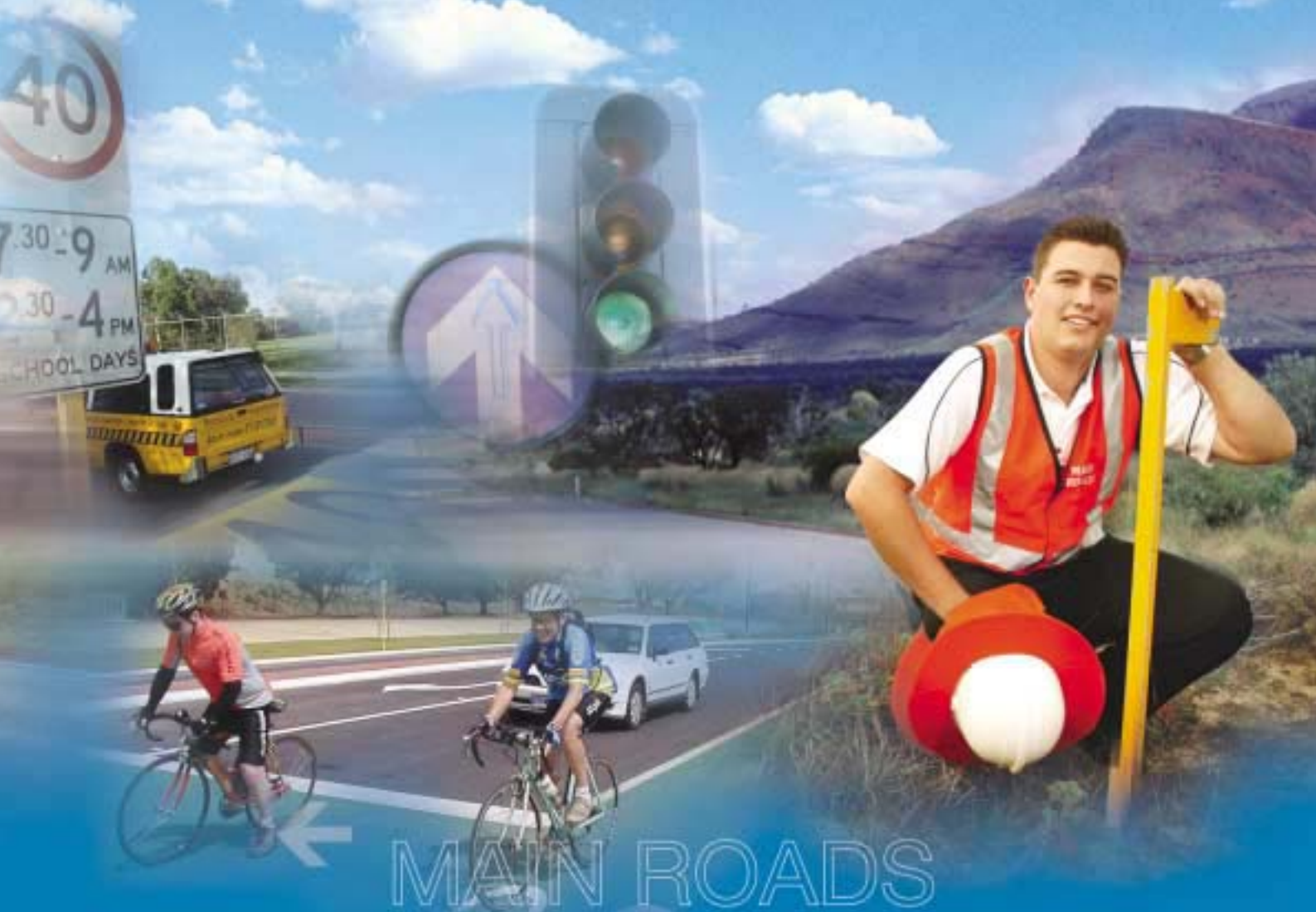


Main Roads Western Australia



MAIN ROADS

annual report 2003

Overview of Main Roads

Western Australia 2002-03

Role of Main Roads

Main Roads is one of eighteen agencies in the Planning and Infrastructure Portfolio created by the State Government to integrate land use and transport planning. Main Roads manages a network made up of 17,735 kms of national highways and state roads with a replacement value in excess of \$14.3 billion. Main Roads is also responsible for all regulatory road signs, traffic control signals and road markings on the Western Australian public road network.

