

Quarterly Financial Results Report

2022-23

March 2023



2022-23

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Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

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2022-23

Quarterly Financial Results Report

Nine Months Ended 31 March 2023

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Foreword

This *Quarterly Financial Results Report* (QFRR) provides financial results for the Western Australian public sector for the nine months to 31 March 2023.

Care should be exercised in extrapolating the likely outcome for the 2022-23 year based on the quarterly results to date. Seasonal and other timing factors that impact the State's finances make full-year estimation difficult.

The presentation in this report is consistent with that used in the 2022-23 State Budget (presented to the Legislative Assembly on 12 May 2022).

The financial statements in this report have been prepared in accordance with applicable Australian Accounting Standards including AASB 134: *Interim Financial Reporting* and AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

The Overview chapter summarises movements in the operating and cash flow statements for the first nine months of 2022-23, including comparisons to the same period last year, and movements in the balance sheet over the nine months to 31 March 2023.

In addition to the financial statements in Appendix 1 and details of operating revenue in Appendix 2, this report includes:

- Appendix 3: *Public Ledger*, which summarises information on the Consolidated Account, Treasurer's Special Purpose Accounts and the Treasurer's Advance;
- Appendix 4: *Special Purpose Accounts*, which details movements in balances for a number of Special Purpose Accounts established for the delivery of key Government policy outcomes; and
- Appendix 5: *General Government Salaries*, which summarises interim salaries spending by general government sector agencies.

Information presented in this QFRR is not audited.

Statement of Responsibility

The following Interim Financial Statements and accompanying notes for the general government sector and the whole-of-government have been prepared by the Department of Treasury from information provided by agencies.

In our opinion, the statements are a true and fair presentation of the operating statements and cash flows of these sectors for the three months and nine months ended 31 March 2023, and of the balance sheets of these reporting entities at 31 March 2023. The statements have been prepared in accordance with applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, and where there is no conflict with these standards, they are also consistent with the Australian Bureau of Statistics' *Government Finance Statistics Concepts, Sources and Methods 2015*.



MICHAEL COURT
ACTING UNDER TREASURER



MAGDALENA WITTEK
MANAGER
FINANCIAL REPORTING

26 May 2023

Overview

Summary

The general government sector recorded an operating surplus of \$3.6 billion for the nine months to 31 March 2023, down from the \$5.5 billion operating surplus reported for the same period in 2021-22.

General government revenue for the first nine months of 2022-23 was \$951 million higher than the same period last year, primarily due to higher tax revenue (up \$601 million) and higher Commonwealth grants (up \$464 million), partially offset by lower dividends from the public corporations (down \$373 million).

General government expenses were \$2.9 billion higher than the same period last year. This reflects higher salaries expenditure (up \$1.2 billion, following the settlement of industrial agreements under the Government's wages policy, as well as an increase in staffing levels in the health and education sectors), recurrent and capital transfers (up \$704 million, including the costs of the 2022-23 Household Electricity Credit), 'other' gross operating expenses (up \$280 million) and services and contracts expenses (up \$268 million).

Infrastructure spending for the nine months to 31 March 2023 totalled \$6.1 billion, which is \$1.1 billion higher than the same period 2021-22, mainly driven by METRONET and road projects. Total public sector net debt was \$28.3 billion at 31 March 2023, \$863 million lower than the outcome recorded at 30 June 2022.

Table 1

KEY AGGREGATES Western Australia

	2022-23		2021-22	
	Nine Months to 31 Mar \$m	Budget Year ^(a) \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
GENERAL GOVERNMENT SECTOR				
Net Operating Balance (\$m)	3,594	4,226	5,539	6,019
Revenue (\$m)	31,946	43,102	30,994	41,658
Revenue Growth (%)	3.1	3.5	11.0	3.8
Expenses (\$m)	28,352	38,875	25,455	35,638
Expense Growth (%)	11.4	9.1	-0.4	3.9
TOTAL PUBLIC SECTOR				
Net Debt (\$m)	28,344	27,879	28,810	29,206
Asset Investment Program (\$m)	6,073	8,234	5,004	7,181
Cash Surplus/Deficit (\$m)	1,147	1,377	4,583	4,655

(a) Revised estimated outcome published in 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Results Compared to Prior Year

General Government Sector

The general government sector recorded an operating surplus of \$3.6 billion for the nine months to 31 March 2023, compared to the \$5.5 billion operating surplus reported for the same period in 2021-22.

SUMMARY OF GENERAL GOVERNMENT SECTOR FINANCES Western Australia

Table 2

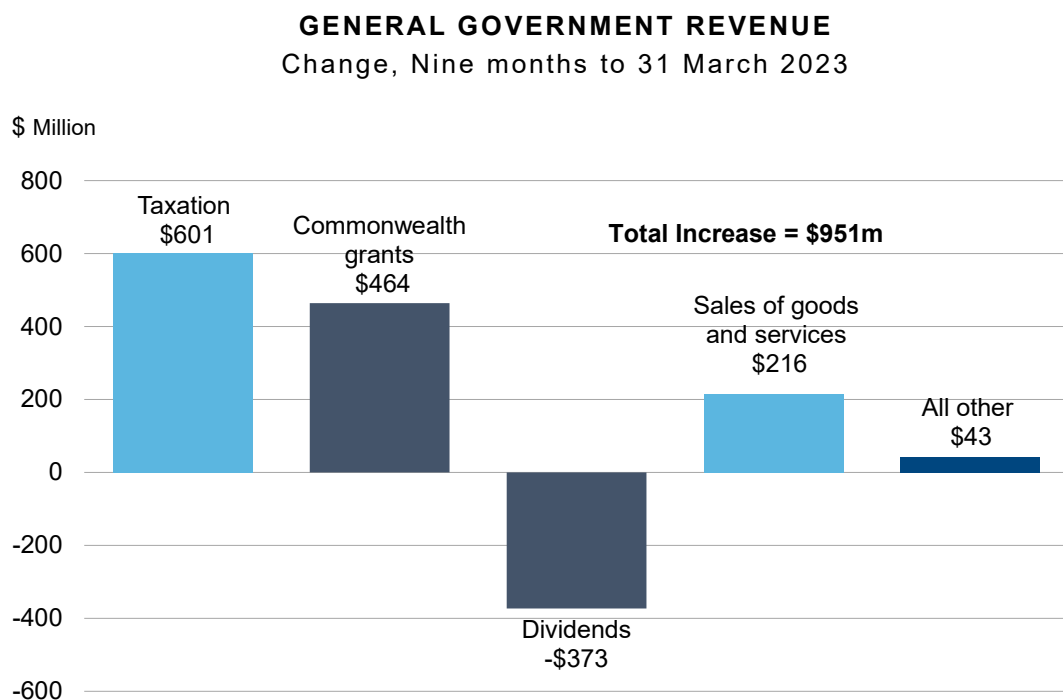
	2022-23			2021-22		
	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
Net operating balance	1,095	3,594	4,226	789	5,539	6,019
Net worth		137,475	138,749		121,795	131,984
Movement in cash balances	-873	-1,503	-2,044	-613	3,559	3,094
<i>Memorandum items</i>						
Net lending	709	2,615	3,250	275	4,391	4,151
Net debt		19,220	19,085		18,728	19,269
Cash surplus/-deficit	233	1,954	3,125	-267	4,963	5,240

(a) Revised estimated outcome published in 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Revenue

Revenue for the nine months to 31 March 2023 totalled \$31.9 billion, \$951 million higher than the same period last year.



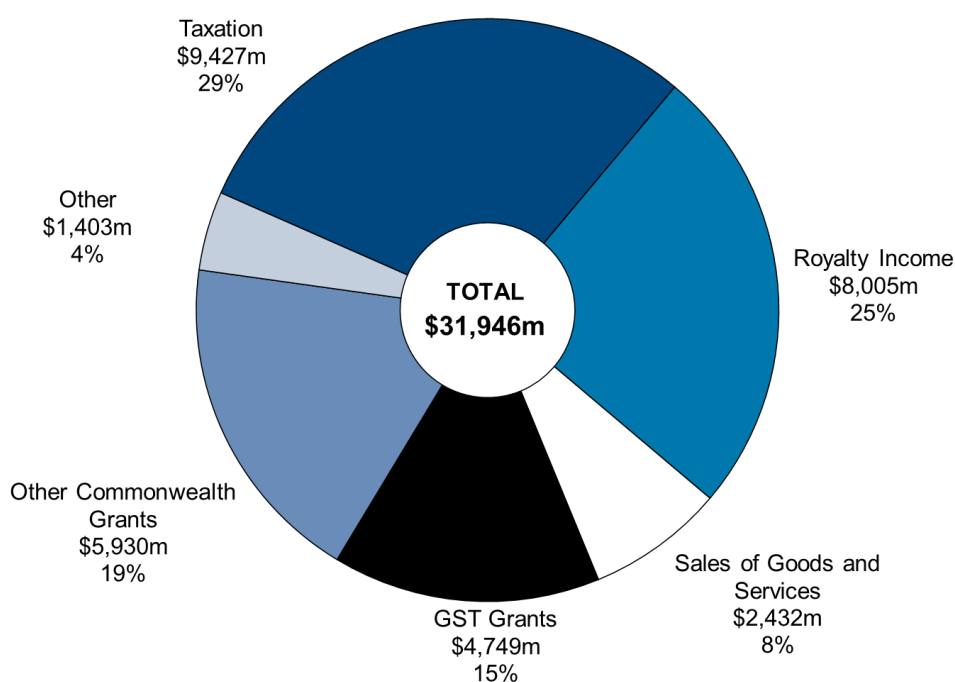
The higher revenue outcome for the nine months to 31 March 2023 primarily reflects the net impact of:

- higher taxation revenue (up \$601 million), primarily due to:
 - higher payroll tax collections (up \$443 million), mainly due to higher wages, particularly in the mining sector and related industries;
 - lower transfer duty (down \$154 million), reflecting an easing in residential property transactions compared to the same period last year;
 - higher insurance duty (up \$94 million), reflecting higher average premiums in the general insurance market, along with additional collections from compliance activity by RevenueWA;
 - higher motor vehicle registrations (up \$60 million), largely due to increased fees for vehicle registrations in 2022-23, and growth in the number of registered vehicles compared to the same period in 2021-22; and
 - higher vehicle licence duty (up \$57 million), mainly reflecting a strong rise in average vehicle prices in the year to March 2023;

- higher Commonwealth funding (up \$464 million), mainly due to the combined impact of:
 - higher North West Shelf royalty grants and compensation for condensate excise (up \$484 million), largely due to higher prices for LNG and condensate and higher volumes for LNG, condensate, crude oil and LPG and the lower exchange rate;
 - higher capital funding for transport infrastructure projects (up \$363 million);
 - lower health funding under the National Partnership on COVID-19 Response and National Health Reform Agreement (down a combined \$266 million);
 - lower HomeBuilder grant funding (down \$259 million); and
 - higher GST grant related funding (up \$84 million), primarily due to growth in the national GST pool;
- lower dividend income (down \$373 million), mainly due to the timing of the Insurance Commission of Western Australia's final dividend for 2020-21 (which included proceeds from the Bell Group settlement which were transferred to the Consolidated Account and applied to debt repayment during 2021-22); and
- higher sales of goods and services (up \$216 million), mainly due to higher revenue collected across the general government sector.

