed burning and bushfires using *FireWatch* and *Sentinel Hotspots*, communications planning, and incident mapping.

The department continues to add value to the fire history data set with the inclusion of additional data from the Great Western Woodlands, Gnangara Mound and the Pilbara.

The department has also formalised standards for common mapping products used in such areas as public consultation, incident mapping and aerial burning.



MANAGING OUR DEPARTMENT

Geographic Information Services

The Geographic Information Services Section continued to maintain data in the corporate spatial databases used by major departmental business systems. The section also routinely distributed corporate geographic information systems (GIS) datasets to branch and regional GIS users, and provided training and support in desktop GIS and customised GIS software. The section also provided GIS analysis to support a number of projects within DEC and the Swan River Trust.

The section delivered DEC's contribution to the *Great Southern Coastal Emergency Services Directory (ESD)* and the second edition of the *Northern Wheatbelt ESD*, and has commenced its contribution to the *Midwest Gascoyne ESD*. Emergency management and field operations were also supported with the revision of large format coordination boards, aerial surveillance maps and the *Conservation Operations Graphic*. The section maintained GIS data for a number of corporate datasets including DEC-managed lands and waters (for which a tenure advisory service is also maintained), and has supplied aerial photography and georeferenced versions of the department's operations maps.

The section continued to provide GIS support for the establishment of the national reserve system by providing analysis of pre-European vegetation data and a number of GIS datasets. Preliminary mapping was undertaken of islands off the Kimberley coast. Mapping of federal *Environment Protection and Biodiversity Conservation Act 1999*-listed species within the Perth and Peel Regional Development scheme areas was done for meetings of the Ministerial Taskforce on Approvals, Development and Sustainability.

Mapping and monitoring techniques, using remote-sensed technologies, have been established in targeted projects. These include the ongoing monitoring of vegetation within natural diversity recovery catchments, monitoring of the duration and severity of wandoo decline, analysis of dredging plumes off Barrow Island, and the audit of vegetation clearing. Ongoing tasks include annual updates of imagery and derived products on a regional and local scale, plus the marine and coastal mapping/monitoring program.

In other significant activities, the section participated in Landgate's *Shared Land Information Platform*, and is continuing to work with Landgate on a collaborative approach to topographic data maintenance.

Office for Information Management

The Office for Information Management (OIM) is responsible for the strategic planning of DEC's business systems and technology for data, information, records and knowledge assets; developing policy and standards for corporate data and information management; working within DEC to promote sharing, transferring and consolidating data and information; supporting information custodians and asset managers in meeting business needs; ensuring DEC complies with whole-of-government data and information requests; and investment and financial planning for DEC's data and information management resources.

During 2010–11, OIM progressed significantly toward a business-centric, enterprise approach to information management, information technology, telecommunications and project management with the Corporate Executive-endorsed Information Management Governance Framework and the OIM functional structure endorsed in March 2011. This achievement is the result of extensive analysis and restructuring activities within the department to move to a fully functioning, strategic and business-focused OIM that will improve knowledge management processes that link directly to DEC's service delivery priorities.



The Chief Information Officer leads OIM in four key domains: portfolio and project management; knowledge and information management; information systems and computer engineering; and radio and sensor engineering. This structure is supported by an information management (IM) and information and communications technology (ICT) management framework that includes governance mechanisms to engage with, and support, DEC business.

Portfolio and project management

The Portfolio and Project Management Office (PPMO) has been established to govern IM and ICT projects within DEC, with an undertaking to represent DEC business and technology equally, focusing on value for money and value for business on behalf of DEC through the adoption of best practice methods. This is achieved through portfolio management, information technology business analysis, the creation and management of tailored and scaled DEC project management methodology, and a support and leadership framework for all IM and ICT project managers.

Knowledge and information management

The necessary planning for the establishment of a knowledge and information management office has been undertaken to ensure DEC's recordkeeping business systems capture, maintain and provide access to records over time for both internal and external stakeholders.

Information systems and computer engineering

IT Operations is responsible for managing the information systems and computer technology capabilities of DEC, including matching technologies with business needs and supporting the department in its strategic and operational delivery of emergency services, scientific research, environmental monitoring and regulation, land and marine management, and parks and visitor services. IT Operations undertakes strategic and forward planning of DEC's ICT investments to ensure that the technology architecture is aligned with the department's IM and ICT Strategy and is the most cost-efficient solution for servicing DEC's business delivery.

Major achievements in 2010–11 include:

- redesign of DEC's IM and ICT architecture to improve the services to its regional and remote work centres, and highly mobile staff
- implementation of state-of-the-art 'voice over internet protocol' telephony and wireless networking capabilities that provide secure internet access to both DEC staff and visiting government workers, scientists and the public
- implementation of hybrid open standard and open source (spatial and non-spatial) technologies that are scalable and high quality to replace critical out-of-date enterprise level business applications, reducing the cost of application ownership and ongoing support (examples of business areas that have been transitioned to this architecture platform are DEC's Fire Management Services Branch and Land Planning Program)
- improvement of DEC's ICT for frontline incident coordination and resource management to support the department's whole-of-government emergency management obligations, which include fire management, search and rescue, and pollution response
- future-proofing DEC's use of web technologies through the transition from Internet Protocol Version 4 to Version 6
- implementation of environmentally responsible technologies and reducing the total 'carbon footprint' of product, electricity and heat consumption.



Radio and sensor engineering

DEC owns, maintains and manages an extensive radio communications network that provides reliable and flexible communications for fire and other emergency operations as well as day-to-day business activities. Radio Communications Section (RCS) is responsible for a broad spectrum of telecommunications equipment ranging from an extensive statewide land mobile VHF network to complex electronic switching systems including microwave, satellite and fibre optics. RCS coordinates the planning, design, commissioning and monitoring of DEC's radio communications network and radio frequency management. RCS provides the best solution for the lowest cost to the department, often involving creative solutions to terrestrial, aviation and marine challenges such as automatic weather stations, automatic vehicle location, closed circuit television, radio over internet and inter-agency interoperability solutions.

The department is a stakeholder in the Western Australian Emergency Radio Network (WAERN). RCS has commissioned new radio infrastructure such as towers and repeaters across all regions of the state to support the interoperability requirements of the WAERN initiative. DEC's high-band VHF migration program will result in the upgrade of the department's current mid-band VHF radio network to high-band VHF over the next year. This will provide enhanced radio communications interoperability with FESA, volunteer bushfire brigades, local authorities and other government agencies during emergency incidents and day-to-day operations.

In addition to the new communications infrastructure, RCS performed its ongoing maintenance across the state. RCS is collaborating with Western Australia Police on new infrastructure upgrades across the state and testing of new digital radio technology. This strategic approach will position DEC's radio communications architecture to be compatible and interoperable with the Western Australia Police 'P25' digital radio communication standard.

Corporate Information Services

Corporate Information Services (CIS) Section continues to support the department's compliance with the *State Records Act 2000*.

CIS undertook a number of initiatives during the year including:

- completing regional file conversions by introducing corporate recordkeeping and *InfoBase* training
- providing continuing records management assistance to major service bureaux like the Office of the Environmental Protection Authority
- continuing *InfoBase* systems training to new users
- reviewing and evaluating policy and procedural documents for electronic recordkeeping to assist staff to manage electronic records.

Recordkeeping plans (*State Records Act 2000*, s61, *State Records Commission Standards*)

The department's compliance with the *State Records Act 2000* is supported by CIS within Corporate Services Division.

CIS provided assistance in developing recordkeeping plan RKP 2011025 for the Swan River Trust under the Service Level Agreement, and recordkeeping plan RKP 2009086 for the Conservation Commission under the Operational Relationship Agreement.



Legislative compliance

The department has mandatory records management training for employees as part of the induction process.

DEC uses the online *Records Awareness Training* system endorsed by the State Records Office. Additional training and relevant training material are available to employees upon request, and have been tailored to meet business needs.

Recordkeeping roles and responsibilities are also included in accountability and ethical decision making training and the department's *Code of Conduct*.

Recordkeeping policy documents and the department's *Recordkeeping Manual* are regularly reviewed, and posted on the intranet.

Financial Services Branch

The department's central Financial Services Branch maintains core financial software and manages accounts payable, accounts receivable, asset records and remote area housing. The branch also manages the department's light and heavy vehicle fleet, and produces statutory and management financial reports.

People Services Branch

DEC's People Services Branch provides client-focused human resource services including employee relations, workforce services, policy delivery, learning and development programs and initiatives, strategic planning, data analysis and reporting, and management of the safety, health and well-being of our employees.

Staff Profile

The Staff Profile section continued to implement a number of initiatives to assist in the recruitment of a skilled workforce, including the ability for panel convenors to submit their completed and signed selection reports electronically. The introduction of employee testimonial web clips which can be linked to relevant advertisements, and participation in two career expos gained significant exposure for DEC employment opportunities.

Following the introduction of new legislative instruments regulating public sector employment on 21 February 2011, the section has been amending internal policies and procedures accordingly.

The department's Human Resources Information Management System (HRIMS) upgrades to Alesco Minor Release 5 and Alesco Version 12 were successfully implemented, resulting in increased functionality, faster processing and improved accessibility. In addition, a new electronic fire overtime form and a series of Frequently Asked Questions were introduced to provide a handy reference for employees wanting more information about issues such as leave, allowances and payroll timelines. New AWU (Western Australian Public Sector) General Agreement 2010 pay rates were also successfully implemented in the Human Resources Information Management System.

The section coordinated the revision and implementation of key documents including the department's *Code of Conduct*, and facilitated the department's final compliance requirements in accordance with the *Working with Children (Criminal Record Checking) Act 2004*.

A total of 19 policies were reviewed and updated, including policies relating to good working relations, gifts and benefits, reclassification and classification, and *Working with Children* checks.



Workforce planning and performance

During 2010–11, People Services Branch conducted an agency-wide training survey to identify the learning and development requirements of employees. The survey results have provided a focus for developing additional training programs in the areas of financial management, project management and supervisory skills.

DEC's management and leadership strategy has been gradually implemented with successful pilots completed in Executive Leadership (23 participants) and Frontline Management (16 participants). Both programs have their second intakes commencing in 2011. A *Leadership Journey for Women* has also been introduced (30 participants) to encourage and support women in management roles.

Consultations have been undertaken throughout the agency for the development of DEC's *Workforce Plan 2011–14*.

Workers' compensation

The department is committed to preventing work-related injury and illness as well as creating a working environment that maximises the effectiveness of every employee. People Services Branch staff are responsible for developing and implementing risk management policies and procedures in regard to occupational safety and health, corporate health and fitness, workers' compensation, injury management, general liability and the corporate insurance portfolio.

In 2010–11, the Risk Management section (RMS) implemented a 'wellness advocate' initiative aimed at increasing the focus and emphasis of the health promotion program in regional areas and to provide local support to staff wanting to improve their general health and nutritional behaviours.

The wellness advocate initiative involves RMS staff training other DEC staff to enable them to take on an extra role of health promotion and consulting. In 2010, 27 wellness advocates were trained and became instrumental in facilitating corporate health events in the various DEC regions. During 2011, the program was extended into other divisional structures, and a total of 35 wellness advocates are now in place.

A review of health statistics shows very positive progress in the health and general wellbeing of staff and the introduction of the wellness advocate initiative is regarded as a success.

Employee relations

People Services Branch provides strategic industrial relations advice, manages employee relations issues and represents the department at industrial relations tribunals. A key task in 2010–11 has been to renegotiate agreements covering the terms and conditions for DEC employees. The number of disciplinary issues managed by the section remained constant and the participation of employee relations practitioners in internal educational and training programs was a key focus.

A key focus has been to undertake extensive training, particularly in regional areas, focusing on the requirement to act ethically and with integrity. Changes to the department's induction procedure and the development of a DEC-specific *Accountability and Ethical Decision Making Training* program have resulted in these programs being successfully rolled out across the state. Staff have also been reminded by the executive at divisional and branch meetings as part of the ongoing communication strategy to make sure they are fully aware of their obligations as public sector employees. In recognition of the department's commitment to ensure staff act ethically and with integrity, the department's Code of Conduct was revised and key areas changed to ensure staff are aware of their responsibilities. A communication strategy was implemented statewide specifically around conflict of interest.



DEC-managed lands and waters

Total estate

At 30 June 2011, the total area under DEC's care was 27,465,525 hectares, representing a net decrease of 77,251 hectares during 2010–11. The major components of the decrease were 58,552 hectares due to a recalculation of the area of Prince Regent Nature Reserve prior to its conversion to national park, and a further 23,468 hectares due to the transfer of part of Noongal Pastoral Lease to an adjoining landholder. A further net increase of 4,769 hectares was due to other additions and subtractions from the DEC-managed estate.

The terrestrial area managed (i.e. not including marine reserves) is approximately 10.22 per cent of the land area of Western Australia.

The table below provides a summary of all tenure classifications.

Managed lands and waters (ha) by region at 30 June 2011

| Tenure classification | Goldfields | Kimberley | Midwest | Pilbara | South Coast | South West | Swan | Warren | Wheatbelt | Total |
|---|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|------------------|-------------------|
| National park | 153,161 | 1,406,089 | 568,943 | 2,432,131 | 861,384 | 143,972 | 117,195 | 562,459 | 1,292 | 6,246,626 |
| Conservation park | 182,817 | 459,942 | 14,967 | 149,348 | 677 | 13,560 | 24,366 | 76 | 1,559 | 847,312 |
| Nature reserve | 6,299,940 | 174,653 | 738,888 | 251,019 | 1,566,951 | 12,965 | 53,257 | 87,267 | 1,055,667 | 10,240,607 |
| State forest | 781 | - | - | - | 4,055 | 542,389 | 466,509 | 262,642 | 28,066 | 1,304,442 |
| Timber reserve | 28,509 | - | 26,338 | - | 5,231 | 26,474 | 28,501 | 8,216 | - | 123,269 |
| Marine park | - | 87,807 | 868,860 | 288,108 | - | - | 16,391 | 1,446 | - | 1,262,612 |
| Marine nature reserve | - | - | 132,000 | - | - | - | - | - | - | 132,000 |
| Marine management area | - | - | - | 143,385 | - | - | - | - | - | 143,385 |
| Sections 5(1)(g) & 5(1)(h) reserve | 81,566 | 234,973 | 2,099 | 7,810 | 644 | 31,136 | 28,237 | 1,600 | 1,443 | 389,508 |
| Miscellaneous reserve | <1 | 568,006 | 510 | 1,779 | 3,767 | 124 | 6,006 | 244 | 15 | 580,451 |
| Freehold (CALM exec body) | - | <1 | 1,550 | <1 | - | 20,821 | 50 | 4,658 | <1 | 27,079 |
| Leasehold (CALM exec body) | - | - | - | - | - | - | - | - | - | - |
| Former leasehold | 1,846,091 | 80,748 | 3,271,994 | 786,503 | - | - | - | - | - | 5,985,336 |
| Section 33(2) managed land | 28,514 | - | 90,118 | - | - | - | - | - | - | 118,632 |
| Sections 16 & 16a managed land | - | 37,941 | - | - | - | 121 | 7,903 | 40 | - | 46,005 |
| Freehold land acquired for conservation | - | - | 4,812 | - | 3,116 | 2,111 | 3,617 | 922 | 3,683 | 18,261 |
| TOTALS | 8,621,379 | 3,050,159 | 5,721,079 | 4,060,083 | 2,445,825 | 793,673 | 752,032 | 929,570 | 1,091,725 | 27,465,525 |



National parks

The area of the 99 national parks at 30 June 2011 was 6,246,626 hectares, a net increase of 578,561 hectares. The major addition was the conversion of Prince Regent Nature Reserve to national park, representing an increase of a recalculated area of 576,400 hectares. A further net increase of 2,161 hectares was due to other additions and subtractions from national parks.