To manage this network Main Roads works closely with local Government to ensure that all Western Australian's are provided with an efficient road network that supports an integrated transport system.

Business Planning for Main Roads

Main Roads current Vision, Purpose and Objectives are outlined below.

Our Vision

A vital organisation, accountable and responsive to the road transport needs of the community.

Our Purpose

To provide a safe and efficient road network as part of an integrated Western Australian transport system within a sustainability framework.

Our Objectives

To provide:

- A safe and accessible road system for all road-users including public transport, pedestrians, cyclists and people with disabilities
- Time and costs savings for all road users
- Regional development and improved service
- A balanced road investment program
- Best use of available resources.

Main Roads uses the following business model to deliver road services to the community:

- People and Culture – who we are
- Business Framework – support services to help us achieve our outcomes
- Traffic and Road User Management – safety and efficiency of the road network
- Customer and Community – who we are here to serve
- Whole of Life Management of the Road Network – sound, sustainable asset management.

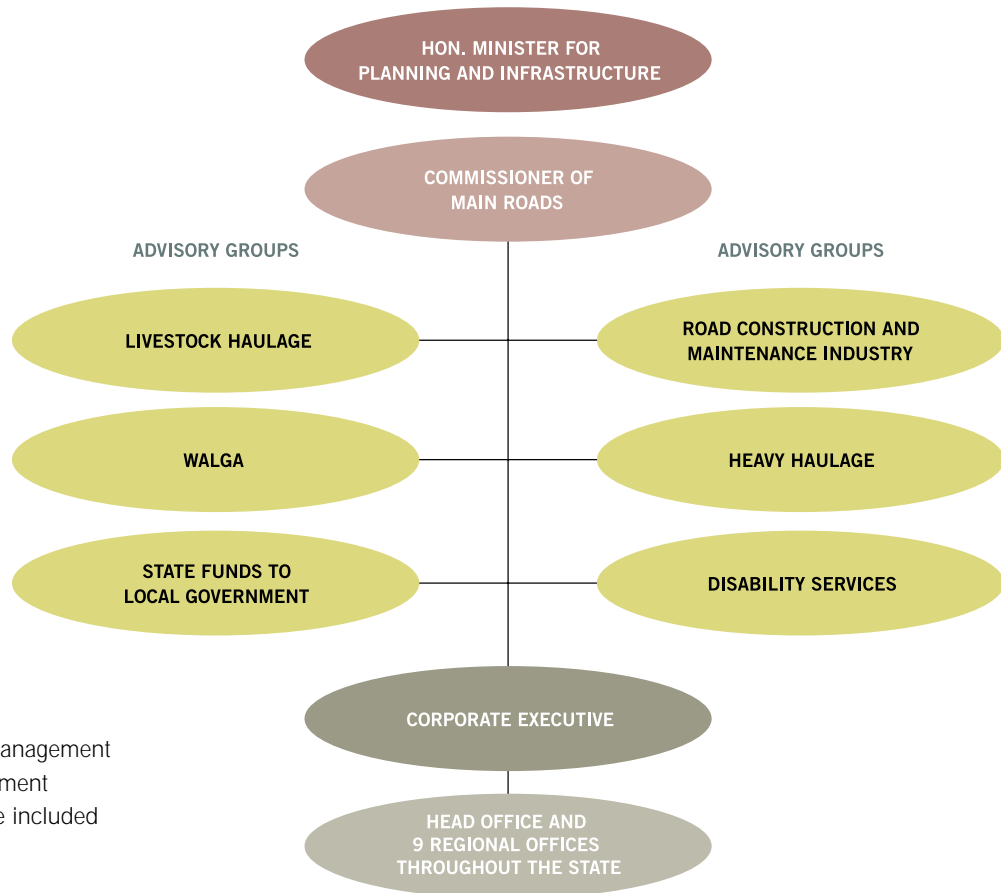
This model is represented diagrammatically on the next page.