Figure 2

GENERAL GOVERNMENT REVENUE
Nine months to 31 March 2023



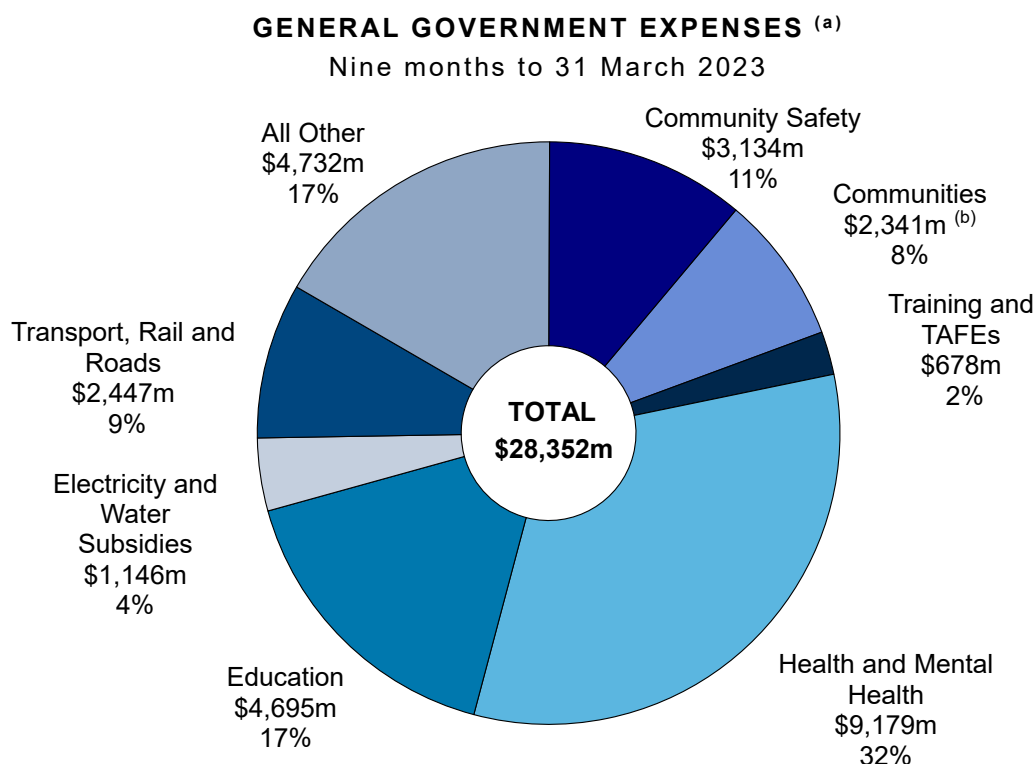
Note: Segments may not add due to rounding.

Expenses

Expenses for the nine months to 31 March 2023 totalled \$28.4 billion, up \$2.9 billion compared to the same period in 2021-22. The increase in spending mainly reflects:

- higher salaries spending (up \$1.2 billion), primarily due to increases in salary rates and cost of living payments following the settlement of a number of industrial agreements across the public sector in line with the Government's wages policy, and an increase in FTEs in the health and education sectors;
- higher current and capital transfers (up \$704 million), which largely reflects the combined effect of:
 - higher operating subsidy payments (up \$689 million), mainly to Synergy to administer the Government's \$400 Household Electricity Credit (a key cost of living initiative announced as part of the 2022-23 Budget);
 - lower State-funded Building Bonus grants (down \$264 million) and Commonwealth-funded HomeBuilder grants (down \$245 million), as these stimulus schemes are winding down;
 - COVID-19 business assistance grants paid during the nine months to 31 March 2023 (up \$211 million);
 - a demand-driven increase in the State's contribution to the National Disability Insurance Agency (up \$130 million); and
 - the timing of appropriations to the Housing Authority (up \$67 million);
- higher 'other' gross operating expenses (up \$280 million), mainly due to Communities and health spending for the not-for-profit sector and patient support costs; and
- higher services and contracts (up \$268 million), primarily due to higher road maintenance expenses and higher health contract costs.

Figure 3



(a) Segments may not add due to rounding.

(b) The \$2.3 billion for Communities in this chart represents the general government portion of the Department's recurrent spending (with some expenditure from the former Housing Authority remaining with the public non-financial corporations sector for the purpose of whole-of-government reporting).

Balance Sheet

Net worth of the general government sector increased by \$5.5 billion during the nine months to 31 March 2023, to be \$137.5 billion¹. This increase mainly reflects the combined impact of:

- an increase in the value of equity in public corporations (up \$3.4 billion), reflecting an increase in the value of physical asset holdings;
- a \$1.8 billion increase in general government sector physical assets, reflecting the net impact of investment in new infrastructure, valuation changes, depreciation charges and disposals of used assets;
- a \$1.6 billion reduction in Consolidation Account borrowings following repayment of debt; and
- a \$1.3 billion decrease in liquid assets mainly reflecting the timing of cash receipts and payments through the Public Bank Account.

¹ Net worth is the widest measure of financial value of the public sector and includes the value of all assets less the value of all liabilities recorded on the balance sheet.

Cash Flow

The general government sector recorded a cash surplus of \$2 billion for the nine months to 31 March 2023, down from the \$5 billion cash surplus reported for the same period in 2021-22. This largely reflects the impact on cash of the lower operating surplus detailed earlier and \$334 million increase in asset investment (discussed later in this chapter).

Total Public Sector²

Operating Statement

The total public sector recorded an operating surplus of \$3.9 billion for the nine months to 31 March 2023, down from the \$5.9 billion operating surplus recorded in the same period last year.

SUMMARY OF TOTAL PUBLIC SECTOR FINANCES Western Australia

Table 3

	2022-23			2021-22		
	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
Net operating balance	1,250	3,882	4,403	1,098	5,892	6,419
Net worth		137,475	138,749		121,795	131,984
Movement in cash balances	-98	-927	-1,412	-489	3,020	2,750
<i>Memorandum items</i>						
Net lending	87	1,240	2,041	636	3,952	3,052
Net debt		28,344	27,879		28,810	29,206
Cash surplus/-deficit	-41	1,147	1,377	-181	4,583	4,655

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

The total public sector operating surplus for the nine months to 31 March 2023 includes:

- the \$3.6 billion general government operating surplus outlined earlier;
- a \$196 million lower operating surplus in the public non-financial corporations sector, mainly due to higher depreciation costs associated with upward valuations of assets across a number of agencies; and
- a \$241 million lower operating surplus in the public financial corporations sector, mainly due to lower profitability for the Insurance Commission of Western Australia resulting from higher insurance claim expenses.

² The total public sector (also known as the whole-of-government) consolidates the general government sector (discussed in the previous sections of this chapter), the public non-financial corporations sector (which includes entities operating on a predominantly cost recovery basis like the State's ports and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities, such as the Western Australian Treasury Corporation, the Insurance Commission of Western Australia, and Keystart).

Table 4

TOTAL PUBLIC SECTOR OPERATING BALANCE

By Sector

	2022-23			2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Budget Year ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
Net Operating Balance						
General government sector	1,095	3,594	4,226	789	5,539	6,019
Public non-financial corporations sector	405	159	231	136	355	714
Public financial corporations sector	-187	270	161	173	511	437
<i>less</i>						
General government dividend revenue	64	142	161	-	516	612
Public non-financial corporations dividend revenue ^(c)	-	-	56	-	-	142
Agency depreciation costs on right of use assets leased from other government sectors ^(d)	-1	-2	-2	-1	-2	-3
Total public sector net operating balance	1,250	3,882	4,403	1,098	5,892	6,419

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

(c) Dividends received from Keystart (a public financial corporation) by the Housing Authority (a public non-financial corporation).

(d) Depreciation costs incurred by agencies for right of use assets leased from other agencies within the same sub-sector of government are eliminated directly on consolidation. Equivalent costs between internal sectors of government contribute to expenses (and the operating balance) in the sector in which the lessee is classified but is not matched by a 'depreciation revenue' by the sector in which the lessor is classified. This gives rise to an adjustment against equity for this unmatched internal cost when consolidating the total public sector.

Balance Sheet

The value of the total public sector balance sheet (measured by net worth, or total assets less total liabilities) is identical to that of the general government sector (discussed earlier). This is because the net worth of the public corporations sectors is recognised as an investment asset of the general government sector.

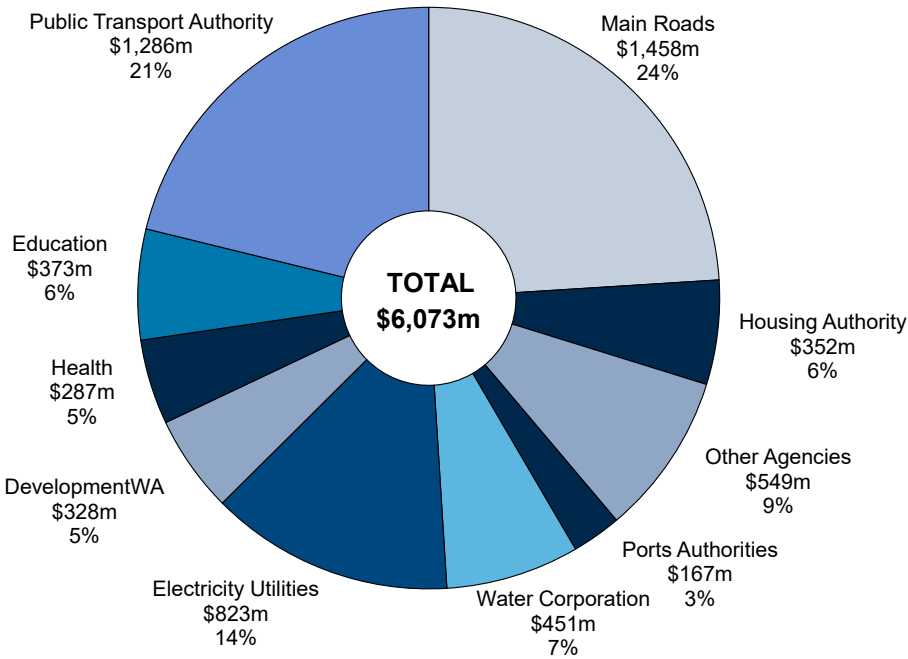
Total public sector net debt declined by \$863 million during the nine months to 31 March 2023, to stand at \$28.3 billion. This mainly reflects the impact of the operating cash surpluses in the general government sector and the public corporations sectors (see previous section).

Cash Flow

A cash surplus of \$1.1 billion was recorded for the total public sector for the nine months to 31 March 2023. This is mainly due to the general government cash outcome noted earlier. Total public sector infrastructure spending for the nine months to 31 March 2023 totalled \$6.1 billion, \$1.1 billion higher than the same period in 2021-22. This was mainly due to higher spending by the Public Transport Authority on METRONET and higher spending on road infrastructure.

Figure 4

ASSET INVESTMENT PROGRAM
Nine months to 31 March 2023



Note: Segments may not add due to rounding.

Interim Financial Statements

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Introduction

Financial information presented in this appendix has been prepared in accordance with Australian Accounting Standards and pronouncements, including AASB 134: *Interim Financial Reporting*, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, and requirements of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in 2022-23 State Budget Papers presented to the Legislative Assembly on 12 May 2022, facilitating comparisons between estimates and outturns for the 2022-23 financial year.

These financial statements (Operating Statement, Balance Sheet and Cash Flow Statement) also comply with Uniform Presentation Framework (UPF) disclosure requirements. Other UPF disclosure requirements are included in the notes to the financial statements, and in Appendix 2 of this report.

