



**Public Transport  
Authority**



# Annual Report

2021-2022



## To the Hon. Rita Saffioti MLA Minister for Transport

In accordance with section 63 of the *Financial Management Act 2006 (WA)*, I submit for your information and presentation to Parliament, the annual report of the Public Transport Authority of Western Australia for the year ended 30 June 2022. It has been prepared in accordance with the provisions of the Financial Management Act and any other relevant written law.



**Peter Woronzow**  
Chief Executive Officer

### About this report

This annual report covers the performance of the Public Transport Authority (PTA) and our operating areas. We fulfil our reporting obligation by identifying the relevant strategic outcomes and our contribution to them in 2021-22 through:

- Operational reports that summarise the performance of our services and business activities.
- Governance and compliance reports.
- Audited key performance indicators.
- Audited financial statements.

### Performance management framework

To honour the Government's vision for Western Australia, the PTA has targeted two outcomes:

- An accessible, reliable and safe public transport system
- Protection of the long-term functionality of the rail corridor and railway infrastructure

Indicators of success in achieving the first of these outcomes are based on patronage and service provision, accessibility, reliability, customer satisfaction, safety and cost efficiency.

For the second outcome, success results from quality management of the railway corridor and residual issues of the rail freight network, which was leased to private sector operators in 2000.

Refer to the **key performance indicators**.

### Acknowledgement of Country

The PTA 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 the Aboriginal communities and to Elders past, present and emerging and commit to building a brighter future together.

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***'To be recognised as a leader in providing world-class public transport services and solutions.'***

***Djinang, moorditj bridiya warniny, ni, nidja bidi bokadja kalyakool moort koorliny***

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# Chief Executive Officer's message

## I am pleased to present the Public Transport Authority's annual report for 2021-22.

Reflecting on the past 12 months, I am especially proud of how the PTA and its portfolio partners – Main Roads WA and the Department of Transport - have continued to deliver throughout a challenging period.

We have worked hard to keep our major infrastructure investment program largely on course despite a volatile operating environment. The Transport Portfolio delivered 98.5 percent of its 2021-22 Asset Investment Program with a total budget of over \$3.13 billion.

There were notable milestones achieved on our major projects, which provide jobs, support the economy, and deliver vital transport infrastructure to keep the State moving.

The transformational METRONET program continued to progress, and this year we celebrated the completion of the Mandurah Station multi-storey car park, the finalisation of upgrade works as part of the Denny Avenue Level Crossing Removal Project and the commencement of works on the Ellenbrook train station.

Work began across our expansive road network which will improve efficiency and safety along some of our State's most important corridors. This included Phase 2 of the Stephenson Avenue Extension, the final 6km of the Albany Ring Road and the \$386.5 million Great Eastern Highway Bypass Interchange project.

On the water, we worked collaboratively with project partners on several transformative marine infrastructure projects including stage one of upgrades at the Onslow Community Boating Precinct, and awarded a \$14 million contract to

improve jetties at Hillarys and Fremantle.

But of course, transport is more than just assets and infrastructure.

Investment drives jobs and opportunities for all Western Australians and allows us to concentrate effort on what is most important to the PTA and the portfolio as a whole – putting the needs of our community first.

We are focussed on enhancing the wellbeing of Indigenous people through increased employment and training opportunities and have been proactively changing our policies, processes and working arrangements to ensure we make a positive difference within our industry and the communities in which we operate.

The portfolio is playing a leading role in supporting the State Government's business and employment targets for Aboriginal and Torres Strait Islander people.

Over the past 12 months, we have invested more than \$102 million in Aboriginal businesses and delivered more than 640,000 hours in employment for Aboriginal people, building the foundation to achieve our commitment of \$700 million worth of contracts and 3.5 million work hours over the next five years.

To support our endeavours, in October we hosted a Meet the Buyer and Supplier Forum which was attended by more than 200 representatives from Aboriginal businesses across the State. The Forum was designed to create and maintain meaningful relationships with Aboriginal communities, people and industry in WA.



The Transport Portfolio remains committed to creating lasting benefits for the whole community through an integrated consideration of social, environmental, and economic aspects in all that we do.

We place a high priority on environmental impact and sustainability, as demonstrated by the introduction of our first electric buses. Two vehicles started operating on Joondalup CAT services in January, with another two arriving shortly before balance date. The EV trial will also service some timetabled routes in the northern suburbs.

Elsewhere in the portfolio, Westport's \$13.5 million partnership with the WA Marine Science Institution will help protect the unique environment and fisheries of Cockburn Sound through rigorous environmental planning, assessment and management.

There is no doubt COVID-19 has seen a significant shift in the needs, expectations, and travel behaviours of our customers. It has highlighted more than ever the importance of social connections for our community, and further emphasised our role in connecting people and places.

With airfares being a long-standing concern for regional communities, the much-anticipated Regional Airfare Zone Cap scheme was launched. The capped airfares will ease the financial burden for regional residents when travelling to and from Perth - for medical appointments, to visit family and friends, to holiday or attend events - helping to keep our vast regional communities connected.

Similarly, the two-zone cap on Transperth fares, introduced in January, has been very well received and is a welcome relief to people facing increased cost-of-living pressures.

Efficient freight movement is essential for our economic prosperity and to provide everyday goods and services for all Western Australians.

So, when a once in a 200-year flooding event temporarily closed the critical east-west rail line in January this year our dedicated staff from across the portfolio swiftly collaborated with industry, retailers, and other government agencies to

ensure the continued supply of essential goods into the State.

On the back of a record 24 million tonne harvest, worth around \$8 billion to WA's economy, a significant agreement was reached between the State and Federal governments which will see \$200 million invested in the first package of the Agricultural Supply Chain Improvement program to ensure freight infrastructure keeps up with growing demand.

Improving all levels and modes of transport across our State is vital – for our quality of life and our economy – and a transformation is certainly under way with the work being undertaken across the Transport Portfolio. We've already come a long way and there's plenty more to do.

As you can see, our success is not weighted on construction alone, but on our willingness and ability to give back to our community, the people of WA.

It is a privilege to lead the portfolio and to showcase some of our achievements over the past 12 months. I look forward to what I'm sure will be another productive year for transport in WA in 2022-23.



**Peter Woronzow**

Director General - Transport

# Managing Director's overview

**It's often said that the true test of a person (or a team of people) is how well they perform under pressure. Though it's a truism most often applied in sports commentary, it's equally valid in a corporate context.**

For the PTA, the year to June 30 was full of challenges. While not all related to COVID, the pandemic remains the biggest factor affecting our performance.

