GOVERNMENT OF WESTERN AUSTRALIA

GOLDFIELDS ESPERANCE DEVELOPMENT COMMISSION

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION ANNUAL REPORT 2019-2020









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Acknowledgement of Country

The Goldfields-Esperance Development Commission acknowledges the traditional custodians throughout the Goldfields-Esperance region and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities, and their cultures, and to Elders both past and present.

Welcoming visitors to Country has been a part of Aboriginal and Torres Strait Islander culture for thousands of years. It may also act to provide permission, safe passage and protection to visitors as they are journeying through others Country.

The Goldfields-Esperance region is home to 16 language groups. The Goldfields Aboriginal Language Centre Aboriginal Corporation (GALCAC) was established to preserve and record the regions Aboriginal languages as a connection to culture and country. The GEDC acknowledges the work of the GALCAC who is in the process of translating Welcome to Country in each of the languages of the Goldfields.

Tjupan
GEDC-tula yurrulykula yilta ngaarla parnajanu.
Goldfields-Esperance region mantangkaya nyinanyi kapi, ngurra, parnaya kanyinyi. Respect-pala nintilku yiltajanalarti, Tjukurrpala janampa respect-amulku.
Elders-tila respect nintilku, elders kuwarrija, elders-jaya yanu wantingu ngananya.

Ngaanyatjarra
Goldfields-Esperance Development Commission ninti ngurra kanyilpa Kawutjarra-ngurra. GEDC ninti purlkanya manta lipi, kapi puru ngurra.

Pirni kurnta yanangu, yanangu pirni-lu ngurra walykumunu kanyinma puru lurrtjurring. Pirn-lu kurtarriwa ngayuku kutjurlping katja puru ngula puru kuwarring katja.

Maduwongga
Ruukulinu Ngurra Nangana
The Goldfields-Esperance Development Commission ruukulinu ngurra kapi nangana nurraku, nurrapirni ngurra yungkarra nyinannyinangku mirrirringku nurra jirtu tawarra nyinannyinan.
Ngalipaka
The Goldfields-Esperance Development Commission pukurlpa wangkatjapirni jirtu yamatjirrin nyalpapirni, kaparlipirni tana kuwarri nyinan, tana pawurtu.

Wangkatja
Yintaanku parna.
Goldfields-Esperance Development Commission yintaa Yarnangu Goldfields-Esperance-ngku tjanaku tirtu kanyila parna, kapi ka ngurra.
Ngalipaku kulila Yarnangu ka tjanaku Tjukurrpa; ka nalpa pirni wanka ka ngalpa pirniku warrkanu.

Ngadju
Ngadjungarra ngurra nguntu wamurti.
Goldfields-Esperance Development Commission-nya ngadjungarra nguntu tartinyirri matayi wamurti pana katajala Goldfields-Esperance region mathulu tjukurrpa munjanguu pana, kapi and mathalu.
Ngadjungarra nguntu tartiny matayi pana, tartiny ngaringin matayi yungarnkin matayi.

Pitjantjatjarra
Wirrurl kanyilpai ngurra ka palu jana lintinyi.
Anangu tjutaku kanima ngurra wirruku munu kapi, ngurra.
Anangu tjuta wirru ngurra kanyilpai ka tjilpi tjuta irriti tjana pukalpa nyinapai.

Cundeelee Wangka
Parna-lipitja Kulira Watjarni.
Kawultjarra-ngurra Itjaparantja Tjanala Tjungungku Atatjurra-kulira Kanyintjakitja-nyinapayi, Kamitjantu panyangku Kamitjantu palya watjarni, wati minyma tjukurrpa kanyilpayinya tjananya, panya Kawultjarra-ngurra, Itjaparantala tjanala rawanguru nyina-nyinara; parna, ngurra, kapimpa rawa nyina-nyinatja tjananya.
Nganarna Kamitjantu, Arnanguku ngurrarra winki palya watjarni kaltja kurlu; munu Yirna-tjurta, irrititja-mpa kuwarritja kurlu-kurlu.

Due to COVID-19, some languages groups were not able to be translated for this year's annual report. The remaining translations will feature in the 2020-21 Annual Report.



Message to the Minister

To the Honourable Alannah MacTiernan MLC
Minister for Regional Development

Statement of Compliance for the year ended 30 June 2020

Dear Minister

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Goldfields-Esperance Development Commission for the reporting period ended 30 June 2020.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

Gail Reynolds-Adamson
Chair of GEDC Board of Management
August 2020

Kris Starcevich
Chief Executive Officer
August 2020

Message from Chair



Gail Reynolds-Adamson

Chair of GEDC Board of Management

It is with great pleasure that I present the Annual Report for the Goldfields-Esperance Development Commission for the 2019-20 financial year, a year we will not quickly forget. 2020 has already been an extraordinary and challenging experience for regional Western Australia, the State, and the Nation as we were faced with the global pandemic of COVID-19.

During the height of the State's COVID-19 restrictions, the Goldfields-Esperance region showed resilience and compassion, while our foundational industries of mining and agriculture stood tall, continuing to keep people safe and in jobs. Our most remote and vulnerable communities were protected, and our small businesses adapted.

Whilst the threat of COVID-19 on our State's economy remains, the region is well positioned to continue to drive the State's economy during the recovery phase.

The GEDC has worked closely with its local partners and industry to keep the State Government informed about the impact of COVID-19 on the community, economy and services. We recognise that we have an important role over the coming months and years, to monitor, promote and influence the State and Commonwealth Government's economic recovery, and reform agenda to the benefit of our region.

This year's Annual Report outlines the activities and achievements of the GEDC over the last 12 months and provides a snapshot of the economic and social indicators for the communities that make up the Goldfields-Esperance region. This Annual Report also marks the conclusion of the GEDC 2017-2020 Strategic Plan period which identified seven (7) regional focus areas to guide the work of the Board and the Staff.

This report will highlight the projects and programs aligned with our regional focus areas:

1. Leadership and Innovation
2. Business and Industry Development
3. Workforce Development
4. Promote the Region
5. Social Infrastructure
6. Economic Infrastructure
7. Regional Development Programs

In June 2020, the Board endorsed a new GEDC Strategic Plan 2020-22 to provide the agency with a clear strategic direction to drive the delivery of regional development outcomes.

One of the roles of chairperson that is particularly enjoyable, is representing the GEDC and the State Government at official events, openings and launches for regional projects and initiatives.

It is more rewarding to know that the GEDC has played an important part in bringing together these opportunities and projects in our region, working closely (and often behind the scenes) with other Government Departments, agencies and key stakeholders to maximise regional development outcomes in the Goldfields-Esperance region.

Throughout the year, the GEDC and I have had the pleasure of hosting the Premier, Hon. Mark McGowan MLA, the Minister for Regional Development, Hon. Alannah MacTiernan MLC and various WA Cabinet Ministers at business and industry engagements, tours of local projects and facilities and official openings.

Minister MacTiernan in particular, has visited the region many times in the last 12 months and has been a wonderful supporter of the GEDC and the region.
A highlight of this year was the appointment of our CEO, Mr Kris Starcevich, who had been acting in the role since May 2018.

Appointed in September 2019, Kris has worked closely with the Department of Primary Industries and Regional Development (Department) and his fellow Regional Development Commission colleagues, to restructure the resources provided to the GEDC and execute a Service Level Agreement with the Department. Kris' leadership on these two achievements ensure that the GEDC can deliver on its obligations as a Regional Development Commission more efficiently and effectively, whilst delivering certainty and clarity to the staff and Board.

I would like to acknowledge and thank, Ms Kate Mills for stepping into the role of Deputy Chair and each of my fellow board members for providing strong regional leadership and supporting the effectiveness of the Board. Several new Board members were appointed in 2019-20, with Shaneane Weldon, Ross Wood and Shelley Payne joining Ryan Jones to contribute their expertise and regional knowledge to the Board's strategic direction. The Board makeup has shifted from year to year during my tenure, but the passion and breadth of experience that each of the Board members brings remains a constant delight.

After serving on the board of management of the GEDC for six years now, two of those as Chairperson, my tenure is due to come to an end later this year. My passions have always been to strongly advocate for small businesses, and champion economic development outcomes for Aboriginal people, whilst striving to demonstrate regional leadership. As I reflect on this year and my tenure, I can do so with pride and a strong sense of achievement.

It has been a privilege representing the Goldfields-Esperance region and highlighting the fantastic opportunities that our region has for employment, investment, and a quality regional lifestyle. I wish the incoming Chair, Board and Staff a bright and exciting future.

Message from CEO



Kris Starcevich
Chief Executive Officer of GEDC

Despite another strong economic performance from the Goldfields-Esperance region, 2019-20 was clearly not without its challenges. Not least of which was the severe and ongoing impacts of COVID-19 on our businesses, communities, and regional way of life.

Building on our existing networks and relationships with our local governments, regional Chambers, local SME's and industry, the GEDC was able to share information with government regarding regional impacts of COVID-19 on workforce, trade, transport, accommodation, services and business.

Throughout the initial phases of the State's COVID-19 restrictions, the GEDC was able to actively contribute to the Goldfields District Leadership Group, which met daily on regional impacts and coordination efforts. We also played a vital role in providing regular regional intelligence briefings to the Minister for Regional Development and government agencies during the response.

Identifying common challenges across regional WA and informing region-led solutions has never been more important and I'd like to acknowledge all of our regional partners and the leaders in our communities for rising to the challenge during this difficult time - a sign of our region's strength and resilience.

Despite the challenges of the past 12 months, the GEDC remained focused on our core business, delivering quality regional development outcomes though key State Government programs and priorities including our Regional Economic Development Grants program and driving local content across the region. The commission continues to collaborate on complex issues like activating industrial land, developing new industries, and supporting workforce development initiatives.

The highlights and achievements of the year are explored further throughout this report.

After acting for 16 months, it was a great honour to be appointed to the role of CEO of the Commission in September 2019. During this time I have had the privilege of working with a highly capable and professional team of regional development practitioners and support staff who are all passionate about their region, and strive to deliver real economic and social outcomes in the region we live.

The GEDC has continued to work closely with the Department of Primary Industries and Regional Development whilst also building stronger relationships with State Government Departments and development agencies such as, Department of Jobs Tourism Science and Innovation, Department of Communities, Development WA and Infrastructure WA.

I'd like to acknowledge and thank our Chairperson, Ms Gail Reynolds-Adamson, for her passion and dedication to the GEDC Board and the region over the past six years. As Chair for the last two years, Gail has led the agency through some of its more challenging times. Gail is a formidable advocate for our region and has been a wonderful support for the Commission's Board and Staff. Working with a dedicated Chair, Board and staff at the GEDC, I look forward to making our region an even better place to live, work, invest and do business.

Goldfields-Esperance Region



Welcome to our Annual Report

The Annual Report of the Goldfields-Esperance Development Commission (Commission or the GEDC) for the 2019-2020 financial year provides an account of our operations, achievements and audited financial statements for the reporting period. The report is an important tool used to ensure transparency and accountability of the Commission to Parliament, and to assist members of the public with their understanding of our agency and the diverse operations of Government.

Online report

To reduce printing costs and environmental impact, this report is published in an electronic format. It is available to download, in PDF format, from our website, www.gedc.wa.gov.au.

Accessibility

This report is available in different formats on request. If you would like a printed copy of the report, please contact our office by telephone (08) 9080 5000 or send us an email via info@gedc.wa.gov.au.

Feedback

Making our Annual Report transparent, accurate and relevant is important to us, so we'd like to know what you think. To share your feedback on this report please contact us by telephone (08) 9080 5000 or send us an email via info@gedc.wa.gov.au.



Overview of Agency
1.0 Operational Structure

Enabling Legislation

The Commission was established under the *Regional Development Commissions Act 1993 (the Act)* and is listed as a statutory authority on Schedule 1 of the *Financial Management Act 2006* and is subject to the provisions of the *Public Sector Management Act 1994.*

The Act established Regional Development Commissions in each of Western Australia's nine regions to coordinate and promote economic development to maximise prosperity and wellbeing for the regions, and for Western Australia.

Responsible Minister

The Commission is responsible to the Minister for Regional Development, the Hon. Alannah MacTiernan MLC. The Minister has the power to direct the Commission either generally or with respect to a particular matter on the exercise and performance of its powers, functions and duties under the Act.

Our Mission and Vision

The GEDC mission statement was endorsed by the Board in June 2017, as part of the GEDC's strategic plan.

*The **mission** for the GEDC is to:*

Retain and attract population, and increase economic development opportunities in the region.

The GEDC's vision is an aspirational statement setting out where the GEDC would like to be in the future. The vision was also endorsed by the Board in June 2017, as part of the strategic plan.

*The **vision** for the GEDC is:*

We create opportunities to build a vibrant, sustainable future for our region.

Other Key Legislation

In the performance of its functions, the Commission complies with many relevant written laws including but not limited to the ones listed below:

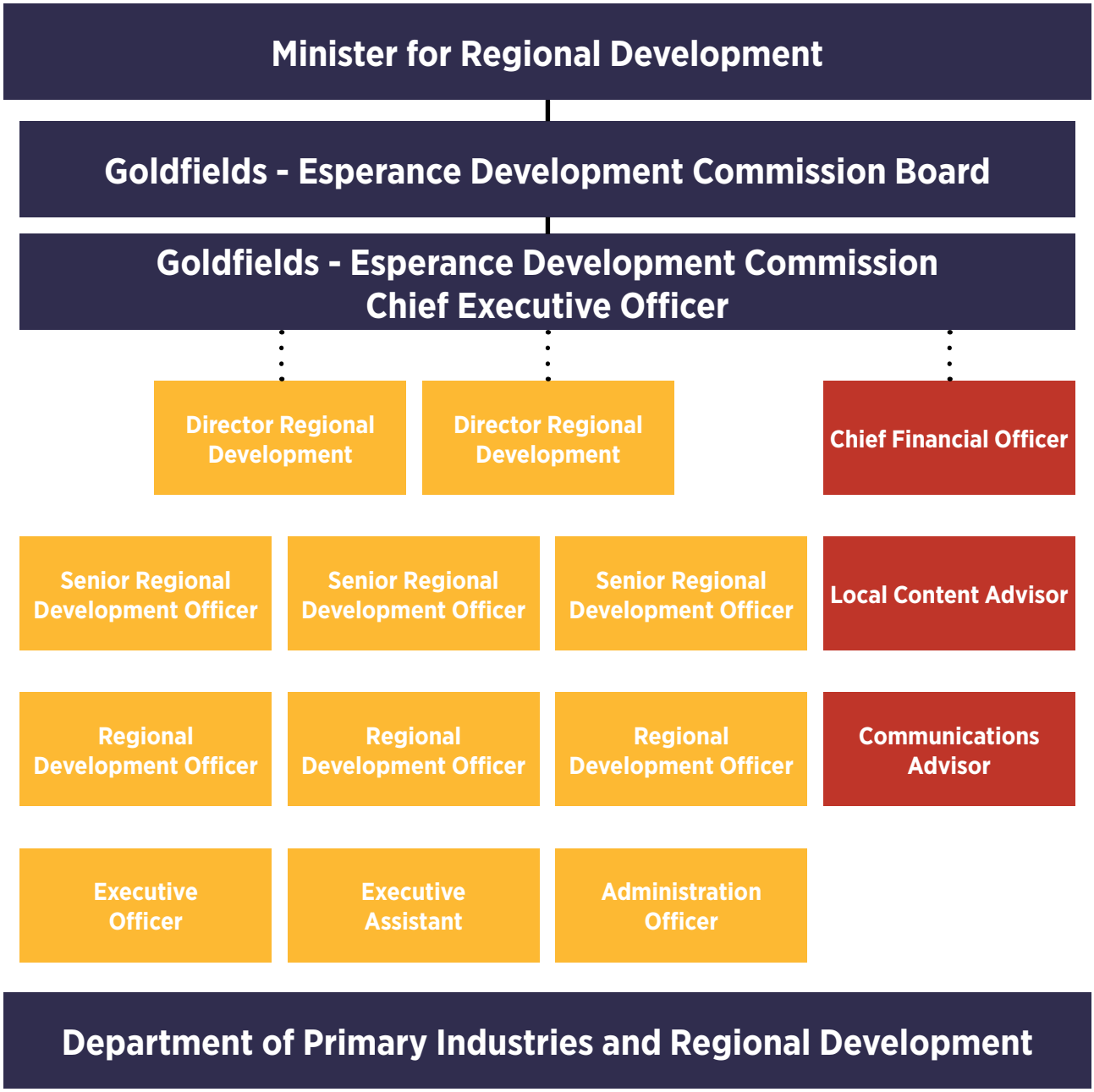
- *Regional Development Commissions Act 1993.*
- *Auditor General Act 2006.*
- *Disability Services Act 1993.*
- *Equal Opportunity Act 1984.*
- *Financial Management Act 2006.*
- *Freedom of Information Act 1992.*
- *Industrial Relations Act 1979.*
- *Minimum Conditions of Employment Act 1993.*
- *Occupational Safety and Health Act 1984.*
- *Public Sector Management Act 1994.*
- *Salaries and Allowances Act 1975.*
- *State Records Act 2000.*
- *State Supply Commission Act 1991.*