Table 1.1

GENERAL GOVERNMENT OPERATING STATEMENT

		2022-23			2021-22		
	Note	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
		\$m	\$m	\$m	\$m	\$m	\$m
RESULTS FROM TRANSACTIONS							
REVENUE							
Taxation		2,765	9,427	12,153	2,667	8,826	11,634
Current grants and subsidies		3,083	9,728	12,858	2,600	9,297	11,946
Capital grants		417	951	1,961	313	918	1,515
Sales of goods and services		849	2,432	3,069	696	2,215	3,027
Interest Income		84	213	279	29	85	127
Revenue from public corporations							
Dividends from other sectors		64	142	161	-	516	612
Tax equivalent income		171	513	733	220	553	906
Royalty income		2,972	8,005	11,158	2,483	8,077	11,091
Other		164	535	730	153	507	799
Total	3	10,569	31,946	43,102	9,162	30,994	41,658
EXPENSES							
Salaries		4,081	11,744	15,563	3,476	10,562	14,279
Superannuation							
Concurrent costs		451	1,282	1,699	362	1,101	1,469
Superannuation interest cost		20	112	169	71	118	75
Other employee costs		92	269	367	29	225	327
Depreciation and amortisation		494	1,471	1,958	448	1,338	1,846
Services and contracts		746	2,233	3,886	711	1,964	2,877
Other gross operating expenses		1,529	4,846	6,047	1,525	4,566	6,337
Interest							
Interest on leases		35	109	135	33	99	133
Other interest		200	565	787	149	465	646
Current transfers	4	1,671	5,441	7,692	1,397	4,241	6,662
Capital transfers	4	155	280	573	172	776	988
Total		9,474	28,352	38,875	8,374	25,455	35,638
NET OPERATING BALANCE		1,095	3,594	4,226	789	5,539	6,019
Other economic flows - included in the operating result							
Net gains on assets/liabilities		-30	-59	-208	2	10	-149
Provision for doubtful debts		-3	-5	-14	-	-2	-9
Changes in accounting policy/adjustments of prior periods		62	45	-	-116	-387	-379
Total other economic flows		29	-19	-222	-114	-379	-537
OPERATING RESULT		1,124	3,575	4,005	675	5,160	5,482
All other movements in equity							
Items that will not be reclassified to operating result							
Revaluations		-72	93	1,193	721	141	6,379
Net actuarial gains/-loss - superannuation		-247	-77	-402	447	619	769
Gains recognised directly in equity		-	-	-43	-3	-	-
Change in net worth of the public corporations sectors		669	1,900	2,013	1,088	3,292	6,771
All other		-	-	-	-	-	-
Total all other movements in equity		350	1,916	2,760	2,254	4,052	13,919
TOTAL CHANGE IN NET WORTH		1,475	5,491	6,765	2,929	9,213	19,402
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		1,095	3,594	4,226	789	5,539	6,019
Less Net acquisition of non-financial assets							
Purchase of non-financial assets		948	2,658	3,244	755	2,324	3,308
Changes in inventories		-45	-159	-225	236	249	421
Other movement in non-financial assets		-19	-12	5	-1	-	94
less:							
Sales of non-financial assets		4	37	89	29	87	110
Depreciation		494	1,471	1,958	448	1,338	1,846
Total net acquisition of non-financial assets		386	979	977	513	1,148	1,868
NET LENDING/-BORROWING		709	2,615	3,250	275	4,391	4,151

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.2

GENERAL GOVERNMENT BALANCE SHEET

		For the period ending			
		31 Mar	30 June	31 Mar	30 June
	Note	2023	2023 ^(a)	2022	2022 ^(b)
		\$m	\$m	\$m	\$m
ASSETS					
Financial assets					
Cash and deposits		3,288	3,629	7,634	5,603
Advances paid		716	706	731	708
Investments, loans and placements	5	5,630	5,102	2,763	4,659
Receivables	6	5,703	5,359	5,033	5,568
Shares and other equity					
Investments in other public sector entities - equity method		51,253	51,365	45,873	49,353
Investments in other public sector entities - direct injections		14,392	15,207	12,307	12,934
Investments in other entities		39	39	30	34
Other financial assets		9	9	9	9
Total financial assets		81,031	81,417	74,379	78,868
Non-financial assets					
Land		39,979	40,970	37,949	39,714
Property, plant and equipment		54,745	55,281	48,233	53,231
Right-of-use assets		2,444	2,289	2,385	2,452
Service concession assets		915	866	775	892
Biological assets		14	14	54	14
Inventories					
Land inventories		-	-	-	-
Other inventories		441	375	428	600
Intangibles		604	594	569	595
Assets classified as held for sale		44	21	39	57
Investment property		-	-	7	-
Other		325	399	442	440
Total non-financial assets		99,511	100,808	90,882	97,995
TOTAL ASSETS		180,542	182,225	165,262	176,863
LIABILITIES					
Deposits held		1,492	1,818	935	1,271
Advances received		291	273	309	291
Borrowings					
Lease liabilities		2,814	2,668	2,753	2,818
Service concession liabilities		-	-	-	-
Other borrowings		24,257	23,763	25,859	25,858
Unfunded superannuation		4,641	4,816	4,785	4,524
Other employee benefits		3,948	4,175	3,728	4,101
Payables		2,677	2,855	2,458	2,841
Other liabilities		2,946	3,108	2,641	3,174
TOTAL LIABILITIES		43,067	43,476	43,467	44,879
NET ASSETS		137,475	138,749	121,795	131,984
Of which:					
Contributed equity		-	-	-	-
Accumulated surplus		24,049	25,199	20,078	20,557
Other reserves		113,426	113,549	101,717	111,427
NET WORTH		137,475	138,749	121,795	131,984
MEMORANDUM ITEMS					
Net financial worth					
Net financial worth		37,964	37,940	30,912	33,989
Net financial liabilities		27,681	28,632	27,267	28,298
Net debt					
Gross debt liabilities		28,854	28,522	29,856	30,239
less: liquid financial assets		9,635	9,437	11,128	10,970
Net debt		19,220	19,085	18,728	19,269

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 Annual Report on State Finances, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.3

GENERAL GOVERNMENT STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 March 2023

	Asset Revaluation Surplus \$m	investments in other sector entities \$m	Accumulated net gain on equity Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2022</i>	62,075	49,353	20,557	131,984
Operating result	-	-	3,575	3,575
All other movements in equity	98	1,900	-82	1,916
<i>Total change in net worth</i>	98	1,900	3,492	5,491
Balance at 31 March 2023	62,173	51,253	24,049	137,475

For the nine months ended 31 March 2022

	Asset Revaluation Surplus \$m	investments in other sector entities \$m	Accumulated net gain on equity Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2021</i>	55,702	42,581	14,298	112,582
Operating result	-	-	5,160	5,160
All other movements in equity	142	3,292	619	4,052
<i>Total change in net worth</i>	142	3,292	5,779	9,213
Balance at 31 March 2022	55,844	45,873	20,078	121,795

Note: Columns/rows may not add due to rounding.

Table 1.4

GENERAL GOVERNMENT CASH FLOW STATEMENT

	2022-23			2021-22		
	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	2,817	9,357	12,166	2,692	8,414	11,332
Grants and subsidies received	4,501	12,178	16,839	3,790	11,876	15,637
Receipts from sales of goods and services	908	2,460	3,022	713	2,187	3,007
Interest receipts	69	177	279	30	72	111
Dividends and tax equivalents	164	735	1,068	198	1,233	1,544
Other	3,196	10,124	13,091	2,392	11,029	14,271
Total cash received	11,656	35,030	46,465	9,816	34,811	45,903
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-4,817	-13,264	-17,537	-4,128	-11,956	-15,848
Payments for goods and services	-2,360	-7,645	-10,257	-2,330	-7,179	-9,876
Interest paid	-225	-628	-871	-181	-551	-752
Grants and subsidies paid	-2,550	-7,198	-9,858	-2,260	-6,398	-8,852
Dividends and tax equivalents	-	-	-	-	-	-
Other	-526	-1,722	-1,661	-458	-1,525	-2,136
Total cash paid	-10,478	-30,456	-40,185	-9,357	-27,611	-37,464
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,178	4,574	6,280	459	7,200	8,439
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-948	-2,658	-3,244	-755	-2,324	-3,308
Sales of non-financial assets	4	37	89	29	87	110
Total cash flows from investments in non-financial assets	-945	-2,621	-3,155	-727	-2,237	-3,199
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	6	101	10	4	14	18
For liquidity purposes	11	34	38	18	66	93
<i>Cash paid</i>						
For policy purposes	-770	-1,580	-2,713	-159	-556	-1,208
For liquidity purposes	-23	-73	-10	-11	-49	-70
Total cash flows from investments in financial assets	-775	-1,518	-2,675	-147	-525	-1,168
NET CASH FLOWS FROM INVESTING ACTIVITIES	-1,720	-4,139	-5,830	-874	-2,762	-4,366
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	18	-	-	18
Borrowings	8	38	130	11	42	57
Deposits received	-	-	-	-	-	-
Other financing receipts	97	178	18	55	111	195
Total cash received	105	215	166	66	154	270
<i>Cash paid</i>						
Advances paid	-	-	-18	-	-	-18
Borrowings repaid	-191	-1,631	-2,215	-99	-628	-646
Deposits paid	-	-	-	-	-	-
Other financing payments	-245	-522	-426	-166	-404	-585
Total cash paid	-436	-2,154	-2,659	-265	-1,032	-1,248
NET CASH FLOWS FROM FINANCING ACTIVITIES	-331	-1,938	-2,493	-199	-878	-978
Net increase in cash and cash equivalents	-873	-1,503	-2,044	-613	3,559	3,094
Cash and cash equivalents at the beginning of the year	9,408	10,037	10,037	11,116	6,943	6,943
Cash and cash equivalents at the end of the year	8,535	8,535	7,994	10,502	10,502	10,037
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	1,178	4,574	6,280	459	7,200	8,439
Net cash flows from investing in non-financial assets	-945	-2,621	-3,155	-727	-2,237	-3,199
Cash surplus/-deficit	233	1,954	3,125	-267	4,963	5,240

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.5

TOTAL PUBLIC SECTOR OPERATING STATEMENT

	Note	2022-23			2021-22		
		Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year ^(a)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual ^(b)
		\$m	\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>							
REVENUE							
Taxation		2,632	9,025	11,596	2,538	8,448	11,065
Current grants and subsidies		3,083	9,728	12,858	2,600	9,297	11,946
Capital grants		417	951	1,961	313	918	1,515
Sales of goods and services		9,454	28,006	38,464	9,976	27,233	36,437
Interest income		221	587	658	102	320	445
Royalty income		2,972	8,005	11,158	2,483	8,077	11,091
Other		307	899	1,222	279	859	1,276
Total	3	19,087	57,199	77,918	18,290	55,152	73,776
EXPENSES							
Salaries		4,422	12,811	17,109	3,790	11,511	15,540
Superannuation							
Concurrent costs		488	1,398	1,868	397	1,200	1,598
Superannuation interest cost		20	112	169	71	118	75
Other employee costs		151	449	571	125	417	612
Depreciation and amortisation		1,183	3,880	4,940	1,332	3,645	4,775
Services and contracts		971	3,006	4,901	957	2,720	3,925
Other gross operating expenses		9,055	26,316	36,451	9,188	25,156	34,049
Interest							
Interest on leases		53	163	212	50	152	203
Other interest		381	1,057	1,486	237	726	986
Other property expenses		-	-	-	-	-	-
Current transfers	4	1,039	3,914	5,452	899	2,919	4,737
Capital transfers	4	73	211	355	146	697	856
Total		17,837	53,318	73,515	17,192	49,260	67,357
NET OPERATING BALANCE		1,250	3,882	4,403	1,098	5,892	6,419
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		199	259	-33	-191	30	-1,013
Provision for doubtful debts		-8	-15	-57	-10	-25	-15
Changes in accounting policy/adjustment of prior periods		77	111	-	-84	83	167
Total other economic flows		269	356	-90	-285	89	-861
OPERATING RESULT		1,519	4,237	4,313	813	5,980	5,558
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		212	1,364	2,906	1,659	2,677	13,099
Net actuarial gains/-loss - superannuation		-253	-80	-408	457	632	747
Gains recognised directly in equity		-4	-31	-46	-1	-76	-2
All other		-	-	-	-	-	-
Total all other movements in equity		-44	1,254	2,452	2,116	3,232	13,844
TOTAL CHANGE IN NET WORTH		1,475	5,491	6,765	2,929	9,213	19,402
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		1,250	3,882	4,403	1,098	5,892	6,419
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets		2,085	6,073	8,234	1,702	5,004	7,181
Changes in inventories		317	648	-654	219	857	1,302
Other movement in non-financial assets		48	120	153	28	76	187
<i>less:</i>							
Sales of non-financial assets		103	319	430	155	352	529
Depreciation		1,183	3,880	4,940	1,332	3,645	4,775
Total net acquisition of non-financial assets		1,163	2,641	2,362	462	1,940	3,367
NET LENDING/-BORROWING		87	1,240	2,041	636	3,952	3,052

