

Annual Report
2004-2005



DEPARTMENT OF
INDIGENOUS AFFAIRS





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DISCLAIMER

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STATEMENT OF COMPLIANCE

JOHN KOBELKE, MLA
MINISTER FOR INDIGENOUS AFFAIRS

In accordance with Sections 62 and 66 of the Financial Administration and Audit Act 1985, I hereby submit to the Minister for Indigenous Affairs for information and presentation to Parliament, the Annual Reports for the Department of Indigenous Affairs and the Aboriginal Affairs Planning Authority for the period 1 July 2004 to 30 June 2005.

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



Chris Cottier
ACTING DIRECTOR GENERAL

31 August 2005



DIRECTOR GENERAL'S OVERVIEW



Chris Cottier

This past year has certainly been one of many changes, both from the perspective of Indigenous people and of government. We have had the experience of dealing with both a State and a Commonwealth election, and the abolition of the Aboriginal and Torres Strait Islander Commission (ATSIC), all in the one year.

As a result of these significant events we now face many new challenges, as well as continuing to face others that have been emerging or that unfortunately have remained unchallenged for many years.

There is general acknowledgement by all stakeholders involved with Indigenous affairs that there needs to be a change in approach to these challenges, from a process-oriented style to one that achieves positive outcomes. The fact remains that we all have a lot of work ahead in the endeavour to change the social and economic indicators that Indigenous people rate so poorly against.

One of the major challenges that faces the Department of Indigenous Affairs (DIA) in the coming year is the development of an Indigenous representative structure. While the implementation of such a structure raises many challenges, it is encouraging to see strong leadership being shown by Indigenous people throughout Western Australia as they work to use this important tool to develop their community's voice.

The department's work towards reconciliation, and the desire to strengthen understanding between Indigenous and non-Indigenous people, was deepened this year through ENRICH, the department's reconciliation branding program. As the centrepiece for the DIA's reconciliation philosophy, ENRICH encourages reconciliation through greater understanding and respect for our State's Indigenous heritage and culture. In May 2005, as part of Reconciliation Week celebrations, ENRICH was launched externally, and in the coming year DIA will increasingly market ENRICH and its principles to all levels of government and the private industry and encourage external organisations to join the push for greater understanding and respect for our Indigenous heritage.

It was also an exciting year for the PALS Schools Reconciliation Awards, which were launched at the start of the school year in 2004. The awards inspired a huge response from schools and students throughout Western Australia and concluded with an awards ceremony at the Fremantle Festival's Aboriginal cultural celebration, the Wardarnji Festival, in November. A special thankyou and congratulations again to those schools that participated and won awards.

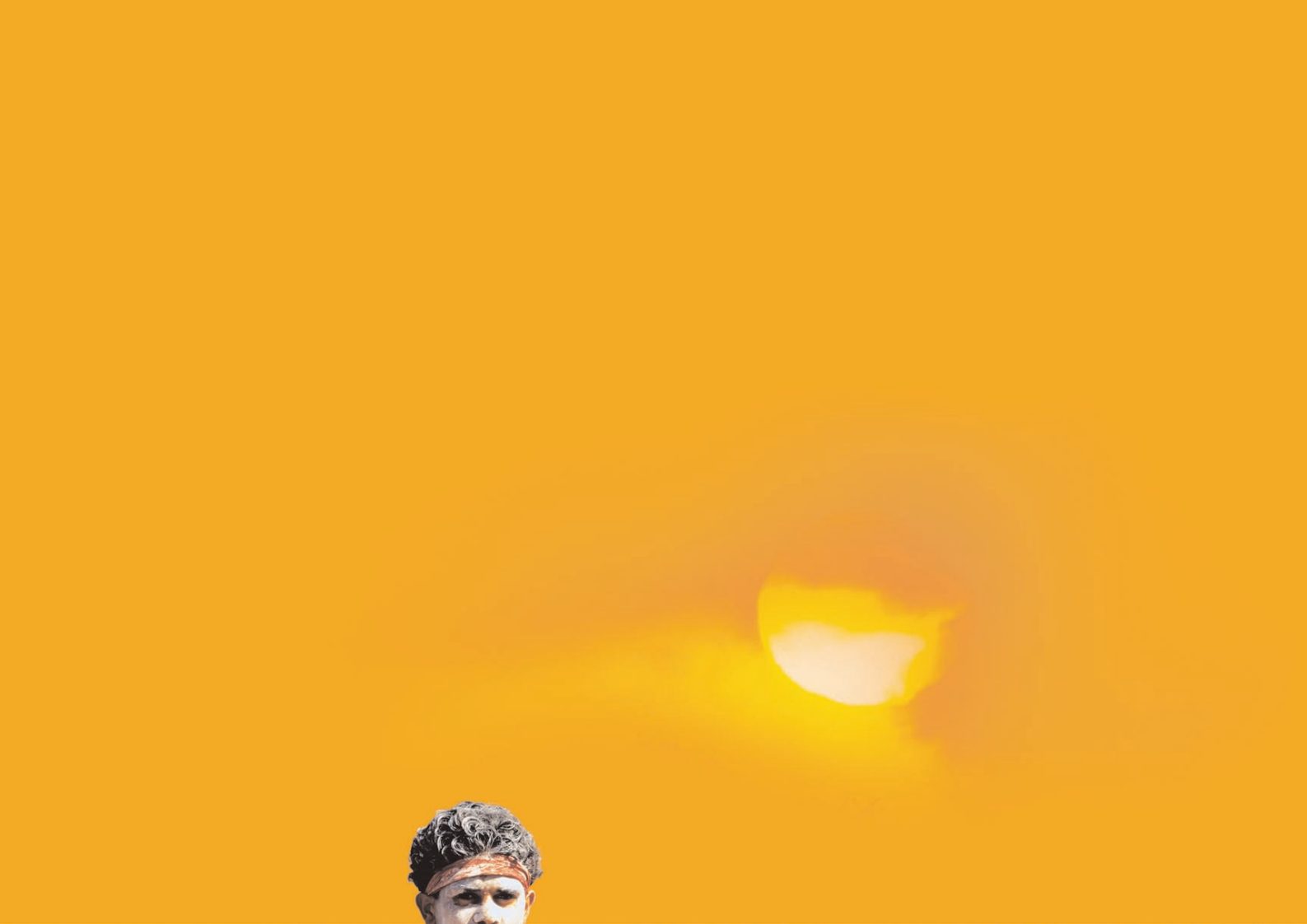
Western Australia is currently experiencing an unprecedented resource boom and we need to ensure that Indigenous people continue to have positive employment and training opportunities and that their advice is central to industry information about heritage and culture issues. Through important networking opportunities, such as the Regional Managers' Forums, DIA officers around the State work with government and non-government organisations to ensure Indigenous people's interests are represented.

Governance issues continue to underpin the work that the DIA is doing with the Aboriginal Lands Trust (ALT) estate. The State government is currently working on different forms of tenure title to develop a more flexible approach to further social and economic development.

On an administrative level, 2004-2005 was significant because of the departure of Richard Curry, who retired from public service in April after four years as the Director General. Mr Curry worked to develop strong partnerships with Indigenous communities to further the DIA's aim to 'close the gap' between Indigenous and non-Indigenous people. The advances in Indigenous affairs in this State under his leadership are a lasting legacy of his contribution.

DIA staff continue to work hard to achieve all the department's important goals and I take this opportunity to thank all at the department for their dedication and efforts over the past year.

Chris Cottier
Acting Director General



Operational Overview



OPERATIONAL OVERVIEW

Introduction

The Department of Indigenous Affairs (DIA) works in partnership with government agencies and the community to promote social and economic equity for Indigenous people, respect for the land, and an appreciation of the State's unique heritage and culture.

Its key objective is to improve the quality of life of the State's estimated 60,000* Indigenous citizens – up to one third of whom live in the most isolated, and harsh physical environment in the country. About half WA's Indigenous citizens live in the Perth metropolitan area and the State's south-west.

Understanding how to do business with Indigenous communities is an important ingredient in establishing these partnerships and is a major contribution made by the DIA.

The DIA has three core areas of business:

- The coordination of a whole-of-government approach to Indigenous issues.
- The management and protection of Aboriginal heritage and culture.
- The management and transfer of Indigenous land.

These core functions are provided through regional offices strategically located throughout the State.

** Based on Australian Bureau of Statistics 2001 census*

Vision

To improve outcomes and relationships with Indigenous people based on trust, respect, equity and inclusiveness.

Our vision is the long-term view we hold for the Indigenous Affairs portfolio and reflects our aspirations for influencing change through our business decisions and operations.

Mission

To close the gap between the social, cultural and economic well being of Indigenous and non-Indigenous people through strategic leadership of land, heritage and culture, and whole-of-government coordination of Indigenous issues.

In order to fulfil this mission, the DIA works in partnership with Commonwealth, State and Local Government agencies and the community to create social and economic equity for Indigenous people, respect for the land and value for the State's unique heritage and culture.

Strategic objectives

The DIA's strategic objectives are targeted to achieve the agency's outcome of "sustainable improvement in social, cultural and economic outcomes for Indigenous people".



Government, Indigenous people and the wider community came together to celebrate NAIDOC 2004, in Forrest Place, Perth.

OPERATIONAL OVERVIEW

The DIA's strategic objectives are:

- Government, community and industry effectively engaged in doing business.
- Legislation, policies and practices that achieve service equity and justice for Indigenous people.
- Well-planned and effectively-implemented services to Indigenous people.
- Reliable, timely reporting on the adequacy of services and the outcomes for Indigenous people, which is used to continuously improve performance.

To achieve these objectives, DIA will:

- Foster relationships that promote the Government's *Statement of Commitment to a New and Just Relationship* with Indigenous people.
- Advise Government on the strategic management of its Indigenous affairs policies.
- Advise Government on its progress in achieving Indigenous affairs goals.
- Work with key agencies to achieve reforms in legislative, policy, planning and budgeting systems.
- Promote awareness and appreciation of Indigenous tradition, history and contemporary issues.
- Deliver services in land, heritage and culture, community patrols and community engagement.
- Develop and promote agreement and partnerships that address service inequities.

Heritage and Culture

Indigenous societies have existed in Western Australia for at least 40,000 years. Archeological and ethnographic research proves that Indigenous people maintained a complex relationship with the land from prehistoric times.

For Indigenous people today, it is vital that their heritage is acknowledged and preserved because it provides them with emotional, spiritual and mythological links to the land. It also ensures the continuity of their culture by maintaining traditional practices and beliefs.

It is equally important that Indigenous heritage and culture is properly acknowledged and preserved by the wider community, as well as Local, State and Commonwealth governments.

The key roles of DIA in Heritage and Culture are to:

- Administer the *Aboriginal Heritage Act 1972* through processes such as the maintenance of the Register of Aboriginal Sites, support the Aboriginal Cultural Material Committee (ACMC), advise on heritage matters, and the protection and management of Indigenous heritage sites.
- Provide information and advice to assist Indigenous people obtain family history information from archival records, Native Welfare Files, DIA Personal History Cards, the Tindale Photographic and Genealogical Collection and other records.

Land

The DIA supports the Aboriginal Lands Trust (ALT) in the care, control, and management of nearly 350 properties across Western Australia. They represent more than 27 million hectares, or 13 per cent of the State.

Most of this land is in the form of reserves with some areas of freehold and leasehold land. Since a major review of the ALT in 1999, the DIA has been involved in the transfer of the ALT land estate back to Indigenous people.

In addition, the DIA assists Indigenous people by informing them of their rights, obligations and the potential opportunities that ownership and management of the land will bring and by providing a link with specialist training providers and resourcing agencies.

It also assists Indigenous people to develop partnerships that will enable them to maximise the social, economic and cultural benefits that can be derived from the land.

The roles of the DIA in Land are to:

- Support the ALT in the effective and sustainable management of the land estate it holds in trust for Indigenous Western Australians.
- Facilitate the transfer of ALT land to Indigenous people.
- Provide advice and support to the ALT, Indigenous people, the Government and other important stakeholders about the care, control and management of Indigenous land.



OPERATIONAL OVERVIEW

Policy and Coordination

The DIA plays an important role in leading the Indigenous affairs portfolio. It seeks to ensure that government agencies are working together and in partnership with the community to achieve the State Government's goals in Indigenous affairs.

The policy and coordination role of DIA involves working at national, State, regional and local levels to encourage participation of Indigenous people in policy and program development and in providing advice about Indigenous needs, priorities and ways of working.

The DIA works to achieve:

- A clear vision and strategic direction for Indigenous affairs in Western Australia.
- Legislation, policies and practices that promote improved outcomes for Indigenous people.



The DIA works closely with other government agencies and Indigenous people to improve conditions in remote Aboriginal communities, such as at Parngurr, in the Pilbara.

- Services that are coordinated and appropriately target areas of need.
- The engagement and participation of Indigenous people in decisions that affect their lives.

The DIA works in partnership with key agencies and the community to identify and address service deficiencies. It also works to help Indigenous people negotiate directly with Government and to gain greater control over their own lives.

Key clients

Western Australia's estimated 60,000 Indigenous people include approximately 25,000 who live in metropolitan Perth, and 17,000 who are scattered among an estimated 300 regional and remote communities. The remainder live in regional centres.

Key business partners

- State Government agencies
- Commonwealth Government agencies
- Local Government
- Aboriginal organisations and communities
- Industry, business and industry bodies
- Native Title Representative Bodies
- Tertiary bodies

Key services

- The management and protection of Indigenous heritage and culture.
- The management and transfer of Indigenous land.
- The strategic management of Government's Indigenous affairs policies.

Corporate values and principles

The DIA and its staff are committed to:

- **Indigenous culture:** We will respect Indigenous cultural values and ways of working and promote an improved understanding in the wider community.
- **Our staff:** Our staff are the key to achieving our mission and we will invest in organisation development strategies to build their skills.

OPERATIONAL OVERVIEW

- **Integrity:** We value honesty, trust, respect and openness and we will act ethically in all business relationships and dealings.
- **Leadership:** We will achieve our business results through strategic leadership, teamwork and a commitment to our mission.
- **Customer Focus:** We value and respect the needs of customers and will at all times endeavour to ensure their service needs are met.
- **Engagement:** We will actively engage with Indigenous people in issues and decisions that affect them.
- **Partnerships:** We will be proactive and work with all stakeholders to develop mutually beneficial partnerships to achieve improved outcomes for Indigenous people.
- **Corporate Governance:** We will manage our organisation in a way that maximises results and outcomes for Government and Indigenous people.

Operational base

The DIA is a relatively small agency with 130 permanent staff covering the vast geographical area of Western Australia. In addition to metropolitan Perth, DIA offices are located to represent seven major regional centres – Wheatbelt (in Midland), Southern (Albany), Goldfields (Kalgoorlie-Boulder), Gascoyne-Murchison (Geraldton), Pilbara (South Hedland), West

Kimberley (Broome), and East Kimberley (Kununurra). DIA also has outposted officers working in other government agencies, including at the Shire of Halls Creek and with the Kimberley Land and Sea Council in Derby.

Legislation and reporting structure

The DIA, through its Director General, reports to the Minister for Indigenous Affairs, the Hon. John Kobelke, MLA.

Mr Chris Cottier is Acting Director General. Mr Richard Curry was Director General for the period from 1 July 2004 until his retirement on 6 April 2005.

The DIA is responsible for administering legislation that affects the well-being of Indigenous people.

The *Aboriginal Affairs Planning Authority Act 1972* (AAPA) has principal functions related to consultation, planning and coordination of services to Indigenous people, and the adequacy of those services. The AAPA also established the Aboriginal Lands Trust (ALT), which has operational functions related to land.

The *Aboriginal Heritage Act 1972* (AHA), details specific responsibilities related to the management and protection of heritage sites.

The *Aboriginal Communities Act 1979* (ACA) enables Indigenous people to establish bylaws that govern conduct and access on community lands.



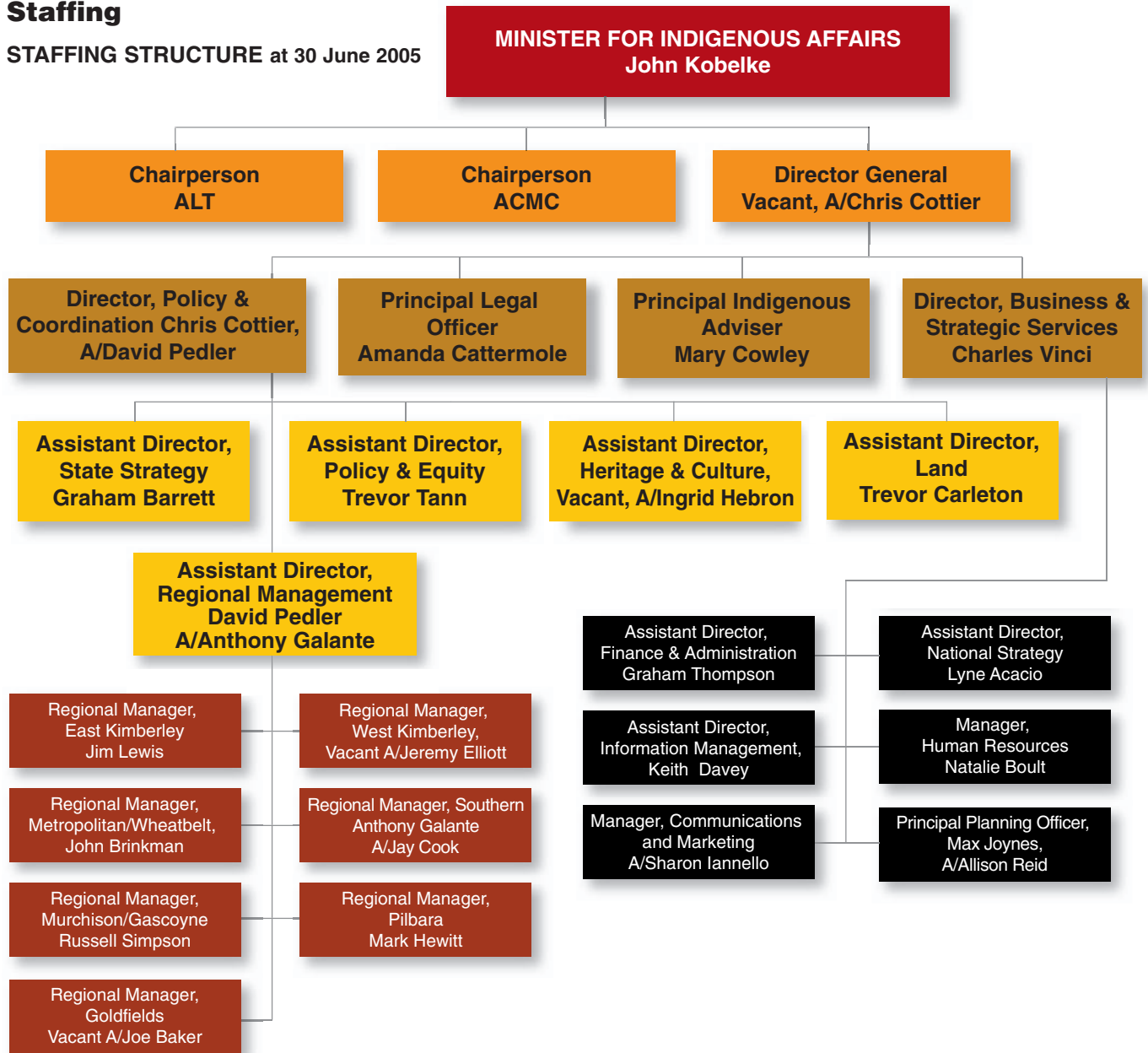
The DIA, which operates from Perth and has seven regional offices, employs people from a diverse range of cultural backgrounds.