Organisational Structure

The Department of Primary Industries and Regional Development supports the GEDC by providing financial and human resources. The Department is the employing agency for staff working for the GEDC and responsible to the CEO. In September 2019, the department implemented a restructure of resources with 10.8 FTE regional development positions allocated to the GEDC, with additional local content advisor and communications advisor roles being allocated to the Kalgoorlie regional office. Recruitment processes were undertaken to transfer existing permanent staff and to externally advertise and fill other positions. Further recruitment to fill remaining GEDC positions will continue into the first quarter of 2020-21.



1.1 GEDC Board

Board Profiles

The Board is the governing body of the Goldfields-Esperance Development Commission and is responsible for setting the strategic direction of the Commission. All Board members contribute skills, experience and local knowledge that benefits the Commission and the region. The Board structure comprises of Chair, Deputy Chair, four Board members and the Chief Executive Officer.



Gail Reynolds-Adamson

Chair

Community Representative | 18 August 2014 – 30 June 2020

Gail Reynolds-Adamson is the Managing Director of Indigenous Consulting Group, an Aboriginal-owned, specialist training and strategic development company. Gail is an Esperance Nyungar person living in Esperance, and a descendant of the Mirrning People ("Whale people"), whose country stretches along the southern coast to the South Australian border.

Gail has been Chairperson of the GEDC Board since 2018 and is also the Chairperson of the Esperance Tjaltjraak Native Title Aboriginal Corporation RNTBC (ETNTAC), a position she has held since the Corporation's establishment in 2015. Additionally, Gail is Chairperson of South East Aboriginal Health Service, Director on the Horizon Power Board and the Regional Development Trust Board.



Kate Mills

Deputy Chair

Ministerial Appointment | 16 July 2018 – 30 June 2021

Kate works in her small business and has two young daughters. Having lived in Kalgoorlie-Boulder for over a decade and travelling extensively across the Goldfields-Esperance region during this time, Kate is well placed to articulate the challenges facing our region.

With a background in community and economic development, Kate enjoys applying her skills and expertise to the benefit of the Commission and region. Kate has a Social Science degree in Politics and a Commerce Degree in Tourism Management from Curtin University. She has acted as a valuable and proactive member of the Kalgoorlie-Boulder community, making significant contributions through several community groups and Boards.



Ryan Jones

Community Appointment | 16 July 2018 – 30 June 2020

Ryan Jones is a career banker who has worked primarily in regional WA and Chair of the GEDC's Risk and Audit Committee. Ryan currently sits on the Board of the Kalgoorlie-Boulder Chamber of Commerce and Industry. Ryan has previously held Board appointments at the Geraldton Resource Centre and Regional Alliance West along with numerous not-for-profit sporting organisations. Ryan is a Graduate of the Australian Institute of Company Directors and holds qualifications in Financial Planning, Management and Financial Services.

Ryan loves regional living and resides in Kalgoorlie with his wife and three children. He is excited about the opportunities for regional investment and works hard to see these opportunities maximised for the benefit of the community.



Shaneane Weldon

Local Government Appointment | 8 July 2019 – 30 June 2020
Shaneane is a Wangkatja woman married with four adult children and is the Managing Director of a contracting business based in the Northern Goldfields and Deputy Shire President of the Shire of Laverton.

A Justice of the Peace for 22 years and Shire Councillor for 15 years, Shaneane is an active community member. Shaneane is the Chairperson for Pakaanu Aboriginal Corporation based in Laverton, addressing community social issues based around the five pillars of government including education, health, housing, justice, and employment.



Ross Wood

Ministerial Appointment | 8 July 2019 – 30 June 2021
Ross has spent over 30 years on the Nullarbor, managing the largest sheep station aggregation in Australia.

A well-respected pastoral manager, Ross is the coordinator for the Kalgoorlie Pastoral Alliance Project and is the Executive Assistant and Financial Officer for the Goldfields Nullarbor Rangelands Biosecurity Association Inc (GNRBA). Ross is regularly engaged to mentor other pastoral and agriculturally recognised biosecurity groups and is active within the community. Ross has a state-wide profile beyond pastoralism in regional and remote WA, with significant life experience living both regionally and remotely.



Shelley Payne

Local Government Representative | 3 March 2020 – 21 December 2021
Shelley has served on the Shire of Esperance Council since 2017 and has recently completed a Diploma in Local Government (Elected Member). Shelley trained as an engineer and holds a master's degree in Business and the Environment. She is a qualified auditor for Environmental, Quality and OHS Management Systems.

Shelley has lived in Esperance for 20 years and is married with three children. She is active within the Esperance community and holds positions with a number of local organisations. Shelley is also a Justice of the Peace.



Victoria Brown

Local Government Representative | 5 September 2016 – 19 October 2020
Victoria was the President of the Shire of Esperance and farms a family cropping enterprise with her husband Tom, east of Esperance.

She has a BA Hons in English and Drama and a background in theatre, writing and media, and worked in commercial radio prior to raising her family and helping to run the farm business.

Board Appointments

The Minister for Regional Development is responsible for the appointment of Board members. The Commission Chair worked closely with the Minister to appoint Board Members to positions during the reporting period.

On the 19 June 2019 Cabinet approved the appointment by the Minister for Regional Development, of the following members to the Commission Board, pursuant to sections 15 and 16 of the *Regional Development Commissions Act 1993.*

- Ms. Gail Reynolds-Adamson reappointed as Chairperson of a one-year term expiring on 30 June 2020.
- Ms Shaneane Weldon appointed as a local government representative for a one-year term expiring 30 June 2020.
- Ms Kate Mills appointed as Deputy Chairperson for the remainder of her term expiring on 30 June 2021.
- Mr Ross Wood appointed as a Ministerial representative for a two-year term expiring on 30 June 2021.

In October 2019, Mrs. Victoria Brown resigned as local government representative. Mrs Brown made a significant contribution to the Commission, and Goldfields-Esperance region, over the period September 2016 until October 2019.

On the 3 March 2020, Cabinet approved the appointment by the Minister for Regional Development of Ms Shelly Payne as local government representative to the Goldfields-Esperance Development Commission pursuant to sections 15 and 16 of the *Regional Development Commissions Act 1993* for a term expiring on 31 December 2021.

Board Meeting Attendance Table

The Commission's Board aims to be visible in the region and accessible to local stakeholders. A total of ten (10) meetings were held in 2019-20, including four (4) Out of Session meetings, one of which was a Strategic Planning session (2020-22) held in early February. Board meetings were held around the region to enable members to connect with government representatives, businesses and residents, providing members with valuable insight into the challenges and opportunities across the region. Meetings in the later part of the reporting period were held through digital platforms to maintain governance and business continuity during remote working arrangements due to COVID-19.

The table below shows meeting attendance of each Board Member during the reporting period, based on eligibility to attend.

Board Member	Number of Board Meetings Attended
Gail Reynolds-Adamson	10
Kate Mills	10
Victoria Brown	0
Ryan Jones	10
Shaneane Weldon	10
Ross Wood	7
Shelley Payne	4

Chief Executive Officer	Number of Board Meetings Attended
Kris Starcevich	10



Declaration of Interests

The Board has a standing declaration of interest process included in the Board Charter. A standing agenda item at all meetings provides for the declaration and management of any potential conflicts of interest and a Board Members' Interest Register is maintained on an ongoing basis.

Independent External Advice

Individual Board members have the right to seek independent professional advice on particular matters before the Board, subject to approval by the Chair, at Commission's expense.

Committees – Risk Management and Audit Committee

As an accountable authority the GEDC Board has established the Risk Management and Audit Committee (RMAC) which assists the Board in fulfilling its oversight responsibilities for the internal audit function. Internal audit is critical to good governance and performance and is imperative to ensuring independent, objective and effective processes for monitoring compliance with laws and regulations.

Through the RMAC the GEDC has continued to improve its governance, risk and integrity management during the reporting period, including an Information Technology (IT) service audit and upgrade and a facilitated risk management session with the Board.

The RMAC held a total of two (2) meetings during the reporting period. The below table shows the attendance of members.

RMAC Member	Number of Meetings Attended
Ryan Jones	2
Shaneane Weldon	1
CEO - Kris Starcevich	2

1.2 Performance Management

As a Statutory Authority, the Commission has legal responsibilities in accordance with the *Western Australian Regional Development Commissions Act 1993* and operates in compliance with State Government policies.

The Public Sector Management Act 1994, the Western Australian Public Sector Code of Ethics and the Public Sector Commission's Good Governance for Western Australia Public Sector Boards and Committees, inform the Commission's high level of governance approach.

The Commission operates to a Code of Conduct which identifies personal integrity, relationships with others and accountability as guiding principles in accordance with the *Public Sector Management Act 1994*. The Code of Conduct also includes specific standards that Commission employees adhere to, ensuring best practice, conduct and integrity.

Outcome Based Performance Management Framework

The Commission's activities and services contribute to the economic and social development of the region by maximising job creation and broadening the region's economic base in partnership with government and the private sector. The State Government's outcome based performance management framework demonstrates now the commission's services meet Government goals. No changes were made to this framework during 2019-20.

Government Goals

There are several government goals that guide the development of policies, programs and services within Western Australian government agencies.

The Commission's activities and services contribute to the economic and social development of the region by maximising job creation and broadening the region's economic base in partnership with government and the private sector. This alignment clearly articulates the relationship between the functions and responsibilities of the GEDC and its strategic plan, as well as overall government goals. The desired outcome recognises the value of the development commission with ensuring the Goldfields-Esperance region is an environment which is conducive to the balanced economic and social development and competitive over the long term.

Government Goals	Stronger focus on the regions. Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.
Desired outcome	An environment which is conducive to the balanced economic and social development of the Goldfields-Esperance region.
Service areas	1. Facilitation of the provision of appropriate infrastructure and industry services. 2. Promotion of region and its investment opportunities.
Efficiency indicator	Average cost per chargeable hour for each of the two service areas.
Effectiveness indicator	Client satisfaction with the GEDC making a positive contribution to the economic and social development of the region.

Shared responsibilities with other agencies

The Commission did not share any responsibilities with other agencies in 2019-20.



1.3 GEDC Strategic Plan

Strategic Plan 2017-2020

The GEDC endorsed a Strategic Plan in 2017 for the period 2017-20. The Annual Report sets out the GEDC's achievements for 2019-20 aligned to the focus areas of the Strategic Plan.

Our Future Priorities - Strategic Plan 2020-2022

A Strategic Plan 2020-22 (The Plan) was endorsed by the GEDC Board in June 2020 and defines a strategic direction for the GEDC for the period 2020-2022. The Plan sets out the GEDC's approach to the delivery of regional development outcomes, identifying key themes and strategies the GEDC must focus upon, to achieve economic and social outcomes for the region.

The Western Australian regional development portfolio agreed to implement a consistent approach towards regional development themes for Western Australia through the Strategic Plans of the nine (9) Regional Development Commissions.

The GEDC Board has identified seven (7) strategic priorities within this Strategic Plan that align with the themes of the Western Australia Regional Development Trust:

1. Leveraging non-renewable resources
2. Enabling infrastructure
3. Local content
4. Aboriginal economic development
5. Workforce development
6. New industries and economic diversification
7. Organisational excellence

The Strategic Plan 2020-22 supersedes the previous Strategic Plan endorsed by the Board in 2017.

Agency Performance
2.0 Report on Operations

The Agency Performance section of this report provides a snapshot of the Commission's results, key outcomes and achievements against the organisations strategic objectives. It also provides an overview of investments approved and implemented through the various funding programs administered by the Commission during the reporting period.

The GEDC promotes opportunities which will increase economic, social, and business development outcomes in the region and is committed to maximising job creation and improving career opportunities, ensuring shared prosperity for all residents of the Goldfields-Esperance region and continuing strong regional contributions to the state of Western Australia .

The GEDC's Strategic Plan (2017-2020) has seven regional focus areas, against which the agency's key achievements for 2019-20 are set-out. These are:

1. Leadership and Innovation
2. Business and Industry Development
3. Workforce Development
4. Promoting the Region
5. Social Infrastructure
6. Economic Infrastructure
7. Regional Development Programs





2.1 Key achievements

2.1a Leadership and Innovation

Leadership and innovation are key to enhancing the economic resilience of the region and the capacity and capability of its people. By demonstrating strong leadership and fostering innovation, the Commission continues to actively promote and advocate on behalf of the Goldfields-Esperance region, for adequate regional representation in government and industry activities.

Ministerial Taskforce for Aboriginal Economic Development

A Ministerial Taskforce for Aboriginal Economic Development in the Goldfields (Taskforce) was established in April 2018 by the Minister for Regional Development. The Taskforce acts to inform action to drive economic opportunity for Aboriginal people in Kalgoorlie-Boulder and the Goldfields. The GEDC Chairs the Taskforce with membership comprising City representatives, industry and members of the wider community.

Since it's inception, the Taskforce has influenced the delivery of a number of GEDC led initiatives including the Mining Industry Partnership Group, Aboriginal Business Leadership Program, establishment of the Goldfields Aboriginal Business Chamber and What's Down the Track Forum Aboriginal Business sponsorship.

This year, the Taskforce has worked with the City of Kalgoorlie-Boulder to ensure Aboriginal employment and business procurement outcomes are achieved as part of the Kalgoorlie City Centre project.