Masks were mandated and Perth placed in a one-week lockdown on June 29, 2021, so patronage started this financial year at 30 per cent of pre-COVID levels. It quickly bounced back to about 80 per cent when restrictions were eased in mid-July, creeping up to 90 per cent by end-November. However, the emergence of the highly-transmissible Omicron variant prompted the State Government to reinstate its mask mandate on December 23, pulling patronage back to about 60 per cent.

Boosted by the January 1 introduction of a two-zone fare cap, it had recovered to about 70 per cent by end-April, when the Government lifted all restrictions except masks on public transport (and other high-risk settings). We finished the year at 80 per cent of pre-COVID levels.

Like many other businesses in the public and private sectors, the PTA was itself affected by the virulence of the virus as it cut a swathe through staff across the whole organisation. Our front-line and operational people – for whom working from home is not an option – were particularly vulnerable. The big number of people on sick leave or furloughed also put a strain on lots of back-office areas, while off-peak frequency on selected low-patronage bus and train services was occasionally tweaked to cover staff shortages.

Coming hard on the heels of border restrictions and continuing skills shortages, the COVID losses also hit our projects, as did the well-documented supply chain issues and, more recently, the wider implications of the Ukraine situation. This adversely affected the number, extent and timing of line closures, putting further pressure on our train services.

While these shuts, along with closures for routine repairs and maintenance, are usually planned for evening-overnight or weekends (particularly long weekends), the scale and complexity of some project work is such that a longer shut is required.

This year we successfully staged our longest-ever planned closure, on our busiest line.

To facilitate major works on the Thornlie-Cockburn Link, the top half of the Mandurah Line – from Aubin Grove to Perth – was closed for 20 days from Boxing Day (December 26). The holiday-season timing meant that the least possible number of passengers would be impacted, and a detailed communications plan was put in place well in advance.

It was a major logistical challenge – in record-breaking daytime temperatures, about 500 people worked around the clock to lay more than 5km of new rail, re-lay 7500 concrete sleepers, and install new overhead line equipment including 112 masts and 6km of wire; a “pop-up” bus station was installed at the Perth Convention and Exhibition Centre; and about 200 replacement buses ferried 140,000 people between Aubin Grove and Perth over the 20 days.

My congratulations and thanks to everyone who was involved in the planning and execution on both sides of this massive undertaking – the project work and the replacement buses – they did a great job.

Our school buses branch was in the spotlight when the Minister, responding to some community concerns, announced a Parliamentary review of regional school bus services, the first since 1998-99. The review has focussed on the Student Transport Assistance Policy Framework, which provides help getting to and from school for students living in remote or rural areas of the State, and students with special needs who attend education support facilities. The Public Accounts Committee will provide details of the review later in the 2022 calendar year.

Looking back, there were certainly plenty of hurdles to overcome in 2021-22. So, how did we perform under pressure?

I like to think we did pretty well.

We started the year on a positive note by completing track-laying on the Forrestfield-Airport Link (to be called the Airport Line when it goes into service) and finished with an opening date imminent and soon to be confirmed.

Level crossing news also effectively bookended the year: Plans to remove a package of inner Armadale Line crossings – including, in a first for WA, elevated rail and stations – were unveiled in July, towards the end of the year the Caledonian Avenue crossing closed for good.

A number of significant projects – including Lakelands Station, the Public Transport Operations Control Centre (PTOCC), and Ellenbrook Station – got under way, and a \$246m Midland Station relocation contract was awarded a couple of months before balance date.

It was a big year for CATs: a Purple CAT (Elizabeth Quay to UWA) was introduced in September; the Blue and Red routes were extended in December; and our first battery-electric buses were introduced to the Joondalup CAT service early in 2022.

There were some major milestones: the Cockburn Central tower finally got new artwork early in the year; with the eyes of the nation upon us, we did our bit to ensure the historic first AFL grand final in Perth was an outstanding success; the Prospector service celebrated its fiftieth anniversary in November; the METRONET Railway Amendment Bill was introduced in February; and the first of our new C-Series railcars came off the Bellevue assembly line in late March.

The year finished brightly. The May State Budget outlined \$6 billion worth of investment over the next four years, including two new projects – relocating the Canning Bridge bus interchange, and removing the Morrison Road level crossing on the Midland Line.

On top of these developments, we continue to forge ahead with some major high-tech game-changers. Our Radio System Replacement (RSR) and High-Capacity Signalling projects (both of which will be based in PTOCC, the new control centre) will result in significant long-term improvements and signal some fundamental

changes in the way we go about our business.

But the last word must go to the ones who matter most – our customers.

Our Passenger Satisfaction Monitor has been running for 32 years and the results, certainly over the past 10 years or so, have been consistently very good.

The PSM is an independent survey of regular public transport users, covering all elements of their travel experience, it's the biggest, most comprehensive and longest-running benchmarking survey of its kind in Australia, with more than 4100 face-to-face interviews conducted during a four-week period early each calendar year.

I'm proud to report that Transperth passengers are happier than ever with their services. More than nine in 10 reported very high satisfaction levels across all modes. Transwa was similar, with road coaches at 94 per cent satisfaction, Prospector 89 per cent, Australind 88 per cent and AvonLink 94 per cent.

This year, very high satisfaction rates were recorded across all four Transperth modes. Ferry and CAT passengers were 99 and 97 per cent satisfied with the overall quality of the respective services, followed by train (a record 96 per cent) and bus users (93 per cent).

Among the hundreds of specific ratings, 73 per cent of bus passengers and 67 per cent of train passengers thought Transperth represented good value for money, a positive reaction to the introduction of a fare cap.

Personal safety ratings were also good – 98 per cent felt safe aboard bus/train during the day. At night, the numbers were lower – 83 per cent on board and 78 per cent waiting for a bus, with the corresponding train figures at 77 and 73 per cent. In all cases, day and night, the ratings were better than on the streets of Perth.

In summary, I think it's fairly safe to say that we performed really well under pressure – and continue to do so.



**Mark Burgess**  
Managing Director

# 1 | Corporate Snapshot





The PTA is responsible for the operation of all bus, train and ferry public transport services in the greater metropolitan area under the Transperth brand. We operate public transport services in regional centres under the TransRegional brand; road coach and rail passenger services to regional areas under the Transwa brand; and administer and manage School Bus Services.

In addition to operating these transport services, we design, build and maintain public transport infrastructure and protect the long-term viability of Western Australia's rail corridor and railway infrastructure.

We deliver public transport services seven days a week for around 20 hours a day and, in some cases, deliver supporting services up to 24 hours a day.

## 1.1 Organisational profile

### Corporate plan

- Vision – To be recognised as a leader in providing world-class public transport services and solutions.
- Purpose – To provide safe, customer-focussed, integrated and efficient transport services.
- Values – Our values guide our efforts to create the organisation and workforce we need to meet current and future challenges.
  - **Safety.** We are committed to safety and protecting your future.
  - **Respect.** We value and respect our customers, suppliers and each other.
  - **Recognition.** We recognise each other for achievement, initiative and innovation.
  - **Integrity.** We are honest and ethical.
  - **Sustainability.** We consider the long-term economic, social and environmental impact of everything we do.