Main Roads' Business Model



To ensure the continued alignment of the Purpose, Vision, Values and Strategic Objectives of Main Roads with the needs of all Western Australians, a review of strategic directions was commenced during the year. The outcome of this review will be captured in a refreshed Strategic Plan, outlining the way forward for Main Roads, which will be released later in the year.

Management Structure



Note: More detailed Management Structure and Management Organisation charts are included in Appendix 1



Overview of Operations 2002-03

Main Roads has retained its focus on enabling the safe and efficient movement of people and goods while achieving a balance between economic, social and environmental objectives. This was achieved by providing essential transport infrastructure for urban, rural, industry and remote communities and ensuring the proper management and protection of the public investment in road and related transport initiatives.

During 2002-03 Main Roads' 861 employees oversaw expenditure of \$732.1 million in managing the road network including:

- \$172.9 million on new works expanding the existing network
- \$237.8 million on preservation of existing Highways and Main Roads
- \$129.3 million on grants and expenditure on Local Roads, Forestry Roads and National Park Roads.

Services Provided by Main Roads

Provision and Maintenance of Road Related Infrastructure including:

- Management of State and National Black Spot Programs
- Management of construction and maintenance of Freeways, Highways, Main Roads, bridges, passing lanes and sealing of road shoulders
- Management of environmental impact of works, including air quality, noise levels, roadside water drainage, etc
- Advice on future Main Roads.

Safe and Efficient Movement on the Roads including:

- Installation and maintenance of traffic signals, road signs (including speed signing) and lines on the Western Australian public road network
- Monitoring of large and heavy vehicles and advice on heavy haulage route development
- Provision of Freeway/Highway Emergency Response Officers, emergency telephones and road fault reporting service
- Establishment of policies, guidelines and standards for users other than motorists on all relevant issues including cycling and pedestrian shared paths, school crossings and school zones
- Construction of shared paths along and pedestrian and cycling access across Freeways and Main Roads.