District Leadership Group

During 2019-20, the GEDC supported the District Leadership Group identify and raise issues with State and Federal Government. This forum has become even more important as a result of COVID-19, as the DLG provides regional leadership, service co-ordination and critical intel to support key decision-making processes.

Regional Cabinet

The Goldfields hosted the Premier, Hon. Mark McGowan MLA, and WA Cabinet Ministers on 8 and 9 September 2019. The visit included a Community Cabinet meeting in the City of Kalgoorlie-Boulder, a business and industry breakfast, a tour of the Goldfields to meet with community members and visits to local projects and facilities.

Ministerial Visits

The GEDC facilitate and host several Ministerial visits. This included a visit to Laverton in September 2019, for the opening of the Laverton Aquatic Centre, funded by Royalties for Regions, by the Premier and the Minister for Regional Development, Hon. Alannah MacTiernan MLC.

$1.3 million funding for upgrades to the Laverton Great Beyond Visitor Centre was announced to ensure the facility services the expected increase in visitors travelling along the Outback Way.

The Minister for Regional Development also met with migrants who had recently relocated from Perth to the Goldfields to live and work, through GEDC migration activities, with settlement through the Goldfields Migration Employment Program (GMEP). The GMEP was funded through round one of the Goldfields-Esperance Regional Economic Development (RED) Grants.

In January 2020, Minister MacTiernan visited Kalgoorlie-Boulder and Esperance to announce funding for five projects through Round two (2) of the RED Grant program. Whilst in Esperance, the Minister participated in the first Goldfields Voluntary Regional Organisation of Councils (GVROC) meeting for 2020, taking the opportunity to discuss dry season response and feral camel management issues with Local Government representatives.

Minister MacTiernan returned to the region in March to announce $300,000 State Government support for two studies to investigate infrastructure needs for industry development in Kalgoorlie. The two Government-led studies focus on industrial land and rail freight to help pave the way for future investment in regional development and business opportunities for Kalgoorlie-Boulder.

During the March visit, Minister MacTiernan shared a garden lunch at the WA Museum Goldfields with many of the GMEP relocated migrants, their employers, and the supportive local community to hear their stories of welcome and settlement.

Goldfields based small businesses were invited to join the Minister for Regional Development for a virtual meeting in May 2020, to discuss the State Government support to small business and how the Goldfields economy will recover from the impacts of COVID-19. The session was co-hosted by the Member for Mining and Pastoral, Hon. Kyle McGinn MLC, GEDC and Kalgoorlie-Boulder Chamber of Commerce and Industry (KBCCI).

Ministerial Roundtables – State Recovery Planning

In June 2020, the Minister for Regional Development hosted virtual Ministerial Roundtables for COVID-19 – State Recovery Planning for Regional Communities, to obtain feedback on the impacts of the COVID-19 pandemic and discuss ways to support State's recovery. Due to the vastness of the Goldfields-Esperance Region the GEDC CEO participated in both North and South forums along with representatives from RDC's, Local Government and local Chambers of Commerce and Industry, discussing the impacts of COVID-19 and contentious issues specific to their area within the region. Participants provided a wealth of ideas about opportunity and initiatives to support recovery across the State, many of which have been incorporated into the WA Recovery Plan.





Conferences and Forums

Migration Institute of Australia WA Migration Conference 2 August 2019, Perth

The GEDC presented to over 200 attendees at the Migration Institute of Australia WA Migration Conference in August 2019. The GEDC highlighted activities undertaken to attract migrants to the region and participated in a regional panel on the value of living and working in the Goldfields-Esperance region.

WALGA Multicultural Communities Forum

In October 2019, seventy (70) participants including the GEDC from across government, industry, research, and community sectors attended the WALGA Multicultural Communities Forum in Perth. The event provided insight into how regional areas and cities have experienced immigration, can attract newcomers, and create welcoming places.

What's Down the Track 2019

The What's Down the Track Business and Industry Forum, hosted by the Kalgoorlie-Boulder Chamber of Commerce and Industry (KBCCI), provides an insight into what is happening today and into the future, for the Goldfields-Esperance region.

The GEDC CEO, presented on the key programs and projects including Aboriginal economic development initiatives, local content, economic diversification, supporting industry expansion and workforce attraction programs.

Digger and Dealers 2019

Diggers & Dealers held in Kalgoorlie-Boulder annually is Australia's leading mining forum. The event attracts participants from around the world to hear corporate presentations by listed mining and exploration companies to network, do business, and engage with over 164 exhibitors from the sector. This event contributes to the generation of mining revenue and employment and is attended by the GEDC CEO.

SEGRA 2021

In May, Kalgoorlie-Boulder was announced as the host for the 2021 SEGRA Conference with the GEDC partnering with the City of Kalgoorlie-Boulder to bring the event to regional WA. SEGRA is Australia's premier regional development conference highlighting and working to address regional issues to achieve economic growth and development.

The two-day conference is expected to attract 300 delegates to the City and provide significant local content outcomes. The GEDC supported the SEGRA bid and is a member of the steering committee.

Stakeholder Forums

2019 Goldfields Business Awards

The Goldfields Business Awards recognises and rewards excellence in business and outstanding contributions to the Goldfields community. In 2019, the GEDC sponsored the Aboriginal business category, which was won by Dutjahn Sandalwood, a sandalwood oil distillation company backed by Dutjahn custodians, Katkabbuba Aboriginal Corporation, and the founders of WA Sandalwood Plantations.

The GEDC also contribute as judges for workforce and business categories.

Get Funded Kalgoorlie Workshop

The GEDC partnered with the City of Kalgoorlie-Boulder to host a project planning workshop in Kalgoorlie-Boulder providing information and advice on the Regional Economic Development (RED) grants. Participants were taken through the complete project planning process with expert guidance from a local consultant.

Infrastructure WA - Goldfields-Esperance Engagement Forum February

Infrastructure WA hosted a Goldfields-Esperance Stakeholders Engagement Forum in Kalgoorlie-Boulder on 28 February 2020 supported by the GEDC, providing the opportunity to learn about the role of IWA and its implementation across WA.

At the event, IWA launched the State Infrastructure Strategy Discussion Paper which opens a state-wide conversation about the future of infrastructure in Western Australia and will inform the development of the 20-year State Infrastructure Strategy.

GVROC

FIFO and Remote Tax Concessions

The GEDC is participating in the Goldfields Voluntary Regional Organisation of Councils' (GVROC) working group established to explore alternatives to fly-in, fly-out (FIFO) workforce practices in the region.



The GEDC presented to the Productivity Commission's Inquiry into Remote Area Tax Concessions and Payments and continues to work with local government and stakeholders to promote regional liveability.

DPIRD Working Groups

GEDC is a participant in DPIRD Trade and Investment bi-monthly State-wide meetings, with other Regional Development Commissions. The meeting serves as an opportunity to discuss key programs, projects, issues, and opportunities across the State and ensure alignment of the State's support and development of agri-business and aquaculture in WA.

Regional Submissions

In the 2019-20, the GEDC prepared submissions for a number of enquiries relating to regional issues.

The GEDC, in collaboration with DPIRD, provided a submission to the Productivity Commission's Review of Remote Area Tax Concessions and Payments. The submission recommended addressing exemptions and concessions which may influence a company's decision to utilise either a FIFO or residential workforce

The GEDC also presented a submission for the Federal Parliament's Government's Joint Standing Committee on Regional Migration.

2.1b Business and Industry Development

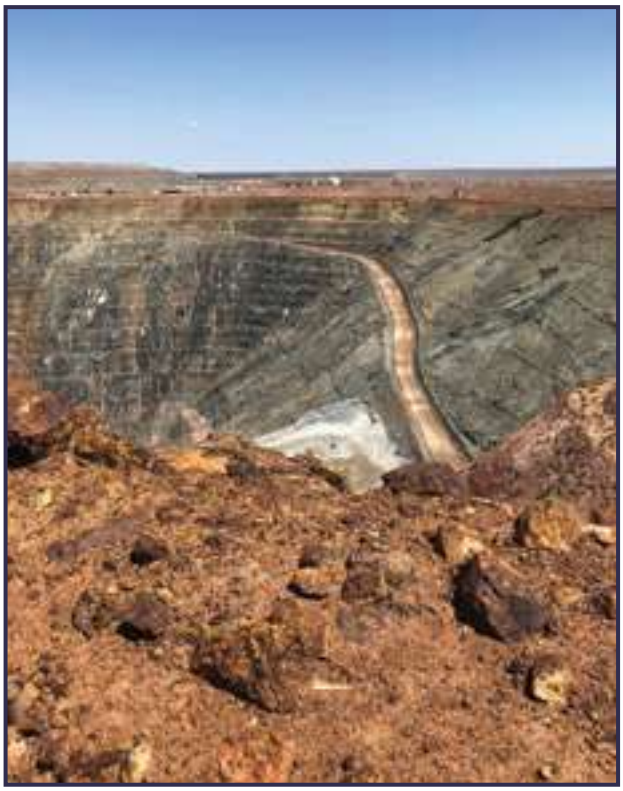
GEDC acts to broaden and diversify the region's economic base, optimise local job creation, and improve career opportunities in the Goldfields-Esperance region. Throughout 2019-20 the GEDC supported a variety of business sector initiatives, including the promotion of local content, the creation of new jobs and Aboriginal business participation in the region.

Aboriginal Business Development

The GEDC is committed to supporting and promoting Aboriginal businesses across the region and works to connect businesses with tender and procurement opportunities.

To promote and recognise the work of local Aboriginal entrepreneurs, the GEDC sponsored the Aboriginal Business category at the Goldfields Business Awards. The category received a strong field of nominations with Dutjahn Sandalwood Oils being the award winners.

At the What's Down the Track Forum in November, the GEDC provided sponsorship for Aboriginal businesses including Nhanda Contracting, Tucker Dust and Diesel Mechanical and Brenntech Contracting to attend and promote their businesses on the GEDC booth. Local business Kai Rho Contracting also secured their own booth after being invited to participate in the event by the GEDC.



Mining Industry Development and Diversification

Regional Co-ordination Group

The GEDC is facilitating a Regional Coordination Group made up of several mining companies, local and state government agencies, and the traditional landowners to manage the social impacts and leverage the economic opportunities of several mining projects advancing in the Ravensthorpe-Esperance region.

A detailed analysis of the social and economic impacts of the mining activity has been undertaken with an action plan developed to focus on the opportunities and mitigate some of the potential impacts. With an estimated combined capital spend of $410 million over the period to 2030, and a peak workforce of approximately 1100 under current plans, the combined projects will have significant impacts on the region.

Dundas Economic Development Working Group

With a declining population base and reliance on the mining industry, the GEDC and the Shire of Dundas have established an Economic Development Working Group to identify ways to diversify the economy whilst supporting current industries. A series of initiatives have been developed and work is underway to progress these initiatives.

Mining Industry Partnership Group

The Mining Industry Partnership Group met during 2019 to explore ways to increase Aboriginal employment and business procurement across the mining sector. Through the work of this group, the Goldfields Procurement Officers group was formed through a partnership between the Local Content Adviser and CME, with membership from across the industry. The group is focused on developing the Goldfields Capability Register to provide vital organisational information for greater local and Aboriginal business procurement.

Future Battery Industries Co-operative Research Centre (FBI CRC)

As an associate FBI CRC participant, the GEDC remains directly engaged with industry and research partners on projects relevant to the region. The FBI CRC was officially launched in March 2020 and has released the first of several scene setting research project reports. Through the FBI CRC, the GEDC continues to promote the region as a prime battery and other technology minerals investment destination. The region is home to a range of critical materials – such as lithium, cobalt, vanadium, tantalum, nickel, and graphite – used to produce energy storage systems. It is also the largest rare earths producing province outside of China. Local production of these technology minerals is increasing in the form of new mining projects and expansions of existing operations.

During 2019-20 the GEDC also helped progress several initiatives in the infrastructure and industrial land space, supporting the growth of the Goldfields-Esperance battery and other technology minerals sector.

CRC for Transformations in Mining Economies (CRC TiME)

The GEDC engaged with CRC TiME during its formation and initial project scoping stages in 2019-20. The Commission provided in-principle support for the initial CRC bid and has provided ongoing staffing expertise towards the initiative.

The GEDC will draw upon CRC TiME research and findings to assist resource companies successfully plan for mine closures and transition to sustainable post-mine economic futures. The Commission also supports the progression of Goldfields-based research proposals to position the region as a demonstration site to test scalable and transferable solutions.

Major Projects Liaison

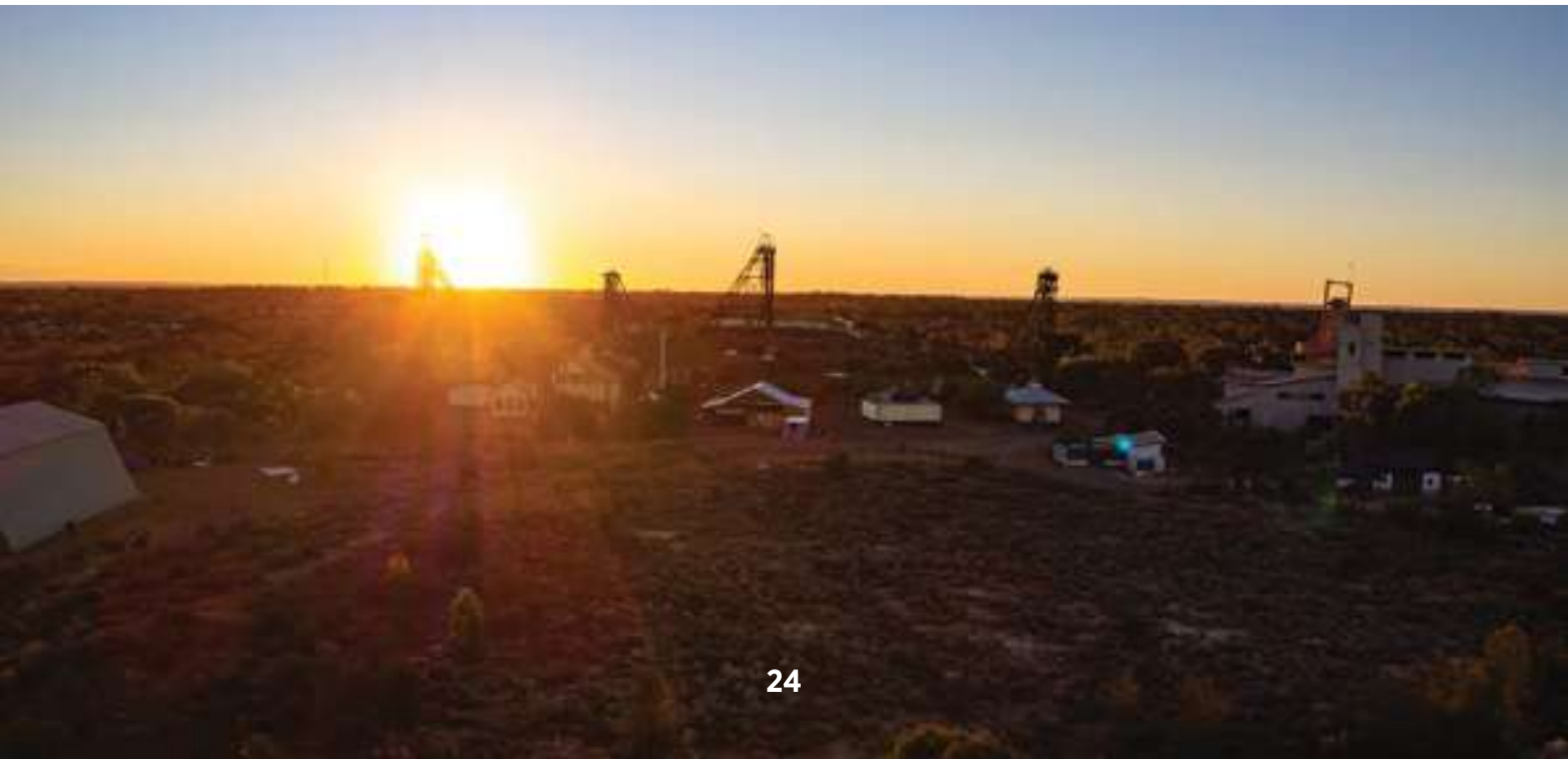
Aquaculture

GEDC is working with DPIRD to progress a site near Esperance as part of the South Coast Aquaculture Investment Zone project. The project looks to develop investment ready large-scale aquaculture sites and GEDC is assisting DPIRD with local consultation regarding the proposal and the site identified.