### Key result areas

We have five KRAs (key result areas) to ensure we are focussed on realising our vision:

1. Improve system and service resilience through the strategic management of all critical assets.
2. Secure a workforce with the right capabilities and attitudes.
3. Provide public transport services that meet community demand and customer expectations.
4. Make strategic and timely decisions through the use of integrated information and knowledge management systems.
5. Apply communication strategies to improve patronage and increase customer satisfaction.

## Customer Service Charter

The PTA is a customer service-oriented organisation, responsible for the delivery of efficient and sustainable passenger transport services to the public.

- We are committed to providing a quality passenger transport service to the public.
- Our bus, train and ferry staff and contractors are focussed on delivering safe and reliable services.
- Our staff and contractors will treat customers in a respectful and professional manner.
- Our buses, trains, ferries and facilities will be clean and well presented.
- Current information about all PTA services will be available from customer service staff, brochures, timetables, our call centres and our website.
- We will plan and review passenger transport services in consultation with the community to get the best results.
- We will plan and provide transport systems that respect the environment and improve sustainability.

To help us improve our services we maintain a telephone InfoLine (13 62 13) for feedback. Our websites include [www.pta.wa.gov.au](http://www.pta.wa.gov.au), [www.transperth.wa.gov.au](http://www.transperth.wa.gov.au) and [www.transwa.wa.gov.au](http://www.transwa.wa.gov.au)

## 1.2 Organisational structure

### Service provision

We provide four major, outward-facing service operations:

#### Transperth

The Transperth integrated public transport network is centrally controlled, planned, marketed and coordinated by the Transperth division of the PTA. Transperth has a range of service providers including three contracted bus companies, one contracted ferry operator and numerous ancillary contracts such as customer service, cleaning, maintenance, signage, ticketing and security.

Under an internal service-level agreement, Transperth Train Operations (TTO) is responsible for the operation, security, railcar maintenance, and management of the urban rail passenger system.

#### Transwa

The **Transwa** division operates four rail services (Australind, Prospector, MerredinLink and AvonLink) and a fleet of 25 road coaches to regional WA, servicing more than 240 locations.

Transwa also manages six inter-town services – two in the Pilbara and one each in the Kimberley, Gascoyne, Mid West and Goldfields regions.

#### TransRegional

The **Regional Town Bus Services** (RTBS) branch manages Trans-branded school and town public bus services in 15 major regional towns in rural WA.

#### School Bus Services

The **School Bus Services** (SBS) branch plans school bus services in WA and manages their delivery by contracted school bus operators. SBS manages more than 960 school bus services around WA.

#### Infrastructure delivery

We are also responsible for designing, building and maintaining public transport infrastructure in WA.

Our **Network and Infrastructure** (N&I) division manages, maintains, and upgrades the metropolitan railway infrastructure, with **Operational Systems and Technology** (OS&T) division responsible for IT services and asset maintenance, and technology investment and procurement.

#### Safety, freight, compliance, planning, building

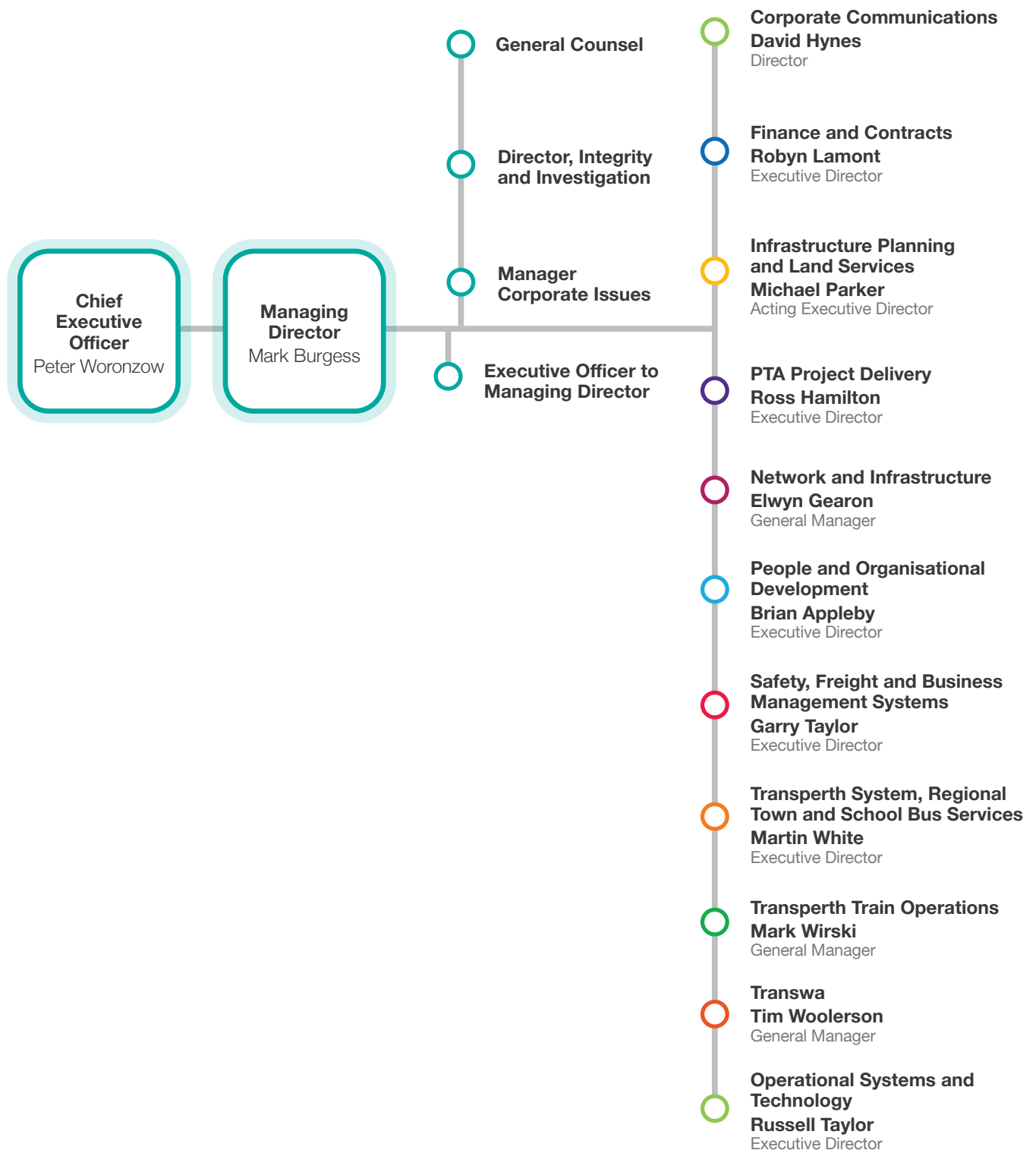
Our **Safety, Freight and Business Management Systems** (SFBMS) division is responsible for the organisation's rail safety accreditation, freight network lease obligations, internal audit function, information management and ensures that the PTA complies with its legislative requirements. It also protects the long-term viability of the State's freight rail infrastructure, with support from N&I and our **Infrastructure Planning and Land Services** (IPLS) divisions.