National parks vested in the Conservation Commission of Western Australia at 30 June 2011

| Name | Area (ha) | Name | Area (ha) | Name | Area (ha) |
|--|-----------|------------------------------|-----------|------------------------------|------------------|
| Alexander Morrison | 8,500 | <i>Greater Kingston</i> | 21,092 | Neerabup | 943 |
| Avon Valley | 4,366 | <i>Greater Preston</i> | 12,665 | Peak Charles | 39,959 |
| Badgingarra | 13,108 | Greenmount | 202 | Porongurup | 2,621 |
| Beelu | 4,617 | <i>Gull Rock</i> | 2,104 | <i>Prince Regent</i> | 576,400 |
| <i>Blackwood River</i> | 20,477 | Hassell | 1,265 | Purnululu | 239,723 |
| Boorabbin | 28,153 | <i>Helena</i> | 12,255 | Scott | 3,273 |
| <i>Boorara-Gardner</i> | 11,008 | Hilliger | 16,962 | Serpentine | 4,387 |
| <i>Boyndaminup</i> | 5,439 | <i>Jane</i> | 6,863 | Shannon | 52,598 |
| <i>Bramley</i> | 3,892 | John Forrest | 2,678 | Sir James Mitchell | 247 |
| Brockman | 52 | Kalamunda | 375 | Stirling Range | 115,920 |
| Cape Arid | 279,446 | Kalbarri | 183,005 | Stokes | 9,726 |
| Cape Le Grand | 31,801 | Karijini | 627,442 | Tathra | 4,322 |
| Cape Range | 47,655 | Karlamilyi | 1,283,706 | Torndirrup | 3,936 |
| Collier Range | 235,162 | Kennedy Range | 141,660 | Tuart Forest | 2,049 |
| D'Entrecasteaux | 118,779 | Korung | 6,344 | Tunnel Creek | 91 |
| <i>Dalgarup</i> | 2,377 | <i>Lake Muir</i> | 9,625 | <i>Un-named</i> | 1,571 |
| <i>Dirk Hartog</i> | 62,928 | <i>Lawley River</i> | 17,572 | <i>Un-named</i> | 79 |
| Drovers Cave | 2,681 | Leeuwin-Naturaliste | 21,264 | Walpole-Nornalup | 19,448 |
| Drysdale River | 448,264 | Lesmurdie Falls | 56 | <i>Walyunga</i> | 1,814 |
| <i>Easter</i> | 2,985 | Lesueur | 27,235 | Wandoo | 46,493 |
| <i>Eucla</i> | 3,560 | Midgegooroo | 2,492 | Warren | 2,981 |
| Fitzgerald River | 297,211 | Millstream Chichester | 238,167 | Watheroo | 44,481 |
| <i>Forest Grove</i> | 1,379 | <i>Milyeannup</i> | 18,692 | <i>Waychinicup</i> | 3,982 |
| François Péron | 52,587 | <i>Mirima</i> | 2,068 | Wellington | 17,420 |
| Frank Hann | 67,539 | <i>Mitchell River</i> | 115,325 | West Cape Howe | 3,605 |
| Geikie Gorge | 3,136 | Moore River | 17,254 | <i>Whicher</i> | 6,343 |
| Gloucester | 878 | Mount Augustus | 9,168 | William Bay | 1,734 |
| <i>Goldfields Woodlands</i> | 64,612 | Mount Frankland | 37,359 | Wiltshire-Butler | 11,645 |
| Goongarrie | 60,397 | <i>Mount Frankland North</i> | 22,053 | Windjana Gorge | 2,050 |
| Gooseberry Hill | 33 | <i>Mount Frankland South</i> | 42,283 | Wolfe Creek Meteorite Crater | 1,460 |
| <i>Greater Beedelup</i> | 19,379 | <i>Mount Lindesay</i> | 39,541 | Yalgorup | 13,141 |
| <i>Greater Dordagup</i> | 6,408 | <i>Mount Roe</i> | 127,726 | Yanchep | 2,876 |
| <i>Greater Hawke</i> | 14,004 | Nambung | 19,268 | <i>Yelverton</i> | 729 |
| <i>Names shown in italics are unofficial</i> | | | | TOTAL | 6,246,626 |



Conservation parks

The area of conservation parks at 30 June 2011 was 847,312 hectares. There were no changes during the year.

Nature reserves

The area of nature reserves at 30 June 2011 was 10,240,607 hectares, representing a net decrease of 635,113 hectares. The major reduction was the conversion of Prince Regent Nature Reserve to national park representing a decrease of 634,952 hectares. Other significant changes were the decrease of 4,286 hectares from Mount Manning Nature Reserve and an increase of 2,063 hectares due to the creation of the Billyacatting Hill Nature Reserve which, along with other minor additions and subtractions, resulted in an additional net decrease of 161 hectares.

State forest

The area of State forest at 30 June 2011 was 1,304,442 hectares, a net decrease of 243 hectares. The decrease was mainly due to changes in road alignments.

Timber reserves

The area of timber reserves at 30 June 2011 was 123,269 hectares. There were no changes during the year.

Marine parks and reserves

The area of marine parks at 30 June 2011 was approximately 1,262,612 hectares. There were no changes during the year.

The area of marine nature reserves at 30 June 2011 was approximately 132,000 hectares. There were no changes during the year.

Marine management areas

The area of marine management areas at 30 June 2011 was approximately 143,385 hectares. There were no changes during the year.

Marine reserves vested in the Marine Parks and Reserves Authority at 30 June 2011

| Name | Area (ha) |
|---|------------------|
| Barrow Island Marine Park | 4,169 |
| Barrow Island Marine Management Area | 116,616 |
| Hamelin Pool Marine Nature Reserve | 132,000 |
| Jurien Bay Marine Park | 82,376 |
| Marmion Marine Park | 9,500 |
| Montebello Islands Marine Park | 58,375 |
| Muiron Islands Marine Management Area | 26,769 |
| Ningaloo Marine Park | 263,313 |
| Rowley Shoals Marine Park | 87,807 |
| Shark Bay Marine Park | 748,735 |
| Shoalwater Islands Marine Park | 6,545 |
| Swan Estuary Marine Park | 346 |
| Walpole and Nornalup Inlets Marine Park | 1,446 |
| TOTAL | 1,537,997 |

Area figures are approximate only.



Section 5(1)(g) and 5(1)(h) reserves

The area of *Conservation and Land Management Act 1984* (CALM Act) sections 5(1)(g) and 5(1)(h) reserves at 30 June 2011 was 389,508 hectares. This represents a net increase of 1,068 hectares. The major addition was the creation of the unofficially named *Moondyne Convention Centre*, with an area of 696 hectares.

Miscellaneous reserves

The area of miscellaneous reserves at 30 June 2011 was 580,451 hectares. This represents a net increase of 62 hectares. There were no significant changes during the year.

Other land

The area of freehold land held by the Conservation and Land Management (CALM) Executive Body at 30 June 2011 was 27,079 hectares. This represents a net decrease of 52 hectares. This decrease comprised a transfer of land to the Department of Water and two land parcels which changed purpose to miscellaneous reserve.

The CALM Executive Body, as at 30 June 2011, no longer held any leasehold land, representing a decrease of 173,618 hectares. During the course of 2010–11, a new survey was carried out to facilitate the surrender of Dalgaranga and part of Noongal pastoral leases, resulting in a net total of 174,022 hectares. Of this, 150,554 hectares from the former Dalgaranga pastoral lease was transferred to former leasehold held under an interim management arrangement prior to formal reservation. The balance of the area, being 23,468 hectares from the former Noongal pastoral lease, was transferred to an adjoining landholder.

The area of former pastoral lease land being held under an interim management arrangement prior to formal reservation is 5,985,336 hectares representing a net increase of 150,554 hectares. The major addition was the surrender of Dalgaranga and part of Noongal pastoral leases.

The area of Crown land placed under the management of the department under section 33(2) of the CALM Act as at 30 June 2011 totalled 118,632 hectares. There were no changes during the year. This land is proposed for addition to the conservation estate, which is managed accordingly under an interim arrangement.

Areas currently managed under section 16A of the CALM Act by agreement between the lessees and the department amount to 37,941 hectares. There were no changes during the year.

Note: The 2009–10 annual report incorrectly stated the area of land managed under 16A of the CALM Act to be 46,005 hectares. This figure should have been 37,941 hectares.

The area of freehold land managed by the department under section 16 of the CALM Act at 30 June 2011 was 8,064 hectares. There were no changes during the year. Most of this land falls within regional parks and is managed by agreement between the Western Australian Planning Commission and the department.

The area of freehold land acquired for addition to the conservation reserve system at 30 June 2011 was 18,261 hectares. This represents an increase of 1,530 hectares. Reservation of these areas is dependent on the completion of administrative processes.



Conservation land acquisitions

During the year, DEC purchased four parcels of land of high conservation value covering a combined total area of about 1,166 hectares for future addition to the formal conservation reserve system.

The department's priorities for purchases were for those areas containing ecosystems not adequately represented in existing conservation reserves, areas containing threatened species and ecological communities, and for additions to existing reserves that would greatly improve their diversity or facilitate their management.

The purchases were funded from a number of sources: DEC's annual capital allocation for acquiring conservation land; proceeds of asset sales; environmental offset funds (provided from a variety of sources, including Western Power and developers, as a result of approved development projects and land clearing); and the National Reserve System component of the federal government's *Caring for Our Country* initiative. The total expenditure from all funding sources for the financial year was \$2.04 million.

Purchases finalised during the year were:

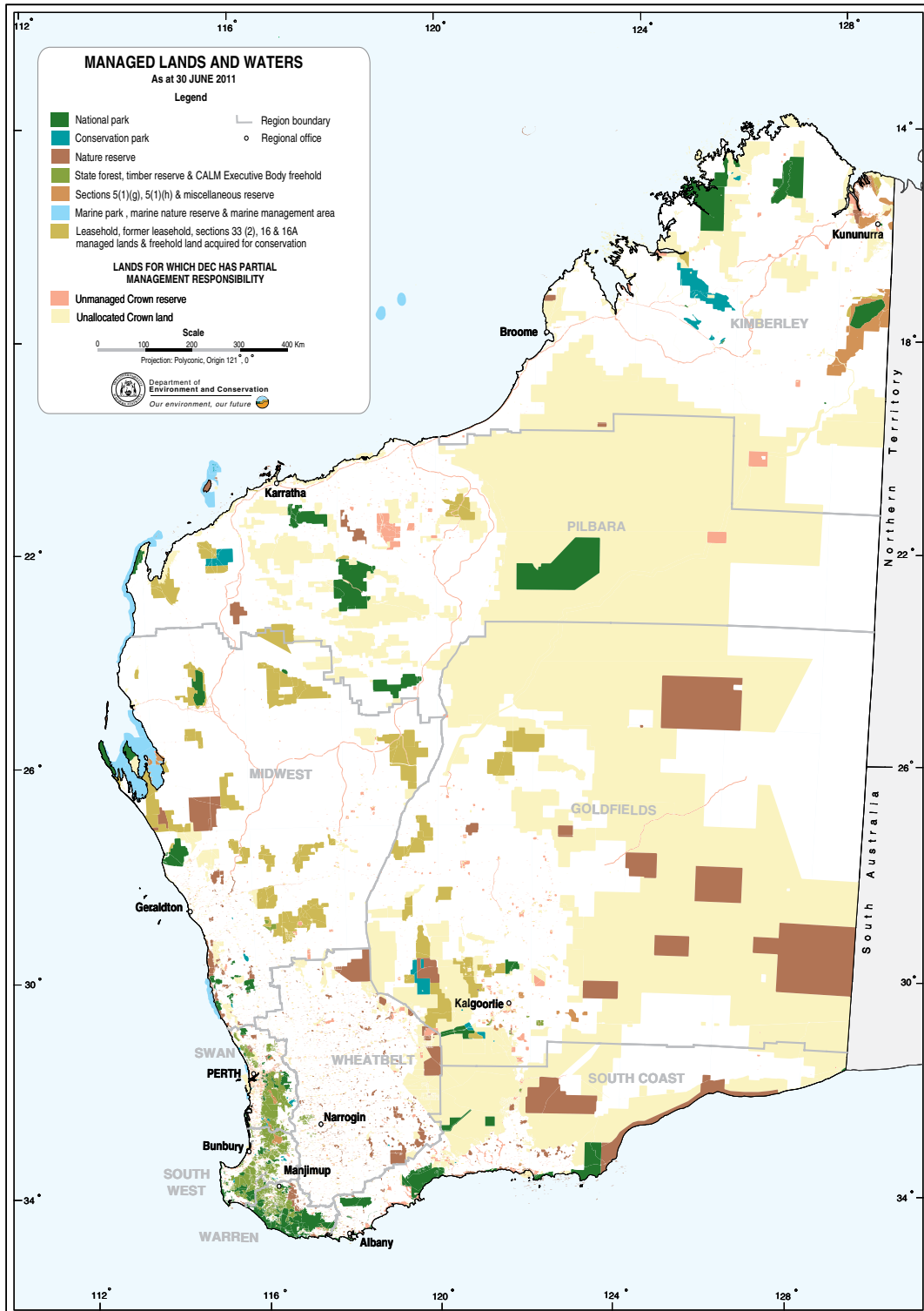
- a 399-hectare property north of Kondinin in the Shire of Kondinin. It contains priority species of flora and breeding habitat for the endangered malleefowl (*Leipoa ocellata*)
- a 359-hectare property adjacent to Moore River National Park in the Shire of Gingin. It contains Carnaby's cockatoo (*Calyptorhynchus latirostris*) habitat and priority species of flora. It is proposed that this area will be added to Moore River National Park
- a 226-hectare property north-west of Augusta in the Shire of Augusta-Margaret River. It is an enclave block within Leeuwin-Naturaliste National Park and contains coastal vegetation. It is proposed that this area will be added to the national park
- a 182-hectare property south-west of Southern Cross in the Shire of Yilgarn. It contains a range of wheatbelt flora species and habitat for malleefowl.

In addition, a 364-hectare property south-east of Bakers Hill in the Shire of Northam was generously transferred to the department's control by CSIRO.

The department acknowledges the contribution made by the federal government through the National Reserve System component of the *Caring for Our Country* initiative to conservation land purchases. This year, the contribution was \$69,300. The support of the federal government continued to assist progress towards the establishment of a comprehensive, adequate and representative system of terrestrial conservation reserves in Western Australia.



DEC managed lands and waters at 30 June 2011



SIGNIFICANT ISSUES AND TRENDS





- Western Australia has a rich and diverse natural environment that faces constant threats and complex challenges including pest animals, weeds, dieback, salinity, altered fire regimes, habitat loss and climate change. Action to address these threats will continue, with a particular focus on the conservation of threatened plants, animals and ecological communities and reducing the impact of *Phytophthora* dieback in Fitzgerald River National Park.
- Initiatives under the *Kimberley Science and Conservation Strategy* are being implemented through the establishment of four new marine parks at Camden Sound, Eighty Mile Beach, Roebuck Bay and in the north Kimberley. These will see an increase in the area of marine parks and reserves from 1.5 million hectares to more than 4.1 million hectares, the biggest marine parks initiative in the state's history. The creation of a conservation reserve corridor linking Prince Regent and Drysdale River national parks, and the creation of island conservation reserves, will ensure the protection of the unique values of the far north of our state. Not only will this contribute to conservation of our environment, it will also open opportunities for sustainable nature-based tourism.
- The *Kimberley Science and Conservation Strategy* will deliver these landscape conservation initiatives in partnership with landholders, pastoralists and non-government organisations. Partnerships with traditional owners will also enable essential employment of Aboriginal people in managing and caring for the Kimberley and its marine and terrestrial environment.
- New marine parks will be established in the Capes area between Busselton and Augusta and in the Dampier Archipelago.
- Implementation of the *Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands* will advance the protection and sustainable use of this important natural area.
- The department will further strengthen and expand its partnership approach to managing the state's terrestrial and marine parks with volunteers, private conservation organisations, Aboriginal communities and the private sector. Parks will continue to be a cornerstone of nature protection as well as being highly significant for recreation and tourism. Providing people with access to our parks is critical if the public is to increase their awareness of our natural areas.
- The state's native forests will continue to be managed to conserve the plants and animals they contain, to protect water catchments, for recreation, for a sustainable timber industry, for mining and for other public uses. This will be done under the framework of the *Forest Management Plan 2004–2013*. Further research and monitoring will be conducted and preparation of a draft *Forest Management Plan 2014–2023* will be progressed.
- The department will continue to undertake an active fire management program in an increasingly complex operating environment exacerbated by drying conditions and will continue to place a priority on achieving its annual target for prescribed burning in the south-west of the state. The fire-fighting fleet will be expanded.
- Industrial and land development activity is expected to continue to increase with economic growth. Increased demands on the department for regulation and development approvals are expected, and a tight labour market presents a challenge in retaining a skilled workforce to respond to these demands. The department is implementing regulatory reforms and improved processes to manage these trends.
- There is a community focus on ambient air quality monitoring and management in the Perth metropolitan area and industrialised regional centres.
- The development of national and international responses to climate change continues. The department is developing a climate change adaptation and mitigation strategy for Western Australia.
- Recycling in Western Australia has steadily improved over the past five years and is expected to improve further as a result of the significant increase in the landfill levy that occurred from 1 January 2010.

DISCLOSURES AND LEGAL COMPLIANCE





Certification of financial statements For the year ended 30 June 2011

The accompanying financial statements of the Department of Environment and Conservation have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2011 and the financial position at 30 June 2011.

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.

Mark Neilson
Chief Finance Officer
18 August 2011

Keiran McNamara
Accountable Authority
18 August 2011



AUDITOR GENERAL'S OPINION



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Report on the Financial Statements

I have audited the accounts and financial statements of the Department of Environment and Conservation.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

Director General's Responsibility for the Financial Statements

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Director General, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Department of Environment and Conservation at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.