Primary Industries

Camel Industry Development

The GEDC and DPIRD in partnership with Goldfields Voluntary Regional Organisation of Councils (GVROC) and the Goldfields Nullarbor Regional Biosecurity Association (GNRBA), commissioned the Goldfields-Esperance Camel Industry Analysis in March 2020. The Analysis investigates opportunities for the establishment of camel related businesses and providing clear direction to the development of camel related industries. It was developed through consultation with a broad range of stakeholders including pastoralist, private companies, local government, and agency representatives.





The findings and recommendations from the Analysis will inform the future development of potential camel industries across the region.

Austrade TradeStart

The GEDC continued its partnership with the South West and Great Southern Development Commissions in offering the Austrade TradeStart program across the Goldfields-Esperance region. With conditions for exporting overseas significantly impacted by COVID-19, several businesses are exploring new markets and have sought advice and support through the Austrade TradeStart program.

Building Local Capability

The LCA has worked with Local and State government agencies to deliver a range of workshops and forums to promote local content and procurement opportunities to business and industry sectors across the Goldfields-Esperance region.

Some of these include:

- Presenting at the 'How to do Business with the City of Kalgoorlie-Boulder' workshop with over 40 people in attendance. A collaboration with the City of Kalgoorlie-Boulder (CKB)
- Regional Communication Forum in Kalgoorlie-Boulder, where over 70 SME's attended, run in conjunction with the Department of Jobs, Tourism, Science and Innovation, GEDC, CKB and various State Government agencies.
- Esperance Procurement workshop in partnership with the Shire of Esperance where over 20 local businesses attended.

The LCA has also presented at Main Roads WA Goldfields Esperance Regional Suppliers Forum, the 'Introduction to Writing Successful Tenders for WA Government for Aboriginal Businesses' and Business After Hour events in both Esperance and Kalgoorlie-Boulder.

Local Projects

The LCA has played an active role in supporting and connecting opportunities for local businesses and contractors, some of the successful projects include:

- ***Sandalwood Collection:*** The Forest Products Commission offered two contracts in the Goldfields region for the collection of 50 tonnes of deadwood (sandalwood) and 200 kilograms each of seeds to be picked and planted. The LCA worked with two Goldfields-based Aboriginal businesses that have now commenced work on contracts worth over $550,000 over the next three years.
- ***Step up/Step Down Facility in Kalgoorlie:*** The $6 million tender was awarded to a local builder with the LCA working closely with them on their local content component expected to be over 70%.

- ***Outback Way:*** The $40 million Main Roads WA Tender for construction of 38km of road has been won Carey Mining and Centrals Earthmoving through a partnership with Main Roads WA referred to as the Wongutha Way Alliance. The LCA has worked closely with Carey Mining to assist in identifying Aboriginal businesses to tender for work on the project.
- ***Esperance Indoor Stadium:*** The Shire of Esperance awarded the Indoor Sports Stadium tender to a local company, Simes Construction, who are expected to achieve over 77% local content for the project.

In September 2019, the LCA was approached by the Chamber of Minerals and Energy, to collaborate on the formation of the Goldfields Mining Procurement Officers Group (Group). Together with the GEDC and DPIRD, the LCA has brought together ten mining companies from across the Goldfields region with the aim of increasing the level and amounts of regional content.

The Group agreed to collaborate on the development of the Capability Register to document the operational capability of local businesses for tender and procurement opportunities. It is hoped that the register will be operational in the second quarter of the 2020-21 financial year.

Film Industry Liaison

GEDC continued to build on becoming a film friendly region, partnering with Screenwest in attracting and supporting films and maximising the benefits of productions in the region.

The GEDC assisted WA Regional Film Fund (WARFF) recipient, Aussie Gold Hunters, organise an event in Kalgoorlie-Boulder to thank local contributors to the show. Such is the popularity of the show around the world, senior executives from Discovery Channel travelled to Kalgoorlie-Boulder to join in the celebration. The event highlighted the significant impact the show has had on bringing the region to the screen and recognising the local talent and crew that make quality productions possible.

The GEDC is also working with the producers of Dirt Music and distributors Universal Pictures with the official release of the film set for October 8th, 2020. A regional showing of the feature film is being planned for Esperance to thank the community, local businessses and volunteers that assisted in the production.



Economic Modelling and Statistics

The GEDC continued to provide data and statistics on the region to a range of stakeholders for planning, reporting, and investment purposes throughout 2019-20. The GEDC also produced REMPLAN economic impact modelling reports for projects to support business decision making and funding applications.

Following the onset of the COVID-19 pandemic, the GEDC undertook work to collect, analyse, interpret, present, and share data relating to the impact of the pandemic on the regional economy. This work was utilised to identify those regional industry sectors and communities most heavily affected by the pandemic and inform economic recovery decision making.

In April 2020, the GEDC and other Regional Development Commissions formed a Regional Data Group (RDG) to provide a consistent framework for the preparation and delivery of information relating to COVID-19 economic impacts and recovery. Through a unified approach, the RDCs and their representatives aimed to improve the collection, analysis, reporting and availability of relevant and timely economic data.

The GEDC also produced a range of economic indicators and reports to help inform recovery initiatives through Esperance Economic Sub Committee, formed as part of the Shire of Esperance COVID-19 Community Recovery Plan.

2.1c Workforce Development

Building, attracting and retaining a skilled regionally located workforce is a priority for the Goldfields-Esperance region. The GEDC in its commitment to help engage local residents in training and employment, as well as attract a new to region labour force, continues to lead or support workforce initiatives for the region.

Enduring elevated levels of resource exploration, mining and processing have seen the continued demand for labour and skills in the Goldfields-Esperance resources and related service sectors over 2019-20. Community and health services, construction, and education and training are among the other industries driving labour demand.



The containment management of the COVID-19 in early 2020 impacted a number of sectors such as personal services, some retail, recreation and food with employment loss, while other sectors including mining, quickly amended practises through shift changes, hygiene and isolations to maintain their in-demand workforce. Various Government responses to COVID-19 assisted businesses to continue operations and employment. Organisations also looked to new ways to utilise and retain staff.

Goldfields Migration Employment Project (GMEP)

The GMEP is a secondary migration initiative to attract migrants currently residing in Perth to work and live in the Goldfields. Funded by the State Government's Regional Economic Development (RED) grant program, the GMEP is delivered by the Goldfields Community Legal Centre (GCLC) Inc. a not for profit organisation based in Kalgoorlie-Boulder.

Activated in August 2019, the GMEP has seen over 30 skilled and semi-skilled Culturally and Linguistically Diverse (CaLD) participants achieve regional employment and lifestyle opportunities in the Goldfields, some accompanied by their families. Employment areas to date include health and community services, education, security, mining and a number of other sectors. Candidates are attracted directly through employment events held by the GMEP in Perth, other promotion, and word of mouth recommendation. The program concludes in December 2020 and the GCLC is seeking to identify further funding to continue and expand the program to help meet the workforce needs of the Goldfields-Esperance region.

Migration Advocacy

With over 133 first ancestries featured in the 2016 Census, migration has proved important for the Goldfields-Esperance economy and community.

In March 2020, the GEDC presented to the Joint Standing Committee on Migration. The Inquiry into Migration in Regional Australia seeks explore and report on the various regional migration settlement strategies. The Inquiry also acknowledges both the diversity of Australia, and the need to support this diversity to enable the best social and economic outcomes for all.

In October 2019, the Western Australian Local Government Association (WALGA) held a Multicultural Communities Forum in Perth. The GEDC participated at this event to promote the regions activity and interest in migration, while gaining insights into the needs and models of support for a multicultural workforce and diverse community.

The Migration Institute of Australia WA Migration Conference 'The Future: Emerging Industries, Trends and the Regions' held in Perth in August 2019 took a focus on Regional WA and the emerging industries and trends impacted by migration. The GEDC presented at the Conference on the region itself and migration activities being undertaken. With delegates from all over Australia it was opportune to showcase the employment and lifestyle opportunities of the region and learn from the other speakers and participants.

Labour Market Review

The Department of Training and Workforce Development (DTWD) periodically provide a review of the labour markets of the Goldfields and Southern region. Both regions were reviewed in the past year. Information in the reports is designed to show current and future labour markets, occupations that are considered difficult to fill, issues relating to training and attraction, and recruitment and retention of workers. The GEDC plays a key role in providing local information around workforce matters, as well as collating relevant contemporary data bases for consultations and hosting engagement sessions.

Central Regional TAFE Expansion

Provision of relevant and well-resourced vocational education and training is critical in the Goldfields-Esperance region. Central Regional TAFE (CRTAFE) has a strong record in delivering across a range of industry and community programs yet has been hampered by a lack of adequate facilities to meet the demand for more skilled workers in a range of trade areas; particularly Heavy Plant and Engineering, and automotive electrical and light automotive training. The GEDC has allied with CRTAFE to advocate for a $10 million capital works project that would see the institution service the demand for trades and related courses that will provide in-demand skilled workers for the mining and mining services sector. The 2019 Goldfields Labour Market Review has confirmed that these employment opportunities exist in region.

Southern TAFE Redevelopment

The redevelopment of the South Regional TAFE in Esperance commenced in May 2020 and is due to open early 2022. The project involves the replacement of the old TAFE with a new state of the art facility that includes three trade workshops for training in construction, metal engineering and auto/machinery industries, specialist facilities for childcare, and for training for institutional and home care for NDIS and aged care clients. The GEDC has been working closely with DTWD and Department of Finance to ensure maximum local content can be delivered in the development of the $17.85 million project.





2.1d Promoting the Region

In promoting the region, the GEDC seeks to retain and attract population and investment, and position the region as a destination to live, work and visit. The GEDC nurture's a greater understanding of people and culture, and increased diversity by assisting to attract skilled people to visit, invest and stay longer in the region.

Regional Representation

The GEDC continues to promote and advocate on behalf of the region with a focus on improving liveability as well as achieving social and economic outcomes. Strong regional leadership and representation is vital in highlighting regional issues and achieving these outcomes.

GEDC staff provide representation across a broad range of stakeholder groups including a number of key Kalgoorlie-Boulder Growth Plan Groups, the KBCCI's City and Regional Development Sub-Committee, Northern Goldfields Interagency Meeting, Esperance Tourism Association, ECCI's Aviation Community Consultation Groups, the Esperance COVID-19 Economic Sub-committee, the Dundas Regional Economic Group.

Tourism Development

GEDC worked closely with Australia's Golden Outback and Tourism WA to understand the impacts of COVID-19 on the tourism sector to inform government response. Major projects supported by the GEDC and funded by the State Government including the Great Beyond Visitor Centre Laverton, and Western Woodlands Cultural Centre in Norseman continued to progress and will provide excellent facilities for both visitors and the community for many years.

Film Production

Under the State Governments Western Australian Regional Film Fund, managed through Screenwest, production companies accessing funding to film in regional Western Australia must liaise with Regional Development Commissions to develop and agree on regional outcomes. This ensures that economic and social benefits are maximised for local businesses and communities. The GEDC has worked closely with Aussie Gold Hunters for a number of seasons. In 2019, Electric Pictures filmed season five (5) in the Goldfields region and included new local Aboriginal prospectors, Marcus McGuire and Linden Brownley from Kalgoorlie-Boulder.

The GEDC has assisted several other production companies in the early stages of location scouting and project planning. The region has been showcased across a diverse range of television shows and international films including Outback Truckers, Desert Collectors, Parkers Trail: Gold Rush, Tim Minchin's Upright and Indian blockbuster, Saaho.

Workforce attraction and retention activities of the GEDC have a strong focus on promoting the regional opportunities for quality employment and lifestyle experiences.

Our GEMS

(State Government Funding $598,870)

As part of a State Government election commitment, ArtGold secured funding to develop a project that celebrates arts and culture in the Goldfields-Esperance area, and attracts and builds visitor experiences for the region. The project, 'Our GEMS (Goldfields-Esperance Must See)' has progressed with the launch of several self-guided apps.

2.1e Social Infrastructure

Strong social infrastructure is achieved by building and maintaining healthy, inclusive and sustainable communities that promote economic and social development, with services comparable to the metropolitan area.

The Commission contributes to building social infrastructure in a number of ways including through engagement with the education, training, health and community services sectors, and working closely with recipients of funding through GEDC managed State Government programs.

GEDC supports proponents to ensure successful project delivery in line with the agreed milestones, timeframes and budgets. Funding and grants provided through the State Government are vital to the ongoing economic viability and growth of the Goldfields-Esperance region, having an impact on workforce attraction, retention and liveability.

Royalties for Regions Projects

Esperance Indoor Sports Stadium (RfR funding $4.06 million)

The Shire of Esperance received funding for the construction of the new $7.8 million Indoor Sports Stadium in Esperance which includes four multi-purpose courts, kiosk, commercial kitchen, change rooms, club storage and retractable grandstand seating.

GEDC Chair Gail Reynolds-Adamson attended the official opening by the Hon. Mick Murray MLA on 17 July 2020 which was followed by a community Open Day.

Norseman Cultural, Community and Visitor Centre (RfR funding $1.6 million)

The Shire of Dundas received funding to transform an existing building on the main highway into the new Woodlands Visitor Centre. The centre will showcase the Great Western Woodlands and Ngadju Culture, creating a hub of information and activity for both visitors and community members.

The front facade features traditional Ngadju water trees as an entry statement for the Visitor Centre. Water trees were created by Ngadju people by placing large rocks in the bows of young saplings to create a hollow that pooled water when it rained.

The project is nearing completion with the Shire finalising landscaping, external works and unique murals representing the region.

Laverton Community Hub (RfR funding $4 million)

The Shire of Laverton received funding to replace the ageing swimming pool and aquatic facilities in Laverton. The project included a new four lane 25m swimming pool, beach entry play area with water play elements, change rooms and kiosk.

The new Laverton Aquatic Centre was opened on 8 September 2019 by the Premier of Western Australia, Hon. Mark McGowan MLA.