OPERATIONAL OVERVIEW

Staffing

STAFFING STRUCTURE at 30 June 2005



Equal Employment Opportunity Indicators	2004-2005	2003-2004	2002-2003
Number of staff employed*	141	158	143
Number/percentage of staff of Aboriginal or Torres Strait Islander background	43 30.5%	33.38%	35.91%
Number/percentage of staff who have a disability	7 4.96%	0	2
Number/percentage of staff from culturally diverse backgrounds	12 8.5%	4	4
Number/percentage of staff less than 25 years (youth)	4 2.8%		

NB: Base establishment of permanent employees is 130. Fluctuations relate to temporary contract positions for specific short term projects.

*As per Minimum Obligatory Information Requirements (MOIR)



2004-2005 Report on Operations



REPORT ON OPERATIONS

Introduction

The objective of every employee of the DIA is to contribute to achieving the State Government's policies and initiatives aimed at improving outcomes for all Indigenous Western Australians.

The DIA, through its Perth and seven regional offices, works with Indigenous people, local, State and Federal agencies, as well as non-government organisations,

to identify the key issues affecting Indigenous people, provide advice to Government and build the partnerships necessary to create sustainable change in the lives of the most disadvantaged citizens in the State.

The DIA has reported its operational activities for 2004-2005 under four of the State Government's key strategic goals: People and Communities, The Economy, The Environment and Governance.



DIA officers work with Indigenous people and their communities on national, State and local strategies that aim to improve the lives of all Indigenous people.

REPORT ON OPERATIONS

People and Communities

Enhancing the quality of life and wellbeing of all people throughout Western Australia

The following achievements contribute to the WA Government's strategic outcomes for the State's people and communities, particularly focusing on pursuing 'a society where Indigenous Australians have greater economic and social opportunities and the capacity to determine their own lives'.

STRATEGIC PLANNING

Achieving improved social and economic outcomes for Indigenous people is a whole-of-government responsibility. The role of DIA is to ensure that the relevant parts of the public sector are working together to meet the needs of Indigenous people by acting as a catalyst to mobilise and integrate the resources of Commonwealth, State and Local government agencies.

National Strategy

DIA continues to lead and contribute to addressing issues of national significance through the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA). Within the Council of Australian Governments' (COAG) reconciliation framework, work is focused on developing national policy frameworks around three priority areas of gap:

- A 'universal prevention' framework for addressing child protection, family violence, youth suicide, self-harm and other adverse outcomes.
- Environmental health.
- Economic development.

Through DIA, WA is leading the development of the Universal Prevention framework. DIA has also prepared a discussion paper identifying the key issues that are critical to improving environmental conditions in Indigenous communities. Advice was also provided on national issues including the need for Indigenous interpreting and translating services, reporting on the implementation of the *Bringing Them Home Report*, and new Indigenous affairs arrangements.

Central to MCATSIA's work is using the COAG Overcoming Indigenous Disadvantage Framework to drive changes to policy and service delivery. DIA played a key role in developing and obtaining national agreement to this framework. This is being used as an agreed framework to help all levels of government work together and measure progress towards common outcomes. Evidence of its use at the local community, regional, state/territory, and national levels is also increasingly being demonstrated.

In addition to WA's participation in MCATSIA, DIA manages a permanent MCATSIA secretariat. The secretariat provides policy advice and administrative support, enabling MCATSIA to take a leadership and influencing role in setting national Indigenous policy direction and to advise COAG.

'Universal Prevention' as a pathway to overcoming Indigenous disadvantage

Following MCATSIA's agreement to the concept of 'universal prevention' as a pathway to overcoming Indigenous disadvantage, progress has been made towards developing a national policy framework and strategic action plan. There is now agreement on two key elements of the policy framework: Governments working together and investing in universal prevention strategies, and enabling community-led action.



COAG meetings in the Kimberley work towards overcoming Indigenous disadvantage.



REPORT ON OPERATIONS

To further develop these elements, an environmental scan describing the extent of government effort and investments in existing policies, programs and services has been prepared.

A national workshop is being organised to engage key stakeholders and obtain their input. The workshop aims to promote shared understanding of 'universal prevention' and the evidence that underpins it. More importantly, participants representing the Commonwealth, State and Territory governments, Indigenous community people, and experts in related fields are expected to provide advice on how 'universal prevention' knowledge and evidence can be translated into action.

Environmental health policy framework

A draft discussion paper has been prepared by DIA outlining the issues relevant to achieving and maintaining healthy living conditions in Indigenous communities. It focuses on the role that housing, public health infrastructure and Indigenous governance play in improving environmental health outcomes. This paper will be used to start discussions with the Commonwealth, State and Territory governments and develop advice to COAG on a plan for future action.



Through COAG, women from the Kimberley's Balgo community met State Police Minister Michelle Roberts and local Police officers.

State Strategy

At the State level, DIA has worked towards laying the foundation for a whole-of-government approach to achieving improved Indigenous social and economic outcomes. Essential to this work is the preparation of the *Overcoming Indigenous Disadvantage In Western Australia Report* based on the COAG Framework.

Overcoming Indigenous Disadvantage in Western Australia 2005 Report

The *OID WA Report* reflects the diversity of the Indigenous population across the State and the issues that result in the disadvantages experienced by Indigenous people.

This report is a valuable tool for governments when developing policy and planning for services delivery. The knowledge of the gaps between Indigenous and non-Indigenous indicators is also significant for Indigenous people in regional areas when they enter into shared responsibility negotiations for the delivery of services. The *OID WA Report* provides a baseline measure of key indicators of Indigenous disadvantage, which can then be used to evaluate progress over time.

In addition to the baseline measures, the *OID WA Report* also contains examples of opportunities for cross-government collaborative action to strategically target areas where action is known to produce beneficial outcomes. There are also examples of successful projects and innovative programs supported by a strong evidence base to highlight the potential that this report has in the future for sharing knowledge of 'what works' on the ground.

Outcome-based management in Indigenous Affairs

Discussions occurred with the Department of the Premier and Cabinet (DPC) and the Department of Treasury and Finance (DTF) in regard to the trialling of a thematic approach to outcome based management in Indigenous Affairs. Preliminary work was undertaken on the development of a framework that will better link government expenditures to Indigenous outcomes and join up the activities of relevant government agencies.

REPORT ON OPERATIONS

Location-based Strategy

At the local level, DIA has worked towards developing new ways of working with Indigenous communities, specifically focusing on the COAG trial site in the East Kimberley and the Ngaanyatjarra lands.

Council of Australian Governments' (COAG) Indigenous Communities Coordination Project in WA

In April 2002 the WA and Australian Governments agreed, as a trial, to adopt a cooperative whole-of-government approach to addressing Indigenous issues in the five communities in the Tjurabalan lands, in the East Kimberley.

As the lead agency for the State, DIA worked with the Commonwealth to develop a joint action plan, which is now being negotiated with community and government partners. The plan provides a strategic framework to address immediate as well as longer-term issues through the combined efforts of government and the community. The action plan responds to the recommendations of a scoping study undertaken at the start of the trial. It also responds to priorities identified jointly by governments and the community.

DIA is leading a number of these strategic responses. Notably, a highly successful Grog and Justice Summit was hosted in Mulan in September 2004 to support communities in their efforts to take control of substance misuse and community safety issues. Community people worked with key service providers to develop their grog and justice action plans. A number of key actions are now being implemented.

DIA's role in facilitating community development and planning has resulted in traditional women developing a Women's Plan, which they have now presented to government. The plan has a whole-of-life and whole-of-community focus and uses Aboriginal cycles of learning to provide cultural strength and wellbeing. Negotiations are currently underway to resource the plan.

Another response being facilitated by DIA includes negotiating with the Native Title Representative Body to develop and introduce a plan to progress transfers of Aboriginal Lands Trust lands to the prescribed body corporate.

Projects are also being undertaken to improve the performance of community stores and to improve the standard of housing and other community infrastructure. Such projects aim to improve the health of communities by ensuring access to adequate and nutritious food and better living conditions.

Ngaanyatjarra Lands

Building new ways of working with Indigenous communities requires government to build its capacity for working together and in partnership with Indigenous communities. DIA brought together relevant service delivery agencies to agree on a more concerted and locally focused response to the needs of 11 communities of the Ngaanyatjarra lands. DIA also assisted the Shire of Ngaanyatjarra to be in a stronger position to better articulate their needs and negotiate responses from government.

As a result, the Human Services Directors General Group endorsed a 2004-2005 Ngaanyatjarra Action Plan in September 2004. The Department of Education, Department of Housing and Works, Department of Justice and the Office of Aboriginal Economic Development negotiated strategies with the Ngaanyatjarra Council for service provision based on the 'partnership' approach that is central to the Government's Indigenous affairs policy.

The State and Commonwealth governments are developing a Regional Partnership Agreement with the Ngaanyatjarra Council and the Shire of Ngaanyatjarraku to reduce overlap between governments, improve the coordination of services and increase the extent to which community members are empowered to take responsibility for improving their own well being. The Regional Partnership Agreement was negotiated between January and June 2005 and will be implemented during the 2005-2006 financial year.



REPORT ON OPERATIONS

REGIONAL OPERATIONS AND POLICY DEVELOPMENT

Staff in this field are working with community members and across all levels of government to facilitate the implementation of programs and initiatives that will give Indigenous people the opportunity to make decisions about the issues affecting their lives and families.

Supporting leadership among Indigenous communities combined with the skills and capacity necessary for strong governance remain two key objectives of the DIA's Policy and Coordination Directorate.

Indigenous Community Governance Research Project

The WA Government, through the DIA, is funding Reconciliation Australia and the Centre for Aboriginal Economic Policy Development to conduct a national, five-year research project on Indigenous governance.

The project aims to find out about the current state of Indigenous community governance, including its cultural, social, economic, legal, policy, service delivery and historical contexts. The research is also investigating the different models of governance

that have been established and are emerging in communities, and the factors influencing culturally legitimate governance arrangements.

The research will assist Indigenous communities to build their governance capacity, and governments to develop policy and programs that support Indigenous governance in Australia.

The DIA is represented on the advisory committee for the project. 2004 was the establishment year for the research, and there are likely to be five project sites in WA. A workshop to discuss the early research findings will be held in WA late in 2005.

Aboriginal town-based communities

The DIA is represented on a working party with the Department of Housing and Works (DHW), other government agencies and the WA Local Government Association to develop a State strategy and action plan to reform Aboriginal town-based communities.

There are about 45 communities in WA. Residents on many communities have sub-standard living conditions that seriously impact on their health and quality of life.



Regional DIA officers work closely with remote Aboriginal communities, such as at Kiwirrkurra and Kunawarriji.

REPORT ON OPERATIONS

For residents of some town-based communities, there may be other mainstream housing options available to them. The working party plans to consult with communities about their options, and offer support to residents and other stakeholders to make the transition to mainstream housing if they wish.

For other communities, there will not be housing alternatives, and the working party will seek to fast-track current government efforts to improve housing and essential services to the communities. Consultations will also focus on how best to use the land on which communities are based for the benefit of Aboriginal people.

Remote recruitment

Strong collaborative work by several key agencies has led to the successful completion and endorsement by an evaluation panel of the 'remote recruitment and workplace relations service tender process' and the submission of a recommendation to the State tenders committee.

This service, due to start in 2005, will provide a comprehensive recruitment and workplace relations service for remote Indigenous communities throughout WA.

Aboriginal Communities Act 1979 bylaws

Aboriginal people in regional Western Australia have sought support from the DIA and the State Government to introduce bylaws to help them manage behaviour and social issues on community land.

Community bylaws are designed to promote self-governance in Aboriginal communities and are enforced with the assistance of the WA Police Service and the Aboriginal Police Liaison Officer program. DIA is continuing to work with communities wanting to adopt bylaws, but is also investigating possible amendments to the existing structure and the *Aboriginal Communities Act 1979* as part of a review of the bylaws program.

DIA has met with remote and regional communities as well as relevant Government agencies including the Police, Ministry of Justice, Department of Community Development and Alcohol and Drug Office (Dept of Health) to consult on proposed changes.

DIA has held information sessions on bylaws in a number of communities including Warmun and Bidiyadanga and visited a number of Kimberley and Pilbara communities after the DIA was approached for information about the development and implementation of bylaws.

INDIGENOUS ACTION AND REPRESENTATION

Western Australia Indigenous Representation Project

The abolition of the Aboriginal and Torres Strait Islander Commission (ATSIC) has removed the peak national body for Indigenous representation and advocacy. The DIA, with the Australian Government Indigenous Coordination Centres across WA, is undertaking the WA Indigenous Representation Project, a consultation process with the Indigenous community on how it is to be best represented in government processes in a post-ATSIC environment.

An emerging trend from consultations has shown that each region has different views and expectations and is forming their own model of representation for consideration by government. For example, some are using a balanced family representation, while others are establishing a coalition of remote communities as the bases for their representation.

Any new arrangements will be based on building partnerships with Indigenous people and will recognise the diversity and needs of Indigenous people across the State.

* The Aboriginal and Torres Strait Islander Service was closed by the Commonwealth Government on 30 June 2004. ATSIC Regional Councils continued to operate to 30 June, 2005.

Community Action Groups

In 2003, the Federal Department of Family and Community Services (FACS) provided funds to DIA to help establish CAGs in a number of regional locations in southern WA.

The establishment of Community Action Groups (CAGs) has been facilitated by DIA and is the cornerstone for effective coordination of services in the Wheatbelt and Southern regions.

CAGs are an initiative of the Noongar people and include representations of all Indigenous families in each town where CAGs operate.

The groups are developing community plans which prioritise local issues and enable action to be taken that is consistent with expressed community needs, wants and aspirations.



REPORT ON OPERATIONS

CAGs have been established in 13 centres: Manjimup, Collie, Busselton, Mt Barker, Narrogin, Brookton, Moora, Quairading, Kellerberrin, Katanning, Gnowangerup, Mt Barker, Bunbury and Dalwallinu.

Work is underway to establish CAGs in a further nine towns: Kojonup, Waroona, Wagin, Kondinin, Dumbleyung, Northam, Brunswick Junction and Merredin.

CAGs Review

In conjunction with Curtin University, an evaluation of this project was undertaken by DIA in 2004-2005. The evaluation involved qualitative research and a case study of three CAGs to produce a discussion paper on the CAGs concept and its relevance to Indigenous governance.

The study demonstrated the benefits of CAGs to government and community stakeholders and also their potential limitations and ongoing support needs.

Strong collaborative work between a number of State and Commonwealth agencies, particularly DIA and Family and Community Services, has resulted in strengthening and continuing the existing Memorandum of Understanding arrangements until 31 December 2005.



Indigenous Affairs Minister John Kobelke (right) maintains awareness of regional issues through regular meetings with Indigenous people throughout WA.

PARTNERSHIPS

DIA is leading by example by establishing strong relationships with government and the private sector to improve the social, cultural and economic well-being of Indigenous people, and by creating partnerships that promote community inclusiveness and participation.

Local Government

Agreements have been initiated with local government authorities in Albany, Geraldton and Kalgoorlie-Boulder to define responsibilities and a way to work when addressing Indigenous issues. DIA has funded positions and out-posted officers to facilitate this process.

- ***The City of Albany Aboriginal Accord***

The City of Albany Aboriginal Accord was formed to demonstrate the recognition by the City and its people of the cultural and spiritual links that the Noongar people have to the land and sea.

The Accord, the first of its kind in Australia, is a living document that promotes reconciliation, provides a process of negotiation and cooperation and results in a mutual sharing of the economic and social prosperity of the City of Albany.

DIA allocated a further \$50,000 towards the City of Albany in 2004-2005 to help implement the Action Plan.

- ***City of Swan Protocol***

As a result of the DIA/City of Swan Protocol that identifies issues and solutions involving Indigenous people in the Midland area, an Aboriginal trainee has been employed at the Swan Leisure Centre. Negotiations are underway for a further trainee to be appointed at the local library in Midland and there is ongoing cross-cultural training for staff.

- ***Kalgoorlie/Boulder Framework Agreement***

In this agreement the parties – DIA, the City of Kalgoorlie-Boulder and Mulga Mallee Regional Council – agree they have a joint responsibility to address the needs of Aboriginal people, and agree to work together to establish a framework to achieve sustainable social, cultural, economic and environmental development for Aboriginal people in Kalgoorlie-Boulder.

REPORT ON OPERATIONS

- ***City of Geraldton and Shire of Greenough and Indigenous Communities Memorandum of Understanding (MOU)***

This MOU is a joint acceptance of responsibility to work together to develop an awareness of shared history and to build partnerships based on mutual respect, understanding, cooperation and trust.

Regional Manager Forums

Seven forums have been established in regional areas where managers of State agencies meet to develop integrated responses to enhance service provision to the Indigenous community and to action recommendations contained in the Gordon Report.