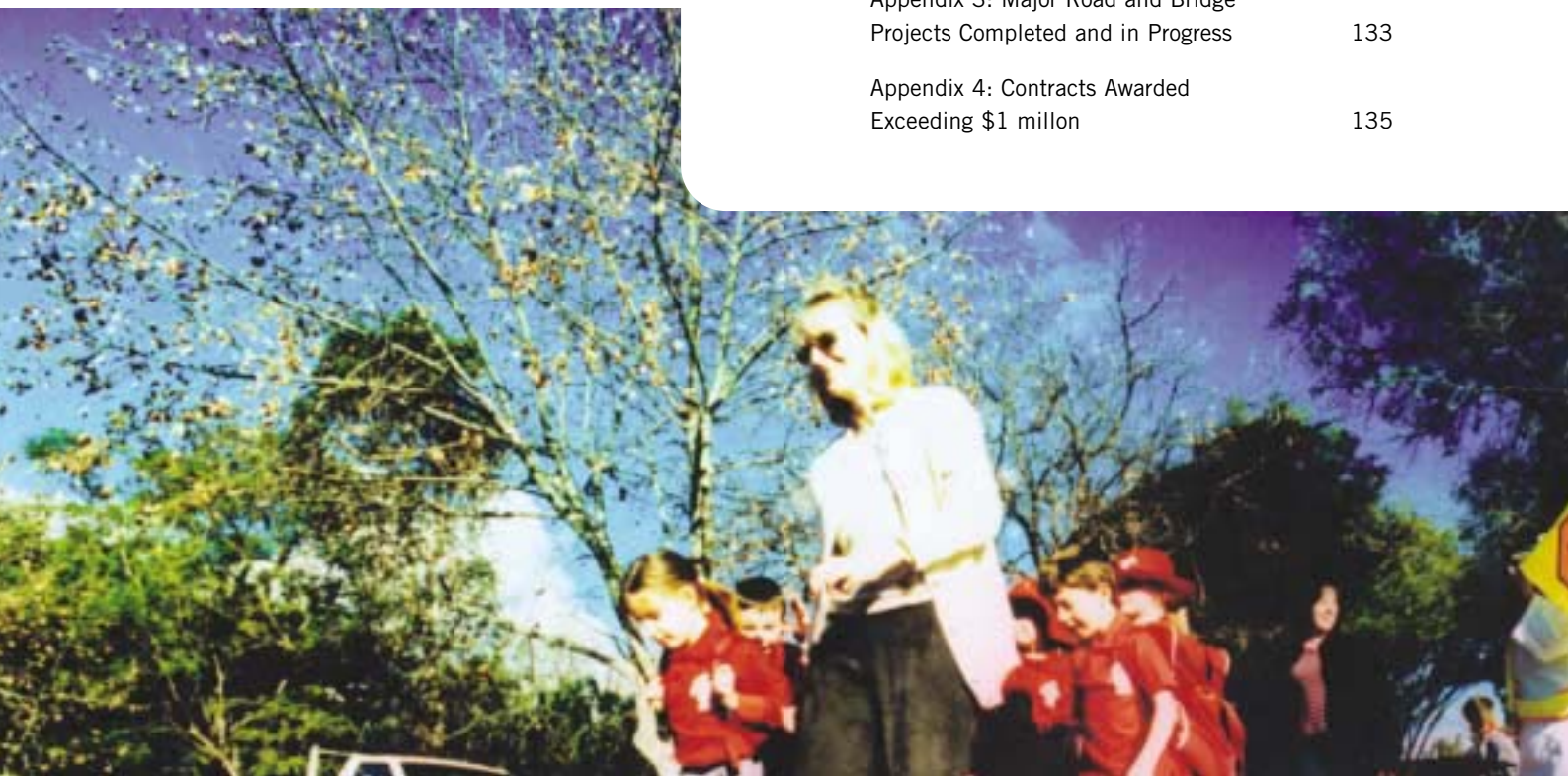
Map of Regional Offices

Main Roads manages its business through a head office located in Perth and 9 regional offices located throughout the State.



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Statement of Compliance



*The Honourable
Alannah MacTiernan
MLA*

To the Honourable Alannah MacTiernan, MLA Minister for Planning and Infrastructure

In accordance with Section 66 of the *Financial Administration and Audit Act 1985*, I submit for your information and presentation to Parliament the Annual Report of the Commissioner of Main Roads for the year ended 30 June 2003. This Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.

A handwritten signature in blue ink, appearing to read 'M. Henneveld'.

Menno Henneveld
COMMISSIONER OF MAIN ROADS

29 August 2003



Commissioner's Statement



Menno Henneveld
*Commissioner of
Main Roads*

For Main Roads, the year 2002-03 was one of consolidation, responding to emerging challenges and continued planning for the Main Roads of the future. It represented 12 months of continued and committed response to:

- the effective delivery of the Government's road program and related transport initiatives and priorities
- best practice planning, development, delivery and maintenance of one of the best road networks in Australasia
- highly effective Road Safety and Traffic Management programs for the well-being of all users of the road network
- participation in the Functional Review Taskforce's proposed changes in Public Sector Corporate Services and Procurement processes
- involvement in the continued development of a unified approach of agencies within the Portfolio of Planning and Infrastructure
- ensuring the future leadership, capability and inclusiveness of our employees.