IPLS provides railway engineering support and land and environmental management. Most major new infrastructure is planned by IPLS, with the actual construction carried out through our **PTA Projects Delivery** (PPD) division.

## Corporate services

Our divisions – **Finance and Contracts**, **People and Organisational Development** (POD) and **Corporate** (including the Corporate Communications, Corporate Issues, General Counsel, and Investigations branches) – provide a range of professional services and administrative support to facilitate the work of the PTA.

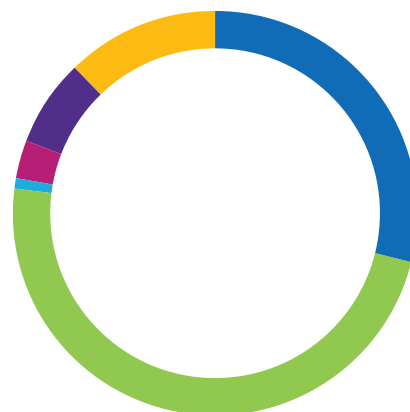
## Organisational chart



## 1.3 Financials at a glance

During the financial year 2021-22, we delivered public transport services to the people of Western Australia at a cost of \$1,856 million. The following graphs below show how these funds were spent across each services.

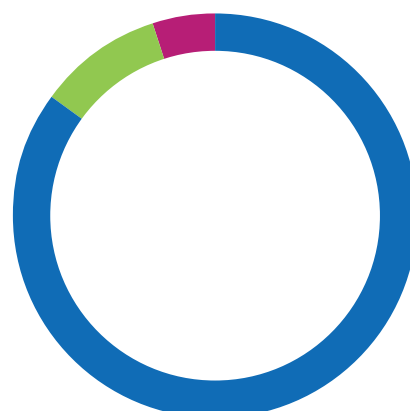
Expenditure by service	\$ million	%
Transperth metropolitan bus and ferry operations	541.387	29 ●
Transperth train operations	888.985	48 ●
Regional bus operations	19.746	1 ●
Country passenger rail and road coach services	51.122	3 ●
Regional school bus services	133.810	7 ●
Rail corridor and residual freight issues	221.255	12 ●
	<b>1856.305</b>	



Expenditure by type	\$ million	%
Employee benefits expense	231.628	12 ●
All other expenditure	526.578	28 ●
Depreciation and amortisation	455.745	25 ●
Finance costs	79.194	4 ●
Bus, ferry and regional bus operators	436.278	24 ●
School bus operators	126.882	7 ●
	<b>1856.305</b>	



Revenue and funding sources	\$ million	%
State	1266.135	86 ●
User charges and fees	142.264	10 ●
Other income	67.848	5 ●
	<b>1476.247</b>	







## Operational Systems and Technology branches out

### **Technology is an integral part of our organisation.**

The community generally sees the physical assets and infrastructure we own and operate in front of them, such as the tracks, trains, and stations. However, many underestimate the amount of technology needed behind the scenes to keep the whole system running safely and smoothly.

For example, there is sophisticated and often highly-complex technology behind our network control system, signalling, security surveillance systems (CCTV), and passenger communications. Then there is the technology support required to help our employees efficiently carry out their jobs and run an essential service day to day.

On January 1, 2022, the section formerly known as Information Technology branched out from the PTA's N&I division to establish a separate division called Operational Systems and Technology (OS&T), headed by a new Chief Technology Officer.

This structural change aligns the PTA with Federal Government regulatory requirements and the WA

State Government's Information Security Policy. More importantly, as our network grows, it allows OS&T to focus on managing our increasingly-sophisticated information technology and cyber security needs.

As technology is embedded within all aspects of our business, OS&T play a key role in supporting and safeguarding the PTA's core functions.

The division is responsible for providing information technology services, advice, and solutions to the PTA to drive business benefits, organise and maintain information, making data accessible to those who need it, all-the-while ensuring it's secure from potential threats. This includes targeted cyber-attacks.

By delivering more secure, resilient, and sustainable technology solutions, the PTA can future-proof our systems and services to ensure they meet the needs of the organisation long into the future.

## 2 | Operational Report



## A summary of our performance in providing safe, customer-focussed, integrated and efficient transport services in 2021-22.

- 2.1 Our services** - fleet, patronage, reliability, capacity and key operational activities.
- 2.2 Fares and other revenue** - overview of revenue and expenditure.
- 2.3 PTA in the community** - our commitment to providing satisfactory, safe, well-communicated and sustainable operations.
- 2.4 Infrastructure delivery** - planning, projects, maintenance, upgrades and asset management.
- 2.5 Our people** - overview of our workforce and our strategy for developing, attracting and retaining employees.

A detailed overview of our targets and performance is available in the **key performance indicators**.

## 2.1 Our services

Transperth is the brand and operating name of the public transport system in the greater Perth metropolitan area.

The Transperth system consists of a bus network, a fully-electrified urban train system and a ferry service. It is managed by our Transperth branch and covers key functions such as system planning, bus service delivery, bus service security, passenger information services, ticketing, and bus fleet procurement.

Passenger information through our InfoCentres, InfoLine and customer feedback services are provided under contract by Serco.

### 2.1.1 Metro (Transperth)

#### Fleet

##### *Trains*

Transperth Train Operations (TTO) is a major operating division of the PTA and has a contract-like service agreement with Transperth.

The train fleet consists of 330 railcars (48 two-car A-Series and 78 three-car B-Series railcar sets) that can operate as two, three, four or six-car trains.

Over the five lines, the average number of weekly timetabled services in 2021-22 was 7012 – the Armadale/Thornlie Line (1827); Fremantle (1094); Joondalup (1512); Midland (1062); and Mandurah (1517).

##### *Buses*

At year's end, Transperth was operating 1523 buses, consisting of 1116 diesels (including 1110 buses delivered under two separate bus supply contracts with Volvo), 403 CNG (compressed natural gas) buses and four battery-electric buses. The number of diesel buses increased by 6.7 per cent, while CNG bus numbers reduced by 11 per cent. The existing Volvo contract will deliver up to 900 new buses over a 10-year period.