The forums are linked to the Human Services Directors General Group and the Cabinet Standing Committee for Social Policy and provide a channel to implement the State Government's whole-of-government social policy agenda at the regional level.

- ***Regional Indigenous Affairs Coordinating Committee (RIACC)***

A Framework Agreement witnessed by the Minister for Indigenous Affairs, the Hon. John Kobelke, was signed in March 2004 by 20 Great Southern agencies, to better plan and integrate services to Indigenous people. It is linked to achieving outcomes consistent with the National Indicators for Overcoming Indigenous Disadvantage.

RIACC developed an Action Plan that sets out programs and services for Indigenous people, and identifies gaps and priority locations. The RIACC has also attracted funding to develop a Noongar Leadership Program in 2005-2006.

- ***Pilbara Group Managers Indigenous Forum (PGMIF)***

Following the signing of an MOU involving 22 government agencies in Port Hedland, the PGMIF is coordinating the implementation of recommendations from the Mapping and Gap Analysis (MAGA) report. Fifty per cent of recommendations have now been implemented.

Regional Partnerships

Other partnerships and agreements have been forged with key stakeholders in every region to enhance

awareness and Indigenous participation. For example, agreements with mining companies have been formed in the Pilbara to assist with employment and economic prospects, in Geraldton a partnership has been formed with the local newspaper to breakdown prejudice, and in Kalumburu a partnership with the Wunan Foundation helps recruit suitable managerial staff.

- ***Stirling Range Visitors Centre***

DIA and the Great Southern Development Commission, the Department of Conservation and Land Management (CALM), the Office of Aboriginal Economic Development, the WA Tourism Commission, the Shire of Gnowangerup and Indigenous stakeholders have completed a feasibility study to develop a Visitor Centre at Bluff Knoll in the Stirling Range National Park. The Stirling Range Visitor Centre project is the result of joint management proposals from CALM and traditional Noongar custodians of the area, identified through an extensive community consultation process.

The University of Western Australia is undertaking an extensive program of Indigenous cultural heritage research for the DIA. This is linked to the proposed development of the Stirling Range Visitor Centre and will produce a Heritage Management Plan for the Stirling Range National Park.

- ***Kalgoorlie-Boulder Mediation project***

This project resulted in an agreement being signed by many sectors of the Kalgoorlie-Boulder community. It acknowledged past difficulties and agreed to work together to create an equitable and inclusive community that gives dignity, respect and fulfilment to all.

- ***Ngaanyatjarra Engagement***

In response to the *Doing Business With Government* report produced by the Ngaanyatjarra Council and Shire of Ngaanyatjarraku, DIA has established a better process for government agencies to deal with the Ngaanyatjarra communities and to provide more effective service delivery and more effective solutions to their problems.

- ***DIA and Department of Industry and Resources – Murchison/Gascoyne***

A cooperative working partnership has been established that relates to a shared vision of capacity building and economic development for Aboriginal communities and organisations in the region.



REPORT ON OPERATIONS

Safer Communities

• **Aboriginal Community Patrols Program**

The DIA supports 21 community street patrols across the State. They provide a service for Indigenous people at the community level to deal with, and respond to, a range of social problems experienced in local areas.

The DIA has reviewed the effectiveness of all patrol services and assessed what support mechanisms would be required to create new service level agreements. The review surveyed 273 people.

The DIA and BHP Billiton Iron Ore have jointly funded the Port Hedland Aboriginal Street Patrol for two years with more than \$400,000. A greater level of funding for the Broome, Kalgoorlie, Port Hedland, Geraldton and metropolitan Perth patrols by both the DIA and the Commonwealth Government will enable a move to real wages for many previous CDEP participants.

The quality of WA patrols is also set to improve as the DIA moves to introduce Patrols Program Guidelines and regular reviews of standards and service delivery. The department is implementing Service Level Agreements as part of the funding model for patrols, enabling a better linkage of service delivery to the follow-up issues that affect Indigenous people after they have been in contact with the patrols.

New objectives for the revamped Aboriginal Community Patrols Program include:

- Provide a service that prevents self-harm and social disruption, and reduces contact between Indigenous people and the criminal justice system.

- Use local community knowledge and Indigenous family networks to support local people and local solutions.
- Address a range of anti-social issues, such as public drunkenness and substance abuse, anti-social behaviour.
- Enable patrols to be well-governed by the local Indigenous community, with input from the local community and other stakeholders.
- Each patrol to keep an authentic Indigenous component to the management and delivery of the service.
- Provide evidence of success, improvements, and measures to address failures and risks.
- Provide a career path for untrained to trained patrollers, and then enable further development in youth work, welfare work, community management, police liaison, addiction treatment, healthcare, or security services.
- For DIA to operate as the lead agency at the State level for intervention, mediation, and resolution of public conflicts or harmful situations involving Indigenous people in partnership with DAO, WAPS and DCD. For DIA and each patrol to set in place standards for each service delivered and regularly audit these at the local, regional and program level.
- For DIA and each patrol to seek to keep all stakeholders informed of their efforts so that wider issues related to crime prevention, community policing, harm reduction, and youth and community welfare can be addressed by mainstream State Government of WA and Australian Government agencies.



DIA and BHP Billiton Iron Ore jointly fund the Port Hedland Aboriginal Street Patrol. Alan Murphy (pictured) is supervisor.

REPORT ON OPERATIONS



West Coast Eagle footballer Ashley Sampi is the face of the Stop Sly Groggin' campaign.

• **Sly Grog Hotline**

The DIA, in collaboration with the Department of Racing, Gaming and Liquor (DRGL), and the Western Australian Police Service (WAPS), has established a Sly Grog Hotline to address the problem of the illicit sale of alcohol in the Kimberley region.

A publicity campaign featuring well-known West Coast Eagles Australian Football League player Ashley Sampi, an Indigenous role model from the West Kimberley, has generated regular use of the hotline. A number of successful notifications enabling further action to be taken by the WAPS and the DRGL have been possible because of the presence of both the new hotline (1800 500 815) and the associated publicity. The DIA is working with its partners to transfer the hotline to the new Police Non-Emergency Call Centre based in Midland.

Environmental Health

In 2004, the Environmental Health Needs Coordinating Committee (EHNCC), through its Intergovernmental Working Group (IGWG), completed another Environmental Health Needs Survey (EHNS) of discrete Indigenous communities. This is the second time an EHNS has been conducted in WA – the first was in 1997.

The EHNS report surveyed 274 discrete Indigenous communities with results presented by ATSIC regions. Communities were surveyed from September 2003 until March 2004. Surveyors for the EHNS were Environmental Health Officers (EHOs) and Aboriginal Environmental Health Workers (AEHWs) working in shires and public health units.

The latest EHNS enables analyses of data on core environmental health indicators (water, electricity, housing, sanitation, solid waste, dust, dog control and emergency management). Trends between the 1997 and 2004 EHNS reports are also identified.

The EHNS aims to assist funding agencies to make decisions about resource allocation and program planning for discrete Indigenous communities. A number of agencies, including the DHW, are already using this information to influence program directions and funding allocations.

The EHNS report indicated that progress has been made since 1997 on several core indicators, particularly water, electricity and sewerage services in larger communities, due to programs that focussed on those areas.

There are still issues to address at Indigenous communities, such as solid waste, dust and housing (both for new housing and repairs), with the issues present in smaller communities (less than 50 population) needing more consideration and attention.

Mapping and Gap Analysis

The DIA Mapping and Gap Analysis (MAGA) projects seek to establish a clear picture of service provision in particular locations and to work with local stakeholders to identify key issues and gaps. The second stage of these projects is to engage service agencies in the development and implementation of a comprehensive plan of action to address service needs and to support local community priorities.



REPORT ON OPERATIONS



Indigenous Affairs Minister John Kobelke regularly meets young Aboriginal people at remote communities such as Balgo to learn how the government can improve their prospects for the future.

In 2004-2005, work continued to implement the recommendations from MAGA projects undertaken previously in Kalgoorlie and Port Hedland.

In Kalgoorlie, ongoing agency collaboration has enabled a more holistic approach to the problems facing Aboriginal families and service providers. A 'Dignity, respect and fulfilment' protocol has been signed by stakeholders in Kalgoorlie-Boulder. Work to update the data in the 2002 MAGA report has begun.

In Port Hedland, a Memorandum of Understanding was signed by 22 government agencies. The Pilbara Government Managers Indigenous Forum (PGMIF) is coordinating the implementation of 77 recommendations, of which 40 have now been implemented.

In 2004-2005 MAGA projects have been completed in Wiluna and Derby. The implementation of the recommendations of the Wiluna Report is underway with the support of community and government agencies and the Human Services Directors General Group.

In Derby, DIA has committed \$40,000 for the implementation of the MAGA recommendations and is working with DCD to support Nyikina traditional owners to run cultural and intergenerational engagement activities.

The Esperance MAGA report, commenced in 2003-2004, has been revised after further stakeholder input.

Initial work has been completed on mapping services and areas for improved service delivery and coordination at the Beagle Bay Community.

MAGA projects are also proposed in Newman and Roebourne.

Indigenous Interpreting Services

DIA is undertaking a number of strategies to strengthen the delivery of interpreting services for Indigenous Western Australians. As lead agency, DIA facilitated a whole-of-government approach to supporting the Kimberley Interpreting Service, resulting in a three-year financial commitment by eight State Government agencies.

DIA is leading work towards the development of an agreed national approach to Indigenous interpreting services at the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA).

DIA is working with the Office of Multicultural Interests to review the WA Languages Policy and to consider the most appropriate model for the delivery of a State-wide Indigenous Interpreting Service.

To develop the pool of Indigenous interpreters in the metropolitan area, DIA has worked with the Central College of TAFE to develop an Aboriginal-specific intake for the Diploma of Interpreting.

Gordon Implementation Unit

Implementing the Government's Response to the Gordon Inquiry

From July 1 2005, the administration of the Gordon Secretariat and the Place Management Program will be moved to the DIA from the Department of the Premier and Cabinet (DPC).

The next phase in the Government's response will be:

- Implementing systemic and structural changes.
- Integrating the responses of the Gordon Inquiry within agencies' core business.
- Ensuring that partnerships with Indigenous people and communities underpin the Government's work.
- Ensuring ongoing collaboration between Government agencies.
- Evaluating the Government's Response.

REPORT ON OPERATIONS

HERITAGE

The key roles of DIA in heritage and culture are to:

- Administer the *Aboriginal Heritage Act 1972* (AHA) through processes such as the maintenance of the Register of Aboriginal sites.
- Support the Aboriginal Cultural Material Committee (ACMC).
- Advise on heritage matters and the protection and management of Indigenous heritage sites.
- Provide information and advice to assist Indigenous people obtain family history information from archival records, native welfare files, DIA personal history cards, the Tindale Photographic and Genealogical Collection and other records.

Aboriginal Cultural Material Committee (ACMC)

The ACMC met nine times in 2004-2005. From February 2005, the DIA and the ACMC introduced a number of initiatives to improve business processes to meet the changing needs of clients. This included a decision to hold monthly rather than bi-monthly meetings and to abolish submission dates in favour of submissions that will enable the ACMC to perform its functions under the *Aboriginal Heritage Act 1972* (AHA).

The ACMC also decided to hold some meetings in regional areas so that members could inspect regional development sites, community initiatives and programs, and local heritage sites. In October 2004, the ACMC



ACMC members visited the Stirling Ranges during a visit to Albany for a regional meeting.

visited the Karratha region and on a field trip to the Burrup Peninsula met local Indigenous groups and viewed the Burrup's significant rock art engravings.

In 2004-2005, 93 Section 18 Notices were put before the ACMC. In reviewing such Notices for future developments, more than 300 Aboriginal sites were assessed by the ACMC under the AHA. Under Section 16 of the AHA, 14 applications were considered by the ACMC for research and investigation in consultation with local Indigenous community groups.

ACMC members for 2004 and 2005 are:

Mr Charles Smith	Chairperson
Dr Ian Crawford	Member
Ms Violet Drury	Member
Ms Lynette Lund	Member
Mr Kenneth Ninyette	Member
Mr Michael Robinson	Member
Director General, DIA	Ex-Officio Member
Chief Executive Officer, Western Australian Museum	Ex-Officio Member
Authorised Land Officer, Department for Planning and Infrastructure	Ex-Officio Member

ACMC 2004 and 2005 member Mr Phillip Prosser resigned for personal reasons in April 2005.

Register of Aboriginal Sites

A number of projects by the Heritage Information Unit (HIU) provided advice about Aboriginal sites and how to access heritage information held by DIA. Key projects for the year included:

- HIU restructured into Northern and Southern regions, to improve services to customers. Stakeholders confirm that the new structure is more efficient and customer-focused.
- Program established to review Heritage Survey Reports for new information.
- Site register updated to include all previous ACMC resolutions.
- Planning begun for the re-configuration of the Aboriginal Site files to better administer, store, retrieve and protect the sites information.



REPORT ON OPERATIONS



DIA field staff erect signs to indicate locations of Aboriginal heritage sites.

- Completed more than 20433 site searches, catalogued more than 671 new heritage survey reports, registered more than 718 new sites, re-mapped more than 50 previously recorded sites, and mapped more than 785 sites.

Improving Heritage Management Project

The Improving Heritage Management Project continued in 2004-2005. Major achievements included:

- Completion of the new Heritage Surveys Database. Additional functions will be added in 2005-2006.
- Capture of survey areas for heritage surveys contained in reports held by DIA.
- Facilitation of a stakeholder working group to develop processes for showing the Heritage Surveys Database in Tengraph, Department of Industry and Resources' (DOIR) mining database.
- Completion of the new e-lodgment facility. This is for the lodgment of information from heritage surveys that are conducted pursuant to regional agreements negotiated between industry and Native Title Representative Bodies.
- Work began on an internet inquiry system for the heritage sites database.

- Digital conversion of photographic images of Aboriginal sites and site-related information held by DIA.
- Work began on the second phase of the Aboriginal Heritage Management System to improve the functionality of the electronic database of Aboriginal sites.

Aboriginal History Research Unit

The DIA's Family History Unit was re-named the Aboriginal History Research Unit. The unit's work in 2004-2005 included:

- Record provision – Continuing work with the Native Title Representative Bodies (NTRB) to provide access to records that verify the existence of traditional and historical Aboriginal families within Native Title claim boundaries. The demand for archival and family history records for this particular purpose is increasing rapidly.
- Promotions – AHRU officers have been on the road promoting DIA's services to Aboriginal communities around the State in the past year, including at Mt Margaret, Gnowangerup, South Hedland, Geraldton, New Norcia and Meekatharra. The AHRU encourages Aboriginal people to use archival material and other sources of information held at DIA to research their family history.



The Aboriginal History Research Unit promotes its work at regional events, including a healing workshop in Meekatharra.

REPORT ON OPERATIONS

- Digital records – Continuing project to digitise archival material to ensure the protection of archived native welfare documents into the future.
- Photographs – A photographic project has begun to protect and preserve photos that have been donated to DIA over many years. The project also includes the acquisition/purchase of collections from members of the public who may have photographs of Aboriginal people who have lived and worked on stations or have been institutionalised at former missions.

Burrup Heritage Materials Strategy

The DIA, the Department of Industry and Resources (DOIR) and the Ngarda-ngarli (Wong-Goo-Tt-Oo, Ngarluma Injibandi, Yaburara Mardudhunera) have established a Partnering Alliance to facilitate the management of displaced cultural material on the Burrup Peninsula. A *Strategy for Displaced Aboriginal Heritage Materials on the Burrup Peninsula* was developed in July 2004 which sets out the aims and principles of the Partnership Alliance.

The DIA is participating in the development of a Burrup Heritage Management Strategy framework with a broad range of stakeholders. The strategy seeks to establish an inclusive and collaborative process regarding the Burrup and the management of the heritage and development interface in the future, including surveys of the industrial land specified in the Burrup and Maitland Industrial Estates Agreement.

DIA is a participant in the Rock Art Monitoring and Management Committee, established by the Minister for State Development to examine the impact of cumulative industrial emissions on the extensive rock art of the Burrup Peninsula. In 2004-2005, six four-year studies were commissioned to collect data on weather, emissions, microbiology, geochemistry, colour and contrast changes.

The Dampier Archipelago including the Burrup Peninsula was the subject of three nominations to the National Heritage List under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBCA). The nominations are being assessed for their suitability according to the criteria set out in the legislation. A decision on the listing is due in September 2005. The Dampier Archipelago is also proposed as a nomination for the World Heritage List.



Dampier Port Authority and DIA work with community representatives to protect heritage on the Burrup Peninsula.



WA's Indigenous heritage is evident in sites around the State, such as this rock art at the Burrup Peninsula.



REPORT ON OPERATIONS

Partnerships

In December 2004, the DOIR and the Environmental Protection Authority (EPA) signed an MOU to provide the DOIR with an effective and transparent administrative process to refer development proposals to the EPA. The DIA's Heritage and Culture Branch is working with DOIR and EPA to develop an efficient procedure to address the Aboriginal heritage issues that have been identified under the MOU.

The Heritage and Culture Branch instigated a project to streamline communication with other agencies when giving advice on Aboriginal heritage matters. This has included research into our current practises – internal improvements have been made as a result of this research. Successful negotiations have been held with the EPA and a new, more efficient system now operates. Further negotiations with the Department for Planning and Infrastructure and the Heritage Council of WA are underway.

The DIA was a member of the Interagency Implementation Group that was responsible for the implementation of a number of recommendations from the Keating Review*. The DIA expects to meet the timelines agreed as part of the Integrated Project Approvals System.

* In September 2001 State Development Minister Clive Brown set up an independent committee to review the approvals process for development projects in WA. Dr Michael Keating was appointed and in January 2002 the Keating Review was released, with 56 recommendations on a range of issues concerning interagency integration, Native Title and Aboriginal heritage.

In 2004-2005, a partnership has been established with the State Records Office to digitise archival information for searching requirements. The ARU has also approached the Battye Library, Berndt Museum and the Benedictine Community of New Norcia to negotiate their inclusion in the strategy.

Regional Heritage

In 2004-2005 regional heritage achievements include the following:

- An Indigenous Land Use Agreement (ILUA) was negotiated for the central country zone of the Wheatbelt region. The ILUA provides for a

comprehensive Aboriginal heritage management process as part of an alternative future act regime under the *Native Title Act 1993* (NTA). The ILUA was negotiated with the South West Aboriginal Land and Sea Council (on behalf of relevant native title claim groups), the WA Local Government Association and the State of Western Australia through DIA and the State Solicitor's Office.