Great Beyond Visitor Centre (Laverton) (RfR funding $1.3 million)

The Shire of Laverton secured funding to upgrade the Great Beyond Visitor Centre to better cater for increased visitor numbers journeying along the Outback Way (from Laverton to Winton in Queensland). The upgrade will provide the visitor centre with a new café and alfresco dining area, new modern merchandising space and an interpretive cultural garden.

Kalgoorlie City Centre (RfR funding $8 million)

The City of Kalgoorlie-Boulder received Royalties for Regions funding for the economic transformation of the Kalgoorlie City Centre. The project will reimagine three key city precincts with clear theming and design to facilitate economic outcomes and social activation.

In late 2019, ASPECT Studios were appointed to Detailed Design, with the construction tender due for release in September 2020. The GEDC is working with the City to ensure that both Aboriginal employment and business procurement outcomes are delivered as part of the project.

Regional Grants Scheme (RGS)				
Project	**Recipient**	**Funding Amount**	**Total Project Cost**	**Status**
RGS Round 5 – In Progress				
Ten (10) projects funded; Nine (9) projects completed and fully acquitted; One (1) project completed, acquittal pending.				
Kambalda Sub-Centre Upgrade	St John Ambulance Kambalda Sub-Centre	$130,932.00	$142,472.00	Acquitted
Gwalia Headframe Restoration	Shire of Leonora	$300,000.00	$1,276,600.00	Acquitted
Streetscape street art project	Ravensthorpe Progress Association	$ 87,423.36	$91,863.36	Acquitted
Eco-education centre for Karlkurla Bushland Park	Kalgoorlie-Boulder Urban Landcare	$108,939.78	$223,989.78	Acquitted
Replacement of Volunteer Sea Search & Rescue Vessel	Esperance Volunteer Sea Search and Rescue	$300,000.00	$1,126,414.00	Acquitted
Aero Medical equipment	Royal Flying Doctor Service	$101,980.86	$274,840.00	Acquitted
Return to Country	Life Without Barriers	$77,620.00	$110,800.00	Acquitted
Heartwalk: Art in the heart of the CBD	Arts and Culture Goldfields Association (Artgold)	$120,000.00	$363,797.20	Acquitted
Positive behaviour support for people disability	Goldfields Independent and Family Support Association Inc (GIFSA)	$102,708.86*	$159,871.46	Complete
Wilurarra Social Enterprise Salon	Wilurarra Creative, Warburton Community	$266,600.00	$524,120.00	Acquitted
RGS Round 6 – In Progress				
Six (6) projects funded. Five (5) project have successfully acquitted with one (1) project completed and acquittal pending.				
Kalgoorlie PCYC Gymnastics Equipment upgrade	The Federation of Western Australian Police & Community Youth Centre Inc	$56,416.36	$56,416.36	Acquitted
Goldfields Esperance Arts and Culture Trail	Arts and Culture Goldfields Association	$298,870.00	$838,685.00	Complete
Optimising lime for agricultural sustainability in SoE and SoR.	South Coast Natural Resource Management Inc	$121,972.37	$215,406.37	Acquitted
Esperance artificial reef and community monitoring program	WA Recreational & Sportfishing Council	$295,000.00	$676,600.00	Acquitted
Bariatric Ambulance	St John Ambulance Western Australia Ltd.	$98,783.76	$198,867.52	Acquitted
Credo Aboriginal Ranger Program	Goldfields Land and Sea Council Aboriginal Corporation	$149,816.40	$282,102.40	Acquitted

Community Chest Fund (CCF)				
Project	**Recipient**	**Funding Amount**	**Total Project Cost**	**Status**
CCF Round 4 – In Progress				
Sixteen (16) projects funded; Fifteen (15) projects completed and fully acquitted; One (1) project is in progress.				
Shire of Leonora	The 2017 Leonora Golden Gift	$50,000.00	$394,000.00	Acquitted
Coolgardie Day Celebrations Inc	Coolgardie Day	$45,414.00	$144,293.20	Acquitted
Boulder Speedway Association	Drafting & Surveying of Site Infrastructure	$33,538.00	$41,194.00	Acquitted
Goldfields Brass Band (inc)	Goldfields Brass Band Trailer	$5,000.00	$10,589.00	Acquitted
Esperance Tjaltjraak Services Pty Ltd	Lot 307 Norseman Rd Esperance Tjaltjraak Cultural Hub	$29,700.00*	$29,700.00	Acquitted
Rotary Club of Esperance Bay Incorporated	The Rotary Club of Esperance Bay Community Event Facilites Project	$24,000.00	$24,000.00	Acquitted
Kalgoorlie Central Playgroup	Outdoor Area Renovations and Nature Play Landscaping	$20,000.00	$52,482.68	Acquitted
K Farmer Dutjahn Foundation Limited	Sandalwood Community Benefit Fund Blueprint (previously Sandalwood Conference)	$20,000.00*	$20,000.00	Acquitted
Escare Inc	CARE (Community Awareness and Regional Education Program)	$26,436.94*	$40,000	Acquitted
Eastern Goldfields Squash Racquet Association	Court Automation for Public Use	$16,204.54	$21,392.00	Progress
Shire of Ravensthorpe	Munglinup Community Playground	$40,000.00	$52,657.00	Acquitted
Hopetoun Progress Association Inc	Bouncy Pillow Installation	$46,282.00	$50,282.00	Acquitted
Esperance Bay Historical Society Inc	EBHS Website Establishment	$8,193.00	$14,192.26	Acquitted
Esperance Local Enterprise Initiative Committee Inc	Esperance Business Incubator Options Assessment & Feasibility Study	$45,880.00	$64,035.00	Acquitted
Goldfields Education Mining Industry Alliance	Digital Connections Project	$29,307.00	$127,480.00	Acquitted
Kalgoorlie Baptist Church Incorporated	Studio ASAPH	$50,000.00	$106,920.00	Acquitted

* NOTE – underspend and unallocated funds have been deducted from these funding amounts

Local Projects Local Jobs (LPLJ) Initiative				
Project	**Recipient**	**Funding Amount**	**Total Project Cost**	**Status**
Fourteen (14) projects funded. All projects are complete and acquitted. GEDC acquittal is pending.				
Shade Sails Children Playground	Shire of Leonora	$25,000.00	$25,000.00	Acquitted
Shade Sails	Kalgoorlie Occasional Child Care Centre	$40,000.00	$60,000.00	Acquitted
New Signage at Niagara Dam	Shire of Menzies	$35,000.00	$35,000.00	Acquitted
Soft Fall for Children's Playground	Shire of Menzies	$10,000.00	$100,000.00	Acquitted
Park Upgrade	Shire of Coolgardie	$50,000.00	$150,000.00	Acquitted
Dentist Facilities for Aged Care Homes	Southern Cross Care	$125,000.00	$125,000.00	Acquitted
Dentist Facilities for Aged Care Homes	Amana Living	$125,000.00	$125,000.00	Acquitted
Shopfront facades-heritage murals for main street ($37k) and dirt bins ($6k)	Shire of Dundas	$43,000.00	$43,500.00	Acquitted
Goldfields Touring Circuit Total	WA Music	$25,000.00	$60,000.00	Acquitted
Music Recording in the Northern Goldfields	WA Music	$20,000.00	$50,000.00	Acquitted
Solar Lighting to Footpath between town and Wongatha Village	Shire of Laverton	$40,000.00	$50,000.00	Acquitted
Upgrade of filtration system at Kambalda Pool	Shire of Coolgardie	$40,000.00	$80,000.00	Acquitted
Relocation of playground and skate park to Community Hub	Shire of Laverton	$50,000.00	$150,000.00	Acquitted
Loopline Tram	Golden Mile Loopline Railway Society	$100,000.00	$100,000.00	Acquitted
Goldfields Education Mining Industry Alliance	Digital Connections Project	$29,307.00	$127,480.00	Acquitted
Kalgoorlie Baptist Church Incorporated	Studio ASAPH	$50,000.00	$106,920.00	Acquitted



2.1f Economic Infrastructure

Facilitating opportunities for infrastructure investment or decisions to enable economic and social development and respond to the longer-term needs of industry and demographic change is a key activity of the GEDC. The Commission has a role in identifying opportunities and investments which will broaden the economic base of the Goldfields-Esperance region. In 2019-20, the GEDC supported a range of growth opportunities for the region.

Kalgoorlie Industrial Land Study

The GEDC is part of a cross-government Land and Services Infrastructure Study (Study) to de-constrain land for industrial development in Kalgoorlie.

GEDC secured $150,000 in funding through DPIRD to support an Industrial land study to investigate high level infrastructure costs, shared infrastructure requirements and a sequential approach to development.

Development WA appointed ARUP, together with Urbis, MNG Survey and PGV Environmental to prepare the Kalgoorlie Industrial Land Capability Assessment Report.

Kalgoorlie Rail Realignment Proposal

The GEDC, with local industry stakeholders and the CKB has been working to investigate the potential for realignment of the national east-west interstate rail line through Kalgoorlie-Boulder. This would release residual land for mineral prospectively and industrial use and realign the rail corridor close to areas of industrial land development, including for major minerals processing activity (lots 500, 350 and 101).

GEDC prepared an application to DPIRD for funding support for the Study and the Minister for Regional Development approved $150,000 in funding for the market sounding and demand analysis, the Kalgoorlie Rail Freight Study below.

Kalgoorlie Rail Freight Study

The GEDC secured $150,000 in funding from DPIRD in February 2020, for a Kalgoorlie Rail Freight Study to further investigate regional freight movements and needs, to inform support for the City of Kalgoorlie-Boulder's rail realignment proposal for the East-West rail line.



A cross agency working group has been established with the PTA, DOT, GEDC, DPIRD, IWA and the City to develop a scope for the freight study that will analyse freight demand in the region and inform the need for further business case development for a rail realignment in Kalgoorlie and potential for inter modal terminal facilities in the City.

Regional Aviation

GEDC has continued to work closely with the Department of Transport (DoT) and key stakeholders as part of its role with the Esperance and Leonora/Laverton Aviation Community Consultation Group's.

Significant time and effort have been committed to understanding the impacts of COVID-19 on passenger and freight movements in the region. This information informed the COVID-19 response by Government, and GEDC continues to monitor the impacts and issues related to the sector in consultation with DoT.

Digital Capability and Telecommunications

GEDC is working with DPIRD in prioritising mobile black spot sites across the region to be considered for funding under the State's Regional Mobile Telecommunications Program and Federal Governments, Mobile Black Spot (MBS) Program. In Round 5 of the MBS 5 small cell sites were funded in the region and will be completed by July 2021.

2.1g Regional Development Programs

The GEDC manages the Regional Economic Development (RED) Grants program for the Goldfields-Esperance region. REDs is a State Government initiative that invests in locally driven projects to create jobs and boost economic development.

Goldfields-Esperance funding for Round Two was announced in January 2020 with five successful projects across the region. Following the Minister for Regional Development's announcement, the GEDC worked with successful recipients to develop, and execute Financial Assistance Agreements (FAA) which highlights the deliverables and timeframes expected of the project. All agreements were executed by 30 June 2020 and projects are now underway.

The GEDC also continues to work with proponents from Round One of the program, with four of the five projects completing by mid-2020.

Goldfields NDT - $195,000

Goldfields NDT secured funding to construct a new Non-Destructive Testing Facility in Kalgoorlie-Boulder that will offer specialised technical services to the mining and mining services sectors. The purpose-built facility will allow local testing on range of materials for construction, mining, medical and other sectors, improving regional expertise and job opportunities. The Facility will enable Goldfields NDT to build capability in the region and divert this type of work from being sent to Perth.

Shire of Coolgardie - $100,000

The Coolgardie Innovation and Economic Development Centre project will repurpose and renovate the Historic Coolgardie Post Office into a hub for small business and a focal point for visitors passing through the main street of Coolgardie. The RED Grant will contribute to the shared micro-business hub, the indigenous training, mentoring and employment offices and the visitor and community spaces.

Southern Sardines - $149,328

Local Esperance business, Southern Sardines received funding to develop new wild catch fish products and modify its current processing facility to expand into local seafood markets. The project supports value-add practices for the Esperance seafood industry. RED Grant funding will support the modifications to the facility and support towards new processing equipment and machinery.

Esperance Aged Care Facility - $80,000

The Esperance Aged Care Facility (EACF) successfully secured funding for the Esperance Aged Care Workforce Development Project, addressing a regional workforce gap and support the delivery of quality residential aged care. Funding through the RED Grant program will assist the EACF to develop a recruitment and retention strategy, develop human resources processes and attract new workers to the organisation and the region.

Shire of Leonora - $10,000

Funding was secured to support the long-running annual Leonora Golden Gift by attracting visitors to the Northern Goldfields and developing the professionalism of the event timing.

The 2020 Leonora Golden Gift was cancelled due to COVID-19 restrictions, however, the RED Grant funding will support the 2021 Leonora Golden Gift.

Connecting Funding to the Goldfields-Esperance

The GEDC facilitates promotion and collaboration of regional opportunities to organisations and businesses in the region. Agribusiness grants such as the Value Add Agribusiness Investment Attraction Fund (VAAIAF), capacity building grants such as Local Capability Fund (LCF), COVID-19 recovery grants, opportunities and more. The GEDC utilise The Funding Centre grants database to tailor funding opportunities to enquiries and assists clients connect with other State Government agencies.

2.1h COVID-19 Response and Recovery

Response

Ministerial Briefings

As part of the response to COVID-19 pandemic, the GEDC initially coordinated and collated daily updates from each Regional Development Commission on the regional impacts of the pandemic during March and April. These updates were provided to the Minister for Regional Development in the form of a daily and, later, weekly briefing. The GEDC continued to provide regular ministerial updates on the impact of the pandemic on the Goldfields-Esperance region. The reports provided local information on the critical issues facing the region which helped inform the overall State Government response to the pandemic.

DLG Briefings

As the pandemic unfolded, the GEDC was part of daily and later weekly briefings which discussed the impacts of the pandemic within the region and relevant responses to address the issues.

Esperance Local Recovery Committee

The GEDC was invited to be a member of the Shire of Esperance Local Recovery Committee, established to coordinate and support local management of the recovery processes within the community subsequent to a major emergency in accordance with State Emergency Management Committee (SEMC) policies. The Commission provided information on the issues facing the region and outlined the measures underway to assist the community and the State.

Regional Intelligence

As the effects of the pandemic were felt in Western Australia, the GEDC widely engaged and consulted with local stakeholders to gather local intelligence at the regional and industry sector level to help inform response measures. Through this process, the GEDC was able to identify both emerging issues throughout the crisis and opportunities for the recovery phase.

The GEDC engaged directly with local governments, businesses, peak organisations and community groups to assess impacts and support economic development across the region. Additionally, the GEDC worked with other RDCs to develop a joint approach to COVID-19 economic data collection, interpretation, and presentation.

The Commission also reviewed pipeline priority projects to identify those that would expedite the economic recovery. Following concerns about potential goods shortages during the early stages of the pandemic, the GEDC liaised with local stakeholders to help address supply chain constraints in the region as part of a larger state-wide initiative.