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.6

TOTAL PUBLIC SECTOR BALANCE SHEET

		For the period ending			
	Note	31 Mar 2023 \$m	30 June 2023 ^(a) \$m	31 Mar 2022 \$m	30 June 2022 ^(b) \$m
ASSETS					
Financial assets					
Cash and deposits		5,628	6,434	9,985	8,384
Advances paid		3,404	3,499	4,700	4,423
Investments, loans and placements	5	14,378	15,030	11,334	13,752
Receivables	6	7,126	7,054	6,526	7,264
Equity - investments in other entities		2,530	2,417	2,430	2,302
Other financial assets		16	16	9	16
Total financial assets		33,082	34,450	34,984	36,139
Non-financial assets					
Land		48,275	50,227	45,309	48,613
Property, plant and equipment		121,045	121,237	108,782	116,593
Right-of-use assets		2,872	2,694	2,821	2,915
Service concession assets		3,122	3,080	2,784	3,125
Biological assets		210	218	254	212
Inventories					
Land inventories		1,734	1,742	1,501	1,590
Other inventories		8,054	6,752	6,961	7,406
Intangibles		973	1,033	1,036	1,007
Assets classified as held for sale		50	33	40	66
Investment property		13	14	25	14
Other		550	563	619	599
Total non-financial assets		186,899	187,593	170,131	182,140
TOTAL ASSETS		219,981	222,043	205,115	218,280
LIABILITIES					
Deposits held		27	19	19	19
Advances received		291	273	309	291
Borrow ings					
Lease liabilities		3,519	3,353	3,440	3,574
Service concession liabilities		314	335	330	325
Other borrow ings		47,602	48,862	50,731	51,555
Unfunded superannuation		4,709	4,910	4,842	4,603
Other employee benefits		4,429	4,623	4,184	4,585
Payables		11,249	10,380	9,907	11,119
Other liabilities		10,366	10,539	9,559	10,225
TOTAL LIABILITIES		82,506	83,294	83,320	86,296
NET ASSETS		137,475	138,749	121,795	131,984
Of which:					
Contributed equity		-	-	-	-
Accumulated surplus		44,462	46,722	40,615	40,329
Other reserves		93,013	92,026	81,180	91,654
NET WORTH		137,475	138,749	121,795	131,984
MEMORANDUM ITEMS					
Net financial worth		-49,424	-48,844	-48,336	-50,157
Net financial liabilities		49,424	48,844	48,336	50,157
Net debt					
Gross debt liabilities		51,753	52,842	54,829	55,765
less : liquid financial assets		23,409	24,963	26,019	26,558
Net debt		28,344	27,879	28,810	29,206

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 Annual Report on State Finances, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Table 1.7

TOTAL PUBLIC SECTOR STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 March 2023

	Asset		
	Revaluation Surplus	Accumulated Surplus/deficit	Total Equity
	\$m	\$m	\$m
<i>Balance at 1 July 2022</i>	91,654	40,329	131,984
Operating result	-	4,237	4,237
All other movements in equity	1,358	-104	1,254
<i>Total change in net worth</i>	1,358	4,133	5,491
Balance at 31 March 2023	93,013	44,462	137,475

For the nine months ended 31 March 2022

	Asset		
	Revaluation Surplus	Accumulated Surplus/deficit	Total Equity
	\$m	\$m	\$m
<i>Balance at 1 July 2021</i>	78,464	34,118	112,582
Operating result	-	5,980	5,980
All other movements in equity	2,715	517	3,232
<i>Total change in net worth</i>	2,715	6,498	9,213
Balance at 31 March 2022	81,180	40,615	121,795

Note: Columns/rows may not add due to rounding.

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Table 1.8

TOTAL PUBLIC SECTOR CASH FLOW STATEMENT

	2022-23			2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Budget Year ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	2,727	9,080	11,612	2,576	8,145	10,760
Grants and subsidies received	4,501	12,178	16,839	3,792	11,878	15,637
Receipts from sales of goods and services	7,064	21,284	29,382	7,884	21,061	28,674
Interest receipts	215	560	687	108	337	440
Other receipts	3,570	11,192	14,432	2,784	12,131	15,696
Total cash received	18,077	54,294	72,953	17,144	53,552	71,208
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-5,216	-14,473	-19,264	-4,500	-13,040	-17,251
Payments for goods and services	-6,994	-21,718	-30,507	-7,934	-21,215	-29,104
Interest paid	-477	-1,275	-1,627	-339	-1,083	-1,413
Grants and subsidies paid	-1,915	-5,100	-6,827	-1,804	-5,029	-6,636
Other payments	-1,535	-4,827	-5,548	-1,199	-3,949	-5,497
Total cash paid	-16,136	-47,393	-63,772	-15,777	-44,317	-59,901
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,941	6,901	9,180	1,366	9,235	11,307
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-2,085	-6,073	-8,234	-1,702	-5,004	-7,181
Sales of non-financial assets	103	319	430	155	352	529
Total cash flows from investments in non-financial assets	-1,982	-5,754	-7,804	-1,547	-4,652	-6,653
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	6	101	10	4	14	18
For liquidity purposes	2,766	8,043	9,814	2,950	9,130	10,863
<i>Cash paid</i>						
For policy purposes	-111	-199	-10	-5	-13	-21
For liquidity purposes	-1,537	-5,969	-9,081	-1,757	-5,390	-8,709
Total cash flows from investments in financial assets	1,125	1,976	733	1,193	3,741	2,151
NET CASH FLOWS FROM INVESTING ACTIVITIES	-857	-3,778	-7,071	-354	-911	-4,502
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	6,066	14,490	17,326	6,659	16,514	22,466
Deposits received	-	-	-	-	-	-
Other financing receipts	204	285	3	56	116	191
Total cash received	6,270	14,775	17,329	6,715	16,630	22,658
<i>Cash paid</i>						
Advances paid	-	-	-18	-	-	-18
Borrowings repaid	-7,241	-18,305	-20,403	-8,038	-21,479	-26,077
Deposits paid	-	-	-	-	-	-
Other financing payments	-211	-520	-430	-178	-455	-618
Total cash paid	-7,451	-18,825	-20,851	-8,216	-21,934	-26,713
NET CASH FLOWS FROM FINANCING ACTIVITIES	-1,181	-4,050	-3,522	-1,501	-5,304	-4,055
Net increase in cash and cash equivalents	-98	-927	-1,412	-489	3,020	2,750
Cash and cash equivalents at the beginning of the year	14,521	15,351	15,351	16,109	12,600	12,600
Cash and cash equivalents at the end of the year	14,424	14,424	13,939	15,621	15,621	15,351
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	1,941	6,901	9,180	1,366	9,235	11,307
Net cash flows from investing in non-financial assets	-1,982	-5,754	-7,804	-1,547	-4,652	-6,653
Cash surplus/-deficit	-41	1,147	1,377	-181	4,583	4,655

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding. The accompanying notes form part of these statements.

Notes to the Interim Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) General Statement

The financial statements in this appendix constitute general purpose financial statements for the general government sector and the whole-of-government. The whole-of-government is also known as the total public sector.

The quarterly financial statements are a requirement of the *Government Financial Responsibility Act 2000*.

(b) The Reporting Entity

The reporting entity is the Government of Western Australia (the total public sector) and includes entities under its control.

The total public sector includes the general government sector and the public corporations sectors. The general government sector consists of those agencies and Crown entities that provide services that are predominantly funded from central revenue. Public corporations generally seek to recover the majority of the costs of operations through user charges and other own-source revenue.

(c) Basis of Preparation

The financial statements for the nine months ended 31 March 2023 have been prepared in accordance with Australian Accounting Standards, in particular AASB 134: *Interim Financial Reporting*, and AASB 1049: *Whole of Government and General Government Sector Financial Reporting* and other authoritative pronouncements of the AASB.

This interim financial report does not include all the note disclosures that are included in an annual financial report. Accordingly, this report is to be read in conjunction with the audited Consolidated Financial Statements for the year ended 30 June 2022, presented in Appendix 1 of the *2021-22 Annual Report on State Finances* (ARSF) released on 28 September 2022. The accounting policies adopted in this publication are consistent with those outlined in the 2021-22 ARSF. The specific accounting policies of the Government of Western Australia are described in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2021-22 ARSF.

The Interim Financial Statements are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m). As a consequence, totals and sub-totals quoted in this report may not add due to rounding.

(d) Unaudited Data

The Interim Financial Statements are not audited.

NOTE 2: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following outlines the key convergence differences.

- GFS recognises dividends to owners by the PNFC and PFC sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as internal dividend transfers are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.
- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS, these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

With the adoption of AASB 16: *Leases* from 2019-20, the distinction between operating leases and finance leases under previous accounting standards disappears. Accordingly, convergence differences for net debt aggregates produced in this report (which includes all leases in the calculation of net debt) and GFS concepts (which excludes leases previously classified as operating leases from GFS net debt) is not currently available.

NOTE 3: OPERATING REVENUE

A detailed dissection of general government sector and total public sector operating revenue is included in Appendix 2: *Operating Revenue*.

NOTE 4: TRANSFER EXPENSES

Transfer expenses are defined as the provision of something of value for no specific return or consideration and include grants, subsidies, donations, transfers of assets free of charge, etc. The following tables provide detail of current and capital transfer expenses of the general government sector and total public sector.

TRANSFER EXPENSES (a)

General Government						
	2022-23			2021-22		
	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year (b)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual (c)
	\$m	\$m	\$m	\$m	\$m	\$m
CURRENT TRANSFERS						
Local government	71	249	439	89	262	382
Private and not-for-profit sector	455	1,641	2,479	378	1,342	1,975
Other sectors of government	1,145	3,551	4,775	931	2,637	4,304
Total Current Transfers	1,671	5,441	7,692	1,397	4,241	6,662
CAPITAL TRANSFERS						
Local government	37	81	127	16	32	93
Private and not-for-profit sector	23	99	199	124	652	745
Other sectors of government	95	100	247	31	92	150
Total Capital Transfers	155	280	573	172	776	988
Total Public Sector						
	2022-23			2021-22		
	Three Months to 31 Mar	Nine Months to 31 Mar	Budget Year (b)	Three Months to 31 Mar	Nine Months to 31 Mar	Actual (c)
	\$m	\$m	\$m	\$m	\$m	\$m
CURRENT TRANSFERS						
Local government	71	249	428	89	262	383
Private and not-for-profit sector	666	2,788	3,804	569	1,943	3,380
Other sectors of government	301	877	1,220	241	713	974
Total Current Transfers	1,039	3,914	5,452	899	2,919	4,737
CAPITAL TRANSFERS						
Local government	37	81	127	16	32	93
Private and not-for-profit sector	36	130	228	129	665	763
Total Capital Transfers	73	211	355	146	697	856

(a) Includes grants, subsidies and other transfer expenses.

(b) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(c) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding.

NOTE 5: INVESTMENTS, LOANS AND PLACEMENTS

General Government				
	2022-23		2021-22	
	31 Mar 2023 \$m	30 June 2023 ^(a) \$m	31 Mar 2022 \$m	30 June 2022 ^(b) \$m
<i>Investments</i>				
Term deposits	5,628	5,096	2,759	4,654
Government securities	1	1	1	1
Total	5,629	5,097	2,761	4,655
<i>Loans and advances</i>				
Loans	2	3	3	3
Financial Assets held for trading/available for sale	-	2	-	2
Total	2	5	3	5
Total	5,630	5,102	2,763	4,659
Total Public Sector				
	2022-23		2021-22	
	31 Mar 2023 \$m	30 June 2023 ^(a) \$m	31 Mar 2022 \$m	30 June 2022 ^(b) \$m
<i>Investments</i>				
Term deposits	12,754	12,613	8,897	11,735
Government securities	1,720	1,909	1,728	1,899
Total	14,474	14,522	10,625	13,633
<i>Loans and advances</i>				
Loans	-142	441	461	52
Financial Assets held for trading/available for sale	46	67	248	67
Total	-96	508	709	119
Total	14,378	15,030	11,334	13,752

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited outcomes contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding.

NOTE 6: RECEIVABLES

General Government				
	2022-23		2021-22	
	31 Mar 2023 \$m	30 June 2023 ^(a) \$m	31 Mar 2022 \$m	30 June 2022 ^(b) \$m
Accounts Receivable	5,873	5,538	5,217	5,748
Provision for impairment of receivables	-170	-179	-184	-180
Total	5,703	5,359	5,033	5,568

Total Public Sector				
	2022-23		2021-22	
	31 Mar 2023 \$m	30 June 2023 ^(a) \$m	31 Mar 2022 \$m	30 June 2022 ^(b) \$m
Accounts Receivable	7,475	7,412	6,880	7,593
Provision for impairment of receivables	-348	-358	-354	-329
Total	7,126	7,054	6,526	7,264

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited outcomes contained in the 2021-22 *Annual Report on State Finances*, release on 28 September 2022.

Note: Columns may not add due to rounding.

NOTE 7: DETAILS OF AGENCIES CONSOLIDATED

The agencies included in these financial statements are detailed in Note 38: *Composition of Sectors* in the 2021-22 *Annual Report on State Finances*. On 1 July 2022, Energy Policy WA merged with the Department of Mines, Industry Regulation and Safety.