Department of Environment and Conservation

Report on Controls

I have audited the controls exercised by the Department of Environment and Conservation. The Director General is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Director General based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the controls exercised by the Department of Environment and Conservation are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Department of Environment and Conservation. The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of the Department of Environment and Conservation are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2011.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.

COLIN MURPHY
AUDITOR GENERAL
25 August 2011



FINANCIAL STATEMENTS

DEPARTMENT OF ENVIRONMENT AND CONSERVATION STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

| | Note | 2011 \$'000 | 2010 \$'000 |
|---|------|------------------|-----------------|
| COST OF SERVICES | | | |
| Expenses | | | |
| Employee benefits expense | 6 | 172,314 | 165,630 |
| Supplies and services | 7 | 80,702 | 82,735 |
| Depreciation expense | 8 | 21,624 | 20,227 |
| Accommodation expenses | 9 | 7,576 | 6,954 |
| Grants and subsidies | 10 | 11,848 | 19,217 |
| Other expenses | 11 | 27,340 | 23,649 |
| Total cost of services | | 321,404 | 318,412 |
| Income | | | |
| <i>Revenue</i> | | | |
| User charges and fees | 12 | 93,107 | 71,579 |
| Commonwealth grants and contributions | 13 | 2,975 | 6,856 |
| Other grants and contributions | 14 | 35,748 | 30,117 |
| Interest revenue | | 4,616 | 3,006 |
| Other revenue | 16 | 12,094 | 9,767 |
| Total revenue | | 148,540 | 121,325 |
| <i>Gains</i> | | | |
| Gain on disposal of non-current assets | 15 | 352 | 918 |
| Total gains | | 352 | 918 |
| Total income other than income from State Government | | 148,892 | 122,243 |
| NET COST OF SERVICES | | 172,512 | 196,169 |
| Income from State Government | 17 | | |
| Service appropriation | | 172,779 | 210,798 |
| Assets assumed (transferred) | | 0 | 0 |
| Resources received free of charge | | 2,932 | 1,584 |
| Royalties for Regions | | 692 | 0 |
| Total income from State Government | | 176,403 | 212,382 |
| SURPLUS FOR THE PERIOD | | 3,891 | 16,213 |
| OTHER COMPREHENSIVE INCOME | | | |
| Changes in asset revaluation surplus | | (198,433) | (44,815) |
| Gains recognised directly in equity | | - | - |
| Total other comprehensive income | | (198,433) | (44,815) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | (194,542) | (28,602) |

Refer to the 'Schedule of Income and Expenses by Service'.

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



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2011

| | Note | 2011 \$'000 | 2010 \$'000 |
|--------------------------------------|---------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 28 | 6,605 | 9,906 |
| Restricted cash and cash equivalents | 18 & 28 | 78,411 | 64,015 |
| Inventories | 19 | 2,049 | 1,372 |
| Receivables | 20 | 21,458 | 24,967 |
| Amounts receivable for services | 21 | 13,569 | 12,871 |
| Other assets | 22 | 719 | 742 |
| Total Current Assets | | 122,811 | 113,873 |
| Non-Current Assets | | | |
| Restricted cash and cash equivalents | 18 | 3,462 | 2,721 |
| Amounts receivable for services | 21 | 78,163 | 71,759 |
| Property, plant and equipment | 23 | 4,415,381 | 4,606,725 |
| Total Non-Current Assets | | 4,497,006 | 4,681,205 |
| TOTAL ASSETS | | 4,619,817 | 4,795,078 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | 25 | 16,410 | 14,638 |
| Provisions | 26 | 32,231 | 26,767 |
| Total Current liabilities | | 48,641 | 41,405 |
| Non-Current Liabilities | | | |
| Provisions | 26 | 14,869 | 14,039 |
| Total Non-Current liabilities | | 14,869 | 14,039 |
| TOTAL LIABILITIES | | 63,510 | 55,444 |
| NET ASSETS | | 4,556,307 | 4,739,634 |
| Equity | | | |
| Contributed Equity | 27 | 2,851,025 | 2,839,810 |
| Reserves | | 1,658,078 | 1,856,511 |
| Accumulated surplus | | 47,204 | 43,313 |
| TOTAL EQUITY | | 4,556,307 | 4,739,634 |

Refer to the 'Schedule of Assets and Liabilities by Service'.
The Statement of Financial Position should be read in conjunction with the accompanying notes.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

| | Contributed equity | Reserves | Accumulated surplus /(deficit) | Total equity |
|--|-----------------------|------------------|---------------------------------------|------------------|
| Balance at 1 July 2009 | 2,822,376 | 1,901,326 | 26,928 | 4,750,630 |
| Changes in accounting policy or correction of prior period errors. | 0 | 0 | 172 | 172 |
| Restated balance at 1 July 2009 | 2,822,376 | 1,901,326 | 27,100 | 4,750,802 |
| Total comprehensive income for the year | | (44,815) | 16,213 | (28,602) |
| Transactions with owners in their capacity as owners: | | | | |
| Capital appropriations | 11,577 | 0 | 0 | 11,577 |
| Other contributions by owners | 5,727 | 0 | 0 | 5,727 |
| Distributions to owners | 130 | 0 | 0 | 130 |
| Total | 17,434 | 0 | 0 | 17,434 |
| Balance at 30 June 2010 | 2,839,810 | 1,856,511 | 43,313 | 4,739,634 |
| Balance as at 1 July 2010 | 2,839,810 | 1,856,511 | 43,313 | 4,739,634 |
| Changes in accounting policy or correction of prior period errors. | 0 | 0 | 0 | 0 |
| Restated balance at 1 July 2010 | 2,839,810 | 1,856,511 | 43,313 | 4,739,634 |
| Total comprehensive income for the year | | (198,433) | 3,891 | (194,542) |
| Transactions with owners in their capacity as owners: | | | | |
| Capital appropriations | 2,844 | 0 | 0 | 2,844 |
| Other contributions by owners | 9,437 | 0 | 0 | 9,437 |
| Distributions to owners | 1,066 | 0 | 0 | 1,066 |
| Total | 11,215 | 0 | 0 | 11,215 |
| Balance at 30 June 2011 | 2,851,025 | 1,658,078 | 47,204 | 4,556,307 |

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

| | Note | 2011 \$'000 | 2010 \$'000 |
|---|-----------|------------------|------------------|
| CASH FLOWS FROM STATE GOVERNMENT | | | |
| Service appropriation | | 152,806 | 191,297 |
| Capital appropriations | | 5,344 | 11,577 |
| Holding account drawdowns | | 12,871 | 14,169 |
| Cash and Cash equivalents distributed to owner | | 0 | (1,258) |
| Royalties for Regions Fund | | 692 | 0 |
| Net cash provided by State Government | | 171,713 | 215,785 |
| Utilised as follows: | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee benefits | | (164,615) | (162,912) |
| Supplies and services | | (79,546) | (81,474) |
| Accommodation | | (7,647) | (6,910) |
| Grants and subsidies | | (11,849) | (21,849) |
| GST payments on purchases | | (13,408) | (14,741) |
| GST payments to taxation authority | | (130) | (214) |
| Other payments | | (26,404) | (23,400) |
| Receipts | | | |
| User charges and fees | | 101,088 | 70,467 |
| Commonwealth grants and contributions | | 837 | 7,721 |
| Interest received | | 4,338 | 2,599 |
| GST receipts on sales | | 6,275 | 5,590 |
| GST receipts from taxation authority | | 8,316 | 8,764 |
| Other receipts | | 45,932 | 35,772 |
| Net cash used in operating activities | 28 | (136,813) | (180,587) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments | | | |
| Proceeds from sale of non-current physical assets | | (24,103) | (29,843) |
| Receipts | | | |
| Purchase of non-current physical assets | | 1,039 | 1,396 |
| Net cash used in investing activities | | (23,064) | (28,447) |
| Net increase in cash and cash equivalents | | 11,836 | 6,751 |
| Cash and cash equivalents at the beginning of the period | | 76,642 | 69,891 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 28 | 88,478 | 76,642 |

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

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
SCHEDULE OF INCOME AND EXPENSES BY SERVICE
FOR THE YEAR ENDED 30 JUNE 2011

| | Nature Conservation | | Sustainable Forest Management | | Parks and Visitor Services | | Environmental Regulation | | Environmental Sustainability | | Environmental Protection Authority | | Coordinate the Response to Climate Change | | Total | |
|---|---------------------|----------------|-------------------------------|---------------|----------------------------|---------------|--------------------------|---------------|------------------------------|----------------|------------------------------------|----------------|---|--------------|----------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| COST OF SERVICES | | | | | | | | | | | | | | | | |
| Expenses | | | | | | | | | | | | | | | | |
| Employee benefits expense | 69,778 | 68,309 | 24,692 | 23,696 | 44,697 | 38,457 | 25,687 | 24,128 | 5,687 | 4,891 | 0 | 4,341 | 1,773 | 1,808 | 172,314 | 165,630 |
| Supplies and services | 32,319 | 35,813 | 9,569 | 10,046 | 24,391 | 22,895 | 8,832 | 6,510 | 4,619 | 5,124 | 0 | 779 | 972 | 1,568 | 80,702 | 82,735 |
| Depreciation expense | 5,810 | 4,706 | 4,203 | 4,168 | 10,413 | 10,051 | 984 | 976 | 182 | 180 | 0 | 114 | 32 | 32 | 21,624 | 20,227 |
| Accommodation expenses | 1,595 | 1,382 | 405 | 345 | 1,335 | 1,184 | 3,498 | 2,885 | 373 | 582 | 0 | 313 | 370 | 263 | 7,576 | 6,954 |
| Grants & subsidies | 2,322 | 1,008 | 10 | 191 | 288 | 593 | 1,209 | 4,074 | 4,056 | 12,122 | 0 | 0 | 3,963 | 1,229 | 11,848 | 19,217 |
| Other expenses | 9,732 | 8,488 | 9,660 | 7,914 | 6,104 | 5,772 | 1,415 | 1,087 | 313 | 216 | 0 | 63 | 116 | 109 | 27,340 | 23,649 |
| Total cost of services | 121,556 | 119,706 | 48,539 | 46,360 | 87,228 | 78,952 | 41,625 | 39,660 | 15,230 | 23,115 | 0 | 5,610 | 7,226 | 5,009 | 321,404 | 318,412 |
| Income | | | | | | | | | | | | | | | | |
| User charges and fees | 5,053 | 4,780 | 7,170 | 6,815 | 16,827 | 15,354 | 22,698 | 18,812 | 41,298 | 25,821 | 0 | (36) | 61 | 33 | 93,107 | 71,579 |
| Commonwealth grants and contributions | 2,734 | 3,616 | 13 | 272 | 63 | 2,785 | 165 | 178 | 0 | 3 | 0 | 0 | 0 | 2 | 2,975 | 6,856 |
| Other grants and contributions | 20,167 | 25,936 | 63 | 197 | 15,366 | 3,797 | 75 | 65 | 77 | 14 | 0 | 108 | 0 | 0 | 35,748 | 30,117 |
| Interest revenue | 2,858 | 2,013 | 148 | 25 | 610 | 85 | 255 | 196 | 745 | 685 | 0 | 0 | 0 | 2 | 4,616 | 3,006 |
| Other revenue | 4,705 | 2,961 | 2,377 | 2,756 | 4,739 | 3,476 | 270 | 254 | 3 | 320 | 0 | 0 | 0 | 0 | 12,094 | 9,767 |
| Gain on disposal of non-current assets | 94 | 241 | 161 | 524 | 97 | 145 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 352 | 918 |
| Total income other than income from State Government | 35,611 | 39,547 | 9,932 | 10,589 | 37,702 | 25,642 | 23,463 | 19,513 | 42,123 | 26,843 | 0 | 72 | 61 | 37 | 148,892 | 122,243 |
| NET COST OF SERVICES | 85,945 | 80,159 | 38,607 | 35,771 | 49,526 | 53,310 | 18,162 | 20,147 | (26,893) | (3,728) | 0 | 5,538 | 7,165 | 4,972 | 172,512 | 196,169 |
| Income from State Government | | | | | | | | | | | | | | | | |
| Service appropriation | 92,982 | 82,444 | 39,264 | 39,518 | 50,428 | 56,962 | 15,507 | 20,644 | (29,562) | (268) | 0 | 4,028 | 4,852 | 7,470 | 173,471 | 210,798 |
| Resources received free of charge | 1,948 | 1,017 | 311 | 233 | 609 | 269 | 41 | 51 | 15 | 10 | 0 | 0 | 8 | 4 | 2,932 | 1,584 |
| Total income from State Government | 94,930 | 83,461 | 39,575 | 39,751 | 51,037 | 57,231 | 15,548 | 20,695 | (29,547) | (258) | 0 | 4,028 | 4,860 | 7,474 | 176,403 | 212,382 |
| Surplus/(deficit) for the period | 8,985 | 3,302 | 968 | 3,980 | 1,511 | 3,921 | (2,614) | 548 | (2,654) | 3,470 | 0 | (1,510) | (2,305) | 2,502 | 3,891 | 16,213 |

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
 SCHEDULE OF ASSETS AND LIABILITIES BY SERVICE
 AT 30 JUNE 2011

| | Nature Conservation | | Sustainable Forest Management | | Parks and Visitor Services | | Environmental Regulation | | Environmental Sustainability | | Coordinate the Response to Climate Change | | | Total | |
|--------------------------|---------------------|----------------|-------------------------------|------------------|----------------------------|----------------|--------------------------|---------------|------------------------------|---------------|---|--------------|------------------|------------------|--------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| ASSETS | | | | | | | | | | | | | | | |
| Current Assets | 66,033 | 44,174 | 6,386 | 14,912 | 16,856 | 21,398 | 16,842 | 15,446 | 16,120 | 14,657 | 574 | 3,286 | 122,811 | 113,873 | |
| Non Current Assets | 621,770 | 654,779 | 2,926,842 | 3,053,749 | 930,093 | 953,437 | 13,118 | 15,065 | 4,262 | 3,486 | 921 | 689 | 4,495,946 | 4,681,205 | |
| Total Assets | 687,803 | 698,953 | 2,933,228 | 3,068,661 | 946,949 | 974,835 | 29,960 | 30,511 | 20,382 | 18,143 | 1,495 | 3,975 | 4,619,817 | 4,795,078 | |
| LIABILITIES | | | | | | | | | | | | | | | |
| Current Liabilities | 18,723 | 16,369 | 10,469 | 7,693 | 11,935 | 10,447 | 5,855 | 5,264 | 1,236 | 1,252 | 423 | 380 | 48,641 | 41,405 | |
| Non Current Liabilities | 5,993 | 5,975 | 2,129 | 1,779 | 3,945 | 3,420 | 2,177 | 2,268 | 476 | 428 | 149 | 169 | 14,869 | 14,039 | |
| Total Liabilities | 24,716 | 22,344 | 12,598 | 9,472 | 15,880 | 13,867 | 8,032 | 7,532 | 1,712 | 1,680 | 572 | 549 | 63,510 | 55,444 | |
| NET ASSETS | 663,087 | 676,609 | 2,920,630 | 3,059,189 | 931,069 | 960,968 | 21,928 | 22,979 | 18,670 | 16,463 | 923 | 3,426 | 4,556,307 | 4,739,634 | |

The Schedule of Assets and Liabilities by Service should be read in conjunction with the accompanying notes.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS AND INCOME ESTIMATES
FOR THE YEAR ENDED 30 JUNE 2011

| | 2011 Estimate \$'000 | 2011 Actual \$'000 | Variance | 2011 Actual \$'000 | 2010 Actual \$'000 | Variance |
|---|----------------------------|--------------------------|----------------|--------------------------|--------------------------|-----------------|
| <u>Delivery Services</u> | | | | | | |
| Item 106 Net amount appropriated to deliver services | 182,744 | 172,064 | (10,680) | 172,064 | 210,107 | (38,043) |
| Royalties for Regions | 0 | 692 | 692 | 692 | 0 | 692 |
| Amount Authorised by Other Statutes | | | | | | |
| - Salaries and Allowances Act 1975 | 715 | 715 | 0 | 715 | 691 | 24 |
| Total appropriations provided to deliver services | 183,459 | 173,471 | (9,988) | 173,471 | 210,798 | (37,327) |
| <u>Capital</u> | | | | | | |
| Item 160 Capital appropriation | 3,044 | 5,344 | 2,300 | 5,344 | 11,577 | (6,233) |
| GRAND TOTAL | 186,503 | 178,815 | (7,688) | 178,815 | 222,375 | (43,560) |
| <u>Details of Expenses by Service</u> | | | | | | |
| Nature Conservation | 131,451 | 121,556 | (9,895) | 121,556 | 119,706 | 1,850 |
| Sustainable Forest Management | 48,286 | 48,539 | 253 | 48,539 | 46,360 | 2,179 |
| Parks and Visitor Services | 72,828 | 87,228 | 14,400 | 87,228 | 78,952 | 8,276 |
| Environmental Regulation | 38,111 | 41,625 | 3,514 | 41,625 | 39,660 | 1,965 |
| Environmental Sustainability | 17,143 | 15,230 | (1,913) | 15,230 | 23,115 | (7,885) |
| Environmental Impact Assessment and Policies for the Environmental Protection Authority | 0 | 0 | 0 | 0 | 5,610 | (5,610) |
| Coordinate the Response to Climate Change | 11,883 | 7,226 | (4,657) | 7,226 | 5,009 | 2,217 |
| Total Cost of Services | 319,702 | 321,404 | 1,702 | 321,404 | 318,412 | 2,992 |
| Less Total Income | (139,528) | (148,892) | (9,364) | (148,892) | (122,243) | (26,649) |
| Net Cost of Services | 180,174 | 172,512 | (7,662) | 172,512 | 196,169 | (23,657) |
| Adjustments (1) | 3,285 | 959 | (2,326) | 959 | 14,629 | (13,670) |
| Total appropriations provided to deliver services | 183,459 | 173,471 | (9,988) | 173,471 | 210,798 | (37,327) |
| <u>Capital Expenditure</u> | | | | | | |
| Purchase of non-current physical assets | 24,910 | 24,103 | (807) | 24,103 | 29,843 | (5,740) |
| Adjustment for other funding sources | (21,866) | (18,759) | 3,107 | (18,759) | (18,266) | (493) |
| Capital appropriation | 3,044 | 5,344 | 2,300 | 5,344 | 11,577 | (6,233) |
| <u>Details of Income Estimates</u> | | | | | | |
| Income disclosed as Administered Income | 170 | 128 | (42) | 128 | 133 | (5) |

(1) Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

Note 33 'Explanatory statement' provides details of any significant variations between estimates and actual results for 2011 and between the actual result for 2010 and 2011.