Within the fleet, 1113 buses (73 per cent) conform to Euro5 and Euro6 exhaust emission standards, with 400 (26.3 per cent) conforming to Euro4. Six buses conform to the Euro2 standard. The four battery-electric buses have zero tailpipe emissions.

Transperth buses covered 285 standard timetabled bus routes, 262 school routes and 10 CAT (central area transit) routes. On a typical weekday this involves 15,752 standard trips, 261 school service trips and 1171 CAT trips.

During Optus Stadium events, up to ten additional special-event routes are activated, delivering 604 trips.



The Transperth bus network is divided into 11 geographic contract areas which are periodically subject to tender. As at June 30, three contractors operated our bus services:

**Path Transit** – Kalamunda and Morley.

**Swan Transit** – Canning, Claremont, Joondalup (including Joondalup CAT), Marmion, Midland (including Midland Shuttle), and Southern River.

**Transdev** – Fremantle (including Fremantle CAT), Rockingham-Mandurah, and the Perth CAT contract.

### Ferries

Three ferries, the MVs Tricia, Phillip Pendal and Shelley Taylor-Smith operate the Transperth ferry service over 1.47km between the city (Elizabeth Quay) and South Perth (Mends Street). The service is provided under contract by Captain Cook Cruises.

The ferry offers a high-frequency summer timetable and lower-frequency winter timetable in reflection of the lower tourism and general usage during winter. The summer timetable offers 122 trips a day Monday to Thursday, 134 trips on Friday, 118 trips on Saturday and 104 trips on Sunday/public holidays. The winter timetable has 60 trips a day Monday to Friday and 56 trips on weekends and public holidays.

### Patronage

Patronage by mode is reported in four categories:

**Fare-paying boardings** – cash and paid SmartRider initial boardings and special-event boardings.

**Cash and SmartRider initial boardings** – fare-paying boardings plus free travel on SmartRider\*.

**Total initial boardings** – cash and SmartRider initial boardings plus free travel on FTZ (free transit zone) services, on CAT services in Perth, Fremantle and Joondalup and on the Midland Shuttle service.

**Total boardings** – total initial boardings plus transfer boardings.

*\*Free travel on SmartRider refers to free travel by WA seniors, aged and disability pensioners, and their carers, on weekdays before 6am, from 9am to 3.30pm, and after 7pm; and all day on weekends and public holidays. It also includes all-day free travel by veterans.*

The COVID-19 pandemic continued to significantly impact Transperth services this year through a combination of reduced travel need and an increased preference by some for private vehicle travel. Despite significant monthly patronage fluctuations over the past two years, the full year results were nearly identical.

Categories	2020-21	2021-22	Change
Total boardings	102.257m	102.203m	- 0.1 %
Total initial boardings	71.070m	71.096m	0.0 %
Cash and SmartRider initial boardings	61.108m	61.178m	0.1 %
Fare-paying boardings	56.385m	56.579m	0.3 %

Though this year's result means 2021-22 boardings only achieved 72.3 per cent of 2018-19 (pre-pandemic) boardings, there is a significant difference in performance between the first and last six months of the year. Overall patronage across the first half achieved 79 per cent of pre-pandemic levels which, when considered in a global context, is an excellent result. WA's strict border controls and short sharp lockdowns to eliminate COVID-19 resulted in stable passenger demand. The arrival of the COVID-19 Omicron variant in late 2021, initially in the Eastern States, resulted in sustained community transmission for the first time in WA, decreasing travel demand. Patronage for the second half was 66 per cent of pre-pandemic levels.

Public transport usage within the Perth metropolitan area (including the City of Mandurah) remained steady at 33.1 initial boardings per-capita.

### Trains

Total boardings on trains fell 0.5 per cent, compared with the 13.5 per cent downturn of a year earlier. Cash and SmartRider initial boardings fell 0.7 per cent, and fare-paying boardings fell 0.5 per cent.



## Transperth train patronage (millions)

### Fare-paying boardings

2021-22	25.431
2020-21	25.558
2019-20	30.033

### Cash and SmartRider initial boardings

2021-22	27.054
2020-21	27.254
2019-20	31.888

### Total boardings

2021-22	42.780
2020-21	42.998
2019-20	49.734

On a per-service kilometre basis, total train boardings remained stable at 2.03.

Total boardings by line were:

Line	2020-21	2021-22	Change
Armadale Line	5.768m	5.630m	- 2.4 %
Fremantle Line	4.853m	5.217m	7.5 %
Joondalup Line	11.886m	11.753m	- 1.1 %
Mandurah Line	14.856m	14.358m	- 3.4 %
Midland Line	4.408m	4.244m	- 3.7 %
<b>Total</b>	41.771m	<b>41.201</b>	<b>- 1.4 %</b>

Note: This excludes boardings on special event services, free travel on special occasions and boardings on rail replacement services provided by buses, which are not reported by line.

All train lines were impacted by the COVID-19 pandemic to a similar extent, and several lines were also heavily impacted by METRONET works. The result for the Fremantle Line was skewed by depressed figures for 2020-21 following the cancellation of the Perth Royal Show and significant disruptions to support the opening of Forrestfield-Airport Link. Excluding these impacts, Fremantle Line activity remained consistent with the other train lines.

## Buses

While bus patronage went up, it followed a pattern similar to that of trains. Total boardings increased 0.3 per cent, compared with a fall of 11.4 per cent in 2020-21. Cash and SmartRider initial boardings increased 0.8 per cent, and fare-paying boardings increased 1.1 per cent.

## Transperth bus patronage (millions)

### Fare-paying boardings

2021-22	30.853
2020-21	30.526
2019-20	33.942

### Cash and SmartRider initial boardings

2021-22	33.797
2020-21	33.516
2019-20	37.130

### Total boardings

2021-22	58.891
2020-21	58.701
2019-20	66.257

Bus total boardings per service kilometre remained steady at 0.84.

Total boardings by contract area were:

Contract area	2020-21	2021-22	Change
Kalamunda	5.091m	5.194m	2.0%
Morley	8.165m	8.025m	-1.7%
Canning	5.776m	5.788m	0.2%
Claremont	3.183m	3.063m	-3.8%
Joondalup	5.040m	5.093m	1.1%
Marmion	5.262m	5.362m	1.9%
Midland	2.046m	2.080m	1.7%
Southern River	2.771m	2.877m	3.8%
Fremantle	6.600m	6.539m	-0.9%
Rockingham	4.798m	4.942m	3.0%
<b>Total</b>	48.731m	<b>48.963m</b>	<b>0.5%</b>

Note: This excludes boardings on special event services, free travel on special occasions and boardings on FTZ and CAT services.