- Demonstrating the breadth of heritage issues around the State, heritage management planning focused on the Albany region, Mulka's Cave at Hyden, Wilgie Mia and Walga Rock near Cue, Broome, the Stirling Ranges, Two Mile Ridge in Port Hedland, Fitzroy Crossing Pioneer Cemetery, the Kimberley Charter Boat Strategy and community heritage training in Manjimup.
- Alleged breaches of Section 17 of the AHA were investigated at the Flying Foam Standing Stones, on the Burrup Peninsula, and Trotman's Cave, near Telfer.
- An application was made on behalf of the ALT for consent under Section 18 of the AHA to conduct ground-disturbing works at Goolarabooloo Hostel in Broome. These works will be conducted in 2005-2006 and will enable traditional dance and ceremonial activities to be practiced at the site once again.
- Numerous site recordings have been undertaken. Notable field trips included site recording in areas around Kiwirrkurra, Warmun and Albany.

Federal Submissions under Federal ATSIHPA

DIA successfully completed and submitted to the Federal Minister for the Environment and Heritage, submissions in response to applications made pursuant to the *Federal Aboriginal and Torres Strait Islander Heritage Protection Act* (ATSIHPA) 1984. These applications challenge the decisions made by the WA Minister for Indigenous Affairs on Heritage matters and required a detailed response explaining the position taken by the Minister.

At 30 June, the status of applications for 2004-2005 was:

- The Federal Minister has dismissed three applications for the protection of sites at Mt Jackson, Windarling and Pigeon Rock.

REPORT ON OPERATIONS

- The Federal Minister has dismissed an application lodged by the Nyungah Circle of Elders for the protection of Aboriginal sites that are claimed to be affected by the proposed Tonkin Highway Extension in the Perth region of WA.
- The Federal Minister has dismissed applications for the protection of Wright Lake and its surrounds and Champion Lakes in Armadale, lodged by Mr Iva Hayward-Jackson on behalf of the Nyungah Circle of Elders.
- The Federal Minister has dismissed a Section 9 application regarding the Broome Bird Observatory.
- A Federal decision is pending over a Section 10 application regarding the Broome Bird Observatory.

LAND

Aboriginal Lands Trust

The DIA supports the Aboriginal Lands Trust (ALT) in the care, control and management of nearly 350 properties across Western Australia. The properties

represent more than 27 million hectares, or 13 per cent of the State.

Most of this land is in the form of reserves and some areas of freehold land and leasehold land. Since a major review of the ALT in 1996, the DIA has been involved in the transfer of the ALT land estate back to Indigenous people.

The roles of the DIA in land are to:

- Support the ALT in the effective and sustainable management of the land estate it holds in trust for Indigenous Western Australians.
- Facilitate the transfer of ALT land to Indigenous people.
- Provide advice and support to the ALT, Indigenous people, the government and other important stakeholders about the care, control and management of Indigenous land.

The ALT's work focuses on enterprise development, land management and infrastructure development. Members are appointed on the basis of knowledge and skills in these areas.



Aboriginal Lands Trust property represents about 13 per cent of the State.



REPORT ON OPERATIONS

The 2004-2005 ALT board members are:

• Ron (Doc) Reynolds	Chairperson
• Gordon Cole	Member
• Leslie Cook	Member
• Kevin Giles	Member
• Betty Logan	Member
• Shirley McPherson	Member – term expired 31 March 2005
• Susan Murphy	Member
• Stephen Cannon	Executive Officer

In 2004-2005, the ALT held five full trust meetings, including one regional meeting at Bungarun. Five teleconference meetings were also held.

The ALT works according to a three-year Strategic Plan, developed in 2003-2004 for the 2004-2007 period, to ensure the estate is managed in a way that is open, accountable, consultative and pro-active. The three-year plan provides a strategic vision for the ALT estate and for the direction of ALT business. The plan was presented to the Minister for Indigenous Affairs and a version suitable for clients was published.

In 2004-2005, the Trust approved three major policies, relating to transfer, leasing and land use and development.



The ALT board meets regularly in Perth – pictured are Chairperson Doc Reynolds (with hat) and (to his right) ALT Executive Officer Stephen Cannon.

In 2005 the ALT, with assistance from the DIA's Communications and Marketing section, launched a regular ALT newsletter which is distributed to ALT stakeholders.

Community Grants

Over the course of the reporting period, the Aboriginal Lands Trust responded to community needs by approving grants totalling almost \$660,000.00.

Details of these grants are:

Organisation	Purpose	Amount
Ngaanyatjarra Air	Part funding to replace aircraft	\$300,000.00
Menzies Aboriginal Corporation	Purchase of property (Menzies)	10,000.00
Yandina Family Centre	Purchase of property (Roebourne)	9,118.00
Woolah Aboriginal Corporation	Land management (Harry's Hole – East Kimberley)	14,660.00
University of Western Australia	3 year research program – "Lost lands"	15,000.00
Department of Indigenous Affairs	Upgrade to online entry permit system	20,000.00
Mugarinya Community	Capital investment	21,787.00
Mungallah Community	Children's playground equipment	33,732.00
South West Aboriginal Land and Sea Council	Property Management Plan (Tone River)	6,600.00
Department of Housing and Works	Part funding – town reserves project officer	60,000.00
Barrell Well Community	Community bus	40,480.00
Bungarun	Property maintenance and improvement	68,362.00

REPORT ON OPERATIONS

Asset management

In 2004-2005 the DIA's Land branch introduced some new land asset management procedures and strategies and developed some existing management systems. These included:

- Developed and installed an Assets page on the Land Register to record and collate data produced by the asset inventory.
- Asset Inventory of approximately 85 per cent of ALT estate, either by EHNS, DIA Survey or research, and details undertaken recorded;
- Developed a capital works financial reporting system.
- First year capital works allocation committed or spent in 2004-2005.
- Administration and Statewide rollout of the Landlink project completed.
- Documented asset inventory and capital works processes developed for regional use.
- Initial investigations were undertaken into risk assessment, insurance, water and shire charges, old leases, and fire and safety requirements. Specific policy development work will be required in 2005-2006.

Land transfers

In 2004-2005 the DIA's Land branch undertook or completed the following land transfer projects:

- Land Transfer Policy was developed, approved and published.

- Leasing policy and process document was developed, approved and published.
- Memoranda of Understanding executed with Kimberley Land Council and Yamatji Marlpa Baba Maaja Aboriginal Corporation.
- Development and agreement of priority transfers, and resource requirements with the Native Title Representative Bodies across the State.
- Transfers were completed in Derby, Wiluna and Ngurawaana, and significant progress was made in a number of complex, ongoing transfers at Bidyadanga, Broome, Esperance, Mt Magnet and East Perth.
- Work begun on Town Reserves, Lost Lands and Asset Transfer policies.
- Involvement in the negotiation and/or resolution of major community development and management issues resolved in Derby, Broome, Dampier Peninsula, Mogumber and Perth.

Land management

The Land team in DIA's Head Office and in regional branches completed a range of achievements in 2004-2005. These included:

- *Resource management forum* – Convened a forum on behalf of the Natural Resource Management Senior Officers Group to focus on engagement of Indigenous Western Australians in natural resource management and the management of Indigenous controlled land.



The transfer of land title to the Yindjibarndi people of the Ngurawaana community, south of Karratha, was a turning point in the history of this Pilbara community. This celebration was also marked by the opening of a school.



REPORT ON OPERATIONS

- *Resource enterprise workshop* – Co-convened a workshop in Broome focussing on Indigenous Natural Resource Enterprise development, in partnership with the Department of Education and Training and Nirrumbuk Aboriginal Corporation.
- *Land use inventory* – Commenced the land use inventory (environmental review) of ALT estate with an initial focus on the DIA's Pilbara and Metro-Wheatbelt regions.
- *Communities Program planning awards* – The partnership with Department of Housing and Works (DHW) and Department of Planning and Infrastructure (DPI) in the Planning for Aboriginal Communities Program (Community Layout Plans) recognised through a WA Premier's Award for Excellence, Royal Australian Planning Institute State and national awards and DPI's Chief Executive Officer Award.
- *DHW Memorandum of Understanding (MOU)* – An MOU with DHW was completed and put into action to provide a framework for the coordinated establishment of infrastructure and development on ALT-controlled land.
- *Development applications* – More than 200 development applications were processed through the ALT's Land Use and Development Policy.
- *Policy review* – The ALT Land Use and Development Policy was reviewed and a client version of the revised policy was published.
- *Merredin agreement* – An agreement was negotiated with the Shire of Merredin regarding the establishment of community facilities on Merredin Reserve and the development of a land use management plan for the broader area (in partnership with Goldfields Regional Office).
- *Ninga Mia agreement* – An agreement was negotiated with the Department of Environment to establish a dust monitoring program at Ninga Mia and a range of planning issues were resolved in partnership with the community and agency stakeholders.
- *Wilgie Mia and Walga Rock MOU* – Established an MOU with the Shire of Cue, Yamatji Land and Sea Council, Wajari Elders and Thoo Thoo Warninha regarding access and future management of Wilgie Mia and Walga Rock (partnership with DIA's Gascoyne-Murchison Regional Office and the Heritage and Culture Branch).
- *Kimberley weed strategy* – Negotiated a strategy for a community-based approach to tackling a declared weed infestation in the Kimberley (Oombulgurri Reserve) in partnership with the Department of Agriculture, Joorook Ngarni Aboriginal Corporation, Nulla Nulla Community and the Indigenous Land Corporation (in partnership with the DIA's East Kimberley Regional Office).
- *Bungarun works* – Initiated infrastructure upgrade works at Bungarun (the old Derby Leprosarium) including improved signage, external works on the conference building, refurbishment of the bunkhouse kitchen and commissioning of design works for a commemorative feature at the cemetery.
- *Bungarun Workcamp lease and MOU* – Negotiated agreed leasing principles for the Department of Justice's Workcamp at Bungarun and initiated the drawing up of a new three-year lease. Drafted an MOU with the Department of Justice regarding the operation of the Workcamp.
- *Looking After Country grants* – Successfully negotiated a partnership with the Indigenous Land Corporation for the establishment of the Looking After Country Grants Program.
- *Transit permits* – 1854 transit permits issued from 1 July 2004 to 12 May 2005.
- *Hope Downs Railway* – Negotiated an agreement for access and construction of the Hope Downs Railway through Yandeyarra Reserve.
- *Doon Doon agreements* – Established an agistment agreement for Doon Doon pastoral lease, and negotiated a management agreement for an area of high biodiversity value on Doon Doon Pastoral lease.
- *Beagle Bay timber plantation* – Initiated an independent assessment of the performance of the trial and viability of an expanded timber plantation at Beagle Bay and worked in partnership with the Department of Industry and Resources to resolve issues associated with the timber plantation (in partnership with the DIA's West Kimberley Regional Office).

REPORT ON OPERATIONS

COMMUNICATIONS

In 2004-2005 the DIA's Public Affairs branch was renamed Communications and Marketing (CAMs), to better reflect the activities of the section. Team member position titles have also been renamed for the same reason. The section has grown to include a Web and Marketing Coordinator, to work with the DIA's Information Management team and external contractors on the DIA and PALS websites and to manage the development of an Indigenous Information Portal.

CAMs works to achieve the goals of the DIA's Mission, and to promote greater understanding of Indigenous heritage and culture. CAMS responsibilities include the following:

- Develop and implement education and awareness campaigns that promote heritage and culture.
- Initiate promotional opportunities and campaigns to further the DIA's goals.
- Coordinate the DIA's corporate sponsorship program.
- Respond to the Director General's (DG) requests for media and promotional support and provide the DG with media advice.
- Manage DIA's internal communications, through media such as *Tarwargin*.
- Provide media releases and information to the media about the DIA.
- Respond to media-related Ministerials.
- Produce the annual report.
- Produce promotional material about the DIA and its projects for use at DIA or external events.

- Support DIA branches needs for promotional and advertising material for external or DIA-managed events.
- Manage DIA promotional and marketing events.

Major highlights of CAMs work in 2004-2005 include:

• ENRICH

Underpinning DIA's work is the ENRICH program, a promotional strategy launched in January 2003 that links DIA work with a single philosophy: to encourage reconciliation through greater understanding and awareness of Indigenous culture and heritage. ENRICH brings together under one brand the DIA's program of new and existing educational, awareness and funding initiatives and projects that promote reconciliation in every Western Australian community.

ENRICH contributes to fulfilling the DIA's commitment to the signing in October 2001 of the Statement of Commitment to a new and just relationship between the State Government and the Indigenous people of Western Australia.

ENRICH projects aim to deepen understanding between Indigenous and non-Indigenous people and enable Indigenous people from communities around the State to express pride in their culture and freely share knowledge of their heritage with the rest of the community. A society free of racial prejudice and instead filled with hope and respect for differences between people is ENRICH's ultimate goal.

In 2004-2005 the ENRICH brand, a simple drawing of a hand around the letter 'e', was developed for use on ENRICH projects. Optimism, harmony, respect, understanding and social wellbeing are the personal and community goals that underpin the ENRICH signature.

The first project to carry the ENRICH brand was the PALS Schools Reconciliation Awards, and in 2005 all successful PALS projects will carry the brand.

In 2005, on 23 May in the lead-up to Reconciliation Week, ENRICH was launched by the Minister for Indigenous Affairs to the corporate sector, at an event in the Governor Stirling Tower foyer. Government, business and charitable organisations were invited to submit projects to DIA for approval as ENRICH supporters.

BHP Billiton Iron Ore, as the major PALS supporter, was announced as the first corporate ENRICH supporter. Organisations can become supporters and use the ENRICH brand on promotional material if their



Communications and Marketing Section officers work to advance reconciliation through programs such as PALS and ENRICH.



REPORT ON OPERATIONS



Amy and Olivia – the faces of the PALS Schools Reconciliation Awards in 2005.



In PALS first year, Banksia Park Primary School, in Leeming, won the 2004 BHP Billiton Iron Ore PALS Prize for the year's best PALS project.



Government and industry work together through PALS – BHP Billiton Iron Ore's Vice President External Affairs Stedman Ellis (left) and Indigenous Affairs Minister John Kobelke share aspirations for reconciliation.

project meets specific criteria (more information on the DIA website). Criteria are based on the project's commitment to reconciliation and promoting Indigenous heritage and culture.

As well as PALS, DIA ENRICH projects include the ENRICH reconciliation and heritage grants scheme, ENRICH cultural sponsorships, ENRICH walk trails, the ENRICH Indigenous Information Portal.

• PALS Schools Reconciliation Awards

PALS activity is based on the WA school calendar, rather than the financial year.

After the launch of the PALS Schools Reconciliation Awards and the announcement of PALS Future Project prizes early in 2004, the highlight for PALS – which means Partnership, Acceptance, Learning and Sharing – in the second half of the year was the announcement of the first PALS award winners.

The PALS Make a Difference Awards were announced at an event held during the Fremantle Festival's Wardarnji Aboriginal Cultural Celebration, on 20 November 2004. Twelve awards, including the main BHP Billiton Iron Ore Prize, were presented to 11 schools by the Minister for Indigenous Affairs and BHP Billiton Iron Ore. Indigenous artworks, certificates and PALS gift bags were given to prize winning schools.

The DIA contributed to the event by sponsoring the concert performers, primarily The Mary G Show. The DIA had a marquee at the event, where PALS projects and DIA, ENRICH and BHP Billiton Iron Ore promotional material was displayed. A bush tucker afternoon tea was provided for special guests, including representatives from winning school students.

More than 6000 WA primary and secondary school students contributed to PALS in 2004, with 15 schools winning awards which recognised their efforts to contribute to better awareness and understanding of Indigenous heritage and culture.

In 2005 the awards program was reviewed and it was decided that the Future Project category of the PALS awards, which offered cash prizes of \$2000, would be replaced by the ENRICH grants for PALS program, to support schools wanting to enter the awards. The program was promoted in March 2004 by CAMs through regional and metropolitan presentations, media coverage, PALS and DIA website news, and PALS and DIA newsletters.

REPORT ON OPERATIONS

Sixty-two schools applied for the ENRICH grants, with 47 schools receiving a total of \$57,329 in funds. Grants are up to a maximum of \$2000 and no more than half the project cost. All grant recipients are required to enter the school's project in the PALS awards.

BHP Billiton Iron Ore has continued its commitment to PALS sponsorship in 2004. The Department of Education and Training, a founding sponsor, has discontinued its sponsorship in 2005.

In 2005 awards will again be presented at Wardarnji in November, with a second regional awards and cultural celebration event planned for Port Hedland in October, where the PALS award prizes, WA Indigenous artwork, will be displayed.

PALS artwork prizes were first shown at the ENRICH corporate supporters' launch, on 23 May 2004.

CAMs has produced a range of PALS promotional material in 2005, including a new poster, pull-up displays and information packs.

Development of the PALS website continued in 2005. Advances included the installation of the Mailmaster system, which enables the publication and distribution of the PALS newsletter by CAMs officers. The website offers information about the PALS awards and projects, as well as extensive information about Indigenous heritage and culture that would be of value to both students and general web users with an interest in Australian Indigenous culture.

- **ENRICH walk trails**

Planning for the ENRICH Swan Foreshore Walk Trail, an Indigenous interpretive trail along the Swan Foreshore, is continuing. A period of public comment was launched at WA On Show, at August 2004, where a touch screen presentation, a display of the plan and information about the trail were distributed. Public comment is being considered in the development of the plan, and possible sites and themes for the trail are being finalised.

- **ENRICH Reconciliation and Heritage Grants Scheme**

Under the State-wide Reconciliation and Heritage Grants Scheme, a total of 41 community-driven reconciliation and heritage projects were offered \$175,272 in grants of up to \$5000. Grants were awarded for projects



WA On Show gave DIA AHRU and CAMs officers an opportunity to promote agency work on reconciliation, family history and interpretive heritage trails.

that demonstrated potential to make significant and permanent advances for reconciliation.

DIA also supported reconciliation by providing \$30,000 sponsorship to the National Reconciliation Conference, held in Kalgoorlie-Boulder on 21-23 September, 2004.