Increased attention was given to road safety through Community Awareness Campaigns, State and National Black Spot Programs, Speed Management Programs and a Heavy Vehicle Road Safety Community Awareness Campaign. Surveys have shown that the vast majority of Western Australians have a high level of satisfaction with road safety on Freeways and Highways in this State.

Implementation of the recommendations of the Road Train Summit of 2001 and subsequent conferences has continued, with achievement of consensus in the heavy vehicle operations areas of a review of the permit system, freight routes, compliance and enforcement systems, accreditation and freight network infrastructure. The introduction of Heavy Vehicle Accreditation for users of permits was an enormous task for the industry and Main Roads, with almost 2,500 transport operators, representing 26,000 vehicles, becoming accredited in fatigue and maintenance management.

The total expenditure for Main Roads in 2002-03 was \$732.1 million, of which \$172.9 million was for capital works and \$237.8 million on preservation of Highways and Main Roads. Significant new works completed during the year included the Gascoyne River Bridge, Ord River Bridge, Mount Magnet to Leinster Road, Cape Leveque Road, Bindoon Hill on Great Northern Highway, Eddystone Bridge and Roe Highway Stages 4 and 5. Major projects which commenced during the year included Roe Highway Stage 6, Tonkin Highway Extension, Marble Bar Road and Karratha to Tom Price Road.

Main Roads also has Project Management responsibility for the Geraldton Southern Transport Corridor project, the North Quay Rail Loop project, and Package E of the New Metro Rail project. The latter projects reflect the close liaison on transport infrastructure planning with the related Portfolio agencies to ensure effective planning and delivery of infrastructure projects.

This impressive range of projects, as well as major programs of hundreds of smaller projects has significantly improved road access in both the urban and rural areas of this State, enhancing safety and reducing travel times and congestion.

We have continued to show increasing commitment to involving the community in a range of meaningful ways in our decision-making. The key advisory groups have continued to demonstrate the benefits of better relationships. The development and distribution of a Customer Service Charter, and a concerted effort to continue to improve the level of customer service has seen a high level of customer satisfaction in our Community Perceptions Survey.

The past 12 months has seen the continued emphasis on the improvement of our capabilities in developing our knowledge, skills and systems. There has been a focus on increasing our in-house expertise and capability through recruitment and development of our employees. Highly successful and acclaimed trainee, cadet and graduate programs have been implemented, and the Leaders for the Future and other Corporate Development Programs have provided a forward-looking approach to the development of our employees. These programs acknowledge the outcomes of previous resource forecasting models and workforce planning initiatives which have identified the high number of potential retirees in the next 10 years.

Main Roads is one of the agencies comprising the Planning and Infrastructure Portfolio, with the Department for Planning and Infrastructure having central responsibility for the integration and regulation of land use and transport planning. The past 12 months has seen closer involvement of Main Roads in adopting a portfolio view to planning for future transport and infrastructure programs, and real progress in realising the benefits that shared resources will have across the Portfolio. This will greatly facilitate the delivery efforts of Main Roads as we undertake our road network management role.

A first class \$14.3 billion road network is testimony to Main Roads enormously successful history in effective project delivery. However, increasing complexity in regulatory requirements, higher community expectations and a growing understanding of the commercial reality of risk management has led to an appreciation of the difficulties associated with the traditional approach to contracting. Relationship Contracting has the potential to deal successfully with these increased complexities for project delivery, and the application of the principles of Relationship Contracting were introduced to Main Roads in 2003.

Using an alliance contract, Main Road's will deliver Roe Highway Stage 7, one of the more advanced forms of Relationship Contracting. The Construction Contractors, Engineering Consultants and selected Main Roads staff will form a joint venture with a single Alliance Project Team to provide the design and construct services for the project. The ability to closely integrate the community consultation, environmental assessment and design requirements during the planning phase will help ensure the project will meet the very tight timeframes that have been set.

Commissioner's Statement

The third year of operation of the 8 Term Network Contracts has seen a maturing of relationships to help deliver an improving level of service for our road users. There has also been an introduction of relationship principles on some of these contracts, enabling the utilisation of otherwise dormant Main Roads knowledge and expertise in road building.