NOTE 8: CONTINGENT ASSETS AND LIABILITIES**Gold Corporation**

On 30 August 2022, AUSTRAC ordered the appointment of an external auditor to Gold Corporation under section 162(2) of the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (AML/CTF Act). The external auditor has been appointed by Gold Corporation and authorised by AUSTRAC to assess compliance with the AML/CTF Act and *Anti Money Laundering and Counter-Terrorism Financing Rules Instrument 2007* (No.1).

Physical and Sexual Abuse Insurance Coverage for Non-Government Providers of Out-of-Home Care and Youth Accommodation Services

Since release of the Royal Commission into Institutional Responses to Child Sexual Abuse Report in 2017, and removal of the statutory limitation periods for victims of historical child sexual abuse in 2018, there has been a significant increase in claims against organisations for damages and compensation involving historical child sexual abuse. As a result of these increasing claims, several insurers have withdrawn, or indicated the intention to withdraw, physical and sexual abuse cover for non-government organisations that provide social services to at-risk children, particularly out-of-home care and youth homelessness service providers.

The Government has approved the provision of a temporary indemnity in late 2021, under which, to ensure delivery of essential services, a provider who cannot secure insurance can continue while a longer-term response is considered in consultation with other jurisdictions. Following consultation with the sector, indemnities for eligible providers were authorised by the Treasurer in early November 2022. Implementation of this short-term response represents an unquantified liability to the State, for potential damages related to events which occur within the indemnity period and which may arise at a future point in time. Any additional costs to the State will be assessed and funded on an emerging basis should any claims be made and settled.

Operating Revenue

The tables in this appendix detail operating revenue of the general government and total public sectors. They provide detailed revenue information consistent with the operating statements presented in Appendix 1: *Interim Financial Statements*.

The total public sector consolidates internal transfers between the general government sector and agencies in the public corporations sectors.

Accordingly, some total public sector revenue aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These collections are internal to the whole-of-government and are not shown in the total public sector taxation revenue data which is thus smaller in magnitude than the general government taxation revenue aggregate.

Table 2.1

GENERAL GOVERNMENT

Operating Revenue

	2022-23			2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Budget Year ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	1,221	3,750	4,963	1,083	3,307	4,415
Property taxes						
<i>Land tax</i>	62	784	786	46	738	756
Transfer Duty	515	1,593	2,008	612	1,747	2,336
Foreign Buyers Surcharge	6	19	23	4	17	22
Landholder Duty	5	105	282	40	103	278
<i>Total duty on transfers</i>	525	1,717	2,313	656	1,866	2,637
Other stamp duties	— (c)	— (c)	— (c)	— (c)	— (c)	— (c)
Metropolitan Region Improvement Tax	2	89	91	1	84	85
Perth Parking Levy	3	51	58	3	54	55
Emergency Services Levy	97	361	398	96	344	375
Loan guarantee fees	33	97	131	33	98	131
Building and Construction Industry Training Fund Levy	15	56	54	11	27	39
<i>Total other property taxes</i>	150	654	732	144	608	684
Taxes on provision of goods and services						
Government Lotteries	42	133	199	38	114	218
Video lottery terminals	— (c)	— (c)	— (c)	— (c)	— (c)	— (c)
Casino Tax	14	38	53	10	37	49
Point of Consumption Tax	29	95	125	27	89	121
<i>Total taxes on gambling</i>	84	267	377	75	240	388
Insurance Duty	209	726	960	190	633	823
Other	5	16	21	5	15	22
<i>Total taxes on insurance</i>	215	742	981	195	648	845
On-demand Transport Levy	— (c)	— (c)	—	10	27	38
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	174	485	637	148	427	579
Permits - Oversize Vehicles and Loads	4	8	8	1	6	10
Motor Vehicle registrations	300	887	1,197	277	828	1,120
Other Vehicle Taxes	9	28	36	9	28	37
<i>Total motor vehicle taxes</i>	487	1,407	1,877	436	1,290	1,747
Mining Rehabilitation Levy	— (c)	41	41	— (c)	38	38
Landfill Levy	21	64	83	22	64	86
Total Taxation	2,765	9,427	12,153	2,667	8,826	11,634
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	1,602	4,749	6,353	809	2,550	3,369
Commonwealth-funded 70% floor	—	—	—	—	2,115	2,115
North West Shelf grants	324	1,170	1,323	307	770	1,024
Compensation for Commonwealth crude oil excise arrangements	12	106	53	9	22	32
<i>National Agreements</i>						
Skills and Workforce Development	48	133	173	41	123	165
Housing and Homelessness	46	136	182	43	130	175
Mental Health and Suicide Prevention	—	—	—	—	—	—
Schools Reform - Quality Schools	291	830	1,132	263	758	1,021
Health Reform	624	2,028	2,722	671	1,972	2,668
<i>Other Grants/National Partnerships</i>						
Health	51	263	319	392	585	921
Transport	18	104	229	31	96	158
Disability Services	1	2	—	1	2	3
Other	67	208	373	33	173	295
Total Current Grants and Subsidies	3,083	9,728	12,858	2,600	9,297	11,946

Table 2.1 (cont.)

GENERAL GOVERNMENT
Operating Revenue

	2022-23			2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Budget Year ^(a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
CAPITAL GRANTS						
<i>Other Grants/National Partnerships</i>						
Transport	403	887	1,773	220	524	1,040
Other	14	64	188	93	394	475
Total Capital Grants	417	951	1,961	313	918	1,515
SALES OF GOODS AND SERVICES	849	2,432	3,069	696	2,215	3,027
INTEREST INCOME	84	213	279	29	85	127
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	64	142	161	-	516	612
Tax Equivalent Regime	171	513	733	220	553	906
Total Revenue from Public Corporations	235	656	894	220	1,069	1,518
ROYALTY INCOME						
Iron ore	2,489	6,722	9,285	2,208	7,362	9,917
Other	483	1,283	1,874	275	715	1,173
Total Royalty Income	2,972	8,005	11,158	2,483	8,077	11,091
OTHER						
Lease Rentals	44	122	151	37	149	185
Fines	55	169	231	56	177	235
Revenue not elsewhere counted	65	244	348	60	180	380
Total Other	164	535	730	153	507	799
GRAND TOTAL	10,569	31,946	43,102	9,162	30,994	41,658

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

(c) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 2.2

TOTAL PUBLIC SECTOR Operating Revenue

	2022-23			2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Budget Year (a) \$m	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual (b) \$m
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	1,193	3,666	4,855	1,057	3,231	4,313
Property taxes						
<i>Land tax</i>	42	729	710	29	687	688
Transfer Duty	515	1,593	2,008	612	1,747	2,336
Foreign Buyers surcharge	6	19	23	4	17	22
Landholder Duty	5	105	282	40	103	278
<i>Total duty on transfers</i>	525	1,717	2,313	656	1,866	2,637
Other stamp duties	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Metropolitan Region Improvement Tax	2	89	91	1	84	85
Perth Parking Levy	3	51	58	3	54	55
Emergency Services Levy	97	361	392	91	339	371
Loan guarantee fees	3	5	6	3	5	6
Building and Construction Industry Training Fund Levy	15	56	54	11	27	39
<i>Total other property taxes</i>	119	562	602	108	510	555
Taxes on provision of goods and services						
Video lottery terminals	-(c)	-(c)	-(c)	-(c)	-(c)	-(c)
Casino Tax	14	38	53	10	37	49
Point of Consumption tax	17	57	81	15	51	70
<i>Total taxes on gambling</i>	31	95	134	25	87	120
Insurance Duty	209	726	960	190	633	823
Other	5	16	21	5	15	22
<i>Total taxes on insurance</i>	215	742	981	195	648	845
<i>On-demand Transport Levy</i>	-(c)	-(c)	-	10	27	38
Taxes on use of goods and performance of activities						
Vehicle Licence Duty	174	485	637	148	427	579
Permits - Oversize Vehicles and Loads	4	8	8	1	6	10
Motor Vehicle registrations	300	887	1,197	277	828	1,120
Other Vehicle taxes	9	28	36	9	28	37
<i>Total motor vehicle taxes</i>	487	1,407	1,877	436	1,290	1,747
<i>Mining Rehabilitation Levy</i>	-(c)	41	41	-(c)	38	38
<i>Landfill Levy</i>	21	64	83	22	64	86
Total Taxation	2,632	9,025	11,596	2,538	8,448	11,065
CURRENT GRANTS AND SUBSIDIES						
<i>General Purpose Grants</i>						
GST grants	1,602	4,749	6,353	809	2,550	3,369
Commonwealth-funded 70% floor grant	-	-	-	-	2,115	2,115
North West Shelf grants	324	1,170	1,323	307	770	1,024
Compensation for Commonwealth crude oil excise arrangements	12	106	53	9	22	32
<i>National Agreements</i>						
Skills and Workforce Development	48	133	173	41	123	165
Housing and Homelessness	46	136	182	43	130	175
Mental Health and Suicide Prevention	-	-	-	-	-	-
Schools Reform - Quality Schools	291	830	1,132	263	758	1,021
Health Reform	624	2,028	2,722	671	1,972	2,668
<i>Other Grants/National Partnerships</i>						
Health	51	263	319	392	585	921
Housing	-	-	-	-	-	-
Transport	18	104	229	31	96	158
Disability Services	1	2	-	1	2	3
Other	67	208	373	33	173	295
Total Current Grants and Subsidies	3,083	9,728	12,858	2,600	9,297	11,946

TOTAL PUBLIC SECTOR
Operating Revenue

Table 2.2 (cont.)

	2022-23		Budget Year ^(a)	2021-22		
	Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m		Three Months to 31 Mar \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
CAPITAL GRANTS						
<i>Other Grants/National Partnerships</i>						
Transport	403	887	1,773	220	524	1,040
Other	14	64	188	93	394	475
Total Capital Grants	417	951	1,961	313	918	1,515
SALES OF GOODS AND SERVICES	9,454	28,006	38,464	9,976	27,233	36,437
INTEREST INCOME	221	587	658	102	320	445
ROYALTY INCOME						
Iron ore	2,489	6,722	9,285	2,208	7,362	9,917
Other	483	1,283	1,874	275	715	1,173
Total Royalty Income	2,972	8,005	11,158	2,483	8,077	11,091
OTHER						
Lease Rentals	44	122	151	37	149	185
Fines	56	171	231	57	180	235
Revenue not elsewhere counted	207	606	840	185	530	857
Total Other	307	899	1,222	279	859	1,276
GRAND TOTAL	19,087	57,199	77,918	18,290	55,152	73,776

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

(c) Amount less than \$500,000.

Note: Columns may not add due to rounding.

APPENDIX 3

Public Ledger

The Public Ledger, established by section 7 of the *Financial Management Act 2006* (FMA), includes those transactions and operations that are conducted through the Consolidated Account, the Treasurer's Advance Account and through the Treasurer's Special Purpose Accounts (TSPAs). Together with agency Special Purpose Accounts, the total of these accounts forms the Public Bank Account.

PUBLIC LEDGER BALANCES AT 31 MARCH				Table 3.1
	2023 \$m	2022 \$m	Variance \$m	
THE PUBLIC LEDGER				
Consolidated Account ^(a)	-26,085	-20,534	-5,551	
Treasurer's Special Purpose Accounts	25,439	22,474	2,965	
Treasurer's Advance Account – Net Recoverable Advances	-10	-59	49	
TOTAL	-656	1,880	-2,536	
Agency Special Purpose Accounts	9,580	8,596	984	
TOTAL PUBLIC BANK ACCOUNT	8,924	10,477	-1,553	

(a) The balance of the Consolidated Account at 31 March 2023 includes non-cash appropriations of \$18,135 million (31 March 2022: \$16,719 million), representing the funding of non-cash costs of agency services. These appropriations are credited to agency Holding Accounts that are included in the TSPAs balance. In cash terms, the Consolidated Account recorded a deficit of \$7,969 million at 31 March 2023 (compared with a deficit position of \$3,815 million at 31 March 2022).

Note: Columns/rows may not add due to rounding.

Consolidated Account

The *Constitution Act 1889* requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Account must be appropriated by the Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the expressed purpose of each appropriation clearly specified.

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The Consolidated Account accumulated accrual deficit at 31 March 2023 stood at \$26.1 billion, a \$5.6 billion increase on the accumulated deficit at 31 March 2022. This included \$18.1 billion associated with accrual (non-cash) appropriations for depreciation and leave entitlements, matched by equivalent non-cash balances in agency Holding Accounts (see Table 3.3).