In 2005 the grants scheme has been reorganised to include all DIA grants under the ENRICH banner, with ENRICH grants for PALS projects, of up to \$2000, now included in the scheme.

Other achievements for CAMs in 2004-2005 include:

- **WA On Show** – Display to promote the PALS Schools Reconciliation Awards and the ENRICH Swan Foreshore Walk Trail at the new Perth Convention Centre's first exhibition in August 2004.
- **Aboriginal People's Room** – Supported WA Parliamentary officers for the room's opening in July 2004, including arranging for appropriate Aboriginal Elders from around WA to attend.
- **Port Hedland Community Patrol** – Produced media and promotional material and staff support for the June 2005 launch.
- **Indigenous Information Portal** – Began work on the five-stage project to develop a World Wide Web Indigenous Information Portal to provide website links to a range of subject areas, relevant to Indigenous interests, including business, culture, arts, heritage, education, welfare, communities, government, service industries and personal development.



REPORT ON OPERATIONS

- UWA's *Historical Encyclopaedia of WA*** – In 2004 a DIA Indigenous public affairs officer was outposted for six months to the University of WA to research and write Indigenous history for the UWA's *Historical Encyclopaedia of WA*. The encyclopaedia is expected to be published in 2006.
- WA Government Reconciliation Handbook** – A handbook of State Government reconciliation initiatives has been completed and is available on the DIA website. The guide lists projects and activities by Government agencies that aim to encourage reconciliation and is supported by Reconciliation Australia.
- 175th Anniversary of Settlement** – A calendar of events highlighting Indigenous heritage and culture was created by DIA as part of the 175th Anniversary of Settlement activities in 2004. Activities included the opening of the new Aboriginal People's Gallery in the Western Australian Parliament building, the PALS Awards launch, NAIDOC 2004 sponsorship, PIAF and Survival concert sponsorship, the Indigenous interpretive trail project, participation in WA on Show.
- NAIDOC Week** – DIA was a major sponsor of National Aboriginal and Islander Day Of Celebration Week event in Forrest Place, Perth, in July 2004. CAMs presented a DIA display and gave away tickets to Indigenous heritage tours. DIA also sponsored a radio campaign promoting the event and the Indigenous Public Sector Employee Award. DIA regional offices actively supported NAIDOC events around the state.
- Cultural events sponsorship** – The DIA provides significant sponsorship to two major cultural events in Perth to expose a maximum audience to Indigenous heritage and culture through music, arts or entertainment. In 2004-2005 these were the University of WA's (UWA) Perth International Arts Festival (PIAF) and the Australia Day Survival concert. The DIA also sponsored the Perth NAIDOC Week concert, and the Clontarf Academy's Broome to Bicton concert, in February 2005.
- CAMs output** – In 2004-2005, CAMs produced more than 60 media releases, more than 25 speeches, more than 50 briefing notes, 52 editions of Tarwagin, eight PALS newsletters, more than 20 specialist/industry publication articles, four ALT



Aboriginal Elders from around WA attended the opening of the Aboriginal People's Room at WA Parliament in 2004.

newsletters, and a wide range of DIA promotional publications or materials, including the annual report and DIA fact sheets and information kits. Each week CAMs responds to more than 30 public inquiries and more than 10 media inquiries. CAMs makes up to 50 internal and external presentations each year, manages more than 15 ministerial and DIA events, and organises staff meetings and video conferences. CAMs is also responsible for tasks related to ENRICH brand management.



DIA sponsors cultural events such as the Clontarf Academy's Broome to Bicton concert, featuring Archie Roach.

REPORT ON OPERATIONS

Disability Service Plan Outcomes

The DIA continues to maintain and provide an ongoing commitment to ensure that all products, services, buildings and facilities are safe and accessible to meet the needs of people with disabilities.

The department has an established Disability Services Plan with formalised strategies, time frames and responsibilities and is due for review in 2006.

Cultural Diversity and Service Outcomes

A preliminary paper was prepared in September 2004 profiling a range of workforce indicators, including gender, age, ethnicity and turnover. A review of this information helped DIA identify and benchmark the following significant workforce issues to help the agency make strategic decisions to improve current and future business outcomes:

- 4 per cent of DIA employees are youth.
- 24.5 per cent (37) of DIA staff are nearing retirement age (50+yrs).
- 43 per cent of female staff are employed at Levels 1 to 3 compared with 15 per cent of men employed at the same levels.
- Indigenous representation has steadily declined over the past three years, i.e. 36 per cent, 33 per cent, 30 per cent respectively.
- Staff turnover rate consistently averaging 30 per cent, with one third of this representing contract staff.

In addition to this, a *Future Intentions Survey* was circulated in November 2004 to all staff to collect information that was used to further inform, confirm and develop appropriate workforce planning strategies and initiatives.

As a result of these information-gathering exercises, the following key strategies have been identified and considered critical to achieving the DIA mission and driving future change over the next five years.

- Workforce development
- Succession planning
- Workforce diversity
- Leadership and management

A draft Strategic Workforce Plan has been prepared incorporating these key strategies and targets and will be finalised in July-August 2005 after staff consultation.

Youth Outcomes

The DIA has engaged three Indigenous school-based trainees in regional offices, in Broome, Kalgoorlie and Albany.

The DIA has also created an information booklet, *A Career in Indigenous Affairs*, and has attended a range of career expos and university open days. These activities aim to address the potential attrition of staff and to recruit young officers to ensure we maintain a mobile, diverse and motivated workforce.

Language Services

As part of the Government's commitment to improving customer service and implementing the Government's Language Services Policy, the DIA continues to plan for language services by incorporating interpreting and multilingual information needs into agency budgeting, and human resource and client service program management.

Shared Corporate Services Reform

Considerable progress was made in 2004-2005 towards the integration of some corporate service functions into a Shared Service Centre (SSC). While the DIA will not 'roll into' the SSC until the second quarter of 2007, staff are kept regularly informed of progress.



REPORT ON OPERATIONS

The Environment

Waste paper recycling

Most of the DIA's waste paper is recycled under contract by the provision of confidential and general waste paper bins in all offices throughout the State.

Energy Smart Government Program

In accordance with the Energy Smart Government policy, the DIA has committed to achieving a 12 per cent reduction in non-transport related energy use by 2006-2007 with 8 per cent reduction targeted by 2004-2005. Relevant reporting data is provided in the table below:

Energy Smart Government program	Baseline Data	2004-2005 Actuals	Variation %
Energy Consumption (GJ)	1,847	1,361	-26.00
Energy Cost (\$)	85,139	64,959	
Greenhouse Gas Emissions (tonnes of CO ₂)	472	344	
Performance indicators			
• MJ/sqm	363	381	
• MJ/FTE	13,989	N/A	
• MJ/Occupancy	13,989	10,715	
• Electricity cost/kWh	16.60¢	17.18¢	

Note: As advised by the Sustainable Energy Development Office, indicators with FTE/staffing data are no longer required.

During the year, the following energy saving initiatives were undertaken:

- Continuation of procurement policies and practices, which included energy efficiency and ability to power-save as key criteria.
- Equipment set to "power save" where available.
- Ongoing review of initiatives to reduce energy consumption to ensure the department continues to meet the 2006-2007 target.
- Continuation of procurement policies and practices, which included energy efficiency and ability to power-save as key criteria.
- Major refit for a section of the Perth office included installation of energy efficient lighting and refit furniture and fittings compatible with this initiative.

- Energy Executive and working group continued to examine issues to reduce energy consumption.
- Following an evaluation of cost and consumption data for the largest office (Perth), the Department has now realised significant savings on consumption costs.
- Rationalisation of offices has also contributed to reduced energy consumption.
- Equipment set to "power save" where available.

Occupational Health and Safety

The DIA's Occupational Safety and Health Policy and Advisory Group (OSHPAG) continued in 2004-2005.

The OSHPAG is an enthusiastic and proactive group committed to ensuring that DIA employees have a safe and healthy working environment. Key OSHPAG achievements for 2004-2005 include:

- Bi-annual inspections of all DIA worksites, including regional offices.
- The ongoing success of DIA's Wellness Program.
- Annual review and updating of all OSH policies. This included updating Emergency Procedures and recruiting and training new Floor Wardens and First Aid Officers.
- Statutory training and ongoing development of all OSH representatives.
- Ergonomic assessment audit completed for all Head Office staff in September 2004 and regional offices on request.

DIA's Wellness Program continues to provide employees with access to health-related activities, including:

- Neck and shoulder massages.
- Subsidised yoga classes.
- Participation in the Statewest Corporate Challenge.
- Encouraging group participation in blood donations.

REPORT ON OPERATIONS

There were two new worker's compensation claims lodged in 2004-2005, however, these resulted in no lost time and all outstanding claims from previous years were finalised.

Due to the introduction of new award provisions relating to Personal Leave, which replaced sick leave and carers leave, the DIA is unable to provide comparable sick leave data. However, this will be reviewed and a new process for monitoring usage in the new financial year will be implemented.



REPORT ON OPERATIONS

The Economy

Aboriginal Economic Development Strategy in Port Hedland

Western Australia is currently experiencing significant resource expansion and, in particular, industries in the Pilbara have announced major expansion projects to meet supply for global markets.

To capitalise on this opportunity, the WA State Government, through a partnership between the DIA and the Office Aboriginal Economic Development, has developed a specific approach to coordinate economic development opportunities for Indigenous people in the Pilbara.

The approach involves a close interface between industry, Government and Indigenous people.

This approach is consistent with the Ngarda Ngarli Yarndu Regional Council's regional planning approach to economic development by the creation of two economic hubs. The first hub will focus on major investments and contracts whilst the second hub will capitalise on smaller scale economic development and residual benefits that may come from the first hub.

The number one objective of this approach is to increase Aboriginal employment and increase the opportunities for Aboriginal people to engage in enterprises as a result of the resource expansions.

REPORT ON OPERATIONS

Governance

Equal Employment Opportunity Act Outcomes

The DIA has continued to attract, retain and develop a diverse workforce through the key priority areas identified in the *Equity and Diversity Plan for the Public Sector Workforce 2001-2005* and the Department's *Indigenous Employment and Diversity Plan 2003-2005*. Key outcomes have included:

- Recruitment of two Indigenous trainees in the Broome and Kalgoorlie Regional Offices.
- Ongoing provision of DIA Mentor Program with 12 participants successfully completing the program for 2004-2005.
- Development of the Leadership and Management Development Program that included an extensive needs analysis, including staff consultation. The successful tenderer was the Integral Leadership Centre at the University of WA. The DIA is finalising the program content and will commence delivery to 20 senior managers in July 2005. The program will focus on three keys areas:
 - Fairness, respect and trust in working relationships
 - Openness in communication
 - Organisational values and culture
- Attended career expos and developed an information booklet, *A Career in Indigenous Affairs*, to promote and attract new recruits.
- The DIA participated in the Office of Public Sector Standards survey on Human Resource Standards, Ethics and EEO in April 2005. The results of the Climate Survey will be used to provide valuable information on the DIA's human resource management and ethical practices and will provide a view on equity and diversity management for inclusion in our Strategic Workforce Plan.

The DIA is committed to meeting the desired outcomes of the *Equity and Diversity Plan* to ensure sustained improvement in equity and diversity.

Compliance with Public Sector Standards and Ethical Codes

The DIA remains committed to maintaining high standards in human resource management and as such has policies and guidelines in place that support compliance with the Public Sector Standards in Human Resource Management, Code of Conduct, and the WA Public Sector Code of Ethics.

For the period 1 July 2004 to 30 June 2005, no requests for a review of the Public Sector Standards in Human Resource Management were received.

Information Statement

The *Freedom of Information Act 1992*, which came into effect on 1 November 1993, created a general right of access to documents held by State and local government agencies. The Act requires agencies to make available details about the kind of information they hold and enables people to ensure that personal information held by government agencies about them is "accurate, complete, up-to-date and not misleading". DIA aims to make information available promptly, for the least possible cost and, wherever possible, documents will be provided outside the Freedom of Information process.

Freedom of Information applications for 2004-2005

The DIA received five applications for access to agency records under the *FOI Act 1992*, in 2004-2005. All applications were processed within the stipulated deadlines as set in the Act. DIA did not receive any applications for Internal or External Review of its FOI decisions made within this period.

Statement of Compliance with State Records Act 2000

The DIA Record Keeping Plan (RKP) details how the DIA should create and keep records. The RKP comprises documents which, when assessed as a whole, provide an accurate reflection of the DIA's record keeping program. Documents referenced in the DIA RKP include the DIA Disposal Authority and Record Keeping Policies and Procedures.



Principle 6, compliance to the *State Records Act 2000*, states that the DIA Annual Report should include evidence of the DIA's work to maintain an efficient and effective record keeping system. Activities and decisions in 2004-2005 to support this include the following:

- An evaluation of the DIA record keeping system will be established not less than once every five years – an evaluation will begin 2008.
- Records management training will be held within the agency. The Coordinator of Corporate Information coordinates records management training for DIA Management Support Officers (MSOs) and Records Branch officers. Records keeping procedure manuals are provided to DIA MSOs and Records Branch officers.
- A process will be developed to evaluate the efficiency and effectiveness of the DIA RKP training program.
- DIA Induction program will address employee roles and responsibilities in compliance to the DIA RKP. Records training programs for new officers will be included in the DIA Induction Manual.

Electronic Records Keeping

DIA commenced an appraisal of an Electronic Document Record Management System (EDRMS) in 2005. Implementation and training for all DIA officers in the use of EDRMS will occur during 2005-2006.

Public Interest Disclosures

There were no declarations of public interest in 2004-2005.

Advertising and Sponsorship

The DIA spent \$64,664 on advertising in 2004-2005.

Industrial Arrangements

A range of policies and procedures were amended and updated to reflect changes that resulted from the introduction of the Public Service General Agreement 2004. This included the development of new processes, procedures and policies relating to the application of Personal Leave and the formation of a Joint Consultative Committee that met for the first time in May 2005.

Corruption Prevention

The DIA participated in the Crime Corruption Commission (CCC) Survey in May 2005. This examined corruption risks in the DIA and what mechanisms it has to try and reduce the incidence of misconduct.

The DIA also asked the CCC to make a presentation to the Executive Management Group (EMG) in March 2005 on the role of the CCC, the definition of misconduct, and an explanation of the agency's notification responsibilities. This provided the impetus for the EMG to make a commitment to review and update the DIA's Codes of Conduct, Ethics and Values policies and to relaunch and promote these to all staff in the new financial year.

Sustainability

In 2004-2005 the DIA completed its *Sustainability Action Plan 2005-2007*. The plan identifies the DIA's actions against the 40 commitments of the Sustainability Code of Practice, and incorporates the ongoing work of the DIA in areas as such recycling, Energy Smart Government Policy, procurement, equal opportunity, coordination of service delivery, partnership development, land management and transfer and heritage site management. The plan can be viewed on the DPC's Sustainability website: www.sustainability.dpc.wa.gov.au. Most actions are due to be implemented in 2005-2006 and 2006-2007, with progress to be reported in future annual reports.

In 2004-2005 the DIA also reported its progress on specific actions under the State Sustainability Strategy using the DPC's On-line Sustainability Reporting system.



Performance Indicators



CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Department of Indigenous Affairs, and fairly represent the performance of the Department for the financial year ended 30 June 2005.

CHRIS COTTIER
Accountable Officer

31 August 2005

INDEPENDENT AUDIT OPINION



AUDITOR GENERAL

To the Parliament of Western Australia

DEPARTMENT OF INDIGENOUS AFFAIRS
PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

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

Scope

The Director General's Role

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

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

Summary of my Role

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

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

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

D D R PEARSON
AUDITOR GENERAL
13 October 2005



PERFORMANCE INDICATORS

The desired outcome of the Department of Indigenous Affairs (DIA) for 2004-05 was to achieve **sustainable improvement in social, cultural and economic outcomes for Indigenous people**.

DIA is obligated to report how well it achieved this desired outcome, using auditable indicators of performance. DIA has chosen to focus this report on what DIA can hope to directly influence: assisting the Indigenous, public and private sectors to deliver improved social, cultural and economic outcomes for Indigenous people. DIA is also required to measure and report on the organisation's efficiency.

Method used to determine outcome effectiveness

During the period 23 February 2005 to 4 March 2005 a total of 296 Indigenous, Government and business clients who had been directly involved in DIA projects and partnerships during 2004-05 were surveyed by telephone, fax or e-mail by interviewers from an independent research consultancy. There were 152 respondents to the survey giving a response rate of 51.3%. Those surveyed were asked the same questions and the results were used in determining both performance indicators.

Service 1

Support to Partnerships, Partnering Initiatives

Effectiveness indicator

The extent to which the Partnerships and Partnering Initiatives are effective in improving and sustaining social, economic or cultural outcomes for Indigenous people

This indicator measures the extent to which Indigenous client groups, Government and business, have moved from satisfaction with, to agreement that, DIA partnerships are effective. This is a direct measure of the effectiveness of DIA in coordinating and assisting the Indigenous, public and private sectors to deliver improved social, cultural and economic outcomes for Indigenous people.

This indicator has reduced slightly from 65.1% in 2003-04 to 61.2% in 2004-05.

Question asked in 2003-04 and 2004-05:

Agreement that the partnership is effective in improving and sustaining social, economic or cultural outcomes for Indigenous people?

	2003-04 Actual	2004-05 Actual	2004-05 Target
Percent of sample reporting "Agree" or "Strongly Agree" (average responses)	65.1%	61.2% ¹	70.0%
Number of respondents (including "don't know" "not relevant")	131	152	
Relevant client population for Indicator	196	296	
Response rate	66.8%	51.3%	
Sampling error at 95% level of confidence	±4.93%	±5.54%	

¹ A closer targeting of key partner groups for the 2004-05 survey population has provided a new benchmark for this indicator.

PERFORMANCE INDICATORS

Service 2

Information and Advice

Effectiveness indicator

The extent to which the Information and Advice provided by DIA is effective in improving and sustaining social, economic or cultural outcomes for Indigenous people

This indicator measures the extent to which Indigenous and Government client groups are satisfied with the information and advice provided by DIA in dealing with Indigenous matters. This is another role DIA plays in assisting the Indigenous, public and private sectors deliver improved social, cultural and economic outcomes for Indigenous people.

This indicator has increased from 63.6% in 2003-04 to 68.0% in 2004-05.