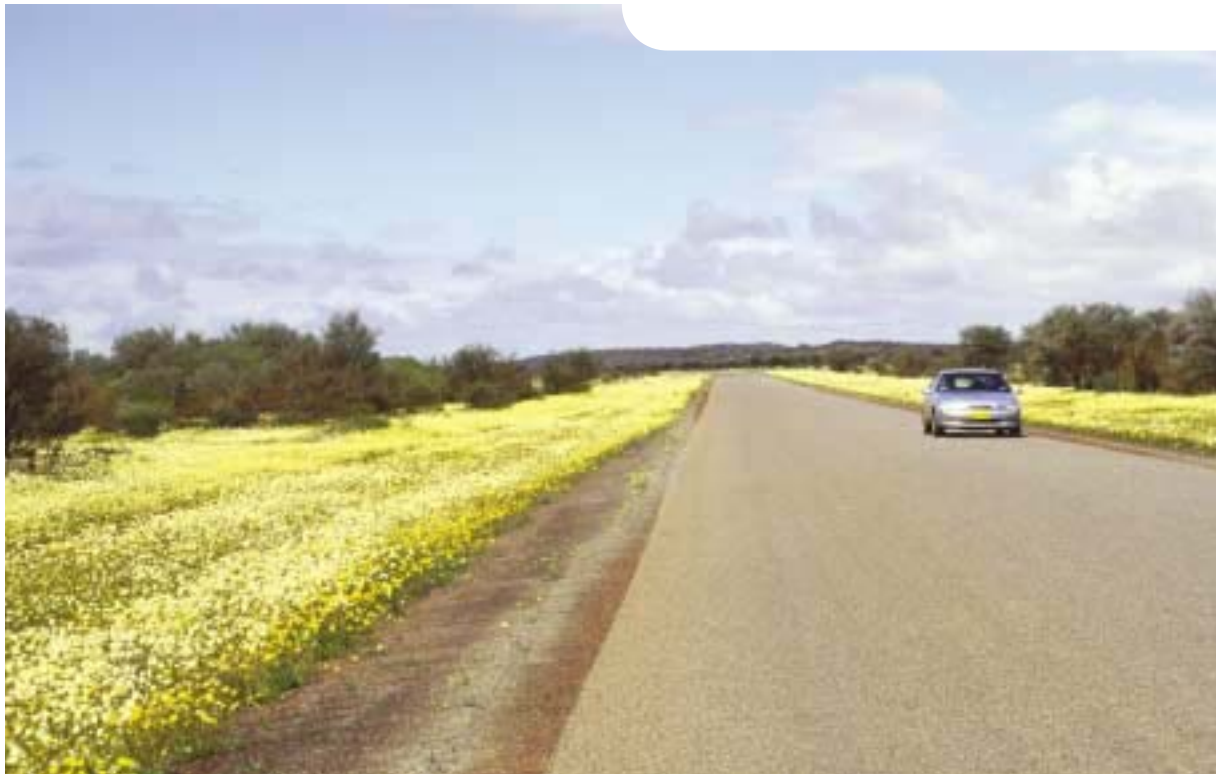
These achievements would not have been possible without the dedication, professionalism and concerted efforts of the staff of Main Roads. I wish to thank everyone most sincerely for responding to the challenges that arose during the year, and for so enthusiastically preparing for the undoubted challenges that lie ahead. You have been able to maintain the very strong Main Roads tradition of providing world-class road access for Western Australian's. Thanks also to the members of Main Roads' Corporate Executive for your energy, input and support during the year. I appreciate having been made to feel most welcome at Main Roads.

A special thank you to Mike Wallwork, Executive Director Construction and Maintenance Services, for his role in acting in the position of Commissioner during the first 5 months of the year. I would also like to acknowledge the significant contribution made by Greg Martin, the previous Commissioner of Main Roads, in providing a very solid base from which Main Roads can move forward into the future. Everyone at Main Roads wishes him well in his position as Director General, Planning and Infrastructure.