Notes to the Financial Statements

1. Australian Accounting Standards

General

The Department of Environment and Conservation (DEC) financial statements for the year ended 30 June 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

DEC has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

DEC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by DEC for the annual reporting period ended 30 June 2011.

2. Summary of significant accounting policies

(a) General statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board 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 Management Act 2006* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgments made by management in applying accounting policies' discloses judgments that have been made in the process of applying the department's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting entity

The reporting entity comprises DEC.

Mission

Working with the community, we will ensure that Western Australia's environment is valued, protected and conserved, for its intrinsic value, and for the appreciation and benefit of present and future generations.

DEC is predominantly funded by Parliamentary appropriations supplemented by fees received for the provision of services to the public. The financial statements encompass all funds through which DEC controls resources to carry on its functions.

Services

DEC provides the following services:

Service 1: Nature Conservation

Developing and implementing programs for the conservation of biodiversity (the variety of life forms: the different plants, animals and microorganisms, the genes they contain, and the ecosystems they form), including threatened species and ecological communities, and for sustainable use of commercially exploited species; the acquisition, conservation and protection of representative ecosystems; and encouraging public awareness, understanding and support for nature conservation.

Service 2: Sustainable Forest Management

Providing economic, social and cultural benefits from State forest and timber reserves while conserving biodiversity, maintaining soil and water values and sustaining the health, vitality and productive capacity of the forest for current and future generations.

Service 3: Parks and Visitor Services

Managing lands and waters; dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the department, including preparing and implementing management and recreation site development plans; providing, managing and maintaining appropriate access, recreation opportunities and visitor facilities; protecting natural areas, visitors and facilities from wildfire; training departmental staff and volunteers, working with local tourist bureaux and commercial tour operators; involving Aboriginal people in park management and the provision of visitor facilities and services; providing visitor information and designing and initiating educational and interpretive activity programs which enrich visitor experience and help develop greater community awareness and support for parks, natural areas, astronomy, nature-based tourism and recreation services and policies; undertaking scientific, visitor



and social research, including astronomy in cooperation with other research institutions. Provision of services to, and performance of statutory functions by the Conservation Commission of Western Australia.

Service 4: Environmental Regulation

Regulation of emissions and discharges to the environment and the transport of hazardous wastes. Regulation of the investigation, classification and management of contaminated sites. Monitoring of ambient air quality and developing air quality management plans for priority airsheds (the air canopy surrounding population centres, industrial and other facilities, within which the impacts of air pollutants need to be considered from health and environmental viewpoints).

Service 5: Environmental Sustainability

Developing and implementing policies and strategies that promote environmentally sustainable practices in industry, government and the community.

Service 6: Coordinate the response to climate change

Providing leadership in the development and implementation of strategies to reduce greenhouse gas emissions, and adaptation initiatives to reduce the impact of climate change for Western Australia.

DEC administers assets, liabilities, income and expenses on behalf of government which are not controlled by, nor integral to the function of, DEC. These administered balances and transactions are not recognised in the principal financial statements of DEC, but schedules are prepared using the same basis as the financial statements and are presented at note 40 'Disclosures of administered income and expenses by service'.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

Transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which DEC gains control of the appropriated funds. DEC gains control of appropriated funds at the time those funds are deposited to DEC's bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Net appropriation determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of DEC. In accordance with the determination specified in the 2010-2011 Budget Statements, DEC retained \$148.892 million in 2011 (\$122.243 million in 2010) from the following:

- proceeds from fees and charges
- sale of goods
- Commonwealth specific purpose grants and contributions
- one-off gains derived from the sale of property other than real property
- other departmental revenue.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when DEC obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners 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.

Royalties for Regions funds are recognised as revenue at fair value in the period in which DEC obtains control over the funds. DEC obtains control of the funds at the time the funds are deposited into DEC's bank account.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, plant and equipment*Capitalisation/expensing of assets*

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income.



Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgment by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 23 'Property, plant and equipment'.

Depreciation

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

Land and works of art are not depreciated. Depreciation on other assets is calculated using the straight-line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

| | |
|------------------------------|-------------|
| Buildings | 20 years |
| Furniture | 10 years |
| Office equipment | 6–7 years |
| Computer equipment | 4 years |
| Software (i) | 2.5 years |
| Aircraft | 5–6 years |
| Boats | 5 years |
| Plant and machinery | 4–10 years |
| Heavy fleet vehicles | 5 years |
| Parks and visitor facilities | 10–20 years |

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

Works of art controlled by DEC are classified as property, plant and equipment, which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(g) Impairment of assets

Property, plant and equipment are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As DEC is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(h) Non-current assets (or disposal groups) classified as held for sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount or fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for sale are not depreciated or amortised.



Most land holdings are Crown land vested in Conservation Commission of Western Australia by the Government. The Department of Regional Development and Lands (DRDL) is the only agency with the power to sell Crown land. The Conservation Commission of Western Australia transfers Crown land and any attaching buildings to DRDL when the land becomes available for sale.

(i) Leases

DEC holds operating leases for buildings, office equipment and motor vehicles. Lease payments are expensed on a straight-line basis over the lease term as this represents the pattern of benefits derived from the leased assets.

(j) Financial instruments

In addition to cash, DEC has two categories of financial instrument:

- loans and receivables
- financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - cash and cash equivalents
 - restricted cash and cash equivalents
 - receivables
 - amounts receivable for services
- Financial Liabilities
 - payables.

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(k) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued salaries

Accrued salaries (*refer to note 25 'Payables'*) represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. DEC considers the carrying amount of accrued salaries to be equivalent to its net fair value.

The accrued salaries suspense account (*refer to note 18 'Restricted cash and cash equivalents'*) consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

(m) Amounts receivable for services (holding account)

DEC receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(n) Inventories

Trading stock is measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first-in first-out basis.

Publications held for distribution are measured at cost.

(o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is raised when there is objective evidence that DEC will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(p) Payables

Payables are recognised at the amount payable when DEC becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

(q) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions – employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.



Annual leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as DEC does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

The liability for long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as DEC does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Conditional long service leave provisions are classified as non-current liabilities because DEC has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the department to GESB extinguishes the agency's obligations to the related superannuation liability.

DEC has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by DEC to the GESB.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. DEC makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

Provisions — other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of DEC's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(r) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, and GESBS. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(s) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that DEC would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other state government agencies are separately disclosed under Income from state government in the Statement of Comprehensive Income.

(t) Comparative figures

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

3. Judgments made by management in applying accounting policies

The preparation of financial statements requires management to make judgments about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. DEC evaluates these judgments regularly.



Operating lease commitments

DEC has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

4. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave

Several estimations and assumptions used in calculating DEC's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

DEC has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2010 that impacted on DEC.

2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]*

Under amendments to AASB 117, the classification of land elements of all existing leases has been reassessed to determine whether they are in the nature of operating or finance leases. As leases of land and buildings recognised in the financial statements have not been found to significantly expose DEC to the risks/rewards attributable to control of land, no changes to accounting estimates have been included in the Financial Statements and Notes to the Financial Statements.

Under amendments to AASB 107, only expenditures that result in a recognised asset are eligible for classification as investing activities in the Statement of Cash Flows. All investing cashflows reported in DEC's Statement of Cash Flows relate to increases in recognised assets.

Future impact of Australian Accounting Standards not yet operative

DEC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, DEC has not applied early any of the following Australian Accounting Standards that have been issued that may impact DEC. Where applicable, DEC plans to apply these Australian Accounting Standards from their application date.



| | Operative for reporting periods beginning on/after |
|---|---|
| <p><i>AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].</i></p> <p>The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. DEC does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.</p> | 1 Jan 2013 |
| <p><i>AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, & 1031 and Interpretations 2, 4, 16, 1039 & 1052].</i></p> <p>The Standard introduces a number of terminology changes. There is no financial impact resulting from the application of this revised Standard.</p> | 1 Jan 2011 |
| <p><i>AASB 1053 Application of Tiers of Australian Accounting Standards</i></p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on DEC. However it may affect disclosures in the financial statements of DEC if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.</p> | 1 Jul 2013 |
| <p><i>AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i></p> <p>This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on DEC. However this Standard may reduce some note disclosures in financial statements of DEC. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p> | 1 Jul 2013 |
| <p><i>AASB 2011-2 Amendments to Australian Accounting Standards Arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]</i></p> <p>This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p> | 1 July 2013 |



AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101,107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (October 2010) 1 Jan 2011

This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.

AASB 2010-6 Amendments to Australian Accounting Standards Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] 1 July 2011

This Standard makes amendments to Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets. The Standard is not expected to have any financial impact on DEC. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 9 Financial Instruments 1 Jan 2013

This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.

The Standard was reissued on 6 Dec 2010 and DEC is currently determining the impact of the Standard. DTF has not yet determined the application or the potential impact of the Standard for agencies.

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121,127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] 1 Jan 2013

This Amending Standard makes consequential adjustments to other Standards as a result of issuing AASB 9 Financial Instruments in December 2010. DTF has not yet determined the application or the potential impact of the Standard for agencies.

AASB 1054 Australian Additional Disclosures 1 July 2011

This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.

AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretations 2, 112 & 113] 1 July 2011

This Amending Standard, in conjunction with AASB 1054 Australian Additional Disclosures, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.

| | 2011 | 2010 |
|--|----------------|----------------|
| | \$'000 | \$'000 |
| 6. Employee benefits expense | | |
| Wages and salaries (a) | 157,679 | 152,191 |
| Superannuation – defined contribution plans (b) | 14,635 | 13,439 |
| | 172,314 | 165,630 |
| <p>(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.</p> <p>(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contribution paid).</p> <p>Employment on-costs such as workers' compensation insurance are included at note 11 'Other expenses'.</p> | | |
| 7. Supplies and services | | |
| Communications | 4,954 | 4,261 |
| Consultants and contractors | 10,867 | 15,754 |
| Services and contracts | 30,103 | 28,398 |
| Materials | 16,049 | 15,418 |
| Repairs and maintenance | 4,910 | 5,914 |
| Travel | 4,572 | 4,388 |
| Government Regional Officers' Housing rental expense | 3,890 | 3,696 |
| Other | 5,357 | 4,906 |
| | 80,702 | 82,735 |
| 8. Depreciation expense | | |
| <i>Depreciation</i> | | |
| Plant, equipment and vehicles | 15,744 | 15,140 |
| Buildings | 5,880 | 5,087 |
| Total depreciation | 21,624 | 20,227 |
| 9. Accommodation expenses | | |
| Lease rentals | 5,748 | 5,515 |
| Electricity, power and water | 1,828 | 1,439 |
| | 7,576 | 6,954 |
| 10. Grants and subsidies | | |
| <i>Recurrent</i> | | |
| Carnegie Wave Energy | 2,028 | 661 |
| Aurora Algae Pty Ltd | 1,830 | 0 |
| Keep Australia Beautiful Council (WA) | 1,013 | 995 |
| Colmax Glass | 585 | 2,730 |
| Department of Regional Development and Lands | 550 | 0 |
| Department of Indigenous Affairs | 300 | 0 |



| | 2011 | 2010 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Kimberley Toad Busters | 311 | 310 |
| Eastern Metropolitan Regional Council | 304 | 659 |
| Munda Biddi Trail Foundation | 249 | 155 |
| Department of Commerce | 200 | 0 |
| Hive Resource Recovery Pty Ltd | 180 | 0 |
| WA Planning Commission | 175 | 175 |
| Diacon Demolition | 150 | 0 |
| Great Southern Institute of Technology | 150 | 0 |
| Health Corporate Network | 150 | 0 |
| Waste Management Association of Australia | 125 | 108 |
| Conservation Council of WA Inc | 120 | 240 |
| Future Farm Industries Co-operative Research Centre | 100 | 550 |
| Motor Trade Association of WA | 88 | 85 |
| Cleanaway | 78 | 78 |
| Department of Sport and Recreation | 75 | 0 |
| Western Australian Local Government Association | 75 | 3,273 |
| Printing Industries Association | 68 | 37 |
| Shire of Augusta Margaret River | 67 | 93 |
| Recreational Trailbike Riders Association | 58 | 0 |
| Shire of Northam | 57 | 15 |
| Greenpainters Ltd | 51 | 0 |
| Water Corporation | 50 | 0 |
| City of Geraldton-Greenough | 49 | 133 |
| Mindarie Regional Council | 40 | 401 |
| Shire of Victoria Plains | 32 | 62 |
| Kalgoorlie Boulder Urban Landcare Group | 30 | 80 |
| Shire of Manjimup | 30 | 118 |
| Rivers Regional Council | 25 | 176 |
| Amcor Recycling Australasia | 18 | 73 |
| Curtin University of Technology | 15 | 224 |
| Geograph Catchment Council Inc | 12 | 110 |
| City of Albany | 9 | 89 |
| Southern Metropolitan Regional Council | 8 | 276 |
| Esperance Regional Forum Inc | 2 | 92 |
| Western Metropolitan Regional Council | 1 | 154 |
| Landcorp | 0 | 3,000 |
| Department of Local Government and Regional Development | 0 | 250 |
| The Perth Mint | 0 | 205 |
| Aboriginal Affairs Planning Authority | 0 | 170 |
| Shire of Wagin | 0 | 155 |
| Earthcare Recycling | 0 | 140 |
| Gascoyne Development Commission | 0 | 118 |

| | 2011 | 2010 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| City of Bunbury | 0 | 92 |
| Bibbulmun Track Foundation | 0 | 90 |
| Shire of Busselton | 0 | 87 |
| Shire of Toodyay | 0 | 85 |
| Pilbara Regional Council | 0 | 74 |
| Blue Planet Energy Australia Pty Ltd | 0 | 71 |
| Department of Water | 0 | 60 |
| North Stirlings Pallinup Natural Resources Inc | 0 | 60 |
| Agsafe Ltd | 0 | 55 |
| Various grants under \$50,000 | 2,390 | 2,353 |
| | 11,848 | 19,217 |

11. Other expenses

| | | |
|---------------------------------------|---------------|---------------|
| Employment on-costs (a) | 722 | 99 |
| Operating lease – motor vehicle | 12,586 | 12,503 |
| Other lease, rental and hire expenses | 14,032 | 11,047 |
| | 27,340 | 23,649 |

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 26 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

12. User charges and fees

| | | |
|---------------------------------|---------------|---------------|
| User charges | 13,319 | 13,013 |
| Fees | 19,687 | 17,283 |
| Landfill levy revenue | 41,681 | 23,707 |
| Emission and discharge licences | 15,422 | 14,876 |
| Waste control permits | 2,998 | 2,700 |
| | 93,107 | 71,579 |

13. Commonwealth grants and contributions

| | | |
|-----------|--------------|--------------|
| Capital | 95 | 823 |
| Recurrent | 2,880 | 6,033 |
| | 2,975 | 6,856 |

14. Other grants and contributions

| | | |
|-----------|---------------|---------------|
| Capital | 6,789 | 520 |
| Recurrent | 28,959 | 29,597 |
| | 35,748 | 30,117 |



| | 2011 \$'000 | 2010 \$'000 |
|--|----------------|----------------|
| 15. Gain on disposal of non-current assets | | |
| <i>Costs of Disposal of Non-Current Assets</i> | | |
| Plant, property, equipment & vehicles | 669 | 420 |
| <i>Proceeds from Disposal of Non-Current Assets</i> | | |
| Plant, property, equipment & vehicles | 1,021 | 1,338 |
| Net gain/(loss) | 352 | 918 |
| 16. Other revenue | | |
| Publications revenue | 359 | 420 |
| Mining compensation revenue | 8,300 | 5,532 |
| Other revenues | 3,435 | 3,815 |
| | 12,094 | 9,767 |
| 17. Income from State Government | | |
| Appropriation received during the year: | | |
| Service appropriation (a) | 172,064 | 210,107 |
| <i>Salaries and Allowances Act 1975</i> | 715 | 691 |
| Total appropriations | 172,779 | 210,798 |
| Resources received free of charge (b) | | |
| Determined on the basis of the following estimates provided by agencies: | | |
| - Landgate | 1,444 | 568 |
| - State Solicitor's Office | 837 | 692 |
| - Department of Water | 1 | 3 |
| - Department of Treasury and Finance | 322 | 319 |
| - Department of Corrective Services | 328 | 0 |
| - Department of Transport | 0 | 2 |
| Total resources received free of charge | 2,932 | 1,584 |
| Royalties for Regions Fund: | | |
| - Regional Community and Services Account (c) | 692 | 0 |
| | 692 | 0 |
| | 176,403 | 212,382 |

(a) Service appropriation fund the net cost of services delivered. 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.