Question asked in 2003-04 and 2004-05:

Agreement that DIA provides information and advice which assists you to deal more effectively with Indigenous matters?

	2003-04 Actual	2004-05 Actual	2004-05 Target
Percent of sample reporting "Agree" or "Strongly Agree" (average responses)	63.6%	68.0%	65.0%
Number of respondents (including "don't know" "not relevant")	131	152	
Relevant client population for Indicator	196	296	
Response rate	66.8%	51.3%	
Sampling error at 95% level of confidence	±4.93%	±5.54%	

Method used to determine outcome efficiency

These indicators were introduced in 2001-2002, focusing the roles of DIA as providing information and advice to agencies and promoting the formation of partnerships between agencies and Indigenous communities. The cost efficiency indicators reported here relate to the relative cost of producing quantifiable units of each service (including sub-services) for:

Service 1: Support to Partnerships, Partnering Initiatives; and

Service 2: Information and advice

All figures below are based on accrual costings.



PERFORMANCE INDICATORS

Efficiency indicators 1 to 6

DEPARTMENT OF INDIGENOUS AFFAIRS SERVICES	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Actual	Budget target 2004-05
Service 1. Support to Partnerships, Partnering Initiatives					
Service 1.1 ALT and other Indigenous land partnering and project initiatives					
Average cost per land partnering and project initiative	\$10,471	\$17,566	\$72,821	\$178,396	\$62,238
<i>Variation in average costs resulting from decreased number of service outputs due to a more strategic focus for land transfers and additional funds allocated to land.</i>					
Service 1.2 Heritage and Culture partnerships and project initiatives					
Average cost per heritage and culture partnership and project initiative	\$14,719	\$16,247	\$191,212	\$56,496	\$113,034
<i>Variation in average costs resulting from increased number of service outputs.</i>					
Service 1.3 Coordinating, cooperating collaborating partnership and project initiatives					
Average cost per coordinating, cooperating and collaborating partnership and project initiative	\$13,750	\$20,711	\$118,580	\$85,128	\$112,351
<i>Variation in average costs due to an increased number of service outputs.</i>					
Service 2: Information and Advice					
Service 2.1 Strategic and Tactical Policy advice					
Average cost per unit of advice offered	\$7,662	\$8,588	\$32,519	\$52,446	\$50,540
Service 2.2 Formal requests from government, Cabinet and Minister for information and policy advice, including resolutions of statutory land and sites committees (ALT, APMC)					
Average cost per request answered/recommendation made	\$922	\$1,055	\$1,425	\$1,486	\$1,234
<i>Variation in average costs resulting from marginally lower than budgeted number of service outputs.</i>					
Service 2.3 Requests for information met through data systems					
Average cost per unit of information supplied	\$69	\$150	\$125	\$100	\$123
<i>Variation in average costs resulting from higher than budgeted number of service outputs.</i>					



Financial Statements



CERTIFICATION OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

The accompanying financial statements of the Department of Indigenous Affairs have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2005 and the financial position as at 30 June 2005.

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

CHRIS COTTIER
Accountable Officer
11 August 2005

signature

GRAHAM THOMPSON
Principal Accounting Officer
11 August 2005

INDEPENDENT AUDIT OPINION



AUDITOR GENERAL

To the Parliament of Western Australia

DEPARTMENT OF INDIGENOUS AFFAIRS
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion,

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

Scope

The Director General's Role

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

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Schedule of Expenses and Revenues by Service, Summary of Consolidated Fund Appropriations and Revenue Estimates, and the Notes to the Financial Statements.

Summary of my Role

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

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

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

D D R PEARSON
AUDITOR GENERAL
13 October 2005



STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2005

	Note	2004/05 (\$'000)	2003/04 (\$'000)
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	4	11,418	10,779
Supplies and services	5	4,201	4,581
Depreciation expense	6	309	314
Accommodation expenses	7	1,510	1,426
Grants and subsidies	8	2,440	3,065
Capital user charge	9	13	66
Carrying amount of non-current assets disposed of	10	6	5
Other expenses from ordinary activities	11	1	(1)
Total cost of services		19,898	20,235
Revenues from ordinary activities			
Revenues from operating activities	12		
Commonwealth contributions		7	194
Other revenue		1,202	1,117
		1,209	1,311
Revenues from non-operating activities			
Proceeds from disposal of non-current assets	10	–	12
Other revenue from ordinary activities	12	102	85
Total revenues from ordinary activities		1,311	1,408
NET COST OF SERVICES		18,587	18,827
REVENUES FROM STATE GOVERNMENT			
Service appropriation	13	18,461	18,038
Liabilities assumed by the Treasurer		71	7
Assets assumed/(transferred)		–	2
Initial recognition of assets not previously recognised		–	11
Resources received free of charge		160	87
Total revenues from State Government		18,692	18,145
CHANGE IN NET ASSETS		105	(682)
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS		105	(682)

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2005

	Note	2004/05 (\$'000)	2003/04 (\$'000)
Current Assets			
Cash assets	24(a)	188	228
Restricted cash assets	14	888	884
Receivables	15	353	256
Amounts receivable for services	16	163	163
Other assets	17	252	234
Total Current Assets		1,844	1,765
Non-Current Assets			
Amounts receivable for services	16	426	250
Plant, equipment and vehicles	18	510	541
Works of art	19	315	314
Total Non-Current Assets		1,251	1,105
TOTAL ASSETS		3,095	2,870
Current Liabilities			
Payables	20	512	245
Provisions	21	875	1,149
Other liabilities	22	219	348
Total Current Liabilities		1,606	1,742
Non-Current Liabilities			
Provisions	21	1,017	898
Total Liabilities		2,623	2,640
Equity			
Contributed equity	23	909	772
Reserves		173	173
Accumulated surplus/(deficiency)		(610)	(715)
Total Equity		472	230
TOTAL LIABILITIES AND EQUITY		3,095	2,870

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



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2005

	Note	2004/05 (\$'000) Inflows (Outflows)	2003/04 (\$'000) Inflows (Outflows)
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		18,122	17,675
Capital contributions	23	137	42
Holding account drawdowns		163	258
Net cash provided by State Government		18,422	17,975
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employees costs		(11,759)	(10,408)
Supplies and services		(3,955)	(4,574)
Grants		(2,442)	(2,144)
Accommodation		(1,508)	(1,356)
Capital User Charge		(13)	(98)
GST payments on purchases		(785)	(926)
GST payments to taxation authority		(133)	(206)
Receipts			
Grants and contributions		1,334	1,421
GST receipts on sales		128	188
GST receipts from taxation authority		814	1,062
Other receipts		26	10
Net cash provided by/(used in) operating activities	24(b)	(18,293)	(17,030)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		–	13
Purchase of non-current physical assets		(165)	(198)
Net cash used in investing activities		(165)	(185)
Net increase/(decrease) in cash held		(36)	760
Cash assets at the beginning of the financial year		1,112	352
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	24(a)	1,076	1,112

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

SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS AND REVENUE ESTIMATES

FOR THE YEAR ENDED 30 JUNE 2005

	2005 Estimate (\$,000)	2005 Actual (\$,000)	Variation (\$,000)	2005 Actual (\$,000)	2004 Actual (\$,000)	Variation (\$,000)
DELIVERY OF SERVICES						
Item 56 Net amount appropriated to deliver services	18,542	18,301	(241)	18,301	17,878	423
Amount Authorised by Other Statutes Salaries and Allowances Act 1975	160	160	–	160	160	–
Total appropriations provided to deliver services	18,702	18,461	(241)	18,461	18,038	423
CAPITAL						
Item 132 Capital Contribution	137	137	–	137	42	95
GRAND TOTAL	18,839	18,598	(241)	18,598	18,080	518
Details of Expenses by Service						
Support to Partnerships, Partnering Initiatives Information and Advice	13,798	14,009	211	14,009	14,103	(94)
	5,867	5,889	22	5,889	6,132	(243)
Total Cost of Services	19,665	19,898	233	19,898	20,235	(337)
Less total revenue from ordinary activities	(550)	(1,311)	(761)	(1,311)	(1,408)	97
Net Cost of Services	19,115	18,587	(528)	18,587	18,827	(240)
Adjustments (1)	(413)	(126)	287	(126)	(789)	663
Total appropriations provided to deliver services	18,702	18,461	(241)	18,461	18,038	423
Capital Expenditure						
Purchase of non-current physical assets	850	165	(685)	165	198	(33)
Adjustments for other funding sources	(713)	(28)	685	(28)	(156)	128
Capital Contribution (appropriation)	137	137	–	137	42	95
DETAILS OF REVENUE ESTIMATES						
Revenues disclosed as Operating Revenue	550	1,209	659	1,209	1,311	(102)

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

The amounts reported for 2004/05 and 2003/04 are on an accrual basis.

The Summary of Consolidated Fund Appropriations, Variance to Budget and Actual should be read in conjunction with the accompanying notes.

This summary provides the basis for the Explanatory Statement information requirements of TI 945, set out in Note 29.



SCHEDULE OF EXPENSES AND REVENUE BY SERVICE

FOR THE YEAR ENDED 30 JUNE 2005

	Support to Partnerships, Partnering Initiatives \$'000	Information and Advice \$'000	Total \$'000
2004/05			
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	8,038	3,380	11,418
Depreciation expenses	218	91	309
Supplies and services	2,958	1,243	4,201
Accommodation expenses	1,063	447	1,510
Grants and subsidies	1,718	722	2,440
Capital user charge	9	4	13
Carrying amount of non-current assets disposed of	4	2	6
Other expenses from ordinary activities	1	–	1
Total cost of services	14,009	5,889	19,898
Revenues from ordinary activities	923	388	1,311
NET COST OF SERVICES	13,086	5,501	18,587
REVENUES FROM STATE GOVERNMENT			
Service appropriation	12,997	5,464	18,461
Liabilities assumed by the Treasurer	50	21	71
Assets assumed/(transferred)	–	–	–
Initial recognition of assets not previously recognised	–	–	–
Resources received free of charge	113	47	160
Total Revenues from State Government	13,160	5,532	18,692
Change in Net Assets	74	31	105
2003/04			
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	7,513	3,266	10,779
Depreciation expenses	219	95	314
Supplies and services	3,193	1,388	4,581
Accommodation expenses	994	432	1,426
Grants and subsidies	2,136	929	3,065
Capital user charge	46	20	66
Carrying amount of non-current assets disposed of	3	2	5
Other expenses from ordinary activities	(1)	–	(1)
Total Cost of Services	14,103	6,132	20,235
Revenues from ordinary activities	981	427	1,408
NET COST OF SERVICES	13,122	5,705	18,827
REVENUES FROM STATE GOVERNMENT			
Service appropriation	12,572	5,466	18,038
Liabilities assumed by the Treasurer	5	2	7
Assets assumed/(transferred)	1	1	2
Initial recognition of assets not previously recognised	8	3	11
Resources received free of charge	61	26	87
Total Revenues from State Government	12,647	5,498	18,145
Change in Net Assets	(475)	(207)	(682)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

1. Departmental mission and funding

The Department's mission is: "To close the gap between the social, cultural and economic well-being of indigenous and non-Indigenous people through strategic leadership of land, heritage and culture, and whole of government coordination of Indigenous issues.

The Department is predominantly funded by Parliamentary appropriation. The financial statements encompass all funds through which the Department controls resources to carry on its functions.

2. Significant accounting policies

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

General statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions.

Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views.

The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

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

Basis of accounting

The financial statements have been prepared in accordance with Accounting Standard AAS 29 Financial Reporting by Government Departments'.

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

(a) Service Appropriation

Service Appropriations are recognised as revenues in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited into the Department's bank account or credited to the holding account held at the Department of Treasury and Finance (Refer Note 13).

(b) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities", transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position. Refer to Note 23 for further commentary in relation to this issue.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

2. Significant accounting policies (continued)

(c) Net Appropriation Determination

Pursuant to section 23A of the Financial Administration and Audit Act, the net appropriation determination by the Treasurer provides for retention of the following moneys received by the Department:

- proceeds from fees and charges;
- Commonwealth specific purpose grants and contributions;
- revenues derived from the sale of real property;
- one-off revenues with a value of less than \$10,000 derived from the sale of property other than real property; and
- other departmental revenue.

In accordance with the determination, the Department retained \$1,311,000 in 04/05 (\$1,408,000 in 03/04). Retained revenue may only be applied to the services specified in the 2004/05 Budget Statements.

(d) Grants and Other Contributions

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

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

(e) Acquisition of Assets

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

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

Items have been included as non-current assets if the purchase cost is \$1,000 or more or the written down value is more than \$1,000 and the economic life is expected to be two (2) years or more (except for works of art). Otherwise, assets are expensed in the year of acquisition.

Works of Art are considered assets if they have a purchase cost of \$500 or more.

(f) Depreciation of Non-current Assets

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

Depreciation is calculated on the straight line basis using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

- Information Technology Equipment 3 years
- Other Equipment 8 years
- Motor Vehicles 8 years

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

(g) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

2. Significant accounting policies (continued)

(h) Employee Benefits

Annual leave

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

Long service leave

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

Superannuation

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

The superannuation expense comprises the following elements:

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

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

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

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

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

Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses (see Notes 4 & 21).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

2. Significant accounting policies (continued)

(i) Leases

The Department has entered into a number of operating lease arrangements for the rent of offices, equipment and motor vehicles, where the lessor effectively retains all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property. (See also Note 25).

(j) Support Provided to AAPA/Aboriginal Lands Trust

Decision making authority in respect of the Aboriginal land estate effectively resides with the Aboriginal Lands Trust (ALT), a body established under the auspices of the Aboriginal Affairs Planning Authority Act 1972.

When the Aboriginal Affairs Department (now titled the Department of Indigenous Affairs) was established on 1 November 1994 it effectively took over the operations of its originating agencies, including the Aboriginal Affairs Planning Authority (AAPA). Staff previously employed by the AAPA at that time were transferred to the AAD. As a consequence, administrative support for the AAPA and the ALT was provided by staff employed by the AAD. During 2004/05, this support, on a service basis, has been estimated at approximately \$1,075,000.

(k) Receivables, Payables and Accrued Salaries

Receivables

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

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

Payables

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

Accrued Salaries

The accrued salaries suspense account (refer Note 14) 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 in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer Note 22) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not normally coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to the net fair value.

(l) Resources Received Free of Charge or for Nominal Value

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

(m) Revenue Recognition

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

2. Significant accounting policies (continued)

(n) Comparative Figures

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

(o) Rounding

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in some cases, to the nearest dollar.

3. Services of the Department

Information about the Department's services is set out in the Schedule of Expenses and Revenues by Service. The Department has no administered expenses, revenues, assets or liabilities.

The two key services of the Department are:

Service 1: Support to Partnerships, Partnering Initiatives

The provision of support to current partnering or new partnerships which involves Indigenous individuals, families, communities and representatives participating with government, the private sector, community groups and others to achieve agreed priorities.

Service 2: Information and Advice

State, Commonwealth and relevant local governments and others involved in Indigenous issues are provided with information and advice on policy, legislation and the planning, coordination, history, delivery and effectiveness of services.

4. Employee expenses

	2004/05 (\$'000)	2003/04 (\$'000)
Salaries	9,223	8,394
Superannuation (Refer Notes 2(h) & 13)	894	778
Other staff expenses	1,493	1,271
Long service leave	(141)	280
Annual leave	(34)	24
Other related expenses (i)	(17)	32
	<hr/> 11,418	<hr/> 10,779

(i) These expenses include superannuation, worker's compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 21.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
5. Supplies and services		
Services and contracts	2,340	2,533
Operating leases	587	593
Communication	333	437
Consumables	338	304
Repairs and maintenance	183	282
Electricity and water	152	118
Other	268	314
	4,201	4,581
6. Depreciation expenses		
Motor vehicles	1	1
Plant and equipment	37	38
IT equipment	271	275
	309	314
7. Accommodation expenses		
Lease rentals	1,250	1,333
Repairs and maintenance	193	32
Other	67	61
	1,510	1,426
8. Grants and subsidies		
Recurrent		
Grants to non-government agencies	2,298	2,418
Transfers/contributions to other agencies	142	647
	2,440	3,065
9. Capital User Charge		

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
10. Net gain (loss) on disposal of non-current assets		
Gain on disposal of Non-Current Assets		
IT equipment	–	8
Loss on disposal of Non-Current Assets		
IT equipment	(2)	–
Plant & equipment	(4)	(1)
Net gain/(loss)	(6)	7
11. Other expenses from ordinary activities		
Bad and doubtful debts expense (i)	1	(1)
	1	(1)
<p>(i) The accumulation of bad debts written off and doubtful debts written back resulted in the net result of 'negative' \$1,000 for 2003/04.</p>		
12. Revenues from ordinary activities		
Revenues from operating activities		
Commonwealth contributions		
MCATSIA funding (i)	1	88
Other	6	106
	7	194
Other revenue		
Contributions State Government agencies		
Heritage Management project	285	215
Keating Initiatives	210	–
Kimberley Interpreter Services	135	–
National Indicators	50	–
Community Partnership Initiative	42	–
Swan Valley Response	–	161
Aboriginal Community Patrols	–	120
Other	64	60
Other contributions		
Patrols	150	–
MCATSIA funding (i)	142	350
Other funding	124	211
	1,202	1,117
	1,209	1,311



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
12. Revenues from ordinary activities (continued)		
Revenues from non-operating activities		
Other revenue from ordinary activities		
Government Vehicle Scheme	23	22
Staff housing contributions	79	63
	102	85

(i) The Department assumed responsibility for the administration of the Ministerial Council of Aboriginal and Torres Strait Islander Affairs (MCATSIA) during 03/04. MCATSIA was previously administered, through a secretariat, by the NSW State Government. The funding received during the year was a combination of the balance of funds on hand and contributions from various States, Territories and the Commonwealth Government for the ongoing operations of the Council. Funds held for MCATSIA form part of Restricted Cash.