Menno Henneveld
COMMISSIONER OF MAIN ROADS

29 August 2003



Future Challenges

Our business activities for 2002-03 were based on the Strategic Plan 2002 to 2005. The Strategic Plan focussed on the following six corporate challenges:

- Government – developing new solutions for the management of the condition and performance of the network
- Community – implement best practice community consultation
- Corporate Capability – recognition as a centre of expertise for road management in Western Australia
- Regions – maintaining the skill capability and deployment of resources across the State to maximum benefit
- Portfolio Partnerships – establish arrangements within the portfolio to recognise roles and responsibilities
- Local Government Partnerships – assist Local Government in the management of the State's road system.

The future challenges facing Main Roads provide us with many new opportunities to continue to meet the needs of all Western Australians.

To maintain a sustainable road network Main Roads must ensure that environmental, social and economic needs are met for the community in current and future projects. The challenge for Main Roads is to successfully integrate these key elements simultaneously, incorporating this approach into all of our key processes, procedures and decision-making. This includes taking a whole of life view of the asset from planning, through to maintenance, rehabilitation and the eventual disposal of the asset.

As the Government focuses its resources in the key areas of health, education and community safety it has meant that reduced levels of funding are available for other areas across Government.

In addition, while the outcomes of the Commonwealth Governments new AusLink Program have not yet been released, it is evident that road projects will now be competing against projects from all other transport modes from across Australia. Main Roads must protect the State's position in regards to forecast



changes in the allocation, and possible reduction in Commonwealth road funds to the States and Territories.

Through the development of new innovations and careful strategic investment analysis Main Roads must become even more efficient in ensuring that we get maximum sustainable returns on the existing and future road network.

Road safety in Western Australia will not be compromised. Main Roads will continue to work with Local Government and other agencies in the development of critical strategies aimed at lowering the State's road toll. Road safety initiatives such as delivery of the State and Federal Black Spot programs will remain a priority, providing real social and economic outcomes for the State.

Heavy vehicle operations will continue to be managed in a manner that recognises the broad community desire for safe truck transport, while implementing the Government's freight reform agenda which will see more product shifted to the rail system wherever possible.

Growth in freight is expected to continue as the State's economy grows. The challenge for Main Roads is to maintain its efficient management of this industry, to protect our roads while meeting community demands for safe operations and industry requirements for cost effective transport solutions.

Future Challenges

Main Roads will continue to work closely with the transport industry and community to build on positives such as the Heavy Vehicle Accreditation Scheme, assisting Government in implementing the outcomes of the Freight Network Review and continuing to seek out new initiatives to assist us in managing this task.

Traffic congestion harms the environment, our economy and has social impacts. Queues of stationary vehicles create greater fuel emissions and delays in travel are a cost to industry and cause a loss of personal time. It is estimated that road traffic will continue to increase through to 2020. As vehicle numbers grow in the Perth metropolitan area, so too will the need to efficiently manage traffic flows.

Main Roads will continue to invest in technology that assists us in managing the road network and in particular, traffic flows in critical peak times to provide a freer movement of vehicles. New initiatives and management techniques developed through the application of Intelligent Transport Systems will be investigated and, where practical, implemented.

The community demand to be heard and want to have a greater say in the shaping of the environment, planning, provision and management of roads is no exception. Building better relationships with our customers, all road users including cyclists and pedestrians and our key stakeholders is a crucial element of our business.

Main Roads continues to use Advisory Groups, Road User Groups and Community Focus Groups to help us identify these demands. The challenge for us is to ensure that we continue to find solutions to meet these needs to the satisfaction of all Western Australians.

To position ourselves properly, Main Roads must continue to develop its workforce to meet these challenges while maintaining services and delivering the Government's road program in a sustainable manner.