In cash terms, the Consolidated Account had a deficit balance of \$8 billion at 31 March 2023, a \$4.2 billion increase on the cash deficit balance at 31 March 2022.

Receipts totalled \$24.2 billion in the nine months to 31 March 2023, down \$2.4 billion on the same time last year, mainly due to reduced transfers from the Debt Reduction Account (down \$2.1 billion, reflecting the use of the State's 2021-22 GST floor grant to avoid new borrowings last year).

Expenditure totalled \$29.4 billion over the first nine months of 2022-23, up \$297 million on the same time last year. This included:

- a \$1.4 billion increase in recurrent and investing payments, reflecting movements in appropriations supporting spending discussed in the *Overview* chapter of this report; and
- \$1.6 billion in Consolidated Account debt repayments during the nine months to 31 March 2023, following \$587 million in debt repayments during the same period last year, and the payment last year of the State's final GST floor grant to the Debt Reduction Account (matched by a financing receipt noted above).

Consolidated Account borrowings stood at \$23.4 billion at 31 March 2023 (down from \$25 billion at 30 June 2022), reflecting the \$1.6 billion debt repayments noted above. For Loan Act purposes, gross proceeds from borrowings (i.e. excluding repayments of borrowings) stood at \$27.5 billion at 31 March 2023. This remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts¹.

¹ Proceeds of borrowings by the Consolidated Account (i.e. gross borrowings excluding debt repayments) cannot exceed the cumulative limit authorised by the Loan Acts.

Table 3.2

CONSOLIDATED ACCOUNT TRANSACTIONS

For the nine months ended 31 March

	2023 \$m	2022 \$m	Variance \$m
REVENUE			
<i>Operating Activities</i>			
Taxation	7,765	6,899	866
Commonwealth grants	6,161	5,764	397
Government enterprises	732	1,239	-507
Other receipts from agencies	9,283	10,395	-1,111
Other receipts	285	244	41
Total Operating Activities	24,226	24,541	-314
<i>Financing Activities</i>			
Transfers from the Debt Reduction Account	-	2,115	-2,115
Borrowings	-	-	-
Other receipts	10	8	2
Total Financing Activities	10	2,123	-2,113
TOTAL REVENUE	24,237	26,664	-2,427
EXPENDITURE			
<i>Recurrent</i>			
Authorised by other statutes	2,119	2,036	83
Appropriation Act (No. 1)	20,999	19,128	1,871
Recurrent expenditure under the Treasurer's Advance	401	- ^(a)	401
Total Recurrent Expenditure	23,518	21,164	2,354
<i>Investing Activities</i>			
Authorised by other statutes	321	291	30
Appropriation Act (No. 2)	3,724	4,891	-1,167
Investing expenditure under the Treasurer's Advance	191	12	179
Total Investing Activities	4,237	5,194	-957
<i>Financing Activities</i>			
Funding for Loan repayments (through the Debt Reduction Account)	1,600	587	1,013
Appropriation Act (No. 2)	-	2,115	-2,115
Other financing	10	7	3
Total Financing Activities	1,610	2,710	-1,100
TOTAL EXPENDITURE	29,365	29,067.875	297
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-5,128	-2,404	-2,724
Consolidated Account Balance			
Opening balance at 1 July	-20,977	-18,130	-2,847
Closing balance at 31 March	-26,105	-20,534	-5,571
Of which:			
Appropriations payable	-18,135	-16,719	-1,417
Cash balance at 31 March	-7,969	-3,815	-4,154
Memorandum item: Consolidated Account Borrowings at 31 March	23,387	24,988	-1,601

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Treasurer's Special Purpose Accounts

The Treasurer's Special Purpose Accounts (TSPAs) consist of:

- any account established by the Treasurer as a TSPA for the purposes determined by the Treasurer;
- suspense accounts established for the purposes of section 26 of the FMA;
- any account established to hold money transferred under section 39(5) of the FMA;
- the Public Bank Account Interest Earned Account, established for the purpose of holding money credited to that account under section 38(9) of the FMA pending its allocation and payment as required or permitted under the FMA or another written law;
- any account established under written law and determined by the Treasurer to be a TSPA; and
- any other account established to hold other money and determined by the Treasurer to be a TSPA.

Aggregate TSPA balances were \$2,985 million higher than at the same time last year. This mainly reflects:

- higher Holding Account balances for non-cash accrual appropriations for agency depreciation and accrued leave entitlements (up \$1,417 million);
- a \$500 million top-up to the Climate Action Fund (allocated in the 2022-23 Budget) offset by drawdowns from the SPA to support costs associated with the transition away from native forestry (\$40 million). This builds upon the \$167 million remaining balance for climate action and renewable hydrogen-related initiatives (deposited in the Fund during the June 2022 quarter last year);
- the establishment (as part of the 2022-23 Budget) of the Remote Communities Fund to support investment to upgrade and regularise water and power, provide new and refurbished housing, and improve municipal services and economic participation in remote communities (\$350 million);
- a \$290 million net increase in the Digital Capability Fund balance, corresponding to the \$400 million top-up (in the 2022-23 Budget) to improve digital services and mitigate cyber security risks, less related drawdowns from the Fund;
- an increase in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account (up \$139 million), reflecting an increase of \$185 million transferred from the Consolidated Account (as part of the 2022-23 Budget) to fund revised Redress payments, civil litigation claims and administration costs, partly offset by payments to cover the scheme payments, civil litigation costs and associated administration costs;
- a net increase in the Royalties for Regions Fund (up \$108 million), reflecting the timing of receipts and drawdowns for approved spending on individual programs;

- the drawdown of \$91 million from the Social Housing Investment Fund to support the expansion of the Department of Communities' social housing spot purchasing program;
- an \$85 million increase on the Public Bank Account Interest Earned, mainly reflecting the impact of higher interest rates in the Public Bank Account; and
- an increase in the balance of the Western Australian Future Health Research and Innovation Fund reflecting appropriation of 1% of forecast annual royalty receipts (\$71 million) and interest earnings on the balance of the Fund over the last twelve months (\$42 million), partly offset by the transfer of \$32 million to the Western Australian Future Health Research and Innovation Account.

A number of TSPAs and other agency accounts are discussed in Appendix 4: *Special Purpose Accounts*.

Table 3.3

TREASURER'S SPECIAL PURPOSE ACCOUNTS

At 31 March

	2023 \$m	2022 \$m	Variance \$m
Agency Holding Accounts	18,135	16,719	1,417
Climate Action Fund	627	-	627
Remote Communities Fund	350	-	350
Digital Capability Fund	782	492	290
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	187	48	139
Royalties for Regions Fund	395	287	108
Social Housing Investment Fund	659	750	-91
Public Bank Account Interest Earned	162	77	85
Western Australian Future Health Research and Innovation Fund	1,669	1,588	81
Accrued Salaries	307	252	55
Commonwealth Grants for Specific Purposes	36	76	-40
Perth Stadium Account	- (a)	23	-22
Softwood Plantation Expansion Fund	340	350	-10
New Women and Babies Hospital Account	1,787	1,787	-
Other Treasurer's Special Purpose Accounts	24	25	-1
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 31 MARCH	25,459	22,474	2,985

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency Special Purpose Accounts, and the provision of supplementary appropriation funding for unforeseen and/or extraordinary events during the year (known as 'excesses and new items').

For the nine months to 31 March 2023, a limit of \$3.1 billion applied to the Treasurer's Advance as authorised under section 29 of the FMA². Of this, \$602.3 million had been drawn down by 31 March 2023.

Table 3.4

TREASURER'S ADVANCE AT 31 MARCH			
	2023	2022	Variance
	\$m	\$m	\$m
AUTHORISED LIMIT	3,077.5	820.5	2,257.0
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>602.3</i>	<i>71.0</i>	<i>531.3</i>
Comprising:			
<i>Net recoverable advances</i>	<i>10.1</i>	<i>58.7</i>	<i>-48.7</i>
Building Management and Works	-	50.0	-50.0
Homebuyers Assistant Account	2.5	-	2.5
Sport and Recreation	-	1.0	-1.0
Sundry Debtors	2.7	3.0	-0.3
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Western Australian Energy Disputes Arbitrator	0.2	0.2	-
Suitors Fund	2.5	2.5	-
RevenueWA	-(a)	-	-(a)
<i>Excesses and new items</i>	<i>592.2</i>	<i>12.3</i>	<i>579.9</i>
- recurrent	400.7	-	400.7
- capital	191.5	12.3	179.2

(a) Amount less than \$500,000.
Note: Columns/rows may not add due to rounding.

Transfers, Excesses and New Items

Table 3.5 summarises transfers of appropriations between agencies, authorised under section 25 of the FMA (and which have no impact on the Treasurer's Advance), and excesses and/or new items approved by the Treasurer under the authority of section 27 of the FMA.

Transfers of appropriation funds are for the provision of an approved service which is now delivered by an alternative agency. These transfers are authorised under section 25 of the FMA, or by specific enabling legislation, and do not impact the Treasurer's Advance.

² The *Treasurer's Advance Amendment Act 2023* received Royal Assent on 29 March 2023. The Act increased the Treasurer's Advance limit by \$2.1 billion.

In the nine months to 31 March 2023, \$2.5 million set aside in Treasury for the *Aboriginal Cultural Heritage Act 2021* was transferred from Treasury to the Department of Planning, Lands and Heritage for readiness and capacity building grants to Local Aboriginal Cultural Heritage Services.

Excesses and New Items

Funds approved to be drawn against the Treasurer's Advance for excesses and new items were for the following purposes (with actual drawdowns determined by the timing of associated payments by agencies).

Increases in appropriations at the 31 March 2023 balance date may vary with the estimated actual for 2022-23 included in Appendix 4 of the 2023-24 Budget Paper No. 3: *Economic and Fiscal Outlook*, reflecting approvals to date in the actuals data detailed below compared with full-year forecasts in Budget Paper No. 3 (which include estimates of further excesses and/or offsetting appropriation reductions that are considered likely to emerge by 30 June).

During 2022-23, a range of industrial agreements have been settled within the framework of a revised Government Wages Policy. Increases in appropriation costs noted below are offset by the provision for higher wage costs included in the 2022-23 Budget and the 2022-23 Mid-year Review.

Parliamentary Services

Item 3: **Delivery of Services** (\$0.7 million), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Parliamentary Commissioner for Administrative Investigations

Item 4: **Delivery of Services** (\$0.5 million), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Premier and Cabinet

Item 5: **Delivery of Services** (\$15.3 million), reflecting funding for:

- additional salaries expenditure related to the settlement of industrial agreements (\$5.3 million);
- an increase in the State's annual donation to Telethon (\$5 million); and
- the Lord Mayor's Distress Relief Fund for the Kimberley Floods appeal and to fund the Premier's Relief Payment of \$1,000 to eligible Kimberley residents to replace damaged personal items (\$5 million).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$26.7 million), reflecting funding required to meet the State's various obligations in relation to Aboriginal Engagement and Native Title matters (\$7.2 million), and to provide financial support to the Griffin Coal receivers and managers to ensure short-term continuity of coal supply (\$19.5 million).

Registrar, WA Industrial Relations Commission

Item 13: **Delivery of Services** (\$268,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Treasury

Item 40: **All Other Grants, Subsidies and Transfer Payments** (\$280.2 million), mainly due to the carryover (from 2021-22) of higher than expected costs for the Small Business Hardship Grants Program and other pandemic support packages³. This item also includes the impact of higher interest rates (\$6 million) paid to participating trusts and a once-off \$16.7 million top-up for the Western Australian Future Health Research and Innovation Fund. As at 31 March 2023, an amount of \$249.3 million has been drawn.

Primary Industries and Regional Development

Item 46: **Delivery of Services** (\$10.3 million), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Mines, Industry Regulation and Safety

Item 48: **Delivery of Services** (\$6.2 million), reflecting additional funding for the settlement of industrial agreements.

WA Health

Item 54: **Delivery of Services** (\$400.1 million), primarily for additional salaries expenditure related to the settlement of industrial agreements (\$183.9 million), additional State funding to supplement an equivalent decrease in Commonwealth funding related to the National Health Reform Agreement revenue (\$98.1 million), COVID-19 expenditure for the continued provision of public health and system support services (\$26.1 million), vaccination programs (\$19.8 million), costs associated with the upgrade of WA Health's Microsoft 365 Enterprise Agreement Licence (\$16 million), emergency department reform initiatives (\$15.3 million), the State's contribution to various Commonwealth/State co-funded programs (\$11.6 million), and other health sector costs (\$20.3 million).