13. Revenues from State Government

Appropriation revenue received during the year:		
Service appropriations (i)	18,461	18,038
The following liabilities have been assumed by the Treasurer:		
Superannuation (ii)	71	7
The following assets have been assumed from/(transferred to) other government agencies during the financial year:		
Information technology equipment (iii)	–	2
Initial recognition of assets not previously recognised in the financial statements:		
Works of art (iv)	–	11
Resources received free of charge (v)		
Determined on the basis of the following estimates provide by agencies:		
Crown Solicitor's Office		
– various legal advice	141	67
Government Property Office		
– property management services	19	20
	160	87
Total revenues from State Government	18,692	18,145

(i) Service appropriations are accrual amounts reflecting the full cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year (refer note 16).

(ii) The assumption of the superannuation liability by the Treasurer is only a notional revenue to offset the notional superannuation expense reported in respect of current employees who are members of the pension scheme and current employees who have transfer benefit entitlement under the Gold State Superannuation scheme.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

13. Revenues from State Government (continued)

- (iii) The Department assumed responsibility for the administration of the Ministerial Council of Aboriginal and Torres Strait Islander Affairs (MCATSIA). A laptop computer was provided as part of the transfer. MCATSIA was previously administered by the NSW State Government.
- (iv) Where assets have been discovered or have not been previously recognised in the financial statements, the Department recognises the corresponding credit as revenue. As a result of a revaluation of Works of Art, assets valued at \$10,950 were brought to account for the first time in 03/04.
- (v) Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Department shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

14. Restricted Cash assets

Current

	2004/05 (\$'000)	2003/04 (\$'000)
MCATSIA (i)	308	256
Community Action Groups (ii)	72	112
Capacity Building (iii)	–	50
Land Management (iv)	42	42
PALS (v)	40	26
Grog Hotline (vi)	3	20
Heritage Management (vii)	95	14
Regional Works & Services (viii)	–	4
Language Services (ix)	45	–
Remote Recruitment (x)	50	–
Community Partnership (xi)	42	–
Pilbara Patrols (xii)	75	–
Interagency Implementation (xiii)	116	–
Accrued salaries suspense account (xiv)	–	360
	888	884

Funds in these accounts can only be used for the following:

- (i) MCATSIA
Funds held by the Department for the administration of the Ministerial Council of Aboriginal and Torres Strait Islander Affairs (MCATSIA).
- (ii) Community Action Groups
Funding to set up such groups within local indigenous communities (supported by other State Government agencies).
- (iii) Capacity Building
A project to assist indigenous communities improve capabilities to self manage.
- (iv) Land Management
Project linking indigenous land with the Natural Heritage Trust.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

14. Restricted Cash assets (continued)

- (v) PALS
Projects involving indigenous heritage and culture within schools.
- (vi) Grog Hotline
Contribution to the Grog Hotline facilitated by the Dept of Racing, Gaming and Liquor.
- (vii) Heritage Management
Funding to support the development of a heritage management system.
- (viii) Regional Works & Services
Minor works projects (externally funded).
- (ix) Language Services
Funds held for the Kimberley Interpreter Service, in conjunction with the WA Police Service.
- (x) Remote Recruitment
Project funding provided by ATSIS in relation to remote recruiting workshops and reports.
- (xi) Community Partnership
Funding for project in conjunction with the Dept of Community Development.
- (xii) Pilbara Patrols
Funding provided by BHP Billiton in relation to indigenous patrols in the Pilbara.
- (xiii) Interagency Implementation
Funding to support the findings of the Keating Review on interagency implementation issues.
- (xiv) Accrued Salaries Suspense Account
Amount held in suspense account is only to be used for the purpose of the 27th pay in the financial year that occurs every 11 years. There were 27 pay days in 2004/05.

15. Receivables

	2004/05 (\$'000)	2003/04 (\$'000)
Trade debtors	231	86
Provision for doubtful debts	–	(1)
GST receivable	122	171
	353	256

16. Amounts receivable for services

Current	163	163
Non-current	426	250
	589	413

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
17. Other assets		
Current		
Prepayments	252	234
	252	234
18. Plant, equipment and vehicles		
Vehicles		
At cost	64	64
less Accumulated depreciation	(59)	(58)
	5	6
Plant and equipment		
At cost	300	263
At fair value	64	90
less Accumulated depreciation	(209)	(204)
	155	149
Information technology equipment		
At cost	1,547	1,327
At fair value	57	57
less Accumulated depreciation	(1,254)	(998)
	350	386
Total plant, equipment and vehicles	510	541

Land and building values in respect of Aboriginal land have been reported on by the Aboriginal Affairs Planning Authority in its annual report.

Reconciliations

Reconciliations of the carrying amounts of plant, equipment and vehicles at the beginning and end of the current financial year are set out below:

	Vehicles \$000	Plant & Equipment \$000	Information Technology Equipment \$000	Total \$000
2004/05				
Carrying amount at start of year	6	149	386	541
Additions	–	47	237	284
Disposals	–	(4)	(2)	(6)
Revaluation increments	–	–	–	–
Depreciation	(1)	(37)	(271)	(309)
Carrying amount at end of year	5	155	350	510



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
19. Works of art		
At fair value	315	314
	315	314

Works of art were revalued in accordance with a valuation which was undertaken by an independent consultant, on the basis of current market value, as at June 2004. The next revaluation of artwork will be undertaken during the 2006/07 financial year.

20. Payables

Trade payables	512	245
	512	245

21. Provisions

Current:		
Annual leave	425	456
Long service leave	356	570
Other employee benefits (i)	94	123
	875	1,149
Non-current:		
Long service leave	908	802
Other employee benefits (i)	109	96
	1,017	898
Total of employee benefit liabilities	1,892	2,047

(i) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and worker's compensation premiums. The liability for such on-costs is included here. The associated expense is included under Other related expenses (under Employee expenses) at Note 4.

The Department considers the carrying amount of employee benefits to approximate the net fair value.

	2004/05 (\$'000)	2003/04 (\$'000)
22. Other liabilities		
Accrued salaries	–	299
Income received in advance	158	–
Accrued expenses	58	43
Unclaimed monies	1	5
Other	2	1
	219	348

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

23. Equity

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

	2004/05 (\$'000)	2003/04 (\$'000)
Contributed Equity		
Opening balance	772	730
Capital contributions (i)	137	42
Closing balance	909	772

(i) Capital Contributions have been designated as contributions by owners and are directly credited to equity in the Statement of Financial Position.

Reserves

Asset revaluation reserve (i)		
Opening balance	173	76
Net revaluation increments:		
Works of art	–	97
Closing balance	173	173

(i) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, namely works of art (refer note 19).

Accumulated surplus/(deficiency)

Opening balance	(715)	(33)
Change in net assets	105	(682)
Closing balance	(610)	(715)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

2004/05 **2003/04**
(\$'000) **(\$'000)**

24. Notes to the Statement of Cash Flows

(a) Reconciliation of cash

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

Cash assets	188	228
Restricted cash assets (see also Note 14)	888	884
	1,076	1,112

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

Net cost of services (18,587) (18,827)

Non-cash items:

Depreciation	309	314
Liability assumed by Treasurer	71	7
Resources received free of charge	160	87
Assets assumed from other agencies	–	2
Initial recognition of assets	–	11
Net (gain)/loss on sale of assets	6	(7)
Bad debts & doubtful debts	1	(1)
Adjustments to previous years	–	(81)
Other accrual adjustments	(1)	(6)

(Increase)/decrease in assets:

Current receivables (i)	(144)	73
Other current assets	(18)	856

Increase/(decrease) in liabilities:

Current payables (i)	268	24
Current and non-current provisions	(155)	302
Other current liabilities	(129)	30
Net GST receipts/(payments) (ii)	(25)	118
Change in GST receivables/payables (iii)	(49)	67

Net cash used in operating activities (18,293) (17,030)

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

(ii) This is the net GST paid/received, ie cash transactions.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
25. Lease commitments		
The Department does not have any finance lease commitments. (See also Note 2(i)).		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities are payable:		
Within one year	1,558	1,552
Later than one year and not later than five years	1,722	2,900
Later than five years	239	310
	<hr/>	<hr/>
	3,519	4,762
Representing:		
Non-cancellable operating leases	3,519	4,762

26. Other commitments

There were no other material commitments as at 30 June 2005.

27. Contingent liabilities and contingent assets

The Department had no contingent liabilities or contingent assets as at 30 June 2005.

28. Events occurring after reporting date

No information has become apparent since balance date which materially affect the financial statements.

29. Explanatory statement

The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimates, the actual expenditures made and revenue estimates and payments into Consolidated Fund. Appropriations are now on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945. Significant variations are considered to be those greater than 10% or \$200,000.

(i) Significant variances between estimate and actual – total appropriation to deliver services

Total Appropriation Provided to Deliver Services for the Year
(Estimate 04/05 \$18,702,000 Actual 04/05 \$18,461,000) Variance \$241,000

The reduction reflects:

	\$'000
Government Procurement savings	117
Adjustment to Accrual Appropriation	124
	<hr/>
	241



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

29. Explanatory statement (continued)

- (i) Significant variances between estimate and actual – total appropriation to deliver services (continued)

Service Expenditure

Service 1 Support to Partnerships, Partnering Initiatives –
(Estimate \$13,798,000 Actual \$14,009,000) Variance \$211,000

The variance reflects higher than expected funding from external parties to undertake specific projects.

Total Revenue

(Estimate 04/05 \$550,000 Actual 04/05 \$1,311,000) Variance \$761,000

The variance reflected higher than expected collection from external parties for specific projects. These include funds received for the Kimberley interpreter Services, Kimberley Patrols, Keating Review, Community Partnerships, the Aboriginal Heritage Management System and a general increase in miscellaneous revenue.

- (ii) Significant variances between actual and prior year actual – total appropriation to deliver services

Total Appropriation Provided to Deliver Services for the Year
(2004 \$18,038,000 2005 \$18,461,000) Variance \$423,000

The variance reflects:

	\$'000
<i>Reductions in funding –</i>	
Procurement reforms	(117)
Removal of Wholesale Sales Tax	(30)
Security – Swan Valley Noongar Community	(480)
<i>Increases in funding –</i>	
Cost Escalation	225
Salary Increases	154
Capital User Charge	21
Equity Contribution for ALT	550
Aboriginal Community Patrols	100
	423

Service Expenditure

Service 2 Information and Advice – (2004 \$6,132,000 2005 \$5,889,000) Variance \$243,000

The decrease in the expenditure results from a reduction in the allocation of resources compared to the previous year.

- (iii) Significant variances between estimate and actual – Capital Contribution

No significant variances.

- (iv) Significant variances between actual and prior year actual – Capital Contribution

No significant variances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

30. Financial Instruments

(a) Interest rate risk exposure

The following table details the Department's exposure to interest rate risk as at the reporting date:

	Weighted average effective interest rate %	Non interest bearing \$'000	Total \$'000
2004/05			
Financial Assets			
Cash assets	—	188	188
Restricted cash assets	—	888	888
Receivables	—	353	353
		<hr/>	<hr/>
		1,429	1,429
Financial Liabilities			
Payables	—	512	512
Accrued salaries	—	—	—
Employee entitlements	—	1,892	1,892
		<hr/>	<hr/>
		2,404	2,404
2003/04			
Financial Assets	—	1,368	1,368
Financial Liabilities	—	2,591	2,591
		<hr/>	<hr/>

(b) Credit Risk Exposure

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets, the carrying amounts represent the Department's maximum exposure to credit risk in relation to those assets.

(c) Net Fair Values

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

31. Remuneration of senior officers

The number of senior officers whose total of fees, salaries, superannuation and other benefits received for the financial year, fall within the following bands are:

\$	2004/05	2003/04
10,001 to 20,000	–	1
40,001 to 50,000	1	–
100,001 to 110,000	–	1
110,001 to 120,000	–	–
120,001 to 130,000	–	1
130,001 to 140,000	2	–
140,001 to 150,000	–	1
460,001 to 470,000	1	–

The total remuneration of senior officers is: \$789,044 \$412,727

The superannuation included here represents the superannuation expense incurred by the Department in respect of senior officers. No senior officers are members of the Pension Scheme.

Note: The payment in 2004/05 reflects the retirement of one senior officer.

32. Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators	\$39,000	\$ –
------------------------------------------------------------------------	----------	------

From 2003/04, all services provided by the Office of the Auditor General are on a user pays basis.

The fee for that year was not paid until 2004/05. The fee for the 2005/06 audit will be paid in the following financial year.

33. Affiliated Bodies

During the course of the year the Department provided funding to various Government and non-Government agencies. Of the non-government organisations, it may have occurred during the financial year, that some of them would be defined affiliated bodies under the terms of Treasurer's Instruction 951. Due to regulations imposed on grant recipients, financial acquittals are by the provision of a financial statement detailing expenditure of that particular grant only. The statement provided does not always disclose other income sources, and therefore the Department is not in a position to accurately determine which of the grant recipients are classified as an affiliated body.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
34. Supplementary Information		
Write-offs		
Approved by Director General		
Bad debts	2	1
Public property donated	1	–
Public property stolen	2	–
	<hr/>	<hr/>
	5	1

There were assets donated that were fully depreciated and are not reflected in the above figures. Due to systems issues, comparative data is not available.

35. Trust Accounts

Walley Trust Fund

Purpose

To receive and hold funds in trust for the remaining 1 minor child of Graham Trevor Walley (deceased) as part of Royal Commission into Aboriginal Deaths in Custody (RCIADIC) Family Counselling Grants.

Statement of Receipts and Payments for the year ended 30 June 2005

	2004/05 (\$'000)	2003/04 (\$'000)
Opening balance	4	4
Receipts	–	–
Less payments	(2)	–
Closing balance	<hr/>	<hr/>
	2	4

The funds are held in a separate bank account with the Commonwealth Bank.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

36. The Impact of Adopting International Accounting Standards

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning after January 1 2005. The AASB has issued Australian equivalents to IFRS (AIFRS), and the Urgent Issues Group has issued interpretations originated by the International Financial Reporting Interpretative Committee. The adoption of AIFRS will be first reflected in the department's financial statements for the year ended 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The Department has analysed all of the AIFRS and has identified accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1 First Time Adoption of Equivalents to International Financial Reporting Standards. These choices have been analysed to determine the most appropriate accounting policy for the Department.

The known or reliably estimable impacts of on the financial report for the year ended 30 June 2005 had it been prepared using AIFRS are set out below. These amounts may change in circumstances where the accounting standards and/or interpretations applicable to the first AIFRS financial statements are amended or revised.

Reconciliation of total equity as presented under previous AGAAP to that under AIFRS

	30 June 2005 (\$'000)	1 July 2004 (\$'000)
Total Equity Under Previous AGAAP	472	230
Adjustments to accumulated surplus/(deficiency)		
Change in provision for employee entitlements (a)	(71)	–
	(71)	–
Total Equity Under IFRS	401	230

(a) AGAAP requires only those leave liabilities that are expected to be paid in the next 12 months to be reported as a current liability.

Under AIFRS all leave liabilities due at reporting date as well as those expected to become due in the next 12 months are recorded as a current liabilities.

Reconciliation of surplus/(deficit) for the period presented under previous AGAAP to that under AIFRS

	30 June 2005 (\$'000)
Surplus/(deficit) for the period under previous AGAAP	105
Change in provision for employee entitlements (a)	(71)
Surplus/(deficit) for the period under AIFRS	34

The adjustment is explained as follows:

(a) AGAAP requires only those leave liabilities that are expected to be paid in the next 12 months to be reported as a current liability.

Under AIFRS all leave liabilities due at reporting date as well as those expected to become due in the next 12 months are recorded as a current liabilities.

ABORIGINAL AFFAIRS PLANNING AUTHORITY ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2005

The Aboriginal Affairs Planning Authority was abolished on 31 October 1994 to make way for the then new Aboriginal Affairs Department. The department was renamed Department of Indigenous Affairs (DIA), effective on 1 July 2001.

The operation of the *Aboriginal Affairs Planning Authority Act 1972* provides for the continued existence of the Aboriginal Affairs Planning Authority as a body corporate, which the Minister alone constitutes, and which is required to produce an annual report.

The Aboriginal Affairs Planning Authority ceased to employ staff with effect from 1 November 1994. Tasks and activities relevant to the charter of APPA are performed by the staff of the DIA.

In view of the above, a report on operations and performance indicators has not been produced for the Aboriginal Affairs Planning Authority. For information in relation to these aspects, reference should be made to the Annual Report of the Department of Indigenous Affairs.

Financial transactions through the Aboriginal Affairs Planning Authority's accounts are appended.



ABORIGINAL AFFAIRS PLANNING AUTHORITY
CERTIFICATION OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

The accompanying financial statements of the Aboriginal Affairs Planning Authority have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2005 and the financial position as at 30 June 2005.