(b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

(c) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

18. Restricted cash and cash equivalents*Current*

Cash amounts in suspense account (a)

78,411 64,015

78,411 64,015*Non-Current*

Accrued salaries suspense account (b)

3,462 2,721

3,462 2,721

(a) Cash held in the account is to fund the four special purpose accounts disclosed at note 38 and a range of specific purpose accounts.

(b) Amount held in the suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

19. Inventories*Current*

Inventories held for resale:

Souvenirs

538 492

Inventories held for distribution:

Publications

1,511 880

2,049 1,372

The publications held for distribution have a higher value in 2011. This has arisen from a change in methodology, ceasing to recognise a loss of service potential for slow moving items.

20. Receivables*Current*

Receivables

8,797 12,352

Allowance for impairment of receivables

(324) (36)

GST receivable

1,574 2,372

Accrued revenue

11,411 10,279

21,458 24,967**Reconciliation of changes in the allowance for impairment of receivables:**

Balance at start of year

36 100

Doubtful debts expense

292 0

Amounts recovered during the year

0 (57)

Amounts written off during the year

(4) (7)

Balance at end of year**324 36**

DEC does not hold any collateral or other credit enhancements as security for receivables.



| | 2011 | 2010 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 21. Amounts receivable for services (Holding Account) | | |
| Current | 13,569 | 12,871 |
| Non-current | 78,163 | 71,759 |
| | 91,732 | 84,630 |

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.

22. Other assets

| | | |
|----------------|------------|------------|
| <i>Current</i> | | |
| Prepayments | 719 | 742 |
| | 719 | 742 |

23. Property, plant and equipment

| | | |
|----------------------------------|------------------|------------------|
| <i>Land</i> | | |
| At fair value (a) | 4,206,382 | 4,396,680 |
| | 4,206,382 | 4,396,680 |
| <i>Buildings</i> | | |
| At fair value (a) | 98,153 | 74,313 |
| | 98,153 | 74,313 |
| <i>Plant and equipment</i> | | |
| At cost | 138,721 | 125,627 |
| Accumulated depreciation | (52,400) | (40,360) |
| | 86,321 | 85,267 |
| <i>Vehicles</i> | | |
| At cost | 23,890 | 21,347 |
| Accumulated depreciation | (16,143) | (12,887) |
| | 7,747 | 8,460 |
| <i>Works of art</i> | | |
| At cost | 388 | 190 |
| | 388 | 190 |
| <i>Assets under construction</i> | 16,390 | 41,815 |
| | 4,415,381 | 4,606,725 |

(a) Land and buildings were revalued as at 1 July 2010 by the Western Australian Land Information Department (Valuation Services). The valuations were performed during the year ended 30 June 2011 and recognised at 30 June 2011. In undertaking the revaluation, fair value was determined by reference to market values for land: \$2,274,051,050 and buildings: \$4,919,900. For the remaining balance, fair value of land and buildings was determined on the basis of existing use or depreciated replacement cost.

| | Land | Buildings | Plant and equipment | Vehicles | Works of Art | Assets under construction | Total |
|---|------------------|---------------|---------------------|--------------|--------------|---------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2011 | | | | | | | |
| Carrying amount at start of year | 4,396,680 | 74,313 | 85,267 | 8,460 | 190 | 41,815 | 4,606,725 |
| Additions | 2,040 | 2,144 | 7,349 | 2,602 | 133 | 9,245 | 23,513 |
| Transfers (a) | 6,937 | 27,345 | 5,964 | 229 | 65 | (34,670) | 5,870 |
| Disposals | (378) | (233) | (53) | (6) | 0 | 0 | (670) |
| Classified as held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation increments/ (decrements) | (198,897) | 464 | 0 | 0 | 0 | 0 | (198,433) |
| Depreciation | 0 | (5,880) | (12,206) | (3,538) | 0 | 0 | (21,624) |
| Carrying amount at end of year | 4,206,382 | 98,153 | 86,321 | 7,747 | 388 | 16,390 | 4,415,381 |

| | Land | Buildings | Plant and equipment | Vehicles | Works of Art | Assets under construction | Total |
|---|------------------|---------------|---------------------|--------------|--------------|---------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2010 | | | | | | | |
| Carrying amount at start of year | 4,427,134 | 83,209 | 82,902 | 9,822 | 190 | 32,083 | 4,635,340 |
| Additions | 4,963 | 254 | 14,016 | 2,169 | 0 | 9,732 | 31,134 |
| Assets not previously identified | 0 | 0 | 172 | 0 | 0 | 0 | 172 |
| Transfers (a) | 5,728 | (131) | 131 | 0 | 0 | 0 | 5,728 |
| Disposals | (170) | (92) | (345) | 0 | 0 | 0 | (607) |
| Classified as held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation increments/ (decrements) | (40,975) | (3,840) | 0 | 0 | 0 | 0 | (44,815) |
| Depreciation | 0 | (5,087) | (11,609) | (3,531) | 0 | 0 | (20,227) |
| Carrying amount at end of year | 4,396,680 | 74,313 | 85,267 | 8,460 | 190 | 41,815 | 4,606,725 |

(a) The Department of Regional Development and Lands (DRDL) is the only agency with the power to sell Crown land. The land is transferred to DRDL for sale and DEC accounts for the transfer as a distribution to owner. DEC has received \$6.937M of assets from other agencies accounted for as a contribution by owners.

For 2011 (\$264,000) is reflected in plant and equipment of which \$52,000 relates to assets owned by DEC but not previously identified and (\$316,000) is for duplicated assets and assets not owned by DEC. Within buildings (\$502,000) is for duplicated assets and assets not owned by DEC. In addition (\$301,000) has been removed from assets under construction as the expenditure was determined not to be capital.

24. Impairment of assets

There were no indications of impairment to property, plant and equipment at 30 June 2011.

DEC held no goodwill or intangible assets with an indefinite useful life during the reporting period and at balance sheet date there were no intangible assets not yet available for use. All surplus assets at 30 June 2011 have been written off.



25. Payables

Current

| | 2011 | 2010 |
|------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Trade payables | 4,971 | 6,779 |
| Accrued expenses | 2,394 | 2,039 |
| Accrued salaries | 3,764 | 2,538 |
| Accrued superannuation | 434 | 255 |
| Unearned revenue | 4,847 | 3,027 |
| | 16,410 | 14,638 |

26. Provisions

Current

Employee benefits provision

| | | |
|------------------------|--------|--------|
| Annual leave (a) | 19,181 | 14,500 |
| Long service leave (b) | 12,763 | 12,029 |
| | 31,944 | 26,529 |

Other provisions

| | | |
|-------------------------|---------------|---------------|
| Employment on-costs (c) | 287 | 238 |
| | 32,231 | 26,767 |

Non-current

Employee benefits provision

| | | |
|------------------------|--------|--------|
| Long service leave (b) | 14,736 | 13,914 |
|------------------------|--------|--------|

Other provisions

| | | |
|-------------------------|---------------|---------------|
| Employment on-costs (c) | 133 | 125 |
| | 14,869 | 14,039 |

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|---|---------------|---------------|
| Within 12 months of the end of the reporting period | 19,181 | 14,500 |
|---|---------------|---------------|

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|---|---------------|---------------|
| Within 12 months of the end of the reporting period | 12,763 | 12,029 |
| More than 12 months after the reporting period | 14,736 | 13,914 |
| | 27,499 | 25,943 |

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included in note 11 'Other expenses'.

Movements in Other Provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

Employment on-cost provision

| | 2011 \$'000 | 2010 \$'000 |
|--|----------------|----------------|
| Carrying amount at start of period | 363 | 371 |
| Additional provisions recognised | 722 | 99 |
| Payments/other sacrifices of economic benefits | (665) | (107) |
| Carrying amount at end of period | 420 | 363 |

27. Equity

Equity represents the residual interest in the net assets of DEC. The Government holds the equity interest in DEC on behalf of the community. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

| | | |
|----------------------------|-----------|-----------|
| Balance at start of period | 2,839,810 | 2,822,376 |
|----------------------------|-----------|-----------|

Contributions by owners

| | | |
|------------------------|-------|--------|
| Capital appropriations | 2,844 | 11,577 |
|------------------------|-------|--------|

Other contributions by owners

| | | |
|--|-------|---|
| Royalties for Regions Fund – Regional Infrastructure and Headworks Account | 2,500 | 0 |
|--|-------|---|

Transfer of net assets from other agencies

| | | |
|--|-------|-------|
| Land and Building transferred from Department of Regional Development (DRDL) | 1,351 | 5,727 |
| Land transferred from Metropolitan Public Hospitals | 5,586 | 0 |

Total contributions by owners

| | | |
|--|------------------|------------------|
| | 2,852,091 | 2,839,680 |
|--|------------------|------------------|

Distributions to owners

| | | |
|---|---------|-----|
| Transfer of net assets to other agencies and Government | (1,066) | 130 |
|---|---------|-----|

Total distributions to owners

| | | |
|--|----------------|------------|
| | (1,066) | 130 |
|--|----------------|------------|

| | | |
|--------------------------|------------------|------------------|
| Balance at end of period | 2,851,025 | 2,839,810 |
|--------------------------|------------------|------------------|

Reserves

Asset revaluation surplus:

| | | |
|----------------------------|-----------|-----------|
| Balance at start of period | 1,856,511 | 1,901,326 |
|----------------------------|-----------|-----------|

Net revaluation increments/(decrements):

| | | |
|------|-----------|----------|
| Land | (198,897) | (40,975) |
|------|-----------|----------|

| | | |
|-----------|-----|---------|
| Buildings | 464 | (3,840) |
|-----------|-----|---------|

| | | |
|--------------------------------|------------------|------------------|
| Balance at the end of the year | 1,658,078 | 1,856,511 |
|--------------------------------|------------------|------------------|

Accumulated surplus/(deficit)

| | | |
|----------------------------|--------|--------|
| Balance at start of period | 43,313 | 26,928 |
|----------------------------|--------|--------|

| | | |
|-----------------------|-------|--------|
| Result for the period | 3,891 | 16,213 |
|-----------------------|-------|--------|

| | | |
|--|---|-----|
| Income and expense recognised directly in equity | 0 | 172 |
|--|---|-----|

| | | |
|--------------------------|---------------|---------------|
| Balance at end of period | 47,204 | 43,313 |
|--------------------------|---------------|---------------|



28. Notes to the Statement of Cash Flows

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 follow:

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|----------------|
| Cash and cash equivalents | 6,605 | 9,906 |
| Restricted cash and cash equivalents (note 18 'Restricted cash and cash equivalents') | 81,873 | 66,736 |
| | 88,478 | 76,642 |

Reconciliation of net cost of services to net cash flows used in operating activities

| | | |
|----------------------|-----------|-----------|
| Net cost of services | (172,512) | (196,169) |
|----------------------|-----------|-----------|

Non-cash items:

| | | |
|---|--------|--------|
| Depreciation expense | 21,624 | 20,227 |
| Resources received free of charge | 2,932 | 1,584 |
| Gain on sale of property, plant and equipment | (352) | (918) |

(Increase)/decrease in assets:

| | | |
|-------------------------|-------|---------|
| Current receivables (a) | 3,094 | 1,499 |
| Inventories | (678) | (190) |
| Prepayments | 32 | (3) |
| Other current assets | (971) | (6,404) |

Increase/(decrease) in liabilities:

| | | |
|----------------------|-------|---------|
| Current payables (a) | 2,670 | (1,673) |
| Provisions | 6,295 | 2,061 |

| | | |
|---------------------------------|-------|-------|
| Net GST receipts/(payments) (b) | 1,053 | (601) |
|---------------------------------|-------|-------|

| | | |
|---|--|--|
| Change in GST in receivables/payables (c) | | |
|---|--|--|

| | | |
|--|------------------|------------------|
| Net cash used in operating activities | (136,813) | (180,587) |
|--|------------------|------------------|

(a) Note that Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

(c) This reverses out the GST in receivables and payables.

29. Resources provided free of charge

During the year DEC provided resources free of charge for functions outside the normal operation of DEC to:

| | | |
|--|------------|------------|
| Keep Australia Beautiful Council | 150 | 150 |
| Office of the Environmental Protection Authority | 500 | 292 |
| | 650 | 442 |

30. Commitments

The commitments below are exclusive of GST.

Capital expenditure commitments

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

| | 2011 \$'000 | 2010 \$'000 |
|--|----------------|----------------|
| Within 1 year | 2,548 | 4,067 |
| Later than 1 year and not later than 5 years | 0 | 0 |
| | 2,548 | 4,067 |

The capital commitments include amounts for:

| | | |
|---------------------|--------------|--------------|
| Buildings | 1,594 | 3,830 |
| Plant and Equipment | 954 | 237 |
| | 2,548 | 4,067 |

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

| | | |
|--|---------------|---------------|
| Within 1 year | 9,607 | 8,559 |
| Later than 1 year and not later than 5 years | 16,053 | 12,202 |
| Later than 5 years | 9,280 | 6,468 |
| | 34,940 | 27,229 |

DEC's fleet leases account for the majority of the non cancellable operating lease commitments. The lease term varies depending on the vehicle. The lease payments are fixed for the term of the lease and are payable monthly. There is no option to renew the lease at the end of the lease term.

31. Contingent liabilities and contingent assets

Contingent liabilities

In addition to the liabilities included in the financial statements, DEC has the following contingent liabilities:

Litigation in progress

DEC has 31 pending litigation claims that may affect the financial position to the value of \$6,621,504, 18 of which are fire-related, totalling \$1,173,041. DEC has denied liability and any legal claim will be defended. A counterclaim has been lodged in one of the claims but the amount cannot be reliably estimated at this time.

Native title claims

DEC's land is subject to a number of native title claims that have yet to be assessed by the National Native Title Tribunal. The financial effect, should these claims be successful, cannot be estimated at this time.



Contaminated sites

Under the *Contaminated Sites Act 2003*, DEC is required to report known and suspected contaminated sites on land DEC owns or occupies or where its activities may have caused or contributed to contamination. In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated – remediation required* or *possibly contaminated – investigation required*, DEC may have a liability in respect of investigation or remediation expenses.

DEC has 52 sites classified as *possibly contaminated – investigation required*, plus the former Waste Control site in Bellevue (an ‘orphan’ site) classified as *contaminated – remediation required*. Although a permeable reactive barrier groundwater treatment system was installed during 2009-10 to remediate off-site groundwater contamination in Bellevue, the contamination source zones still require remediation. DEC also has some responsibility for investigating and, where necessary, remediating the former Brookdale Liquid Waste Treatment Facility and arsenic contamination on land near the former Pemberton Timber Mill, although these sites, plus three others, have not yet been classified under the Act.

The financial effect of these liabilities cannot be reliably estimated at this time. DEC may apply for funding from the Contaminated Sites Management Account to undertake future investigation and/or remediation at these sites.

32. Events occurring after the end of the reporting period

DEC had no adjusting or non adjusting events after the reporting period.