The GEDC also played a key role in promoting and communicating to local stakeholders the various State and Commonwealth COVID-19 assistance packages on offer during the pandemic. The Commission has also continued to monitor the impact and effectiveness of government response measures.



Recovery

Esperance Economic SubCommittee

The Esperance Economic Sub Committee was formed as part of the Local Recovery Committee to monitor and assess the economic impacts of COVID-19 and develop initiatives to aid economic recovery over the longer term. As a member of the Sub Committee, the GEDC has provided regular updates on local economic conditions in the form of briefings, reports and a series of economic indicator dashboards. This information has been used to help inform Sub Committee decision-making and guide the local economic recovery process.

2.2 Financial Targets

Each year, the Commission is required to meet a number of targets set by the State Government. These targets relate to Government desired outcomes, services to be delivered and performance targets to be achieved and is a way for the State Government to monitor the operational performance of the Commission. The information below sets out the GEDC financial targets and working cash targets for this financial year and should be read in conjunction with the audited financial statements.

	2019-20 Target $000	2019-20 Actual $000	Variation $000
Total Cost of Services (expense limit) (sourced from Statement of Comprehensive Income)	2,516	2,050	466(a)
Net Cost of Services (sourced from Statement of Comprehensive Income)	2,516	2,030	486(b)
Total Equity (sourced from Statement of Financial Position)	1,478	662	816(c)
Net increase / (decrease) in cash held (sourced from Statement of Cash Flows)	-	(114)	(114)(d)
Approved salary expense level	215	213	2

Explanatory notes to variations against revised targets

a. Total cost of services is lower than the budget estimates (2020 Target) by $466k. This primarily relates to reduced expenditure in the resources received free of charge resulting from underspend on employee benefits and other expenses.

b. Net cost of services is lower than the budget estimates (2020 Target) by $486k. This primarily relates to reduced expenditure in the resources received free of charge resulting from underspend on employee benefits and other expenses, plus $20k of other revenue.

c. The variance of $816k in equity results from the actual opening equity being $625k lower than forecast in the budget process, plus the higher deficit of $191k over budget for the year.

d. The decrease in cash in the period primarily relates to the reduction in cash received from other State government agencies of approximately $143k, offset by reduced spending on operating cashflow, than forecast in the 2019-20 budget.

	2019-20 Agreed Limit $000	2019-20 Target / Actual $000	Variation $000
Agreed Working Cash Limit (at Budget)	26	26	
Agreed Working Cash Limit (at Actuals)	25	382	357(e)

Explanatory notes to variations against revised targets

e. GEDC opening cash balance was above the working cash target due underspend in prior years. GEDC received less cash from other State Government agencies to assist returning their cash balance to their target cash limit.

Detailed Financial Targets are included in the Disclosures and Legal Compliances section of this report.

2.3 Key Performance Indicators

The GEDC measures its performance in providing a regional development service that contributes to sustainable development within the Goldfields-Esperance region, though the provision of information, advice and support with marketing and promotion of the region.
To evaluate their overall performance, the GEDC utilises performance indicators that are measured on an annual basis.

Key Effectiveness Indicators

Each year, the effectiveness of the Commission's performance is evaluated through a stakeholder satisfaction survey which asks stakeholders to rate the agency's effectiveness and the quality of the Commission's service.

In 2019-20, due to the Commission being unable to undertake their annual customer satisfaction survey because of unreasonable impost on its stakeholders during the COVID-19 Pandemic, the GEDC sought an exemption, which was granted on 8 June 2020, to disclose Key Effectiveness Indicators in the Annual Report for 2019-20, from the Department of Treasury under paragraph (3)(i) of the *Treasurer's Instruction (TI) 904 Key Performance Indicators*.

Prior years effectiveness indicators are summarised in the following table. The GEDC will endeavour to work towards maintaining these effectiveness targets in future years.

Effectiveness Indicator	2015	2016	2017	2018	2019
Client satisfaction with the GEDC making a positive contribution to the economic and social development of the region	75.5%	81.5%	84.4%	83.5%	86.2%

Key Efficiency Indicators

To monitor the efficiency of delivering services, the Commission measures the average cost per chargeable hour for each for our two service areas, which is evaluated against annual targets. The results from 2019-20 are listed in the table below.

Efficiency Indicators	2020 Target	2020 Actual
1. Facilitation of the provision of appropriate infrastructure and industry services.	$117	$116
2. Promotion of region and its investment opportunities	$116	$114

Note: The target cost per hour is an estimated figure based on budgeted expenditure and staffing levels. The chargeable hours calculated in the 2019-20 targets and actual results use a calculation method consistent with DPIRD and other RDC's that use hours calculation. Hours include all paid hours of staff and contractors but exclude annual and long service leave or unpaid overtime.

Detailed information on the Key Performance Indicators is included in the Disclosures and Legal Compliance section of this report.

Significant Issues Affecting Agency

Despite global economic uncertainty related to the COVID-19 pandemic, the Goldfields-Esperance region continues to attract significant investment, particularly in the resources sector. The region is recognised as a highly significant minerals province, especially with respect to gold and nickel, and increasingly to a range of battery and technology minerals. Mining supports an estimated annual output of $11.646 billion, representing 57.37 percent of total regional output (2019). This activity is largely concentrated in the Goldfields sub-region.

The relative buoyancy of the resources sector has allowed the region to avoid some of the more severe economic contractions experienced in other parts of the country since the advent of the pandemic. While the resources sector will continue to serve as a prime source of economic and jobs growth, the region must nevertheless further diversify its economic base and lessen its reliance on non-renewable resource extraction over the longer term.

Fluctuations in mining sector activity can be highly disruptive to local economies and present challenges in terms of planning for regional infrastructure, housing, and workforce needs. A more diverse economy will moderate the impact of cyclical changes in the resources sector on the regional economy and allow resource communities to successfully transition to a sustainable post-mine future. A number of towns in the Goldfields-Esperance region were developed solely to service the resources sector. The lack of local economic diversity leaves such communities highly exposed to a loss or decline in mining activity. Complementing mining with other sources of economic growth remains vital to the region's future prosperity and well-being.

Maximising the local benefits deriving from resource extraction activities is a key priority for the region. Promoting and expanding local content is one strategy to increase the indirect economic benefits to regional communities. The Commission is working with key stakeholders to help further develop local capabilities and ensure a greater share of the labour, goods and services for resource projects are sourced from within the region.





Encouraging the use of residential workforces as opposed to fly-in fly-out (FIFO) and drive-in drive-out (DIDO) on resource projects will support community and regional development initiatives. Supporting the growth of the Mining Equipment, Technology & Services (METS) sector and facilitating greater investment in local upstream and downstream processing are also important steps to realising greater local value from resource extraction activities. Historically, the region has had limited success in adding value to its raw materials before export.

Access to affordable, fit-for-purpose land for both industrial and residential uses remains a challenge for the Goldfields-Esperance region. The future development of the region will hinge on the ability of government, industry, Native Title holders and other groups to work collaboratively to ensure the affordable and timely supply of land while maintaining a balanced approach to environmental and cultural heritage values.

A vast region three times the area of Victoria, the Goldfields-Esperance region has a highly dispersed population that creates unique challenges for the provision of adequate infrastructure and services. Varying levels of service quality and access exist across the region. Education, employment, health, and recreational services are limited in communities located some distance from the major population centres of Kalgoorlie-Boulder and Esperance. Moreover, the quality of the housing stock in some of the communities is not high, rendering it more challenging to attract residential workers. Future economic and industrial expansion will be partly contingent on the provision of fit-for-purpose transport and logistics infrastructure (road, rail and port), high quality water, waste management solutions, digital connectivity, and affordable, sustainable and reliable energy supplies. Addressing such issues requires coordinated planning to attract investment and the adoption of innovative service delivery methods.

Contemporary approaches will be critical to attract and retain skilled workers in key sectors and arrest population decline in some of the region's smaller, mainly inland, communities. While the region has historically experienced some difficulty in attracting skilled workers in some areas, unemployment rates remain consistently higher in a number of communities that are characterised by a relatively large Aboriginal population. Improving Aboriginal employment and business outcomes is vital to building more prosperous, cohesive communities and ensuring all residents enjoy rising living standards.

Much like the rest of the regional WA, the Goldfields-Esperance region will need to continue to recover from the COVID-19 pandemic and attendant economic shock, with some local government areas and communities hit harder than others. Strengthening the resilience of local businesses, supporting job-creating projects, and facilitating new industry and market opportunities will be important elements in the local recovery process.

Disclosures and Legal Compliance

The following pages contain the Goldfields-Esperance Development Commission's audited financial statements including:

- Auditor's Opinion
- Certification of Financial Statements
- Audited Financial Statements
- Certification of Key Performance Indicators and detailed notes on Performance Indicators



4.0 Independent Auditor Report



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION

Report on the financial statements

Opinion

I have audited the financial statements of the Goldfields-Esperance Development Commission which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Summary of Consolidated Account Appropriations for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Goldfields-Esperance Development Commission for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Board for the financial statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's responsibility for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Goldfields-Esperance Development Commission. The controls exercised by the Commission are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Goldfields-Esperance Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Goldfields-Esperance Development Commission for the year ended 30 June 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Goldfields-Esperance Development Commission are relevant and appropriate to assist users to assess the agency's performance and fairly represent indicated performance for the year ended 30 June 2020.

Matter of Significance

The Commission received an exemption from the Under Treasurer from reporting the following key effectiveness indicator in its annual report for the year ended 30 June 2020:

- Client satisfaction with the GEDC making a positive contribution to the economic and social development of the region

The exemption was approved due to the difficulty in collecting information from stakeholders because of COVID-19 restrictions. Consequently, this KPI will not be reported. My opinion is not modified in respect of this matter.

The Board's responsibility for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Goldfields-Esperance Development Commission for the year ended 30 June 2020 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
14 September 2020

4.1 Financial Statements

Disclosures and Legal Compliance

Financial Statements

Certification of Financial Statements

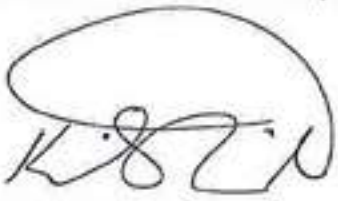
For the reporting period ended 30 June 2020

The accompanying financial statements of the Goldfields Esperance Development Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2020 and the financial position as at 30 June 2020.

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



Fernando Rodriguez
Chief Finance Officer
14 September 2020



Kris Paul Starcevich
Chief Executive Officer
14 September 2020



Sabina Shugg
Chair
14 September 2020



Statement of Comprehensive Income
For the year ended 30 June 2020

	Notes	2020 $	2019 $
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1(a)	320,951	256,392
Supplies and services	2.3	1,671,046	2,140,096
Depreciation and amortisation expense	4.1, 4.2	15,597	-
Finance costs	6.2	724	-
Accommodation expenses	2.3	1,386	900
Grants and subsidies	2.2	-	98,870
Other expenses	2.3	40,001	569,047
Total cost of services		2,049,705	3,065,305
Income			
Revenue			
Other revenue	3.2	20,000	2,563
Total revenue		20,000	2,563
Total income other than income from State Government		20,000	2,563
NET COST OF SERVICES		2,029,705	3,062,742
Income from State Government			
Service appropriation	3.1	243,000	234,000
Income Received from Other State Agencies	3.1	143,475	128,611
Resources received free of charge	3.1	1,451,593	1,939,883
Total income from State Government		1,838,068	2,302,494
SURPLUS/(DEFICIT) FOR THE PERIOD		(191,637)	(760,248)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items not reclassified subsequently to profit or loss			
Total other comprehensive income/(loss)		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(191,637)	(760,248)

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

OAG AUDITED 39

Statement of Financial Position
As at 30 June 2020

	Notes	2020 $	2019 $
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	381,850	390,024
Restricted cash and cash equivalents	6.3	166,827	272,436
Receivables	5.1	26,654	3,760
Other current assets	5.3	135	-
Total Current Assets		575,466	666,220
Non-Current Assets			
Restricted cash and cash equivalents	6.3	6,331	6,331
Amounts receivable for services	5.2	195,000	195,000
Property, plant and equipment	4.1	-	-
Right-of-use assets	4.2	52,023	-
Intangible assets	4.3	-	-
Total Non-Current Assets		253,354	201,331
TOTAL ASSETS		828,820	867,551
LIABILITIES			
Current Liabilities			
Payables	5.4	50,632	13,922
Lease liabilities	6.1	27,847	-
Employee related provisions	2.1(b)	19,694	-
Total Current Liabilities		98,173	13,922
Non-Current Liabilities			
Lease liabilities	6.1	23,934	-
Employee related provisions	2.1(b)	44,721	-
Total Non-Current Liabilities		68,655	-
TOTAL LIABILITIES		166,828	13,922
NET ASSETS		661,992	853,629
EQUITY			
Contributed equity	8.9	54,000	54,000
Accumulated surplus	8.9	607,992	799,629
TOTAL EQUITY		661,992	853,629

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

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Statement of Changes in Equity
For the year ended 30 June 2020

	Notes	Contributed equity $	Accumulated surplus $	Total equity $
Balance at 1 July 2018		54,000	1,559,877	1,613,877
Deficit		-	(760,248)	(760,248)
Total comprehensive income for the period	8.9	-	(760,248)	(760,248)
Balance at 30 June 2019		54,000	799,629	853,629
Balance at 1 July 2019		**54,000**	**799,629**	**853,629**
Surplus		-	(191,637)	(191,637)
Total comprehensive income for the period	8.9	-	(191,637)	(191,637)
Balance at 30 June 2020		**54,000**	**607,992**	**661,992**

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

Statement of Cash Flows
For the year ended 30 June 2020

	Notes	2020 $	2019 $
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		243,000	234,000
Income received from Other State Agencies		143,475	128,611
Net cash provided by State Government		386,475	362,611
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(257,431)	(255,615)
Supplies and services		(182,537)	(314,356)
Grants and subsidies		-	(98,870)
Other expenses		(40,001)	(569,047)
GST payments on purchases		(15,735)	(34,951)
Accommodation		(1,386)	(900)
Receipts			
GST receipts on sales		-	256
GST receipts from taxation authority		13,300	89,412
Other receipts		95	2,563
Net cash used in operating activities		(483,695)	(1,181,508)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Finance costs		(724)	-
Principal elements of lease payments		(15,839)	-
Net cash used in financing activities		(16,563)	-
Net increase/(decrease) in cash and cash equivalents		(113,783)	(818,897)
Cash and cash equivalents at the beginning of the period		668,791	1,487,688
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3	555,008	668,791

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

Summary of Consolidated Account Appropriations
For the year ended 30 June 2020

	Budget estimate 2020 $	Supplementary Funding 2020 $	Revised Budget 2020 $	Actual 2020 $	Variance 2020 $
Delivery of Services					
Amount Authorised by Other Statutes					
- *Salaries and Allowances Act 1975*	243,000	-	243,000	243,000	-
Total appropriations provided to deliver services	243,000	-	243,000	243,000	-
GRAND TOTAL	243,000	-	243,000	243,000	-

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Notes to the financial statements

1. Basis of Preparation

The Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

A description of the nature of its operations and its principal activities have been included in the **'Overview'** which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 18 September 2020.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

1 The *Financial Management Act 2006* **(FMA)**

2 The Treasurer's Instructions **(the Instructions or TI)**

3 Australian Accounting Standards (AASs) - Reduced Disclosure Requirements

4 Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions take precedence over AASs. Several AASs are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Significant judgements and estimates have been made to meet the requirements of the new standards AASB 16 and AASB 1058.