Health and Disability Services Complaints Office

Item 59: **Delivery of Services** (\$126,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

³ In April 2022, the Government announced eligibility changes to the Small Business Hardship Program, which generated a significant increase in the number of applications lodged by 30 June 2022, and processed and paid in 2022-23. The State is also providing a contribution to the Commonwealth for Pandemic Leave Disaster Payments (deferred from 2021-22).

Education

Item 58: **Delivery of Services** (\$293.4 million), reflecting the additional salaries expenditure related to the settlement of industrial agreements (\$274.5 million) and enhanced COVID-19 cleaning in schools for Terms 3 and 4 of 2022 (\$18.9 million).

Justice

Item 64: **Delivery of Services** (\$26.4 million), for additional salaries expenditure related to the settlement of industrial agreements.

Chemistry Centre (WA)

Item 70: **Delivery of Services** (\$0.9 million) to meet additional salaries expenditure related to the settlement of industrial agreements.

Office of the Inspector of Custodial Services

Item 71: **Delivery of Services** (\$112,000), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Parliamentary Inspector of the Corruption and Crime Commission

Item 72: **Delivery of Services** (\$13,000), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Community

Item 73: **Delivery of Services** (\$232.7 million), primarily to meet anticipated higher than budgeted National Disability Insurance Scheme payments to the Commonwealth (\$190.4 million), impacts of the settlement of industrial agreements (\$22 million) and funding to address a range of cost pressures in service delivery (\$16.7 million).

Local Government, Sport and Cultural Industries

Item 74: **Delivery of Services** (\$2.9 million), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Item 75: **Amount provided for Administered Grants, Subsidies and Other Transfer Payments** (\$159,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Item 76: **Art Gallery of Western Australia** (\$372,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Item 78: **Library Board of Western Australia** (\$846,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Item 79: **Perth Theatre Trust** (\$701,000) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Item 80: **Western Australia Museum** (\$1.5 million) reflecting additional salaries expenditure related to the settlement of industrial agreements.

Western Australia Sports Centre Trust

Item 81: **Delivery of Services** (\$19.3 million), largely reflecting higher venue operating expenditure across venues as a result of increased activity (\$14.7 million), higher interest costs under the Optus Stadium management contract (\$8.1 million), additional salaries expenditure related to the settlement of industrial agreements (\$2.6 million), and higher variable costs associated with the Optus Stadium Design, Build, Finance, and Maintain Contract (\$1.8 million). This expenditure is partially offset by the reclassification of recurrent expenditure to capital expenditure for modifications at HBF Park ahead of the Women's World Cup (\$7.8 million).

Transport

Item 82: **Delivery of Services** (\$9.5 million), reflecting additional salaries expenditure related to the settlement of industrial agreements.

Commissioner of Main Roads

Item 84: **Delivery of Services** (\$80 million), reflecting increased funding for road recovery works required in 2022-23 following Ex-Tropical Cyclone Ellie.

Item 145: **Capital Appropriation** (\$211 million), primarily reflecting increased funding for a number of joint State and Commonwealth funded infrastructure.

Western Australia Land Information Authority

Item 89: **Delivery of Services** (\$3.2 million) to meet additional salaries expenditure related to the Government's wages policy.

Table 3.5

TRANSFERS, EXCESSES AND NEW ITEMS

For the nine months to 31 March

	Budget \$m	Transfers \$m	New Items \$m	Approved Excesses \$m	31Mar22 Reported \$m	Draw n against Treasurer's Advance to 31 March 2023 \$m
Recurrent Appropriations						
<i>Parliamentary Services</i>						
Item 3: Delivery of Services	19.1	-	-	0.7	19.8	-
<i>Parliamentary Commissioner for Administrative Investigations</i>						
Item 4: Delivery of Services	9.5	-	-	0.5	10.0	-
<i>Premier and Cabinet</i>						
Item 5: Delivery of Services	167.9	-	-	15.3	183.1	-
Item 6: Amount provided for Administered Grants, Subsidies and Other Transfer Payments	79.0	-	-	26.7	105.8	-
<i>Registrar, WA Industrial Relations Commission</i>						
Item 13: Delivery of Services	10.2	-	-	0.3	10.5	-
<i>Treasury</i>						
Item 33: Provision for <i>Aboriginal Cultural Heritage Act 2021</i>	2.5	-2.5	-	-	-	-
Item 40: All Other Grants, Subsidies and Transfer Payments	2.8	-	-	280.2	283.0	249.3
<i>Primary Industries and Regional Development</i>						
Item 46: Delivery of Services	240.6	-	-	10.3	251.0	-
<i>Mines, Industry Regulation and Safety</i>						
Item 48: Delivery of Services	177.0	-	-	6.2	183.2	-
<i>WA Health</i>						
Item 54: Delivery of Services	5,951.0	-	-	400.1	6,351.1	-
<i>Health and Disability Services Complaints Office</i>						
Item 59: Delivery of Services	3.7	-	-	0.1	3.8	-
<i>Education</i>						
Item 60: Delivery of Services	4,429.2	-	-	293.4	4,722.6	-
<i>Justice</i>						
Item 64: Delivery of Services	1,381.7	-	-	26.4	1,408.1	-
<i>Chemistry Centre (WA)</i>						
Item 70: Delivery of Services	6.9	-	-	0.9	7.9	-
<i>Office of the Inspector of Custodial Services</i>						
Item 71: Delivery of Services	3.4	-	-	0.1	3.5	-
<i>Parliamentary Inspector of the Corruption and Crime Commission</i>						
Item 72: Delivery of Services	0.5	-	-	- ^(b)	0.5	-
<i>Community</i>						
Item 73: Delivery of Services	2,089.9	-	-	232.7	2,322.6	151.4
<i>Local Government, Sport and Cultural Industries</i>						
Item 74: Delivery of Services	269.7	-	-	2.9	272.7	-
Item 75: Amount provided for Administered Grants, Subsidies and Other Transfer Payments	43.2	-	-	0.2	43.3	-
Item 76: Art Gallery Of Western Australia	8.6	-	-	0.4	9.0	-
Item 78: Library Board Of Western Australia	27.9	-	-	0.8	28.8	-
Item 79: Perth Theatre Trust	10.8	-	-	0.7	11.5	-
Item 80: Western Australian Museum	37.1	-	-	1.5	38.6	-
<i>Western Australian Sports Centre Trust</i>						
Item 81: Delivery of Services	89.5	-	-	19.3	108.9	-
<i>Transport</i>						
Item 82: Delivery of Services	123.9	-	-	9.5	133.4	-
<i>Commissioner of Main Roads</i>						
Item 84: Delivery of Services	444.7	-	-	80.0	524.7	-
<i>Planning, Lands and Heritage</i>						
Item 87: Delivery of Services	121.8	2.5	-	-	124.3	-

Table 3.5 (cont.)

TRANSFERS, EXCESSES AND NEW ITEMS

For the nine months to 31 March

	Budget \$m	Transfers ^(a) \$m	Treasurer's Advance			Draw n against Treasurer's Advance to 31 March 2023 \$m
			New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Western Australian Land Information Authority</i>						
Item 89: Delivery of Services	36.6	-	-	3.2	39.8	-
Total Recurrent		-	-	1,412.3		400.7
Capital Appropriations						
<i>Commissioner of Main Roads</i>						
Item 145: Capital Appropriation	78.1	-	-	211.0	289.1	191.5
Total Capital		-	-	211.0		191.5
TOTAL						592.2

(a) Authorised under section 25 of the FMA.

(b) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* (FMA) or by specific legislation (e.g. the Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a special purpose statement (operating accounts) or a trust statement (other accounts) that outline the purpose of the account.

This appendix details balances at 31 March 2023 for a number of key SPAs established to deliver specific Government policy outcomes¹. The focus of this Appendix is on major/material SPAs that were in existence at 31 March 2023. The SPA balances, and transactions in and out of these accounts, form part of the overall consolidated outcomes outlined elsewhere in this report.

Climate Action Fund

The Climate Action Fund was established in 2022 to hold funds for future climate action and renewable energy initiatives. The balance for the nine months to 31 March 2023 includes \$500 million allocated to the fund as part of the 2022-23 Budget and paid into the fund in the September 2022 quarter. Payments from the SPA reflect a \$40 million payment to the Department of Jobs, Tourism, Science and Innovation to meet costs associated with the transition away from native forestry.

¹ Balances at 1 July 2022 for some agency SPAs shown in this appendix have been restated where preliminary data was provided for the 2021-22 *Annual Report on State Finances* and where the associated agency annual report was finalised at a later date.

Table 4.1

CLIMATE ACTION FUND

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	167	-
Receipts	500	-
Payments	40	-
Closing Balance	627	-

Note: Columns may not add due to rounding.

Debt Reduction Account

The Debt Reduction Account was established in 2017-18 and is used to apply funds to the repayment or avoidance of Consolidated Account borrowings.

The 2022-23 Budget included \$1.2 billion to flow through the Account, reflecting the Government's decision to apply a portion of the stronger than expected general government operating surplus in 2021-22 to repay Consolidated Account borrowings, reducing the State's exposure to future interest rate rises. The 2022-23 Mid-year Review applied a further \$400 million to debt repayment.

The full \$1.6 billion of Consolidated Account borrowings were repaid by 31 March 2023. The 2023-24 Budget further increased the amount of borrowings to be repaid by another \$500 million, which will flow through this Account in the June 2023 quarter.

Table 4.2

DEBT REDUCTION ACCOUNT

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	-	-
Receipts	1,600	2,703
Payments	1,600	2,703
Closing Balance	-	-

Note: Columns may not add due to rounding.

Digital Capability Fund Account

This SPA was established in 2021-22 to hold funds for the upgrade of ICT systems to improve government service delivery, enhance cyber security and mitigate operational risks.

Appropriation funding totalling \$400 million was approved as part of the 2022-23 Budget and paid into the account during the September 2022 quarter. A total of \$45.2 million was drawn during the nine months to 31 March 2023 to progress a range of approved projects, including \$30.1 million to the Western Australia Police Force, \$4.7 million to the Department of Fire and Emergency Services, \$4.2 million to the Department of Communities, \$3.1 million to the Office of the Auditor General, \$1.4 million to the Department of Finance, \$1.4 million to the Department of Planning, Lands and Heritage, and \$250,000 to the Department of Treasury.

DIGITAL CAPABILITY FUND ACCOUNT

Table 4.3

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	427	-
Receipts	400	500
Payments	45	8
Closing Balance	782	492

Note: Columns may not add due to rounding.

METRONET Account

This SPA was established in 2017-18 to support the planning and construction of METRONET transport infrastructure projects.

Receipts for the year to date ending 31 March 2023 mainly reflects State and Commonwealth funding of \$1,014.3 million for METRONET projects, and funding in support of the METRONET Office (\$1.7 million). Funds totalling \$1.2 billion were drawn for transport infrastructure planning and delivery, and for METRONET Office operating expenses (\$0.8 million).

METRONET ACCOUNT

Table 4.4

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	137	432
Receipts	1,060	406
Payments	1,197	739
Closing Balance	— (a)	99

(a) Amounts less than \$500,000.

Note: Columns may not add due to rounding.

METRONET Roads Account

This SPA was established in 2018 to hold funds for road works associated with METRONET, including projects under development.

In line with timing last year, receipts are expected to be credited to the Account during the June 2023 quarter. Drawdowns totalling \$89.3 million were made to support several METRONET projects, including Yanchep Rail Extension and Victoria Park-Canning Level Crossing Removal projects.

Table 4.5

METRONET ROADS ACCOUNT At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	109	106
Receipts	-	-
Payments	89	72
Closing Balance	19	34

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Account

This account was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts for the nine months to the end of March 2023 reflect MRIT collections (\$67.3 million), proceeds from the sale of land and buildings (\$10.9 million), interest revenue (\$5.4 million), rent revenue (\$5.2 million), receipts from the Australian Taxation Office for refunds of GST on purchases (\$2.7 million), and other revenue (\$2.2 million). Drawdowns for this period were for the acquisition of land and buildings (\$35.1 million), service delivery costs associated with the Account (\$20.2 million), funding for a range of smaller infrastructure projects (\$2.9 million) and compensation to landowners for compulsory property acquisitions (\$2.1 million).