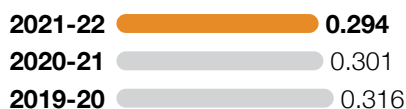
Bus contract areas were impacted by the COVID-19 pandemic to varying degrees as they have a widely different passenger groups, route type composition and demographics. Contract areas servicing Perth's inner suburbs, such as Claremont, were impacted most significantly by increases in remote working during the second half of the year in response to WA's first major COVID-19 wave.

## Ferries

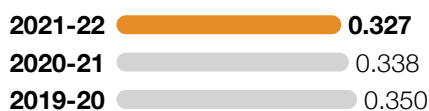
The ferry service represents a small proportion (0.5 per cent) of Transperth system patronage. Fluctuations in the tourism market have a significant impact on ferry boardings with tourists accounting for about half of all trips.

### Transperth ferry patronage (millions)

#### Fare-paying boardings



#### Cash and SmartRider initial boardings



#### Total boardings



Ferry total boardings per service kilometre decreased 4.5 per cent to 9.71 – caused entirely by lower boardings.

## Reliability

All modes were close to their target in 2021-22, with buses at 80.38 per cent, trains at 94.22 per cent and ferries at 92.49 per cent.

For the complete data, please refer to 3.10 Audited KPI report.

The weaker-than-expected bus reliability was largely caused by traffic congestion, with some commuters continuing to preference private vehicle travel over public transport.

## Capacity

The carrying capacity of the Transperth bus, train and ferry network is measured by a metric called passenger place kilometres. This is based on service kilometres and the average carrying capacity of the fleet and has been increasing steadily in recent years as new buses and trains come on stream and the network expands.

In the year under review, total capacity decreased 0.1 per cent with train capacity falling 0.7 per cent, bus increasing 1.1 per cent, and ferry remaining

unchanged. The variances reflect the impact of COVID-19 and METRONET works rather than changes to routine service delivery. An improvement in the bus result reflects temporary service reductions the prior year and the rollout of new services, including the Purple CAT route, in 2021-22. Train capacity was lower due to service disruptions to support METRONET works.

## Key activities

### Transperth System

- Further enhancements were made to the Transperth App to enable real-time service cancellation notifications, real-time flagging of services impacted by COVID-related driver shortages, functionality that allows users to report damage and graffiti, including the upload of photos, and live chat customer support functionality.
- The Transperth app reached one million installs in February 2022 and over 550,000 passenger devices are actively subscribed to receive notifications from Transperth. Currently, about 80,000 passengers use the app on a weekly basis, and between 100,000 and 150,000 passengers use it on a monthly basis. More than 330,000 passengers used the app in the past 12 months.

### Trains

- Planning continued for the implementation of the Airport Line including recruitment and ensuring operational readiness.
- Started commissioning the first C-Series railcar set.
- Commissioning of the high-voltage test facility at the Bellevue Depot.
- Completed the detailed design for the rest of the new Bellevue Depot.

### Buses

- Awarded contracts (starting in October 2022) to operate Transperth bus services in the contract areas of Fremantle and Rockingham-Mandurah for 10 years, representing approximately 25 per cent of the Transperth bus network.
- Current delivery of new buses started in October 2019 under a new supply contract with Volvo Bus Australia for the manufacture and supply of up to 900 buses to the PTA over

a 10-year period. The PTA took delivery of four new battery-electric buses.

- Introduced the Purple CAT between UWA South and Perth City.
- Improved connectivity at Claremont Station following completion of the Claremont bus interchange.
- Completed design and issued a tender for the construction of the Jandakot bus depot.
- Started a major upgrade of the Wangara bus depot.
- Completed a major upgrade of the Joondalup bus depot to accommodate the trial of electric buses.
- Started a major upgrade of the Rockingham bus depot.
- Expanded the trial for the formal testing of the traffic signal priority system that provides late-running buses with green-light priority through signalised intersections.
- Started a major upgrade of the Morley bus station.
- Worked in partnership with MRWA to complete designs for the Canning Highway bus lane (Riseley Street to Sleat Road) and the Manning Road and Leach Highway intersection bus queue jump lanes.
- Supported the City of Canning to complete the construction of the Cecil Avenue West Stage 2 bus lanes.

### **Ferries**

- Completed design work and awarded contract for a major upgrade of Mends Street jetty to achieve DDA (Disability Discrimination Act) compliance.

## **Looking ahead**

### **Transperth system**

- New SmartRider readers and top-up machines will replace the current ones. In addition to adding value to SmartRiders, the new machines will also allow people to buy SmartRiders. The new machines will be rolled out from 2023.

### **Trains**

- Rollout of new Workforce Management System across operational work groups.
- Start of operations on the Airport Line.
- Plan for the 18-month closure of the Armadale Line.
- Testing of the C-Series railcars on the urban network.
- Prepare for the opening of Lakelands Station.

### **Buses**

- Introduce the Airport Line's supporting bus network.
- Develop a supporting bus network for Lakelands Station.
- Plan the bus network to support the Armadale Line level crossing removal project with expanded bus services across the south-eastern suburbs.
- Complete upgrades at Wangara, Rockingham, Mandurah and Alimos depots.
- Award contract for the construction of Jandakot depot.
- Identify and secure an appropriate depot site and finalise the design for the construction of the High Wycombe bus depot.
- Complete the major upgrade of the Morley bus station.
- Support MRWA to complete the detailed design of the Canning Highway bus lane (Riseley Street to Sleat Road) and the Stirling Highway bus lane (Hampden Road to Hackett Drive) and seek funding for their construction.

### **Ferries**

- Complete Mends Street Jetty upgrade.

## **2.1.2 Regional (Transwa)**

Transwa is the brand and operating name for the road coach and rail public transport system servicing regional centres.

The Transwa network extends to Kalbarri and Meekatharra in the north, east to Kalgoorlie, and south-east to Esperance. The services link 240 regional locations to the Perth metropolitan area and locations in between.

Transwa manages six inter-town contracts – two in the Pilbara and one each in the Kimberley, Gascoyne, Mid West and Goldfields regions.

## Fleet

### Trains

Transwa employs 21 railcar drivers based at East Perth and Bunbury to operate 14 railcars in four distinct services:

- **The Prospector** - daily service (and twice on Mondays and Fridays) each way between Perth (East Perth terminal) and Kalgoorlie for a total of 18 services a week.
- **The Australind** - two daily return services between Bunbury and Perth for a total of 28 services a week.
- **The AvonLink** – an early-morning weekday service (except public holidays) from Northam to Midland, returning early each evening, for a total of ten services a week.
- **The MerredinLink** – an all-stop return service between Perth (East Perth terminal) and Merredin on Mondays, Wednesdays, and Fridays (except public holidays) for a total of six services a week.