33. Explanatory statement

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled ‘Summary of Consolidated Account Appropriations and Income Estimates’ are shown below. Significant variations are considered to be those greater than 10% or \$5 million.

Total appropriations provided to deliver services and Total Income

Significant variances between estimate and actual for 2011

| | 2011 Estimate \$'000 | 2011 Actual \$'000 | Variance \$'000 | |
|---|-------------------------------------|-----------------------------------|----------------------------|-----|
| Total appropriations provided to deliver services | 183,459 | 173,471 | (9,988) | (a) |
| Total Income | (139,528) | (148,892) | (9,364) | (b) |

(a) *Total appropriations provided to deliver services* - The variance is due principally to the deferral of expenditure for various projects from 2010-11 to the out years for the *Low Emissions Energy Development (LEED) Fund* \$7 million, contaminated sites rehabilitation \$2.25 million, rehabilitation of the former Brookdale liquid waste treatment facility \$1.8 million, Ord Native Title \$1.7 million, Burrup Native Title \$0.85 million, Great Western Woodlands \$0.71 million and the *Kimberley Science and Conservation Strategy* \$0.394 million. Other adjustments are for an increase to appropriations to DEC as compensation for a shortfall in land fill levy receipts of \$3.487 million, a budget increase to meet enhanced district allowances of \$1.059 million and funding for the regulation of uranium mining \$0.17 million.

(b) *Total Income* - the variance is due principally to increased funding received from grants \$5.9 million, mining compensation \$3.9 million, industry and waste licences \$1.3 million and bank account interest \$0.9 million. Receipts budgeted to be received from the land fill levy were \$3.4 million under budget.

Significant variances between actual results for 2010 and 2011

| | 2011 Actual \$'000 | 2010 Actual \$'000 | Variance \$'000 | |
|---|-----------------------------------|-----------------------------------|----------------------------|-----|
| Total appropriations provided to deliver services | 173,471 | 210,798 | (37,327) | (a) |
| Total Income | (148,892) | (122,243) | (26,649) | (b) |

(a) *Total appropriations provided to deliver services* - The variance is due principally to a reduction in the appropriation compensated for by land fill levy collections of \$24.938 million. Other major adjustments are for an increase for payroll and general cost escalation of \$5.6 million, a reduction for the deferral of expenditure for various projects from 2010-11 to the out years of \$6.093 million, a transfer of appropriation for the establishment of the Office of the Environmental Protection Authority of \$5.584 million and a reduction for voluntary severances of \$5.547 million.

(b) *Total Income* - the variance is due principally to an increase in land fill levy collections \$17.97 million, increased funding received from grants \$5.63 million and increased mining compensation \$2.77 million.

Service expenditure*Significant variances between estimate and actual for 2011*

| | 2011 Estimate \$'000 | 2011 Actual \$'000 | Variance \$'000 | |
|---|-------------------------------------|-----------------------------------|----------------------------|-----|
| Nature Conservation | 131,451 | 121,556 | (9,895) | (a) |
| Parks and Visitor Services | 72,828 | 87,228 | 14,400 | (b) |
| Environmental Sustainability | 17,143 | 15,230 | (1,913) | (c) |
| Coordinate the Response to Climate Change | 11,883 | 7,226 | (4,657) | (d) |

(a) *Nature Conservation* - The variance is due largely to reduced expenditure being incurred against externally funded specific purpose accounts than was anticipated in the estimates.

(b) *Parks and Visitor Services* - The variance is due largely to increased expenditure being incurred against externally funded specific purpose accounts than was anticipated in the estimates.

(c) *Environmental Sustainability* - The variance is due to a reduction in payments made from the Waste Avoidance and Resource Recovery Account.

(d) *Coordinate the response to Climate Change* - The variance is due to re-cash flowing funding provided for payments from the LEED Fund.

Significant variances between actual results for 2010 and 2011

| | 2011 Actual \$'000 | 2010 Actual \$'000 | Variance \$'000 | |
|---|-----------------------------------|-----------------------------------|----------------------------|-----|
| Parks and Visitor Services | 87,228 | 78,952 | 8,276 | (a) |
| Environmental Sustainability | 15,230 | 23,115 | (7,885) | (b) |
| Environmental Impact Assessment and Policies for the Environmental Protection Authority | 0 | 5,610 | (5,610) | (c) |
| Coordinate the Response to Climate Change | 7,226 | 5,009 | 2,217 | (d) |



(a) *Parks and Visitor Services* - The variance is due largely to increased expenditure on externally funded specific purpose accounts and bushfire suppression in national parks.

(b) *Environmental Sustainability* - The variance is due mainly to a reduction in payments processed from the Waste Avoidance and Resource Recovery Account

(c) *Environmental Impact Assessment and Policies for the Environmental Protection Authority* - Expenditure against this service ceased after the establishment of a separate Office of the Environmental Protection Authority on 27 November 2009.

(d) *Coordinate the Response to Climate Change* - The variance is due mainly to an increase in grant payments made from the LEED Fund.

Capital appropriation

Significant variances between estimate and actual for 2011

No significant variance in the Capital appropriation.

Significant variances between actual results for 2010 and 2011

| | 2011 Actual \$'000 | 2010 Actual \$'000 | Variance \$'000 |
|---|-----------------------------------|-----------------------------------|----------------------------|
| Purchase of non-current physical assets | 24,103 | 29,843 | (5,740) |

The reduction in the purchase of non-current physical assets was due mainly to a reduction in expenditure of \$10 million for the new Western Australian Conservation Science Centre building and a reduction in expenditure for conservation land purchases of \$2.9 million. This was offset by an increase in expenditure on tourism and recreational facilities in national parks.

34. Financial instruments

(a) Financial risk management objectives and policies

Financial instruments held by DEC are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. All of DEC's cash is held in the public bank account (interest bearing) apart from restricted cash held in a special purpose account. DEC has limited exposure to financial risks. DEC's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of DEC's receivables defaulting on their contractual obligations resulting in financial loss to DEC.

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown the table at note 34(c) 'Financial Instruments Disclosures' and note 20 'Receivables'.

Credit risk associated with DEC's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, DEC trades only with recognised, creditworthy third parties. DEC has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that DEC's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when DEC is unable to meet its financial obligations as they fall due. DEC is exposed to liquidity risk through its trading in the normal course of business.

DEC has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect DEC's income or the value of its holdings of financial instruments.

DEC does not trade in foreign currency and is not materially exposed to other price risks.

Other than as detailed in the Interest rate sensitivity analysis table at note 34(c), DEC is not exposed to interest rate risk because DEC has no borrowings.

(b) Categories of financial instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follow:

| | 2011 | 2010 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Financial Assets | | |
| Cash and cash equivalents | 6,605 | 9,906 |
| Restricted cash and cash equivalents | 81,873 | 66,736 |
| Loans and receivables (a) | 111,616 | 107,225 |
| Financial Liabilities | | |
| Financial liabilities measured at amortised cost | 16,410 | 14,638 |

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial instrument disclosures**Credit Risk and Interest Rate Risk Exposures**

The following table disclose DEC's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. DEC's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of DEC.

DEC does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

DEC does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.



Interest rate exposures and ageing analysis of financial assets (a)

| | Weighted Average Effective Interest Rate | Interest rate exposure | | | | Past due but not impaired | | | | | Impaired financial assets | |
|--------------------------------------|--|------------------------|---------------------|------------------------|----------------------|---------------------------|--------------|--------------|-----------|-------------------|---------------------------|------------|
| | | Carrying Amount | Fixed Interest rate | Variable interest rate | Non-interest bearing | Up to 3 months | 3-12 months | 1-2 years | 2-5 years | More than 5 years | | |
| | % | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| <i>Financial Assets</i> | | | | | | | | | | | | |
| 2011 | | | | | | | | | | | | |
| Cash and cash equivalents | 5.0 | 6,605 | 0 | 6,605 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted cash and cash equivalents | 5.0 | 81,873 | 0 | 81,873 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables (a) | | 19,884 | 0 | 0 | 19,884 | 1,254 | 191 | 32 | 0 | 0 | 0 | 324 |
| Amounts receivable for services | | 91,732 | 0 | 0 | 91,732 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 200,094 | 0 | 88,478 | 111,616 | 1,254 | 191 | 32 | 0 | 0 | 0 | 324 |
| 2010 | | | | | | | | | | | | |
| Cash and cash equivalents | 4.0 | 9,906 | 0 | 9,906 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted cash and cash equivalents | 4.0 | 66,736 | 0 | 66,736 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables (a) | | 22,595 | 0 | 0 | 22,595 | 2,676 | 3,898 | 2,167 | 0 | 0 | 0 | 36 |
| Amounts receivable for services | | 84,630 | 0 | 0 | 84,630 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 183,867 | 0 | 76,642 | 107,225 | 2,676 | 3,898 | 2,167 | 0 | 0 | 0 | 36 |

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).



Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the end of the reporting period. The table includes both interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities

| | Weighted Average Effective Interest Rate | Interest rate exposure | | | | | Maturity date | | | | | |
|------------------------------|--|------------------------|----------------------------|-------------------------------|-----------------------------|-----------------------------------|-----------------------------|-----------------------|--------------------|------------------|------------------|--------------------------|
| | | Carrying Amount \$'000 | Fixed interest rate \$'000 | Variable interest rate \$'000 | Non-interest bearing \$'000 | Adjustment for discounting \$'000 | Total Nominal Amount \$'000 | Up to 3 months \$'000 | 3-12 months \$'000 | 1-2 years \$'000 | 2-5 years \$'000 | More than 5 years \$'000 |
| <i>Financial Liabilities</i> | | | | | | | | | | | | |
| 2011 | | | | | | | | | | | | |
| Payables | | 16,410 | 0 | 0 | 16,410 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 16,410 | 0 | 0 | 16,410 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2010 | | | | | | | | | | | | |
| Payables | | 14,638 | 0 | 0 | 14,638 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 14,638 | 0 | 0 | 14,638 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities at the end of the reporting period.



Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of DEC's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

| | Carrying amount \$000 | -100 basis points | | +100 basis points | |
|--------------------------------------|--------------------------|-------------------|-----------------|-------------------|-----------------|
| | | Surplus \$000 | Equity \$000 | Surplus \$000 | Equity \$000 |
| 2011 | | | | | |
| <i>Financial Assets</i> | | | | | |
| Restricted cash and cash equivalents | 81,873 | (819) | (819) | 819 | 819 |
| Total Increase/(Decrease) | | (819) | (819) | 819 | 819 |

| | Carrying amount \$000 | -100 basis points | | +100 basis points | |
|--------------------------------------|--------------------------|-------------------|-----------------|-------------------|-----------------|
| | | Surplus \$000 | Equity \$000 | Surplus \$000 | Equity \$000 |
| 2010 | | | | | |
| <i>Financial Assets</i> | | | | | |
| Restricted cash and cash equivalents | 66,736 | (668) | (668) | 668 | 668 |
| Total Increase/(Decrease) | | (668) | (668) | 668 | 668 |

Fair Values

All financial assets and liabilities recognised in the statement of financial position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

35. Remuneration of senior officers

The number of senior officers, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, falls within the following bands are:

| \$ | 2011 | 2010 |
|-------------------|--------|------|
| | Number | |
| 60,001 – 70,000 | 0 | 1 |
| 130,001 – 140,000 | 1 | 0 |
| 140,001 – 150,000 | 1 | 0 |
| 150,001 – 160,000 | 0 | 6 |
| 160,001 – 170,000 | 4 | 2 |
| 170,001 – 180,000 | 3 | 1 |
| 180,000 – 190,000 | 1 | 0 |
| 190,001 – 200,000 | 0 | 1 |
| 230,001 – 240,000 | 2 | 1 |
| 370,001 - 380,000 | 0 | 1 |
| 380,000 – 390,000 | 1 | 0 |

The total remuneration of senior officers is:

| 2011 \$'000 | 2010 \$'000 |
|----------------|----------------|
| 2,496 | 2,295 |

The total remuneration includes the superannuation expense incurred by DEC in respect of senior officers. Three senior officers are members of the Pension Scheme.

36. Remuneration of Auditor

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

| | | |
|--|------------|------------|
| Auditing the accounts, financial statements and performance indicators | 149 | 134 |
| | 149 | 134 |

37. Affiliated bodies

The Environmental Protection Authority, Conservation Commission and Marine Parks and Reserves Authority are government affiliated bodies that received administrative support from DEC, they are not subject to operational control by DEC.

| | | |
|-------------------------------------|--------------|--------------|
| Appeals Convenor | 799 | 851 |
| Cockburn Sound Management Council | 322 | 290 |
| Conservation Commission | 840 | 984 |
| Environmental Protection Authority | 0 | 506 |
| Marine Parks and Reserves Authority | 191 | 192 |
| | 2,152 | 2,823 |

38. Special purpose accounts**Special Purpose Account section 16 1(b) of FMA***Nature Conservation and National Parks Trust Account*

The purpose of the trust account is for scientific research relating to flora and fauna.

| | | |
|---------------------------------------|--------------|--------------|
| Balance at the start of the year | 1,260 | 1,255 |
| Receipts | 514 | 330 |
| Payments | (532) | (325) |
| Balance at the end of the year | 1,242 | 1,260 |

Waste Avoidance and Resource Recovery Account

The purpose of the trust account is to: encourage the conservation of resources and energy through waste reduction and recycling; to promote, support and encourage viable alternatives to landfill disposal of waste; to encourage applied research and the development of appropriate waste management, waste reduction and recycling infrastructure and markets. The Account is used to fund nominated programs and other waste management initiatives approved by the Minister for the Environment on the advice of the Waste Authority of Western Australia.



| | 2011 | 2010 |
|---------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Balance at the start of the year | 14,269 | 15,974 |
| Receipts | 11,944 | 15,148 |
| Payments | (11,001) | (16,853) |
| Balance at the end of the year | 15,212 | 14,269 |

Contaminated Sites Management Account

The purpose of the trust account is to enable investigation or remediation of any site where the State or a public authority (excluding Local Government) is responsible for remediation. The Account also funds DEC costs of investigation and ensuring compliance with notices.

| | | |
|---------------------------------------|--------------|--------------|
| Balance at the start of the year | 5,702 | 4,906 |
| Receipts | 476 | 5,465 |
| Payments | (1,512) | (4,669) |
| Balance at the end of the year | 4,666 | 5,702 |

Barrow Island Net Conservation Benefit Account

The purpose of the account is for the funding of ongoing programs that will provide demonstrable and sustainable additions to or improvements in biodiversity conservation values of Western Australia targeting, where possible, the biodiversity conservation values affected or occurring in similar bioregions to Barrow Island.

| | | |
|---------------------------------------|---------------|--------------|
| Balance at the start of the year | 8,274 | 3,681 |
| Receipts | 2,502 | 4,593 |
| Payments | (19) | 0 |
| Balance at the end of the year | 10,757 | 8,274 |

39. Supplementary financial information

(a) Write-offs

During the financial year \$3,562.95 was written off as bad debts, \$6,050.00 for inventories and \$100,789.37 of DEC's asset and public property register under the authority of:

| | | |
|---------------------------|------------|-----------|
| The Accountable Authority | 110 | 12 |
| The Minister | 0 | 0 |
| Executive Council | 0 | 0 |
| | 110 | 12 |

Of the \$110,402.32 approved for write off during the year \$25,653.65 relates to losses through theft, defaults and other causes disclosed at note 39(b) below.

(b) Losses through theft, defaults and other causes

| | | |
|---|-----------|----------|
| Losses of public money and, public and other property through theft or default. | 26 | 5 |
| Amounts recovered | 0 | 0 |
| | 26 | 5 |

40. Disclosures of administered income and expenses by service

| | Nature Conservation | | Sustainable Forest Management | | Parks and Visitor Services | | Environmental Regulation | | Environmental Sustainability | | Coordinate the Response to Climate Change | | Total | |
|------------------------------------|---------------------|------------|-------------------------------|----------|----------------------------|----------|--------------------------|-----------|------------------------------|----------|---|----------|------------|------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| COST OF SERVICES | | | | | | | | | | | | | | |
| <i>Expenses</i> | | | | | | | | | | | | | | |
| Transfer payment | 128 | 133 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 128 | 133 |
| Total administered expenses | 128 | 133 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 128 | 133 |
| <i>Income</i> | | | | | | | | | | | | | | |
| Regularly fees and charges | 42 | 41 | 0 | 0 | 0 | 0 | 41 | 43 | 0 | 0 | 0 | 0 | 83 | 84 |
| Other revenue | 45 | 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45 | 49 |
| Total administered income | 87 | 90 | 0 | 0 | 0 | 0 | 41 | 43 | 0 | 0 | 0 | 0 | 128 | 133 |

41. Indian Ocean Territories

Indian Ocean Territories

This specific purpose Commonwealth account is for the provision of services relating to conservation biodiversity, management of natural resources and promotion of environmentally sustainable practices, prevention of pollution and remediation of contamination, maintaining community involvement and support and ancillary services for Christmas Island and Cocos (Keeling) Islands.

| | | |
|---------------------------------------|------------|-----------|
| Balance at the start of the year | 98 | 254 |
| Receipts | 242 | 0 |
| Payments | (147) | (156) |
| Balance at the end of the year | 193 | 98 |



Certification of Key Performance Indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Environment and Conservation's performance, and fairly represent the performance of the Department of Environment and Conservation for the financial year ended 30 June 2011.