Table 4.6

METROPOLITAN REGION IMPROVEMENT ACCOUNT At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	385	443
Receipts	94	80
Payments	61	124
Closing Balance	418	399

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*. Receipts for the nine months to the end of March 2023 reflect levy contributions by mining operators (\$40.9 million) and interest earnings (\$3 million). Payments for the year to date were for administration costs (\$0.5 million) and rehabilitation costs (\$7.6 million).

MINING REHABILITATION FUND
At 31 March

Table 4.7

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	254	219
Receipts	44	38
Payments	8	1
Closing Balance	290	256

Note: Columns may not add due to rounding.

National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account

This account was established in 2018 to meet the cost of payments associated with the State's participation in the National Redress Scheme, and for civil litigation claims by victims of historical child sexual abuse. An additional \$185 million was appropriated to the Account as part of the 2022-23 Budget to fund revised payment forecasts over the four years to 2025-26.

During the nine months to 31 March 2023, payments totalling \$25 million were drawn to meet the costs associated with the State's participation in the National Redress Scheme and for civil litigation claims by victims of historical child sexual abuse.

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT
At 31 March

Table 4.8

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	27	77
Receipts	185	-
Payments	25	28
Closing Balance	187	49

Note: Columns may not add due to rounding.

New Women and Babies Hospital Account

This SPA was established following the Government's 2020-21 Mid-year Review decision to set aside \$1.8 billion of the higher than expected operating surplus for that year to support the future construction of a new Women and Babies Hospital.

Funding is expected to be drawn as planning is progressed and when works on the Fiona Stanley Hospital site commence.

NEW WOMEN AND BABIES HOSPITAL ACCOUNT

Table 4.9

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	1,787	-
Receipts	-	1,787
Payments	-	-
Closing Balance	1,787	1,787

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This SPA was established in 1999 under the *Perth Parking Management Act 1999* to set aside funds to be used to encourage a balanced transport system and improve the amenity of the Perth city area. Money credited to the account reflects licence fees, penalties and funding appropriated by the Parliament for the purposes of the Act.

Funds that are drawn from the Account are spent on the Central Area Transit bus system, the Free Transit Zone public transport services in the Perth Central Business District, improvements to public transport access, enhancements to the pedestrian environment, support for bicycle access, other transport system initiatives and for the administration of the Act.

PERTH PARKING LICENSING ACCOUNT

Table 4.10

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	192	165
Receipts	51	54
Payments	5	6
Closing Balance	238	213

Note: Columns may not add due to rounding.

Remote Communities Fund

This SPA was established as part of the 2022-23 Budget to support investment in essential infrastructure and services in remote Aboriginal communities in Western Australia. The \$350 million was appropriated to the new fund as part of the 2022-23 Budget. Drawdowns from the Fund are expected to commence in the June 2023 quarter.

REMOTE COMMUNITIES FUND			Table 4.11
At 31 March			
	2023	2022	
	\$m	\$m	
Balance at 1 July	-	-	
Receipts	350	-	
Payments	-	-	
Closing Balance	350	-	

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This account was established to provide for road safety initiatives on Western Australian roads. Receipts to the end of 31 March 2023 mainly reflect collections from prescribed penalties (\$90.1 million), interest revenue on the account balance (\$1.2 million), and other miscellaneous funds collected under the *Road Traffic (Administration) Act 2008* (\$0.6 million).

Projects funded from the account to 31 March 2023 included initiatives to:

- reduce run-off crashes on regional roads by applying treatments such as shoulder sealing, audible edge lines and installing safety barriers (\$19.6 million);
- manage speed on Western Australian roads (\$11.4 million);
- reduce the number and rate at which vulnerable road users are killed and seriously injured (\$18.5 million); and
- providing post-crash support (\$1 million).

A further \$15.8 million was spent on the operations of the Road Safety Commission, including community education campaigns, community grants, the Infringement Management Reform Program, Safety Camera Trial, and a range of other road safety initiatives.

ROAD TRAUMA TRUST ACCOUNT

Table 4.12

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	71	43
Receipts	92	83
Payments	66	51
Closing Balance	97	74

Note: Columns may not add due to rounding.

Royalties for Regions Fund

The Royalties for Regions Fund was established in 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia.

Receipts in the nine months to 31 March 2023 reflect interest revenue earned on the account balance (\$9.6 million), and unused funds from associated projects returned to the Fund by agencies (\$2.6 million). Appropriation receipts for 2022-23 are expected to be paid into the Fund during the June 2023 quarter. A total of \$617.1 million was disbursed from the Fund to support infrastructure, business and economic development, and other regional initiatives (detailed in Chapter 7 of both the 2022-23 and 2023-24 Budget Paper No. 3: *Economic and Fiscal Outlook*).

ROYALTIES FOR REGIONS FUND

Table 4.13

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	12	7
Payments	617	720
Closing Balance	395	287

Note: Columns may not add due to rounding.

Royalties for Regions Regional Reform Fund

The SPA was established in 2015 to fund strategic reform initiatives in regional Western Australia. During the nine months to 31 March 2023, funds were drawn for the Kimberley Schools Project (\$2.4 million). There have been no receipts for the year to date.

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

Table 4.14

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	43	57
Receipts	-	- (a)
Payments	2	2
Closing Balance	40	55

(a) Amounts less than \$500,000.

Note: Columns may not add due to rounding.

Social Housing Investment Fund

The Social Housing Investment Fund was established as part of the 2021-22 Budget with \$750 million set aside to fund future dwelling construction projects and other initiatives to increase social housing supply. Receipts paid into the Fund were sourced from the better than expected operating surplus for 2020-21.

During the March quarter, \$91.5 million was drawn down to support the expansion of the Department of Communities' social housing spot purchasing program. Further drawdowns from the Fund are expected during the June 2023 quarter.

SOCIAL HOUSING INVESTMENT FUND

Table 4.15

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	750	-
Receipts	-	750
Payments	91	-
Closing Balance	659	750

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established as part of the 2021-22 Budget to expand the State's softwood plantation estate, support the Western Australian timber and construction industries into the future, provide a funding source for initiatives to offset carbon dioxide production, and to support associated regional development.

A total of \$10.5 million has been drawn down over the nine months to 31 March 2023, supporting plantation land purchases in Benjinup, Wilga, and Chowerup.

SOFTWOOD PLANTATION EXPANSION FUND

Table 4.16

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	350	-
Receipts	-	350
Payments	10	-
Closing Balance	340	350

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established under the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the landfill levy. Funds are drawn from the Account to support programs and other initiatives related to the management, reduction, reuse, recycling, monitoring or measurement of waste.

Receipts totalling \$16.1 million were paid into the Account during the nine months to 31 March 2023 (\$11 million lower than the same time in 2021-22 which included receipts from a loan repayment). This included \$15.6 million in landfill levy collections allocated to the account by Ministerial determination under the Act, together with interest and other miscellaneous receipts (\$0.6 million). Drawdowns totalling \$13.2 million were made for waste programs, payment of administration costs incurred by the Department of Water and Environmental Regulation (\$9.4 million), implementing the Waste Export Ban (\$3.5 million) and Container Deposit Scheme Costs (\$0.3 million).

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Table 4.17

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	41	30
Receipts	16	28
Payments	13	13
Closing Balance	44	44

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

The Western Australian Future Fund was established under the *Western Australian Future Fund Act 2012*. The Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Bill 2019 received Royal Assent in late May 2020 and took effect from 24 June 2020. The amending Act discontinued the Future Fund and created the Western Australian Future Health Research and Innovation Fund into which 1% of forecast annual royalties are to be paid each year. From 2020-21, the Act also applies forecast annual investment income from the new fund to a new account that provides long-term support for medical and health research, innovation and commercialisation activities.

Receipts of \$105 million in the nine months to 31 March 2023 included the budgeted annual royalty contribution for 2022-23 (\$70.9 million, equivalent to 1% annual forecast royalty revenue), and interest receipts of \$33.7 million. Drawdowns were for the transfer of \$32.3 million to the Western Australian Future Health Research and Innovation Account.

Table 4.18

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND ^(a)

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	1,597	1,492
Receipts	105	129
Payments	32	32
Closing Balance	1,669	1,588

(a) The Fund is a Treasurer's Special Purpose Account.

Note: Columns may not add due to rounding.

The Western Australian Future Health Research and Innovation Account received \$32.3 million from the Future Health Research and Innovation Fund in the nine months to 31 March 2023. Interest income of \$0.5 million and return of \$39,000 in unused funding was also received during the period. Grant payments of \$5.2 million were drawn during the same period.

Table 4.19

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT ^(a)

At 31 March

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	24	15
Receipts	33	32
Payments	5	3
Closing Balance	52	45

(a) The Account is an agency Special Purpose Account administered by the Minister for Medical Research.

Note: Columns may not add due to rounding.

Westport Account

This account was established as part of the 2021-22 Budget to support the Westport project (with \$400 million of the higher than expected operating surplus for 2021-22 paid into the Account by 30 June 2022). Funding of \$49 million has been paid during the first nine months of 2022-23 to support the acquisition of land by Main Roads, while \$0.1 million in funding has been drawn by the Department of Transport in support of a feasibility study for vehicle and break bulk trade relocation.

WESTPORT ACCOUNT At 31 March

Table 4.20

	2023 \$m	2022 \$m
<i>Balance at 1 July</i>	399	-
Receipts	-	1
Payments	49	-
Closing Balance	350	1

Note: Columns may not add due to rounding.

General Government Salaries

Introduction

Salaries represent the single largest component of general government sector expenses (41.4% for the nine months to March 2023, or almost 46% if concurrent superannuation costs are also included).

General government salaries for the first nine months of 2022-23 grew by 11.2% to total \$11,744 million. This is primarily due to the settlement of industrial agreements, including the \$3,000 cost of living allowance, payments of back-pay, and higher salary rates and workforce numbers (particularly in the health and education sectors, which account for approximately 67% of general government salaries costs in the March quarter).

The following table summarises salaries outcomes for general government agencies for the nine months to 31 March 2023.

Table 5.1

SALARIES COSTS

General Government Sector

	2022-23		2021-22	
	Nine Months to 31 Mar \$m	Estimated Actual ^(a) \$m	Nine Months to 31 Mar \$m	Actual ^(b) \$m
WA Health	4,676	5,995	4,125	5,641
Education	3,247	4,345	2,924	3,977
Western Australia Police Force	810	1,127	785	1,038
Justice	587	764	575	750
Communities	443	611	394	507
Biodiversity, Conservation and Attractions	167	218	151	204
Fire and Emergency Services	164	222	153	206
Primary Industries and Regional Development	154	202	141	189
Mines, Industry Regulation and Safety	142	202	125	164
Transport	112	170	105	138
South Metropolitan TAFE	100	133	90	118
North Metropolitan TAFE	96	130	90	120
Finance	92	131	85	109
Local Government, Sport and Cultural Industries	81	108	66	90
Water and Environmental Regulation	81	113	70	93
Premier and Cabinet	77	104	68	92
Planning, Lands and Heritage	75	98	65	88
Commissioner of Main Roads	65	88	43	71
WA Sports Centre Trust (VenuesWest)	50	63	36	53
Jobs, Tourism, Science and Innovation	40	53	31	42
Training and Workforce Development	39	57	35	47
Mental Health Commission	38	54	33	45
Land Information Authority (Landgate)	37	55	35	45
South Regional TAFE	35	45	31	40
Legal Aid Commission of Western Australia	33	50	28	38
Office of the Director of Public Prosecutions	31	41	27	35
Central Regional TAFE	28	41	26	36
State Solicitor's Office	27	43	17	28
North Regional TAFE	27	36	26	34
Treasury	26	35	23	31
Office of the Auditor General	18	26	16	21
Legislative Assembly	17	23	17	22
Public Sector Commission	14	19	13	17
Corruption and Crime Commission	13	19	11	15
Chemistry Centre (WA)	12	16	11	14
Legislative Council	12	16	12	15
WorkCover WA Authority	12	15	10	14
Parliamentary Services	8	12	8	11
All other agencies (with annual salaries costs below \$10 million)	59	82	60	81
Total salaries	11,744	15,563	10,562	14,279

(a) Revised estimated outcome published in the 2023-24 Budget, released on 11 May 2023.

(b) Final audited data contained in the 2021-22 *Annual Report on State Finances*, released on 28 September 2022.

Note: Columns may not add due to rounding.