All onboard services are provided by Transwa staff.

### Road coaches

Transwa operates 132 road coach services each week, employing 39 road coach operators.

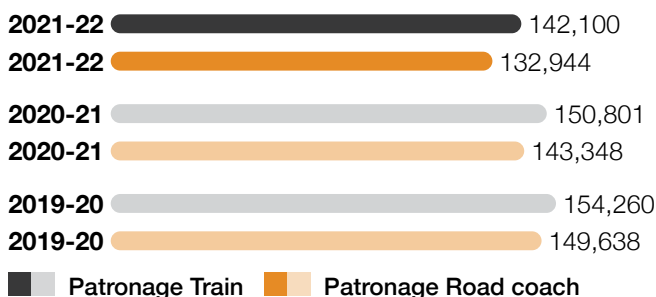
The fleet consists of 25 Volvo/Irizar five-star, luxury road coaches of which 23 are in their sixth year of service with two new road coaches delivered Jan 2022. The vehicles are fully accessible and meet the Euro5 emission standard. Their features include:

- Onboard toilet
- Onboard entertainment system with individual sound controls
- USB charging points at each seat
- CCTV camera and recording security system

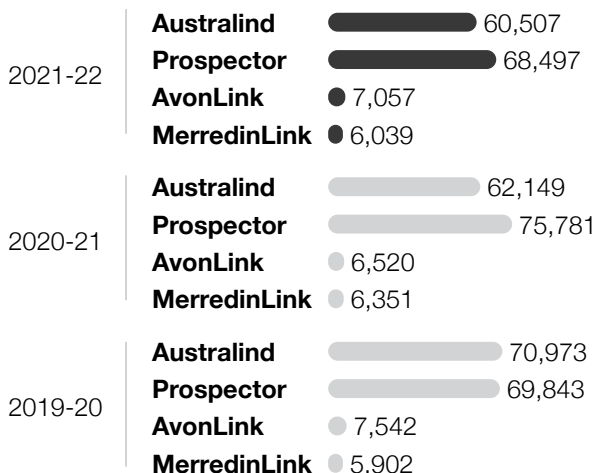
## Patronage

### Train and coach

Train and road coach patronage was down from the previous financial year with the continued negative effect of the COVID pandemic. Due to low occupancy rates on services, passengers are encouraged to maintain socially distancing where possible.



### Transwa train patronage by service



### Transwa inter-town services patronage





## Reliability

The Prospector's OTR (on-time running) is 46 points short of the target of 80 per cent, with delays caused by crossings and a number of track-related, signalling, and mechanical issues.

The AvonLink and MerredinLink services also failed to meet the OTR targets, for the same reasons as the Prospector. The three trains share the EGR (Eastern Goldfields rail) between Midland and Merredin, so all three services are subject to and affected by third-party management and maintenance arrangements.

Australind OTR reached 80 per cent, still short of the target of 90 per cent, adversely affected by a high number of mechanical issues associated with ageing railcars, crossing and track-related issues.

The road coach services exceeded the OTR targets at 95 per cent.

For the complete data, refer to 3.10 Audited KPI report.

## Capacity

The number of passengers per service kilometre is a comparative measure of our available passenger capacity (a higher number represents better use of our capacity).

COVID caused a small drop in both rail and road coach passengers per service kilometre. The inter-town services also showed a negligible change.

For the complete data, refer to 3.10 Audited KPI report.

## Key activities

- Relocated the Geraldton-based road coaches from the leased depot on Place Road, Webberton, into shared arrangements with the TransGeraldton bus depot at Bedford Street, Webberton.
- Introduction of two new Volvo/Irizar road coaches to help ensure rail replacement services are fully accessible when required.
- Achieved full Payment Card Industry Data Security Standard (PCI DSS) compliance for credit card payments
- Implementation of the Customer Relationship Management system to manage concessional schemes.

- Completed the PTA South West Main level-crossing upgrade project, including level crossings – at Riverdale Road, Cookernup, Logue and Coronation Street, Waroona, and Murray Street, Coolup – and a pedestrian crossing at North Dandalup. MRWA has established a rolling program of level-crossing upgrades and helped the PTA with its project.

## Looking ahead

- Complete the second high-level platform at Merredin Station.
- Complete the infrastructure upgrades at Kalgoorlie Station.
- Launch the wi-fi trial on the Prospector and complete the wi-fi upgrade on the AvonLink.

### 2.1.3 Regional (TransRegional)

The Regional Town Bus Services (RTBS) branch manages Trans-branded school and town public bus services in 15 major regional towns in rural WA – Albany, Bridgetown, Broome, Bunbury, Busselton, Carnarvon, Collie, Esperance, Geraldton, Kalgoorlie, Karratha, Kununurra, Manjimup, Narrogin and Port Hedland.

## Fleet

RTBS has a fleet of 164 low-floor, accessible Mercedes and Volvo buses, all of them owned by the PTA, and with a continuing fleet upgrade, replacement and improvement program.

## Patronage

TransRegional total boardings rose 3.1 per cent to 2.194 million and total fare-paying boardings increased 2.4 per cent to 1.871m.

Regional Town Bus Services	2020-21	2021-22	Change
Total boardings (millions)	2.128	2.194	3.1%
Fare-paying boardings (millions)	1.827	1.871	2.4%

The increase in boardings can be directly attributed to the continued support of regional passengers during the challenging pandemic operating environment.

## Reliability

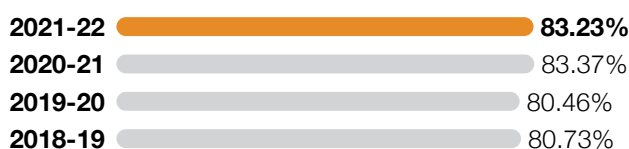
RTBS uses technology-based monitoring methods (including the GPS information function in the SmartRider system) to gather precise data to measure OTR. In towns where the SmartRider system is used, OTR was better than 83 per cent – an equal high for RTBS since capturing this data.

Currently Bridgetown, Broome, Carnarvon, Collie, Kununurra, Manjimup and Narrogin do not have the SmartRider system installed on the fleet.

## TransRegional OTR\*

### Regional Town Bus Services

#### \*On time running (%)



\* SmartRider towns only

## Key activities

- In direct response to local community demands, RTBS in partnership with the Shire of Esperance, introduced a trial town bus service. Local community comment on the proposed routes was sought via an online survey and through public consultation sessions held in Esperance. The new trial service started on Monday July 4 and will operate for 12 months before undergoing an assessment for viability.
- The expansion at the TransGeraldton bus depot was completed. This is a major local investment which will cater for future public transport growth and has accommodated the garaging of Transwa coaches.
- RTBS has started a major fleet strategy program which will significantly improve the regional fleet profile. It includes a bus replacement program and a bus refurbishment plan, both expected to be completed by 2025.
- A new TransGoldfields bus operation tender was advertised, and the Kalgoorlie services contract was awarded on October 10.
- Significant bus stop infrastructure programs were completed in Bunbury and more than 45 stops were upgraded to fully accessible in Geraldton.