Refer to Note 8.2 for the impact of the initial adoption and the practical expedients applied in the initial recognition.

Contributed equity

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

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

Notes to the financial statements

2. Use of Our Funding

Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes	2020 $	2019 $
Employee benefits expenses	2.1(a)	**320,951**	256,392
Employee benefits provisions	2.1(b)	**64,415**	-
Grants and subsidies	2.2	**-**	98,870
Other expenses	2.3	**1,712,433**	2,710,043

2.1. (a) Employee benefits expenses

	2020 $	2019 $
Wages and salaries	**284,420**	218,737
Superannuation	**25,656**	25,715
Government Regional Officers Housing expense	**10,875**	11,940
Total employee benefits expenses	320,951	256,392
Add: AASB 16 Non-monetary benefits	**16,321**	-
Less: Employee Contribution		-
Net employee benefits	**337,272**	256,392

Wages and salaries: include all costs related to employment including wages and salaries, leave entitlements and paid sick leave.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for Commission purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the Commission's obligations to the related superannuation liability.

The Commission does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESS.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Other staffing costs: Include the value of the fringe benefit to the employee plus the fringe benefits tax component.

AASB 16 Non-monetary benefits: Non-monetary employee benefits expenses, predominantly relate to the provision of Vehicle and Housing benefits are measured at the cost incurred by the Commission.

2.1. (b) Employee benefits provision

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2020 $	2019 $
Current		
Employee benefits provisions		
Annual leave [a]	19,428	-
Long service leave [b]	-	-
	19,428	-
Other provisions		
Employment on-costs [c]	266	-
Total current employee related provisions	19,694	-
Non-Current		
Employee benefits provisions		
Long service leave [b]	44,121	-
Other provisions		
Employment on-costs [c]	600	-
Total non-current employee related provisions	44,721	-
Total employee related provisions	64,415	-

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The components of the long service leave liabilities are calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(c) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'other expenses, Note 2.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2020 $	2019 $
Employment on cost provision		
Carrying amount at start of year	-	-
Additional provisions recognised	866	-
Carrying amount at end of period	866	-

Key sources of estimation uncertainty- long service leave

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

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2.2. Grants and Subsidies

	2020 $	2019 $
Recurrent		
Royalties for Regions Fund - Community Chest Fund	-	98,870
Total grants and subsidies	-	98,870

Transactions in which the Commission provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

Notes to the financial statements

2.3. Other Expenditure

	2020 $	2019 $
Supplies and services		
Communications	25	244
Services and contracts	171,207	126,841
Consumables	7,994	8,320
Travel	33,520	54,776
Maintenance	2,463	548
Employee related expenses	1,062	706
Other	3,182	8,778
Resources provided free of charge by DPIRD[a]	1,451,593	1,939,883
Total supplies and services expense	1,671,046	2,140,096
Accommodation expenses		
Lease rentals	1,386	900
Total accommodation expenses	1,386	900
Other Expenditure		
Other operating expenditure	40,001	501
Refund of revenue	-	568,546
Total other expenditures	40,001	569,047
Total other expenses	1,712,433	2,710,043

(a) Support Services provided by Department of Primary Industries and Regional Development to support the Commission's in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993. See note 3.1 Income from State Government.

(b) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability in included at note 2.1(b) 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Supplies and services:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses:

Electricity and cleaning costs are recognised as expenses as incurred.

Administration expenses:

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Notes to the financial statements

3. Our Funding Sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes	2020 $	2019 $
Income from State Government	3.1	1,838,068	2,302,494
Other revenue	3.2	20,000	2,563

3.1. Income from State Government

	2020 $	2019 $
Appropriations received during the period:		
Salaries and Allowances Act 1975[a]	243,000	234,000
	243,000	234,000
Grants received from Other State Agencies	143,475	128,611
	143,475	128,611
Services received free of charge [b]		
Department of Primary Industries and Regional Developments - Support Services provided [c]	1,451,593	1,939,883
	1,451,593	1,939,883
Total income from State Government	1,838,068	2,302,494

(a) **Service Appropriations** received from the Department of Treasury, fund the net cost of services delivered. Appropriation revenue comprises a cash component only.

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

(c) **Department of Primary Industries and Regional Development** Support Services provided by DPIRD to support the Commission in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993.

The application of AASB 15 and AASB 1058 from 1July 2019 has no impact on the treatment of income from State Government.

3.2. Other Revenue

	2020 $	2019 $
Other revenue	20,000	2,563
	20,000	2,563

The application of AASB 15 and AASB 1058 from 1July 2019 has no impact on the treatment of other revenue.

Notes to the financial statements

4. Key Assets

Assets the Commission utilises for economic benefit or service potential

This section includes information regarding the key assets the Commission utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020 $	2019 $
Property, plant and equipment	4.1	-	-
Right-of-use assets	4.2	52,023	-
Intangible assets	4.3	-	-
Total key assets		52,023	-

4.1. Property, plant and equipment

Year ended 30 June 2020	Office equipment $	Computer hardware $	Furniture fixtures and fittings $	Total $
At 30 June 2019				
Open net book amount	14,644	64,609	30,491	109,744
Adjustment for change in accounting policy	-	-	-	-
Carrying amount at start of period	14,644	64,609	30,491	109,744
1 July 2019				
Gross carrying amount	14,644	64,609	30,491	109,744
Accumulated depreciation	(14,644)	(64,609)	(30,491)	(109,744)
Carrying amount at start of period	-	-	-	-
Additions	-	-	-	-
Disposals (written down value)	-	-	-	-
Revaluation increments/(decrements)	-	-	-	-
Depreciation	-	-	-	-
Carrying amount at 30 June 2020	-	-	-	-
Gross carrying amount	14,644	64,609	30,491	109,744
Accumulated depreciation	(14,644)	(64,609)	(30,491)	(109,744)
Accumulated impairment loss	-	-	-	-

Initial recognition

Items of infrastructure, property, plant and equipment, costing $5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than $5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement

Subsequent to initial recognition as an asset, the historical cost model is used for the measurement of property, plant and equipment. All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Finite useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Computer Hardware	3 to 5 years
Office Equipment	5 years
Office fit-out	10 to 25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Commission is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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

4.2. (a) Right-of-use assets

Year ended 30 June 2020	Residential accommodation $	Vehicles $	Total $
1 July 2019			
Gross carrying amount	-	-	-
Accumulated amortisation	-	-	-
Carrying amount at start of period	-	-	-
Recognition of right-of-use asset on initial application of AASB 16	-	26,645	26,645
Adjusted balance at 1 July 2019	-	26,645	26,645
Additions	40,975		40,975
Disposals	-		-
Transfers	-		-
Impairment loss	-		-
Depreciation	(6,937)	(8,660)	(15,597)
Carrying amount at 30 June 2020	34,038	17,985	52,023
Gross carrying amount	40,975	26,645	67,620
Accumulated depreciation	(6,937)	(8,660)	(15,597)
Accumulated impairment loss	-	-	-

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at the cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Commission at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment of outlined in note 4.1(b).

4.2. (b) Depreciation charge of right-of-use assets

	2020 $	2019 $
Residential accommodation	6,937	
Vehicles	8,660	-
Total right-of-use asset depreciation	15,597	-
Lease interest expense (included in Finance Cost)	724	-

The total cash outflow for leases in 2019-20 was $15,335.99.

The Commission's leasing activities for and how these are accounted for:

The Commission has also entered in a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense incurred.

Up to the 30 June 2019, the Commission classified lease as either finance leases or operating leases, From the 1 July, the Commission recognised leases as right-of-assets and associated leases liabilities in the Statement of Financial Position.

The corresponding leases liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

4.3. Intangible assets

Year ended 30 June 2020	Computer software $	Total $
1 July 2019		
Gross carrying amount	20,307	20,307
Accumulated depreciation	(20,307)	(20,307)
Carrying amount at start of period	-	-
Additions	-	-
Disposals (written down value)	-	-
Revaluation increments/(decrements)	-	-
Depreciation	-	-
Carrying amount at 30 June 2020	-	-
Gross carrying amount	20,307	20,307
Accumulated depreciation	(20,307)	(20,307)
Accumulated impairment loss	-	-

Initial recognition

Acquisitions of Intangible assets costing $5,000 or more and Internally generated Intangible assets costing $50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs Incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

4.3.1. Amortisation and impairment

At 30 June 2020 there were no indications of impairment to intangible assets.

The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no Intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Commission have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful life: years
Computer Software	3 to 5 years

(a) Software that Is not integral to the operation of any related hardware

Impairment of intangible assets

Intangible assets with finite useful lives are tested for Impairment annually or when an Indication of impairment is Identified.

The policy in connection with testing for impairment is outlined in note 4.1.

5. Other Assets and Liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Note	2020 $	2019 $
Receivables	5.1	26,654	3,760
Amounts receivable for services	5.2	195,000	195,000
Other assets	5.3	135	-
Payables	5.4	50,632	13,922

5.1. Receivables

	2020 $	2019 $
Current		
GST receivable	6,736	3,747
Other debtors	19,918	13
Total current	26,654	3,760

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

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

5.2. Amounts receivable for services

	2020 $	2019 $
Non-current	195,000	195,000
	195,000	195,000

Amounts receivable for services represents the non-cash component of service appropriations. It is restricted as it can only be used for asset replacement or payment of leave liability. Amounts receivable for services are not impaired (ie. there is no expected credit loss of the Holding Account).

5.3. Other assets

	2020 $	2019 $
Current		
Prepayments	135	-
Total current	135	-

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4. Payables

	2020 $	2019 $
Current		
Trade payables	40,158	11,505
Accrued expenses	10,474	1,640
Accrued salaries	-	777
Total current	50,632	13,922

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

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See Note 6.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from the Commission appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments In reporting periods with 27 pay days. Instead of the normal 26. No interest is received on this account.

6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Commission.

	Notes
Leases	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Commitments	6.4
Non-cancellable operating lease commitments	6.4.1

6.1. Lease Liabilities

The statement of financial position shows the following amounts relating to lease liabilities:

	2020 $	2019 $
Current	27,847	-
Non-current	23,934	-

The Commission measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Commission uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Commission as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured
- using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Commission exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Commission if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Commission in profit or loss in the period in which the condition that triggers those payments occurs

This section should be read in conjunction with note 4.2.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modification

6.2. Finance costs

	2020 $	2019 $
Lease interest expense	724	-
	724	-

'Finance cost' includes the interest component of lease liability repayments.

6.3. Cash and Cash Equivalents

	2020 $	2019 $
Cash and cash equivalents	388,181	390,024
Total cash and cash equivalents	388,181	390,024
Restricted cash and cash equivalents		
-Royalties for Regions (RfR) [a]	108,665	207,346
-Non RfR	51,831	65,090
Total restricted cash and cash equivalents	160,496	272,436
Accrued salaries suspense account [b]	6,331	6,331
	6,331	6,331
Balance at end of period	555,008	668,791

(a) These unspent funds are committed to projects and programs in the region.

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

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand.

6.4. Commitments

6.4.1. Non-cancellable operating lease commitments

	2020 $	2019 $
Commitments for minimum lease payments are payable as follows		
Within one year	-	12,003
Later than 1 year and not later than 5 years	-	19,327
Later than 5 years	-	-
	-	31,330

From 1 July 2019, the Commission has recognised the right-of-use assets and corresponding lease liability for all non-cancellable operating lease commitments, apart from short term and low value leases. Refer to Note 6.1.

Notes to the financial statements

7. Financial Instruments and Contingencies

	Notes
Financial instruments	7.1
Contingent assets and liabilities	7.2
Contingent assets	7.2.1
Contingent liabilities	7.2.2

7.1. Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2020 $	2019 $
Financial assets		
Cash and cash equivalents	**388,181**	390,024
Restricted cash and cash equivalents	**166,827**	278,767
Receivables [a]	**19,918**	13
Amounts receivable for services	**195,000**	195,000
Total financial assets	**769,926**	863,804
Financial liabilities		
Payables	**50,632**	13,922
Total financial liabilities	**50,632**	13,922

(a) Receivables excludes GST recoverable from the ATO (statutory receivable).

7.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1. Contingent assets

No Contingent assets exist as at 30 June 2020.

7.2.2. Contingent liabilities

No Contingent liabilities exist as at 30 June 2020.

8. Other Disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Note
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Special purpose accounts	8.7
Remuneration of auditors	8.8
Equity	8.9
Supplementary financial information	8.10
Explanatory statement	8.11

8.1. Events occurring after the end of the reporting period

No events, matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Commission, the results of those operations, or the state of affairs of the Commission in future financial years.

8.2. Initial application of Australian Accounting Standards

AASB 15 – Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* for annual reporting periods on or after 1 July 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Commission.

The Commission adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information will be restated under this approach and the Commission recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Refer to Note 3.1, and 3.2 for the revenue and income accounting policies adopted from 1 July 2019.

There was no impact on retained earnings on 1 July 2019 as a result of adopting AASB 15 and AASB 1058.

AASB 16 – Leases

From 1 July 2019, AASB 16 *Leases* supersedes AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases – Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The main changes introduced by the new Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as a right-of-use asset and lease liability, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than $5,000) where the lessor is not a WA State Government agency. The operating lease and finance lease distinction for lessees no longer exists.

The Commission has applied the modified retrospective approach on initial adoption. As permitted under the specific transition provisions in the standard, comparatives have not been restated. Lease liabilities recognised are measured at present value of the remaining lease payments, discounted using the incremental borrowing rate. Upon initial application the value of leased right-of-use assets are equal to the recognised leased liabilities.

The Commission is permitted on a lease-by-lease basis to apply the following practical expedients.

(a) A single discount rate may be applied to a portfolio of leases with reasonably similar characteristics.

(b) The Commission relies on its assessment of whether leases are onerous applying AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* immediately before 1 July 2019 as an alternative to performing an impairment review, the Commission shall adjust the right-of-use asset at the date of initial application by the amount of any provision for onerous leases recognised in the statement of financial position immediately before the date of initial application.

(c) Exclusion of initial direct costs from the measurement of right-of-use asset at the date of initial application.

(d) Use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

AASB 16 takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

(a) Right of use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019.

(b) Depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income.

(c) The total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the statement of cash flows.

Measurement of lease liabilities:

	$
Operating lease commitments disclosed as at 30 June 2019	31,330
Discounted using incremental borrowing rate at date of initial application	26,645
Add: Finance lease liabilities recognised as at 30 June 2019	
(Less): Short-term leases not recognised as liability	
(Less): Low-value leases not recognised as liability	
Lease liability recognised at 1 July 2019	26,645
Current lease liabilities	14,612
Non-current lease liabilities	12,033

8.3. Key management personnel

The Commission has determined key management personnel to include Chief Executive Officer, members of the accountable authority, senior officers of the Commission and the Minister that the Commission assists. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the commission for the reporting period are presented within the following bands:

Compensation of members of the accountable authority	**2020**	**2019**
Compensation band ($)		
0 - 10,000	5	4
50,001 - 60,000	1	1
Compensation of senior officers ($)		
90,001 - 100,000		1
150,001 - 160,000	1	
230,001 - 240,000	1	
260,001 - 270,000	-	1

	2020	**2019**
	$	**$**
Short-term employee benefits	382,033	387,748
Post-employment benefits	39,043	39,495
Other long-term benefits	38,509	37,356
Termination benefits	-	-
Total compensation of key management personnel	**459,585**	464,599

The total compensation includes the superannuation expense incurred by the Commission in respect of members of the Commission.