Keiran McNamara

Accountable Authority

18 August 2011



KEY PERFORMANCE INDICATORS

Vision

A healthy, diverse and well managed Western Australian environment.

Mission Statement

Working with the community, we will ensure that Western Australia's environment is valued, protected and conserved, for its intrinsic value, and for the appreciation and benefit of present and future generations.

Funding Objectives

Funding for the year was received in accordance with the following Outcomes and Services.

Outcome 1

Conservation and sustainable utilisation of biodiversity.

Service 1 Nature Conservation

Developing and implementing programs for the conservation of biodiversity (the variety of life forms: the different plants, animals and microorganisms, the genes they contain, and the ecosystems they form), including threatened species and ecological communities, and for sustainable use of commercially exploited species; the acquisition, conservation and protection or representative ecosystems; and encouraging public awareness, understanding and support for nature conservation.

Service 2 Sustainable Forest Management

Providing economic, social and cultural benefits from State forest and timber reserves while conserving biodiversity, maintaining soil and water values and sustaining the health, vitality and productive capacity of the forest for current and future generations.

Outcome 2

Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks.

Service 3 Parks and Visitor Services

Managing land and waters; dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the department, including preparing and implementing management and recreation site development plans; providing, managing and maintaining appropriate access, recreation opportunities and visitor facilities; protecting natural areas, visitors and facilities from wildfire; training departmental staff and volunteers, working with local tourist bureaux and commercial tour operators; involving Aboriginal people in park management and the provision of visitor facilities and services; providing visitor information and designing and initiating educational and interpretive activity programs which enrich visitor experience and help develop greater community awareness and support for parks, natural areas, astronomy, nature-based tourism and recreation services and policies; undertaking scientific, visitor and social research, including astronomy, in cooperation with other research institutions. Provision of services to the Conservation Commission of Western Australia.



Outcome 3

Emissions and discharges meet acceptable criteria.

Service 4 Environmental Regulation

Regulation of emissions and discharges to the environment and the transport of hazardous wastes. Regulation of the investigation, classification and management of contaminated sites. Monitoring ambient air quality and developing air quality management plans for priority airsheds (the air canopy surrounding population centres, industrial and other facilities, within which the impacts of air pollutants need to be considered from health and environmental viewpoints).

Outcome 4

Adoption of environmentally sustainable practices to protect, manage and restore the state's natural resources.

Service 5 Environmental Sustainability

Developing and implementing policies and strategies that promote environmentally sustainable practices in industry, government and the community.

Service 6 Coordinate the Response to Climate Change

Providing leadership in the development and implementation of strategies to reduce greenhouse gas emissions, and adaptation initiatives to reduce the impact of climate change for Western Australia.



Outcomes and Key Effectiveness Indicators

Outcome: Conservation and sustainable utilisation of biodiversity

| | 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|--|-------------------|-------------------|-----------|-------------------|-------------------|---------------|
| Total number of listed threatened taxa and ecological communities | 703 | 703 | 0 | 711 | 711 | 0 |
| Number of threatened taxa and ecological communities with improved conservation status | 0 | 4 | 4 | 3 | 3 | 0 |
| Number of threatened taxa and ecological communities with declining conservation status | 2 | 2 | 0 | 2 | 2 | 0 |
| Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan | 62.2% | 66.0% | 3.8% | 70.0% | 67.2% | (2.8%) (a) |
| Proportion of terrestrial sub-bioregions with greater than 15% reservation | 20.4% | 20.4% | 0% | 20.4% | 22.2% | 1.82% (b) |
| Proportion of marine bioregions with marine conservation reserves | 42.1% | 42.1% | 0% | 47.3% | 42.1% | (5.2%) (c) |

Note to the indicators:

(a) The proportion of recovery plans will vary as the number of taxa and communities change.

(b) Miscellaneous reserves created in the Ord River area included.

(c) The proposed Camden Sound Marine Park was not gazetted during the year.

Percentage of Forest Management Plan performance indicators where defined annual targets are met

The department aims to achieve a high level of compliance with standards for management of forests.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 75% | 80% | 5% | 78% | 73% | (5%) |

Outcome: Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks

Average level of visitor satisfaction with their visit

The average level of customer satisfaction with their visit is a key indicator of the department's effectiveness in delivering parks and other natural areas that allow the community to understand, enjoy and appreciate the natural environment. Visitor satisfaction levels are consistently high.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 85.0% | 87.2% | 2.2% | 85.0% | 86.8% | 1.8% |

**Park visitation (annual number of visits)**

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 13,340,000 | 14,614,117 | 1,274,117 | 15,422,000 | 15,751,653 | 329,653 |

Annual percentage change in park visitation

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 2.7% | 3.1% | 0.4% | 4.3% | 7.8% | 3.5% |

Note to the indicator: The reported increase in visitation is the result of improvements in visitation monitoring across DEC-managed estate and true changes in visitation levels. At least 110,000 of the change in reportable visitation is due to improvements in park-level monitoring.

This was particularly evident for the Kalgoorlie Arboretum where visitation was previously estimated at approximately 43,000 but, with monitoring in place, was demonstrated to be approximately 90,000.

The Moora District experienced substantial changes in visitation coinciding with the opening of Indian Ocean Drive. Visitation for Jurien Bay Marine Park, measured from Jurien Bay Marina, increased from approximately 206,000 to 307,000; Nambung National Park increased its reportable visitation by 166,000 to approximately 669,000; and new monitoring for Wanagarren Nature Reserve resulted in a visitation estimate of approximately 191,000.

Outcome: Emissions and discharges meet acceptable criteria**Number of exceedances of approved environment criteria by regulated activities**

The number of exceedances of approved environment criteria is a key indicator of the department's effectiveness in setting and monitoring environmental standards.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 60 | 30 | (30) | 50 | 33 | (17) |

Note to the indicator: The actual is lower than the target, suggesting that industry continues to improve its environmental performance.

Number of air National Environment Protection Measure (NEPM) exceedances per annum of criteria pollutants

The monitoring of air quality for criteria pollutants against national health standards and goals specified under the National Environment Protection Measure (NEPM) for air quality is a vital tool to enable the effective monitoring and management of emissions and discharges to airsheds. Monitoring of air quality against criteria pollutants enables assessment of compliance with NEPM standards and goals set to protect human health, the effectiveness of long-term air quality management strategies and tools to be evaluated, and the effectiveness of industry emission controls and management strategies to be evaluated.



| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|----------------|----------------|-----------|----------------|----------------|-----------|
| 20 | 25 | 5 | 24 | 14 | (10) |

Note to the indicator: The reduction from 2009–10 actual was due to a decrease of three at Caversham, two at Bunbury, one at Albany, seven at Collie and an increase of two at Geraldton. The marked decrease of seven in the number of exceedances at Collie is most likely due to the reduction in impacts from prescribed burn activities within the region during 2010–11. For example, the number of PM10 particle exceedances at Collie during the two-month period of April and May fell from 12 in 2010 to one in 2011. The variation from the estimated actual reported in the Budget papers is due to PM2.5 particle advisory reporting data being added to PM10 in error. Only PM10 exceedances are reported as this is the NEPM standard.

Outcome: Adoption of environmentally sustainable practices to protect, manage and restore the state’s natural resources

Percentage of waste in the metropolitan area diverted from landfill through recycling

Developing strategies to reduce and recycle the volume of waste produced remains a significant challenge. Diverting waste that is currently being disposed of via landfill to recycling is an important component of reducing the impact of waste on our environment.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|----------------|----------------|-----------|----------------|----------------|-----------|
| 40% | 34% | (6%) | 45% | 41% | (4%) |

Note to the indicator: The upward trend continues and is steadily increasing each year, with a seven percent increase this year.

Percentage of Low Emissions Energy Development Fund milestones achieved within the targeted timeframe

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|----------------|----------------|-----------|----------------|----------------|-----------|
| 100% | 80% | (20%) | 100% | 63% | (37%) |

Note to the indicator: It should be noted that a characteristic of the fund is that milestones will change with project experience and for proponents to request variations to their milestones. All the missed milestones related to one project. In this instance the proponent has indicated it needs more time to study the results of its pilot system before finalising the design of its production system.



Key Efficiency Indicators

Service 1: Nature Conservation

Average cost per hectare of managing wildlife habitat

The cost per hectare of wildlife habitat management is an indirect indicator for the department's efficiency in delivering nature conservation. Increases in the indicator generally reflect increases in funding.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$3.68 | \$4.35 | \$0.67 | \$4.76 | \$4.36 | (\$0.40) |

Note to the indicator: The total expenditure was lower than projected.

Service 2: Sustainable Forest Management

Average cost per hectare of managing State forest and timber reserves

The figure used is the accrual basis average gross cost per hectare of managing State forest and timber reserves in accordance with the relevant management plan. The area managed is less than the area gazetted as State forest and timber reserve because areas of State forest and timber reserve proposed to become part of the formal conservation reserve system in the Forest Management Plan 2004-2013 are being managed as if the land category change had already occurred.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$34.03 | \$35.73 | \$1.70 | \$37.21 | \$37.41 | \$0.20 |

Service 3: Parks and Visitor Services

Cost per visit

The cost per visit is affected by changes in both visitor numbers and levels of funding for park management.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$5.57 | \$5.40 | (\$0.17) | \$4.72 | \$5.54 | \$0.82 |

Note to the indicator: The increased cost is the result of increased expenditure against externally funded specific purpose accounts.



Service 4: Environmental Regulation

Average cost per air monitoring station

The monitoring of air quality for criteria pollutants against national health standards and goals specified under the National Environment Protection Measure (NEPM) for air quality is a vital tool to enable the effective monitoring and management of emissions and discharges to airsheds. Monitoring of air quality against criteria pollutants enables assessment of compliance with NEPM standards and goals set to protect human health, the effectiveness of long-term air quality management strategies and tools to be evaluated, and the effectiveness of industry emission controls and management strategies to be evaluated.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$383,167 | \$418,500 | \$35,333 | \$363,288 | \$441,585 | \$78,297 |

Note to the indicator: Hillman and Calista air monitoring stations were part of a 12-month study and were decommissioned on 18 August 2010. Air Quality Management Branch intended to commission a station in Kalgoorlie, but due to other priorities this did not eventuate.

Average cost per industry licence

The department increased the level of resourcing applied to management of regulation of discharges to the environment. The increased resource level to achieve improved performance outcomes will result in increased costs per licence.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$16,208 | \$23,638 | \$7,430 | \$15,691 | \$26,657 | \$10,966 |

Note to the indicator: Average cost per industry licence has increased reflecting increased investment in systems infrastructure and cost increases. The allocation basis used to set the target for this measure was refined over 2010–11 and as a result there was a variation between actual and target. This is a temporary effect that will not appear in the next annual report.

Average cost per contaminated site assessment

This indicator is affected by the number of contaminated site assessments carried out each year.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| \$14,574 | \$6,011 | (\$8,563) | \$9,002 | \$8,297 | (\$705) |

Note to the indicator: The requirement for accredited Contaminated Sites Auditors to undertake detailed reviews for more complex sites, coupled with more efficient internal processes, has increased the number of site assessments carried out by DEC, resulting in a reduction in the average cost per site assessment.



Average cost of remediating contaminated state sites

This indicator reflects average costs in remediating contaminated state sites. Costs can be affected by a range of variables but mainly reflect the extent of contamination on sites.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-------------|-------------------|-------------------|-------------|
| \$795,417 | \$626,000 | (\$169,417) | \$1,063,728 | \$164,182 | (\$899,546) |

Note to the indicator: The 2010–11 budget assumed that the second stage of remediation at the former Waste Control site in Bellevue would take place in 2010–11. Although preparatory work continued, the second stage of remediation at Bellevue has not yet commenced. A larger number of lower cost investigations of state sites were funded from the Contaminated Sites Management Account in 2010–11 than estimated in the budget. The combination of these two factors has resulted in a lower average cost.

The allocation basis used to set the target for this measure was refined over 2010–11 and as a result there was a variation between actual and target. This is a temporary effect that will not appear in the next annual report.

Service 5: Environmental Sustainability

Cost of administering Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account includes programs which provide grants to a range of waste reduction and recycling activities. Managing the administration costs associated with the fund is important so as to ensure that maximum levels of funding are available for waste reduction and recycling initiatives.

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 5.0% | 6.1% | 1.1% | 6.0% | 6.0% | 0.0% |

Note to the indicator: A determination under Section 79 (3A) of the *Waste Avoidance and Resource Recovery Act 2007* was made by the Minister that an amount of \$11 million from the forecast levy amount of \$44 million for 2010–11 would be credited to the Waste Avoidance and Resource Recovery Account in 2010–11. This amount is reflected in the income for this service.

Service 6: Coordinate the response to climate change

Cost of administering Low Emissions Energy Development Fund as a percentage of total funds

| 2009–10 Target | 2009–10 Actual | Variation | 2010–11 Target | 2010–11 Actual | Variation |
|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| 0.41% | 0.49% | 0.08% | 0.48% | 0.52% | 0.04% |

Note to indicator: This variation is small, and reflects a significant increase in the number of applications between the second and third rounds.



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MINISTERIAL DIRECTIVES

No Ministerial directives were received during the financial year.



OTHER FINANCIAL DISCLOSURES

Pricing policies

The department is largely funded by appropriations; however, fees are charged for a range of goods, services and licensing arrangements where government has determined that full or partial cost recovery is appropriate. Fees are determined in accordance with guidelines on *Costing and Pricing Government Services* published by the Department of Treasury and Finance. Fees are appropriately set and reasonably relate to the cost of providing the goods or services. Fees are reviewed on an annual basis.

Capital works: incomplete and completed

The department's planned capital works program of \$24.9 million for 2010–11 provided funds for buildings, tourism roads and park facilities, plant and equipment, conservation estate land purchase and fire fighting fleet replacement. New funding for the *Kimberley Science and Conservation Strategy*, *Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands* and *Conservation Parks Infrastructure and Roads* project is included in the planned capital works program.

Summary of major capital works 2010–11

DETAILS OF MAJOR CAPITAL PROJECTS UNDERTAKEN

| | Expected Year of Completion | Estimated Expenditure Remaining \$'000 | Estimated Total Project Cost \$'000 |
|---|-----------------------------------|---|--|
| WORKS IN PROGRESS | | | |
| Kimberley Science and Conservation Strategy | 2011–12 | 2,145 | 2,700 |
| Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands | 2012–13 | 800 | 800 |
| Conservation parks and infrastructure and roads | 2013–14 | 17,679 | 20,000 |
| RECURRING CAPITAL PROGRAMS | | | |
| | Expected Year of Completion | | 2010–11 Expenditure \$'000 |
| Conservation land acquisition | Ongoing | | 2,040 |
| Fire fighting fleet and equipment | Ongoing | | 3,513 |
| Plant and equipment purchase and replacement | Ongoing | | 6,970 |
| Tourism road improvements | Ongoing | | 548 |
| Parks improvement program | Ongoing | | 4,139 |

Employment and industrial relations

Staff profile

| | 2010–11 | 2009–10 |
|-----------------------------------|--------------|--------------|
| Full-time permanent | 1,327 | 1,243 |
| Full-time contract | 317 | 333 |
| Part-time measured on a FTE basis | 260 | 297 |
| On secondment | 6 | 5 |
| Total | 1,910 | 1,878 |

Staff development

During 2010–11, DEC staff participated in more than 3,000 training programs throughout the state. Key programs delivered included training in first aid, ethics and accountability, implementing the *Employee Performance Development Plan*, managing oiled wildlife, weed management and restoration, frontline management, leadership development and supervision.

DEC is a registered training organisation (RTO) operating within the vocational education and training system, and is able to offer nationally accredited training to staff. In 2010, new qualifications from the Public Sector training package were added to the RTO scope, enabling the delivery of Certificate IV in *Government Investigations and Statutory Compliance*. DEC continues to offer qualifications in *Conservation and Land Management*, with over 50 staff enrolled in Certificate II, III or IV.

Nineteen employees were awarded scholarships for 2011 for further tertiary studies or development opportunities. Scholarships are awarded under the categories of women, leadership, science and career development.