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

CHRIS COTTIER
A/Commissioner for
Aboriginal Affairs Planning Authority

31 August 2005

signature

CHARLES VINCI
Principal Accounting Officer

31 August 2005

INDEPENDENT AUDIT OPINION



AUDITOR GENERAL

To the Parliament of Western Australia

THE ABORIGINAL AFFAIRS PLANNING AUTHORITY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion,

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

Scope

The Commissioner's Role

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

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

Summary of my Role

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

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

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

D D R PEARSON
AUDITOR GENERAL
13 October 2005



ABORIGINAL AFFAIRS PLANNING AUTHORITY

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2005

	Note	2004/05 (\$'000)	2003/04 (\$'000)
COST OF SERVICES			
Expenses from Ordinary Activities			
Supplies and services	2	1,730	1,019
Depreciation expense	3	539	546
Grants and subsidies	4	427	266
Carrying amount of non-current assets disposed of	5	391	252
Other expenses from ordinary activities		11	–
Total Cost of Services		3,097	2,083
Revenues from Ordinary Activities			
<i>Revenue from Operating Activities</i>			
Commonwealth grants and contributions	6	4,040	2,960
Mining royalties		–	315
Other		338	–
<i>Revenue from Non-operating Activities</i>			
Interest revenue		314	115
Other revenue from ordinary activities	7	179	11
Total Revenues from Ordinary Activities		4,871	3,401
NET COST OF SERVICES	16(b)	(1,774)	(1,318)
REVENUES FROM STATE GOVERNMENT			
Transfers from other Government agencies	8	560	110
Resources received free of charge	9	1,322	948
Total Revenue from State Government		1,882	1,058
CHANGE IN NET ASSETS		3,657	2,376
Net increase/(decrease) in asset revaluation reserve	15	5,135	9,171
Total revenues, expenses, and valuation adjustments recognised directly in equity		5,135	9,171
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS		8,791	11,547

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

ABORIGINAL AFFAIRS PLANNING AUTHORITY
STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2005

	Note	2004/05 (\$'000)	2003/04 (\$'000)
Current Assets			
Cash assets	16(a)	1,491	4,087
Restricted cash assets	10	8,387	1,431
Receivables	11	407	110
Other assets	12	44	11
Total Current Assets		10,329	5,639
Non-Current Assets			
Property	13	65,458	61,253
Total Non-Current Assets		65,458	61,253
TOTAL ASSETS		75,787	66,892
Current Liabilities			
Payables	14	411	306
Total Current Liabilities		411	306
NET ASSETS		75,376	66,586
Equity			
Reserves	15	67,136	62,003
Contributed Equity		1,014	1,014
Accumulated surplus		7,226	3,569
TOTAL EQUITY		75,376	66,586

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



ABORIGINAL AFFAIRS PLANNING AUTHORITY
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2005

	Note	2004/05 (\$'000)	2003/04 (\$'000)
CASH FLOWS FROM STATE GOVERNMENT			
Transfers from other Government agencies	8	560	110
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		(418)	(71)
Grants and subsidies		(440)	(248)
GST payments on purchases		(61)	(8)
GST payments to taxation authority		(328)	(47)
		(1,247)	(374)
Receipts			
Grants and contributions		4,258	2,860
Royalties		–	315
Interest received		280	112
Rent received		16	12
GST receipts on sales		428	298
GST receipts from taxation authority		52	8
Other receipts		13	10
		5,047	3,614
Net cash provided by/(used in) operating activities	16(b)	3,800	3,240
Net increase in cash held		4,360	3,350
Cash assets at the beginning of the financial year		5,518	2,168
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	16(a)	9,878	5,518

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

ABORIGINAL AFFAIRS PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

1. Significant accounting policies

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

General Statement

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

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

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, with the exception of certain non-current assets which, as noted, are measured at fair value.

a) Contributed Equity

Under UIG 38 "Contributions Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements.

The transfers of land received free of charge have been designated as contributed equity since 2002/03. In previous years, they were treated as Resources Received Free of Charge.

b) Grants and other contributions revenue

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

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

c) Acquisition of assets

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

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

d) Depreciation of non-current assets

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

Depreciation is calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Buildings 50 years (rate of 2% per annum)



ABORIGINAL AFFAIRS PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

1. Significant accounting policies (continued)

e) Revaluation of land and buildings

The Authority has a policy of valuing land and buildings at fair value. The annual revaluations of the Authority's land and buildings undertaken by the Department of Land Information (Valuation Services) are recognised in the financial statements.

The Land Register of the Authority was reconciled to the Government Property Register as at 30 June 2005.

f) Property holdings – Aboriginal Lands Trust

The operations of the Aboriginal Affairs Planning Authority (AAPA), the Aboriginal Materials Preservation Fund and the Office of Traditional Land Use were effectively amalgamated on 1 November 1994 to form the Aboriginal Affairs Department (AAD – now titled the Department of Indigenous Affairs). At this date, assets (including land and buildings) and liabilities of the originating agencies were assumed by the AAD and as a consequence were reported on by that Department.

A review of the relationship between the various agencies performed in 1995/96 determined that the AAPA (by virtue of its relationship with the Aboriginal Lands Trust, a body established under the AAPA Act 1972 and which is the effective decision making body in respect of Aboriginal property) should more appropriately report on property holdings. Accordingly, since 1995/96, values in respect of property have been reported on by the AAPA.

g) Carrying amount of non-current assets disposed of

The program of handing land back to its original holders began in 1999/00. During the year, various properties administered by the Aboriginal Lands Trust were transferred to Aboriginal communities for no consideration. The land hand back process is expected to continue for the next five to ten years.

h) Resources received free of charge or for nominal value

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

The accounting treatment for land transferred to the Authority by other Government agencies was amended in 2002/03 in accordance with Treasurer's Instruction 955. Assets acquired are brought to account as "Contributions by Owner". In previous years, these transfers were shown as "Resources Received Free of Charge".

i) Support from Department of Indigenous Affairs

Decision making authority in respect of the Aboriginal land estate effectively resides with the Aboriginal Lands Trust (ALT), a body established under the auspices of the Aboriginal Affairs Planning Authority Act 1972.

When the Aboriginal Affairs Department (AAD – now titled the Department of Indigenous Affairs (DIA)) was established on 1 November 1994, it effectively took over the operations of its originating agencies, including the Aboriginal Affairs Planning Authority (AAPA). Staff previously employed by the AAPA at that time were transferred to the AAD. As a consequence, administrative support for the AAPA and the ALT is provided by staff employed by the DIA. These expenses were brought to account as Services and Contracts and as Resources Received Free of Charge for the first time in 2002/03 (see also Notes 2 and 9).

j) Revenue recognition

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

ABORIGINAL AFFAIRS PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

1. Significant accounting policies (continued)

k) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

l) Receivables

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

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

m) Payables

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

n) Expenditure on restricted assets

A portion of the funds held in the Mining Rents and Royalties Accounts were transferred to Aboriginal communities upon whose land mining activities had taken place. The transfer process began in 1999/00 and is expected to continue on an ongoing basis whenever rents or royalties are received by the Authority.

o) Comparative figures

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

p) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

2. Supplies and services

Services and contracts

- support from Department of Indigenous Affairs (i)
- other

Administration

	2004/05 (\$'000)	2003/04 (\$'000)
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	1,076	921
--	-------	-----

	500	98
--	-----	----

	154	–
--	-----	---

	1,730	1,019
--	-------	-------

(i) See also Notes 1(i) and 9.

3. Depreciation expense

Buildings

	539	546
--	-----	-----

4. Grants and subsidies

Recurrent

Grants to organisations from

- general funds
- mining rents & royalties funds
- interstate funds

	97	130
--	----	-----

	325	135
--	-----	-----

	5	1
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	427	266
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ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
5. Net gain/(loss) on disposal of non-current assets		
Loss on disposal of non-current assets		
Freehold land	(84)	(243)
Reserves	(288)	(9)
Other leases	(19)	–
Net gain/(loss) (See also Note 1(g))	(391)	(252)
6. Revenue from operating activities		
Commonwealth grants and contributions		
– Regional community projects	3,980	–
– Regional Stores Strategy and Mulan Basketball Court	–	2,960
– Other	60	–
Mining royalties	–	315
Other	338	–
	4,378	3,275
7. Other revenue from ordinary activities		
Rent	16	1
Intestate receipts	6	8
Other	157	2
	179	11
8. Transfers from other Government agencies		
Department of Indigenous Affairs	560	10
Other	–	100
	560	110
9. Resources received free of charge		
Determined on the basis of the following estimates provided by agencies (i):		
– Department of Indigenous Affairs (see Note 1(i) and 2)	1,076	921
– Department of Land Information (land information and valuation)	247	27
	1,322	948

(i) Where assets or services have been received free of charge or for nominal consideration, the Authority recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Department shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
10. Restricted cash assets		
Mining rents and royalties (i)	1,370	1,426
Community facilities (ii)	3,980	–
Tjurabalan Stores (iii)	3,033	–
CL Johnson Bequest (iv)	2	2
H Drake-Brockman (v)	2	2
	8,387	1,431

Cash in these accounts is only to be used for:

- (i) Mining rents and royalties
Improvements to land held by the Authority, on which mining activity takes place.
- (ii) Community facilities
The provision of facilities, such as swimming pools, in certain regional communities.
- (iii) Regional Stores Strategy
A project to address the management and operation of regional stores.
- (iv) CL Johnson Bequest
assisting Aboriginal missionaries in Western Australia (see also Note 20).
- (v) H Drake-Brockman
Awarding a prize each year to the highest achieving indigenous student (see Note 20).

11. Receivables

Current		
Accounts receivable	407	110
	407	110

12. Other assets

Current		
Accrued interest	44	11
	44	11



ABORIGINAL AFFAIRS PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
13. Property		
Land		
Freehold land held by Authority	9,303	6,589
Reserves under the control of the Authority	28,884	26,936
Pastoral leases held by the Authority	74	138
Other leases held by the Authority	802	821
At fair value (i)	39,063	34,484
Buildings		
At fair value (i)	26,934	27,315
Accumulated depreciation	(539)	(546)
	26,395	26,769
	65,458	61,253

Prior year figures adjusted as a result of amendment to accumulated depreciation write-back for building revaluation purposes.

- (i) The revaluation of the land and buildings was performed during the year ended 30 June 2005 in accordance with an independent valuation by the Department of Land Information (Valuation Services). Fair value has been determined on the basis of current market buying values and current use values, as appropriate. The valuation was made in accordance with a regular policy of annual revaluation.

Reconciliation:

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

	Freehold Land \$'000	Reserves \$'000	Pastoral Leases \$'000	Other Leases \$'000	Buildings \$'000	Total \$'000
2004/05						
Carrying amount at start of year	6,589	26,936	138	821	26,769	61,253
Additions	–	–	–	–	–	–
Disposals	(19)	(42)	–	(19)	(310)	(391)
Revaluation changes	2,733	1,989	(64)	–	475	5,134
Depreciation	–	–	–	–	(539)	(539)
Carrying amount at end of year	9,303	28,884	74	802	26,395	65,458

	2004/05 (\$'000)	2003/04 (\$'000)
14. Payables		
Goods and Services Tax (GST)	411	306
	411	306

ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
15. Equity		
Reserves		
Asset Revaluation Reserve (i)		
Opening balance	62,003	51,340
Net revaluation (decrements)/increments:		
Land	4,658	3,743
Buildings	475	6,920
Closing balance	67,136	62,003
 (i) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(e).		
Contributed equity		
Opening balance	1,014	1,014
Contributions by owners – transfers of land (i)	–	–
Closing balance	1,014	1,014
 (i) Transfers of land – no charge (see Note 1(a)) The AAPA Act allows for the acquisition of unvested land where it has been shown to have been used by Aboriginal people. The land is transferred to the ALT free of charge and becomes part of the land transfer program. These transactions are of an adhoc nature and vary from year to year. No land was acquired during 04/05.		
Accumulated surplus		
Opening balance	3,569	1,193
Change in net assets	3,657	2,376
Closing balance	7,226	3,569

16. Notes to the Statement of Cash Flows

(a) Reconciliation of cash

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

Cash assets	1,491	4,087
Restricted cash assets (see note 10)	8,387	1,431
	9,878	5,518



ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
16. Notes to the Statement of Cash Flows (continued)		
(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	1,774	1,318
Non-cash items:		
Depreciation	539	546
Resources received free of charge	1,322	948
Cost of disposal of non-current assets	391	252
(Increase)/decrease in assets:		
Receivables	(298)	(99)
Other assets	(33)	1
Increase/(decrease) in liabilities:		
Payables	105	274
Net cash provided by/(used in) operating activities	3,800	3,240

17. Explanatory statement

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% or \$100,000. The Authority receives no appropriations from the Consolidated Fund and therefore, comparison to estimates is not applicable.

Expenses from ordinary activities –

a) Supplies and services

Increase of \$711,000 (04/05 \$1,730,000 – 03/04 \$1,019,000)

The variance largely reflects increases in land project expenditure and an increase in the value of resources received free of charge from the Department of Indigenous Affairs.

b) Grants and subsidies

Increase of \$161,000 (04/05 \$427,000 – 03/04 \$266,000)

This variance reflects increased funding during the year. The payment of grant funding varies from year to year.

c) Carrying amount of non-current assets disposed of

Increase of \$139,000 (04/05 \$391,000 – 03/04 \$252,000)

The program of handing land back to its original holders began in 1999/00. During the year, properties administered by the Aboriginals Lands Trust were transferred to Aboriginal communities for no consideration. This amount varies from year to year, depending on the transfers completed.

d) Commonwealth grants and contributions

Increase of \$1,080,000 (04/05 \$4,040,000 – 03/04 \$2,960,000)

The increase reflects Commonwealth funds received for regional projects during the year.

Revenue from ordinary activities –

e) Mining royalties

Decrease of \$315,000 (04/05 Nil – 03/04 \$315,000)

No royalties were received during 2004/05.

ABORIGINAL AFFAIRS PLANNING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

17. Explanatory statement (continued)

f) Other

Increase of \$338,000 (04/05 \$338,000 – 03/04 – Nil)

The increase reflects contributions from other WA State Government agencies towards various projects.

g) Interest revenue

Increase of \$199,000 (04/05 \$314,000 – 03/04 – \$115,000)

The increase is largely the result of higher cash balances due to funds for the Regional Stores Strategy (\$2.96m) being received late last financial year.

h) Other revenue from ordinary activities

Increase of \$168,000 (04/05 \$179,000 – 03/04 \$11,000)

The increase largely reflects funding received for the Indigenous Land Care project.

Revenues from State Government –

i) Transfers from other organisations

Increase of \$450,000 (04/05 \$560,000 – 03/04 \$110,000)

The increase reflects a transfer from the Department of Indigenous Affairs for land projects.

j) Resources received free of charge

Increase of \$374,000 (04/05 \$1,322,000 – 03/04 \$948,000)

The increase is the result of the value of services provided by the Department of Land Information and the Department of Indigenous Affairs being higher than the previous year.

18. Financial Instruments

(a) Interest Rate Risk Exposure

The following table details the Authority's exposure to interest rate risk, as at the reporting date:

	Weighted average effective interest rate	Variable interest interest	Fixed interest rate maturities			Non interest bearing	Total
			Less than 1 year	1 to 5 years	More than 5 years		
2004/05	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash assets	4.9%	1,491					1,491
Restricted cash	4.9%	8,387					8,387
Receivables						407	407
Other assets						44	44
		9,878				451	10,329
Financial Liabilities							
Payables						411	411
						411	411
2003/04							
Financial Assets	4.9%	5,518				121	5,639
Financial Liabilities						306	306



ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

18. Financial Instruments (continued)

(b) Credit risk exposure

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets, the carrying amounts represent the Authority's maximum exposure to credit risk in relation to those assets.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements.

19. Related body

The Aboriginal Lands Trust (ALT) was deemed a related body by the Treasurer by virtue of Section 3(b) of the Financial Administration and Audit Act 1985. The revenue and expenditures and assets and liabilities of the ALT have been included within the financial statements of the Aboriginal Affairs Planning Authority.

20. Trust Accounts

C L Johnson Bequest Trust Account

Purpose

To hold funds for the purpose of enabling the Aboriginal Affairs Planning Authority to administer in accordance with the bequest of the late Christian Larsen Johnson to the Department of Native Welfare (now abolished) for the benefit of Aboriginal Missionaries in Western Australia during illness.

Statement of Receipts and Payments for the year ended 30 June 2005

	2004/05 (\$'000)	2003/04 (\$'000)
Opening balance	1,871	1,906
Receipts: Interest	–	–
Payments: Bank Fees	(35)	(35)
Closing balance	1,836	1,871

The funds are held in a savings account with the Commonwealth Bank.

ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

20. Trust Accounts (continued)

Henrietta Drake-Brockman Trust Account

Purpose

To hold funds for the purpose of enabling the Aboriginal Affairs Planning Authority to administer, in accordance with the bequest of the late Henrietta Drake-Brockman, a prize annually in the form of books, apparatus, equipment, etc to the Aboriginal student (boy or girl) who achieves the highest Tertiary Entrance Examination (TEE) aggregate results in Western Australia. The prize has not been awarded for the last two financial years.

Statement of Receipts and Payments for the year ended 30 June 2005

	2004/05 (\$'000)	2003/04 (\$'000)
Opening balance	2,328	2,793
Receipts:		
Deposits	–	22
Interest	12	11
Total receipts	12	33
Less payments	–	(498)
Closing balance	2,340	2,328

The funds are held in a savings account with the Challenge (Westpac) Bank.

Intestate Trust Account

Purpose

To hold intestate funds for the purpose of enabling the Aboriginal Affairs Planning Authority to administer pursuant with section 35 of the Aboriginal Affairs Planning Authority Act.

Statement of Receipts and Payments for the year ended 30 June 2005

	2004/05 (\$'000)	2003/04 (\$'000)
Opening balance	23,977	16,102
Receipts:		
Interest	1,314	1,083
Intestate Revenue	7,169	7,615
Other income	–	88
Total receipts	8,483	8,786
Less payments		
Intestate Disbursements	5,674	911
Total payments	5,674	911
Closing balance	26,786	23,977

These funds are held in Aboriginal Affairs Planning Authority Operating account with the Commonwealth Bank.

21. Events occurring after reporting date

There have been no material events occurring after 30 June 2005 as defined by the Accounting Standards (AAS 8).



ABORIGINAL AFFAIRS PLANNING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2004/05 (\$'000)	2003/04 (\$'000)
22. Remuneration of the auditor		
Remuneration to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators.	9,500	–

From 2003/04, all services provided by the Office of the Auditor General are on a user pays basis. The fee for that year was not paid until 2004/05. The fee for the 2005/06 audit will be paid in the following financial year.

23. Supplementary financial information

- a) **Write-offs**
No amounts (2003/04 – nil) being debts due to the State or public property of the State, were written off during 2004/05.
- b) **Losses through theft, defaults and other causes**
There were no losses written off during the 2004/05 financial year (2003/04 – nil).
- c) **Gifts of public property**
There were no gifts of public property provided by the Authority during the 2004/05 financial year (2003/04 – nil).
- d) **Expenditure commitments**
There are no outstanding expenditure commitments against the Consolidated Fund as at 30 June 2005 (30 June 2004 – nil).

24. The Impact of Adopting International Accounting Standards

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Financial Reporting Standards (IFRS) for application to reporting periods beginning after after January 1 2005. The AASB has issued Australian equivalents to IFRS (AIFRS), and the Urgent Issues Group has issued interpretations originated by the International Financial Reporting Interpretative Committee. The adoption of AIFRS will be first reflected in the department’s financial statements for the year ended 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The Authority has analysed all of the AIFRS and has identified accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1 First Time Adoption of Equivalents to International Financial Reporting Standards. These choices have been analysed to determine the most appropriate accounting policy for the Authority.

Analysis of the impact of AIFRS on the Aboriginal Affairs Planning Authority indicated that no changes to the statements were necessary. This may change in circumstances where the accounting standards and/or interpretations applicable to the first AIFRS financial statements are amended or revised.