As of the 1st of July 2017, all Commission's staff were transferred to the Department of Primary Industries and Regional Development (DPIRD), except for the Chief Executive Officer. The disclosure for senior officer's compensation represents both the CEO's employee benefits met by the Commission and all other senior officer's employee benefits now met by DPIRD.

8.4. Related party transactions

The Commission is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Commission is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to State.

Related parties of the commission include:

- All senior officers and their close family members. and their controlled or jointly controlled entities;
- All cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- Other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- Associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- The Government Employees Superannuation Board (GESB).

All related party transactions have been entered into on an arm's length basis.

Material transactions with other related entities

The Commission had no material related party transactions with Ministers/senior officer or their close family members or there controlled (or jointly controlled) entities for disclosure.

8.5. Related bodies

The Commission has no related bodies during the reporting period.

Notes to the financial statements

8.6. Affiliated bodies

The Commission had no affiliated bodies during the reporting period.

8.7. Special purpose accounts

The Commission had no special purpose accounts during the reporting period.

8.8. Remuneration of auditors

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

	2020 $	2019 $
Auditing the accounts, financial statement controls, and key performance indicators	25,000	25,000

8.9. Equity

	2020 $	2019 $
Contributed equity		
Balance at start of year	54,000	54,000
Balance at end of year	**54,000**	54,000
Accumulated surplus		
Balance at start of year	799,629	1,559,877
Result for the year	(191,637)	(760,248)
Balance at end of year	**607,992**	799,629
Total equity at end of period	**661,992**	853,629

8.10. Supplementary financial information

(a) **Write-offs**

There were no write-offs during the financial year.

(b) **Losses through theft, defaults and other causes**

There have been no losses through theft, defaults or from other causes.

(c) **Gift of public property**

There was no gifts of public property provided by the Commission In this financial year.

8.11. Explanatory statement

The Commission is exempt from TI 945 Explanatory Statement as their Total Cost of Services is below $10 million for the two most recent consecutive comparative periods.

4.2 Key Performance indicators

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION
KEY PERFORMANCE INDICATORS
For the year ended 30 June 2020

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Goldfields-Esperance Development Commission's performance, and fairly represent the performance of the Commission for the financial year ended 30 June 2020.

Sabina Shugg
Chair
14 September 2020

Kris Starcevich
Chief Executive Officer
14 September 2020

OAG AUDITED 39

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION
KEY PERFORMANCE INDICATORS
For the year ended 30 June 2020

DETAILED INFORMATION IN SUPPORT OF KEY PERFORMANCE INDICATORS

Relationship to Government Goals

The Commission is the primary referral point in assisting people and groups working on projects, and business or industry to develop products/services that will benefit the whole of Goldfields-Esperance Community.

Our desired outcome is to encourage and promote opportunities to build, increase investment, attract, and to retain population to the Goldfields-Esperance region.

Performance measures are defined and monitored for the Commission's strategic goals through the Western Australian Government Budget Statements.

Government Goal	Desired Outcome	Services
Stronger focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	An environment which is conducive to the balanced economic and social development of the Goldfields-Esperance region.	1. Facilitation of the Provision of Appropriate Infrastructure and Industry Services 2. Promotion of Region and Its Investment Opportunities.

KEY EFFECTIVENESS INDICATORS

The key effectiveness indicators measure the extent to which performance contributes to improved client satisfaction.

Due to COVID-19 restrictions, and pursuant to Treasurer's instruction (TI) 904 para (3)(i) the commission sought and obtained an exemption from reporting the key effectiveness indicator for the 2019-20 financial year.

The GEDC will continue to work towards maintaining these effectiveness targets in future years. Prior years is summarised in the following table.

Effectiveness Indicator	2015	2016	2017	2018	2019
Client satisfaction with the GEDC making a positive contribution to the economic and social development of the region	75.5%	81.5%	84.4%	83.5%	86.2%

The reports are available in full from our web site.

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION
KEY PERFORMANCE INDICATORS
For the year ended 30 June 2020

KEY EFFICIENCY INDICATORS

The key efficiency performance indicators measure the overall efficiency in achieving the desired outcomes. These outcomes are linked to Government goals.

The following efficiency indicators are based on the average cost per chargeable hour for each of the GEDC's two service areas.

Service 1 – Facilitation of the Provision of Appropriate Infrastructure and Industry Services
Service Description: To coordinate the identification of appropriate infrastructure, industries and enterprise services to the region so as to ensure that they are provided effectively and efficiently to meet the expanding needs of the region.

Efficiency Indicator	2018	2019	2020 Target	2020 Actual
Average cost per hour	$134	$132	**$117**	**$116**

Service 2 – Promotion of Region and Its Investment Opportunities
Service Description: To promote the region's advantages and attractions by way of appropriate policies, strategies and plans, so as to encourage investment that will contribute to economic growth, employment and an increased population base in the region.

Efficiency Indicator	2018	2019	2020 Target	2020 Actual
Average cost per hour	$130	$128	**$116**	**$114**

Comments
The commissions net cost of services less grants and subsidies was 26% below target predominately due to difficulties recruiting staff during the year. As such the total hours were 23% below target. This resulted in the average cost per project hours being 1.3% below target.

Note 1: Operating cost information is sourced from the Statement of Comprehensive Income net cost of service excluding grants and subsidies.

Note 2: Chargeable hours calculated in both the 2019-20 target and actual results use a calculation method consistent with DPRID and other RDC's that use an hour's calculation. Hours include all paid hours of staff and contractors but exclude annual and long service leave or unpaid overtime.

4.3 Ministerial Directives

Section 25 (2) of the *Regional Development Commission Act 1993* requires that the text of any written direction from the Minister is to be recorded in the Annual Report.

No Ministerial directives were received by the Commission during the financial year.



4.4 Other Financial Disclosures

Capital Works

The Commission did not complete or commence any capital projects during the reporting period.

Employment & Industrial Relations

Employees of the GEDC	At June 2019	At June 2020
Full time permanent	0	1
Full time contract	1	0
Part time (FTE basis)	0	0
On secondment	0	0
Temporary	0	0
Total FTE Employed	1	1
Total Employees	1	1

Due to the Machinery of Government changes, the Chief Executive Officer is the only employee of the Commission. Resources, including staff, are provided by the Department of Primary Industries and Regional Development to enable the Commission to meet its legislative objectives.

The Commission is committed to the continuous development of staff working for the Commission with the aim of building a highly skilled and professional team with the ability to adapt to a changing economic and social environment.

Our People

The Department is the employing authority for GEDC personnel. The Department provides human resources to the GEDC to undertake operational activities under the day-to-day direction of the CEO. As at June 2020, the Department provided an allocation of 10.8 full time equivalent (FTE's) positions to the GEDC with nine (9) employees. Of these employees 78 per cent are female and 22 per cent male.

	June 2018-19		June 2019-20	
	Male	Female	Male	Female
Level 6 and above	3	3	1	3
Level 6 and above %	50%	50%	25%	75%
Total agency staff	4	8	2	7
Total agency %	33%	67%	22%	78%



Staff Development

The Commission and the Department are committed to the continuous development of staff working for the Commission with the aim of a highly skilled and professional team with the ability to adapt to a changing economic and social environment. The Department provides human resource services to the GEDC and has supported staff development through various initiatives:

- Staff training including:
  - Institute of Public Administration Australia (IPAA)
    - Management Accounting in the Public Sector
    - Public Sector Finance and Budgeting in State Government
  - Ombudsman Western Australia
    - Good Decision Making
    - Effective Complaint Handling
  - Smartygrants online grant management program
  - St Johns Provide First Aid Training
  - Safety and Health Representative Training

- Women in Leadership was celebrated with a Kalgoorlie-Boulder Chamber of Commerce and Industry event – Women's Leadership Forum on Saturday 21st July 2019, celebrated by women in leadership sharing their inspiring stories.

- The GEDC Chair, Board members, CEO and Staff have presented and attended various regional, state and national conference relating to economic development during the year.
  Additionally, the GEDC Board supported Board member, Mr. Ryan Jones, to attend and complete Australian Institute of Company Directors (AICD), Company Directors Course in September 2019, in Perth.

4.5 Governance Disclosures

Shares in Another Body

Goldfields-Esperance Development Commission does not have shares in another body.

Insurance Premiums Paid to Indemnify members of the Board

In March 2020, $5,423.00 (inc.GST) was paid, via Marsh Pty Ltd to indemnify all Board Members, against a liability incurred under sections 13 or 14 of the *Statutory Corporation (Liability of Directors) Act 1996*.

Senior Officer Interests

During the year, Goldfields-Esperance Development Commission did not incur expenditure with an entity in which a senior officer is also a Director, Partner or member of the Executive.

Board Renumeration

Chair	$47,250 per annum
Deputy Chair	$5,000 per annum and sitting fee of $790 per day or $513 per half day
Members	Full day $622 or half day $403

Remuneration of the Board of Goldfields-Esperance Development Commission in 2019-2020 was as follows:

Position	Name	Period of Membership	Remuneration
Chair	Gail Reynolds-Adamson	18 August 2014 – 30 June 2020	$ 45,287.50
Deputy Chair	Kate Mills	16 July 2018 – 30 June 2021	$ 8,128.08
Board Member	Victoria Brown	5 September 2016 – 19 October 2019	No Claims
Board Member	Ryan Jones	16 July 2018 – 30 June 2020	$ 3,040.00
Board Member	Shaneane Weldon	8 July 2019 – 30 June 2020	$ 3,040.00
Board Member	Ross Wood	8 July 2019 – 30 June 2021	$ 2,637.00
Board Member	Shelley Payne	3 March 2020 – 21 December 2021	$ 403.00
Chief Executive Officer	Kris Starcevich	1 May 2018 – 30 June 2020	N/A



4.6 Other Legal Requirements

Expenditure on Advertising, Market Research, Polling & Direct Mail

In compliance with Section 175ZE of the *Electoral Act 1907,* the Commission monitors expenditure incurred in relation to advertising agencies, market research, polling, direct mail and media advertising.

The commission incurred a total expenditure of $3,166.16 for 2019-2020. Expenditure was incurred in the following areas.

Expenditure	Detail	Amount
(a) Advertising agencies	The West Australian Limited	$3,166.16
(b) Market research organisations		nil
(c) Polling organisations		nil
(d) Direct mail organisations		nil
(e) Media advertising organisations		nil

Disability Access and Inclusion Plan (DIAP) Outcomes

A Disability Access and Inclusion Plan 2016-2020 (DAIP) has been implemented by the GEDC, and includes all outcomes required under the legislation. The outcomes in the DAIP are supported by strategies to address the gaps identified in meeting the legislative requirements.

The GEDC staff operate under the umbrella of the Department of Primary Industries and Regional Development's (DPIRD) Disability Access and Inclusion Plan (DAIP), which helps to ensure all members of the public can access the Commission's services and facilities. The DAIP recognises the initiatives and achievements of former DPIRD departments including the RDCs regarding disability access and inclusion and draws on our combined knowledge to ensure we can continue to meet the needs of people with disability, their families and carers. A DAIP working group was formed from employees, an internal DAIP Implementation Plan was developed detailing specific actions, timeframes and accountabilities to assist in the implementation of our DAIP strategies.

In accordance with the *Disability Services Act 1993* and Schedule 3 of the *Disability Services Regulations 2004* DPIRD and the Regional Development Commissions is implementing strategies and initiatives that achieve seven access and inclusion outcomes identified in our DAIP 2018–23.

Compliance with Public sector standards and ethical codes

The GEDC has had no compliance issues during the financial year regarding the Public Sector Standards, the WA Code of Ethics or the internal Code of Conduct. The Commission continues to review and update internal policies to ensure compliance with Public Sector Commission updates.

Record Keeping Plan

The *State Records Act 2000* requires the GEDC to have a record-keeping plan and to comment in the Annual Report on compliance with the plan. The Commission's current record-keeping plan, along with the record retention and disposal authority and record-keeping policies, has been approved by the State Records Commission. The Commission staff receive induction and ongoing training in relation to the agency's record-keeping policies, practices and procedures.

Under Section 28 of the *State Records Act 2000*, no more than five years must elapse between the record-keeping plan and its review. The GEDC submitted their Recordkeeping Plan review report to the State Records Commission on 20 March 2020, which was presented to at the 7 August 2020 State Records Commission meeting, the report provides evidence of the GEDC's progress towards better practice recordkeeping with a commitment to submit an amended Plan in February 2021.







Unauthorised Use of Credit Card

The Chief Executive Officer and the Administration and Project Assistant held a corporate credit card where their functions warrant usage of this facility. The Commission credit card policy and Treasurers Instruction (TI) 321 prohibit the use of the card for personal purposes.

For the year ended 30 June 2020, there was one instance of accidental personal use of a credit card. No referrals for disciplinary action were issued.

Personal use expenditure (aggregate)	$104.62
Personal use expenditure settled within five working days (due date)	$0
Personal use expenditure settled after five working days (after due date)	$104.62
Personal expenditure outstanding at balance date	$0

4.7 Government Policy Requirements

Occupation Safety and Health (OSH) and Injury Management

The Commission acknowledges its responsibilities under the *Occupational Safety and Health Act 1984* and commitment to provide and maintain a safe and healthy environment and exercise a duty of care to ensure employees, clients and visitors to the Commission's workplaces, as far as practical, are not exposed to hazards.

The Commission's Executive has implemented a Statement of Commitment to Occupation Safety and Health (OSH) and is committed to maintaining a safe working environment for its Board Members, GEDC and DPIRD employees, contractors and visitors. OSH policy and procedures are included in staff induction processes and staff complete Department training on commencement.

Both the Kalgoorlie and Esperance office have DPIRD staff members trained in OHS which provide formal mechanism of consultation on occupational, safety and health matters.

The Commission reviews its safety equipment on an annual basis to ensure that all equipment is serviced by the due date as advised by the manufacturer.

OSH is a standing item on the Board meeting, RMAC meetings, quarterly staff meetings and regularly discussed at weekly team meetings. A compliance officer is responsible for regular inspections and compliance register.

Workers Compensation

There have been no workers' compensation claims during the reporting period.

The Commission has nil to report against fatalities, lost time injury and/or disease incidence rate, percentage of injured workers returned to work and the CEO is trained in occupational safety, health and injury management responsibilities.





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Remote Digital Imagery, Courtney Bergersen, GTNA, White Sands Gallery, AGO, Lyn Webb, Sarah Fletcher, Aussie Gold Hunters, Peter Fitchat, Jaimen Hudson, Brenden Ah-Kim.

GOVERNMENT OF WESTERN AUSTRALIA

GOLDFIELDS ESPERANCE DEVELOPMENT COMMISSION

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