DEC sponsored two Aboriginal students in their tertiary studies during 2010–11. Both students arranged work experience placements with DEC during their university breaks and have successfully gained employment since completing their studies. The Aboriginal cadetships are funded in partnership with the federal Department of Education, Employment and Workplace Relations as part of a federal government initiative to improve the professional employment prospects of Indigenous Australians.

In 2011, 12 staff completed the *Graduate Recruitment* program. During 2010, the program underwent a comprehensive review and work is well underway developing the new program, which will be launched early in 2012.

Workers' compensation

DEC recognises that there is a direct relationship between occupational safety and health and workers' compensation and injury management. If there is an increase in the number or severity of incidents then there are automatically increased costs. Equally relevant is the strong link between a safe and healthy workplace and performance. Although the major objective is caring for employees and looking after their safety and health, good occupational safety and health practice also translates into a return on investment by implementing an effective workers' compensation and injury management system and related procedures to minimise premium and associated costs.

In 2010–11, DEC's workers' compensation contribution was \$913,861 compared with \$1,124,229 for the previous year. The number of lost time injuries in 2010–11 was 31 (up from 26 in 2009–10), with 76 medical treatment injuries (up from 69 in 2009–10).



GOVERNANCE DISCLOSURES

Contracts with senior officers

At the date of reporting, senior officers of the department held no contracts with the department other than normal employment contracts. No senior officers of the department had substantial interests in entities with existing or proposed contracts or agreements with the department.



OTHER LEGAL REQUIREMENTS

Advertising (*Electoral Act 1907, s175ZE*)

In accordance with Section 175ZE of the *Western Australian Electoral Act 1907*, DEC has documented the following expenditure in advertising, market research, polling, direct mail and media advertising.

Total expenditure for 2010–11 was \$656,562.99.

Advertising agencies

| | |
|--------|------------|
| Adcorp | 563,526.09 |
|--------|------------|

Direct mail organisations

Nil

Market research organisations

Nil

Media advertising organisations

80,459.58

| | |
|---------------------------------------|-----------|
| Albany Advertiser Pty Ltd | 1,878.80 |
| Albany & Great Southern Weekender | 424.20 |
| Andimaps | 1,172.00 |
| Australia's Golden Outback | 1,995.00 |
| Australia's South West | 8,953.00 |
| Britel Enterprise | 1,101.75 |
| Café Capers WA | 285.00 |
| Concept Media | 405.60 |
| Cooks Tour | 2,800.00 |
| Countrywide Publications | 2,700.00 |
| Department of the Premier & Cabinet | 3,589.77 |
| Denmark Bulletin | 642.50 |
| Denmark Creative Designs | 1,844.30 |
| Denmark Visitors Centre | 20,000.00 |
| Email Media | 3,052.50 |
| Emu Publications | 460.00 |
| Eyezon Pty Ltd | 2,143.25 |
| Hallmark Editions Pty Ltd | 275.00 |
| Lizart Production | 700.00 |
| Marketforce Communications | 385.26 |
| Market Creations | 2,299.00 |
| Oakney Pty | 1,229.00 |
| Optimum Media Decisions | 3,673.61 |
| Penguin & Seal Island Cruises | 13,658.70 |
| Planning Institute Australia | 330.00 |
| Rural Press Regional Media WA Pty Ltd | 214.06 |
| Scoop Publishing | 3,366.00 |



| | |
|---------------------------------------|----------|
| Sunday Times | 546.00 |
| The West Australian | 9,831.00 |
| Touring Australia | 2,250.00 |
| Turquoise Coast Tourism | 440.00 |
| Walpole Community Resource Telecentre | 391.60 |

Polling organisations Nil

Disability access and inclusion plan outcomes (*Disability Services Act 1993, s29*)

DEC is committed to ongoing improvements in making the department an accessible and inclusive environment for its staff and the public it serves, and continues to be a leading proponent of the universal access philosophy, which is based on the fundamental principles of equal opportunity and equity, and access and inclusion.

DEC's policy on access and inclusion is to ensure that everyone in the community can access, use and enjoy Western Australia's natural areas and the associated facilities, services and programs provided by the department.

The department's *Disability Access and Inclusion Plan 2007–2012* continues its achievements in improving access to facilities and services to ensure they meet the needs of its customers and staff, with participatory inclusion being the primary and ongoing aim.

The plan is monitored by the Disability Access and Inclusion Committee, which meets quarterly, and includes members from various divisions and three Corporate Executive representatives.

As the major provider of outdoor recreation locations and facilities in natural outdoor areas, DEC continues to ensure that all site plans consider access requirements, and are developed in accordance with DEC's *Policy 18* (Recreation, Tourism and Visitor Services).

There were a number of noteworthy access improvement works in progress or completed by the department during this year.

- Universal access has been provided in a newly constructed toilet block at Kokerbin Nature Reserve in the central Wheatbelt.
- Park rangers have extended assistance for people with disability to take part in the Geikie Gorge boat cruises, and an accessible toilet block is being constructed at Geikie Gorge National Park.
- Nilgen Lookout on the Indian Ocean Drive in the Midwest Region provides universal access to its parking, trail, picnic facilities and lookout.
- Paths in several coastal sites in Kalbarri National Park are being upgraded to facilitate universal access.
- In the South West Region, an extra 100 metres of boardwalk has been completed on the Cape to Cape Track providing disability access, with the sealing of 300 metres of track to Sugarloaf Rock viewing area in progress.
- Universal access toilets and pathways have been constructed at Cape Leeuwin in the South West Region.
- In the east Kimberley, 200 metres of the Mirima National Park walk trail are being upgraded to facilitate disability access.



- In the Swan Coastal District, a kerb ramp has been installed next to the Lake View picnic area accessible parking, and accessible parking has been designated in Serpentine National Park at the falls and the picnic area car parks.
- In the Perth Hills District, all park notes have been updated to include information pertinent to disability access and inclusion. At John Forrest National Park, an accessible car park has been designated at the main car park, and at Walyunga National Park an accessible car park has been designated at Walyunga Pool.
- In the Esperance District's Stokes National Park, all the new toilets and camp kitchens at both the Stokes Inlet day-use area and Benwenerup campgrounds are disability accessible, and disability access is available to the new toilets and camp kitchen at the Thomas River campground in Cape Arid National Park.
- At Matilda Bay Reserve, signs on accessible toilets have been upgraded to reflect current standards, and maintenance works have upgraded the pathway leading from the car park to the toilet block to facilitate disability access.
- In the Warren Region, accessibility improvements include the redesign of the Cascades boardwalk and the Mount Frankland arrival space, and picnic and toilet facilities.

There is also a range of additional key initiatives and achievements from the *Disability Access and Inclusion Plan 2007–2012*.

- At the Manjimup DEC complex, a ramp is being constructed from two of the three disability parking bays to enable wheelchair access from the parking bays into reception. The pathways to reception are sloped to facilitate disability access.
- The Great Southern District arranged a day trip with Disability Services Commission staff and people with a range of disability to test and assess access at selected sites in the Dryandra Woodland for future improvement action.
- A ramp has been constructed at the Cervantes office car park providing better access.
- In the west Kimberley, wheelchair access has been constructed in the Yawuru offices in Herbert Street.
- At the Mandurah office, a 120-millimetre step on the walkway that was impeding disability access has been removed, and dedicated disability car parking has been installed at the Wanneroo and Hillarys offices.
- Swan Region has uploaded six of its sites onto the *You're Welcome* website—The Dell and Farrell Grove in Beelu National Park, Matilda Bay Reserve, Penguin Island and Serpentine and Walyunga national parks.
- Dwellingup District Office has been upgraded to allow wheelchair access, including dedicated accessible car parking.
- Copies of the *Disability Services Commission Accessible Information Training Package* have been sent to visitor centre managers to enhance accessibility planning and implementation at their visitor centres.
- DEC continues to promote use of the Disability Services Commission's *Creating Accessible Events Checklist*, and DEC's Public Participation and Planning Section has incorporated the *Accessible Events* checklist into its events planning process.
- Continued funding of requests from employees with disability have been met, including hydraulic lift desks.
- Continued staff training was provided for selection panel members ensuring fair interviewing of people with disability.
- Work continued on meeting contemporary good practice and government guidelines for website and document accessibility.



- The department continued to be an affiliate of the *Companion Card Program*, enabling people with a disability and their carers a fair ticketing system to access DEC's attractions and facilities.
- The new *Disability (Access to Premises – Buildings) Standards 2010* were disseminated through the department for incorporation into all premises and building planning.

Compliance statements

Public Sector Commission reporting under s31 of the *Public Sector Management Act 1994* for 2010–11.

| Compliance issue | Significant action taken to monitor and ensure compliance |
|---|--|
| Public sector standards | |
| <p>One <i>Recruitment Selection and Appointment Standard</i> (RSA) breach claim from 2009–10 was carried into 2010–11</p> <p>Seven breach claims were lodged in 2010–11.</p> <p>Six were against the RSA. All claims were withdrawn, including the 2009–10 claim.</p> <p>One was against the <i>Temporary Deployment Standard</i>. No breach of this standard was found by PSC.</p> <p>One claim against the <i>New Employment Standard</i>. Claim was withdrawn.</p> | <ul style="list-style-type: none"> • The department's People Services Branch intranet site has information on the <i>Public Sector Standards</i> including a hyperlink to the Public Sector Commission's (PSC) internet site. • Ongoing training is provided to grievance officers and made available to officers required to participate on recruitment panels to ensure that the relevant standard is complied with. • <i>Human Resources Awareness Raising</i> sessions were developed and presented at both metropolitan and regional locations. Further refresher sessions have been undertaken in 2010–11 and will continue in 2011–12. • Management Audit has completed an internal audit of the department's compliance with the Public Sector Standards and is of the view, '<i>The department is continuing to take appropriate action to ensure compliance with the Public Sector Standards</i>'. |
| WA Code of Ethics | |
| <p>There were no reports of non-compliance with the <i>WA Code of Ethics</i>.</p> | <ul style="list-style-type: none"> • The <i>WA Code of Ethics</i> is contained within DEC's <i>Code of Conduct</i>. The <i>Code of Conduct</i> was revised and released in April 2011, and includes a hyperlink to the PSC internet site for Western Australia Public Sector <i>Code of Ethics</i>. |
| Department's Code of Conduct | |
| <p>One allegation raised in 2009–10 was carried into 2010–11.</p> <p>Nineteen allegations of breaches of the code of conduct were raised in 2010–11.</p> | <ul style="list-style-type: none"> • Twelve of the 19 allegations raised in 2010–11 were finalised in 2010–11. • Eight alleged breaches have been carried over to 2011–12. • The department continues to hold <i>Conflict of Interest, Code of Conduct, Accountable and Ethical Decision Making</i> and <i>Public Interest Disclosure</i> awareness briefings for all staff. |

Recordkeeping plans (*State Records Act 2000*, s61, State Records Commission Standards)

- The department's compliance with the *State Records Act 2000* is supported by the Corporate Information Services (CIS) within Corporate Services Division.
- CIS provided assistance in developing recordkeeping plan RKP 2011025 for the Swan River Trust under the *Service Level Agreement* and recordkeeping plan RKP 2009086 for the Conservation Commission under the *Operational Relationship Agreement*.



GOVERNMENT POLICY REQUIREMENTS

Substantive equality

In implementing the state government's *Policy Framework for Substantive Equality*, DEC assessed the management planning process carried out under the *Conservation and Land Management Act 1984* to determine whether there were issues of discrimination.

Management plans cover a 10-year period over specific conservation areas, and must contain a statement of policies or proposed guidelines to be followed, and a summary of the operations proposed to be undertaken in the area. Public participation in management planning is a key requirement of the *Conservation and Land Management Act 1984*. The department achieves this through public and peak stakeholder meetings, formal advisory committees and community advisory committees, newsletters, and broad public invitations to comment on draft plans. Public participation is given high priority and Aboriginal groups, in particular, are sought for consultation as both stakeholders and partners in the management of land they are associated with.

The assessment included:

- research into the department's relevant policies and practices in relation to public involvement and public consultation processes relating to the preparation of management plans under the *Conservation and Land Management Act 1984*
- consultation with DEC officers responsible for preparing management plans, including extensive staff interviews in relation to the Woodman Point and Yellagonga regional parks
- consultation with the Equal Opportunity Commission regarding Aboriginal joint management.

The assessment found that there was no indication that Aboriginal or any other culturally diverse groups are discriminated against in relation to policies or practices that apply to public participation in the management planning process. DEC is committed to substantive equality principles and practices, and considers Aboriginal interests and aspirations to be of high importance, often going beyond the provisions and requirements of the *Conservation and Land Management Act 1984* to accommodate Aboriginal interests.

The department has a number of policies and practices in place which already safeguard the principles of substantive equality in the management planning process. These include:

- public participation facilitators are trained to be sensitive and responsive to the needs of age, gender, religion, cultural background, and disability.
- traditional custodians are continuously involved in decisions about the conservation of lands and waters, and legal representative bodies are routinely consulted and involved in management planning.
- cross-cultural training is routinely provided and updated to DEC staff, and Aboriginal culture and multicultural values are promoted within the department through the naming of parks, locations, meeting rooms and other installations with Aboriginal names.
- *Welcome to Country* is routinely part of DEC events and gatherings.

A key recommendation of the assessment was that DEC gathers data on the ethnicity of visitors to parks and recreation areas it manages in order to respond to their interests and aspirations wherever possible. These data are now being gathered and monitored by the Parks and Visitor Services Division.



Occupational safety, health and injury management

DEC is committed to providing and maintaining a safe and hygienic working environment for its employees. Managing occupational safety and health (OSH) presents significant benefits for both employees and employers in seeking to achieve an incident or hazard-free working environment in a department that has many high-risk activities, some of which include inspection of contaminated sites and coordination of pollution incident responses. The department also has responsibilities for fire management including bushfire suppression, and pest animal and weed control.

The objective is not only to prevent work related injury and illness—it is also to create a working environment that maximises the effectiveness of each employee. To achieve this, the active involvement of every member of the organisation is needed.

In particular:

- the Director General, the Corporate Executive and all departmental managers accept responsibility for implementing our *OSH Policy*, and for the monitoring of its implementation through compliance with legislation, guidelines, codes of practice and industry standards
- managers and employees recognise that the achievement of high OSH standards forms an integral component of DEC's core values, and sound work and business practice.

Consultation with employees

The department places a strong emphasis on consulting with employees in safety and health matters. The department's *OSH Policy* formalises the consultation process in conjunction with:

- health and safety representatives in each work centre
- active OSH committees
- management appointed OSH team leaders in each work centre
- the establishment of a corporate OSH steering committee.

Injury management

The department recognises the importance of injured workers returning to work as soon as medically possible and approved.

Efficient and effective management of claims is assisted by:

- early intervention consultation with medical practitioners
- providing an alternative work program for medical practitioner review
- timely claims management
- appointment of external rehabilitation providers as and when required
- ongoing case management.

DEC's practices and procedures with respect to injury management comply with the requirements of the *Workers' Compensation and Injury Management Act 1981*. The department has also conducted a self-assessment of its OSH management system, the findings of which focus on continual improvement to maintain best practice.



Other initiatives—prevention of injury and illness

The department has recognised the value of a healthy and fit workforce.

The department’s corporate health officers provide a program to increase the physical fitness of employees to match the mental and physical demands of their work, and to promote and educate personnel in developing positive attitudes, behaviour and self-responsibility towards healthy lifestyles by providing:

- a health and fitness policy
- DEC’s *Alivewire* website resource
- one-on-one confidential health consultations
- provision of health and fitness information
- delivery of health-related workshops
- health and fitness testing
- stress management workshops.

The Corporate Health Program has also introduced ‘wellness advocates’ to local work centres. The advocates promote vitality and wellbeing of individual team members and team dynamics, while introducing initiatives aimed at reducing absenteeism and increasing productivity.

Other initiatives planned for 2011–12 to enhance the safety and health program include:

- review of the *Safety Management Plan* and the department’s *OSH Policy*
- implementation of the department’s online *OSH* training program for managers
- revised drug and alcohol policy
- implementation of an online incident investigation system
- providing hazard and incident alerts
- ongoing monthly statistics and graphs for review and performance measurement.

Occupational safety and health performance indicators

| Indicator* | Target* | 2009–10 | 2010–11 | Target achieved |
|--|------------------------------|---------|---------|-----------------|
| Number of fatalities | 0 | 0 | 0 | Yes |
| Lost time injury/disease (LTID) incidence rate | 0 or 10% reduction | 1.31 | 1.57 | No |
| Lost time injury severity rate | 0 or 10% improvement | 0 | 3.22 | No |
| Percentage of injured workers returned to work within 28 weeks | Report actual % | 100% | 100% | Yes |
| Percentage of managers trained in OSH and injury management responsibilities | Greater than or equal to 50% | >50% | >50% | Yes |

* In accordance with the Public Sector Commissioner’s *Circular 2009/11*