## Looking ahead

- Review and implement service changes for the Busselton, Geraldton, Kalgoorlie and Albany networks with expanded services in growth areas.
- The TransRegional website, expected to be completed this year, will include real-time tracking functionality.
- Continue the bus stop upgrade program in various regional towns including major upgrades for Albany and Kalgoorlie.

## 2.1.4 School Bus Services

The SBS branch manages the policy and entitlement framework, delivers system support and administered the contract arrangements for 912 contract school bus services around WA.

These buses provide access to school for students in rural areas (picking them up from the farm gate where appropriate), as well as access to schools in the metropolitan area for students attending special education facilities.

In addition to the “orange” contracted school buses, there are four cluster contracts made up of 47 contract school buses that are funded by the Department of Education (DoE) and administered by SBS. These services do not form part of the Student Transport Assistance Policy Framework.

Where eligible students cannot be accommodated on a school bus, their parents/carers are paid a conveyance allowance to offset the cost of getting their children to the nearest appropriate school.

## Fleet

In 2021-22 the SBS network consisted of 799 contract school buses transporting students to mainstream schools, and 160 services to special education facilities. All contracted school buses are operated by private contractors under the following contract arrangements:

**Evergreen Contract Model** contracts (five-year term) – 669 contracts providing 669 services.

**Composite Rate Model** contracts (remaining balance of 20-to-30-year contract term) – one contract providing one service.

**Fixed-term** contracts (One-year to 15-year tendered term) – 137 contracts providing 137 services.

**Regional school bus cluster** contracts (15-year term) – five contracts providing 37 services.

**Tendered Cluster Contract Model** school bus contracts (12 to 17-year term) – one contract providing 21 services.

**Tendered Contract Model** school bus contracts (12 to 17-year term) – 47 contracts providing 47 services.

DoE funded cluster contracts (10-year term) – four contracts providing 47 services.

In the year under review, SBS initiated the following new fixed-term and re-tendered contract services across WA:

Region	2021-22 new contract services
Goldfields-Esperance	Esperance Condingup Esperance Pink Lake Menzies Morapoi
Great Southern	Gnowangerup East Nyabing North Pingrup East
Metropolitan	Armadale Bedforddale 2 Aveley North PS ESC & Aveley Sec ESF Ellenbrook Beechboro PS LDC Ellenbrook Cannington ESC Sevenoaks Central Leeming SHS ESC Central Parkerville Gidgegannup Primary School
Mid West	Dongara Irwin Overload Morawa Yalgoo School Bus Service
Pilbara	Hedland Cassia Education Support Tom Price Paraburdoo Tom Price Paraburdoo No2
South West	Bunbury Benger School Bus Service Bunbury Bridgetown Bunbury Glenlynn Busselton Bovell
Wheatbelt	Edmund Rice College Gingin Immaculate Heart Bullsbrook Northam St Joseph's Toodyay Northam York Central Northam York No 2

This was offset by the cessation of the following contracts:

Region	2021-22 ceased contract services
Goldfields-Esperance	Eddystone IEC Bus No. 3 Eddystone IEC Bus No. 4 Esperance Pink Lake Bus Service Menzies Morapoi
Great Southern	Pingrup East
Metropolitan	Armadale Bedforddale #2 Cannington ESC Central Fremantle LDC Bullcreek Fremantle LDC South Parkerville Gidgegannup PS
Mid West	Binu East Chapman Valley Naraling E Bowes Coorow Latham Dongara Irwin Overload Morawa Koolanooka Bowgada Morawa Yalgoo Mullewa Pindar
Pilbara	Cassia ESC Tom Price Paraburdoo Tom Price Paraburdoo No 2
South West	Bunbury Bridgetown Bunbury Glenlynn Busselton Bovell (Contract 1) Busselton Bovell (Contract 2) Kingston Binningup Manjimup Unicup Roelands Harvey
Wheatbelt	Bindoon CAC Gingin Cadoux South West Immaculate Heart College Bullsbrook Northam Overload Service Northam York #2 St Joseph's Northam Toodyay

## Patronage

On average, services were accessed by 25,579 students around the State on each school day (marginally lower than in 2020-21).

The number of eligible students receiving school bus transport assistance are divided into two distinct groups.

**Core business** – an average of 25,004 students accessed school bus transport assistance on each school day (down 0.5 per cent on 2020-21).

**DoE-funded** – the number of students who qualify for assistance through the Intensive English Centres and/or other language-support programs is influenced by metrics such as the immigration intake quotas and federal funding provisions. As such, the total was affected by border restrictions. An average of 575 students (down 23 per cent) accessed these services on each school day.

The following table breaks down the 2021-22 student patronage by region and business group:

Region	Core business service patronage	DoE-funded service patronage	Total
Gascoyne	145	-	145
Goldfields-Esperance	1,179	81	1,260
Great Southern	3,187	-	3,187
Kimberley	820	-	820
Metropolitan	4,316	440	4,756
Mid West	1,652	-	1,652
Peel	1,958	-	1,958
Pilbara	465	-	465
South West	6,898	54	6,952
Wheatbelt	4,384	-	4,384
<b>Total</b>	<b>25,004</b>	<b>575</b>	<b>25,579</b>

## Reliability

The reliability target requires the bus to arrive at least 10 minutes before school starts and depart within 10 minutes of school finishing. The measure covers regional mainstream services and education-support school buses in the metropolitan area and is based on data provided by members of the public who report late arrivals.

It aims to ensure that the delivery of school bus services meets community on-time standards, and that performance improvements are implemented for services that fail to meet the requirements.

In the year under review, the level of satisfaction with school bus availability at arrival and departure time was 99.8 per cent, 0.2 per cent below the 2020-21 result and 0.08 per cent above target.

For the complete data, refer to 3.10 Audited KPI report.

## Capacity

Around WA, SBS services covered an average of 167,430km each school day, totalling 33m contract service kilometres for the year.

### School bus average daily service kilometres (thousands)

<b>2021-22</b>	<b>167.4</b>
<b>2020-21</b>	167.3
<b>2019-20</b>	171.7

The annual service kilometre data for each region are:

Region	2020-21 Total service km	2021-22 Total service km	Change
Gascoyne	115,606	132,425	14.5%
Goldfields-Esperance	1,794,941	1,820,647	1.4%
Great Southern	3,755,355	3,894,079	3.7%
Kimberley	915,390	926,010	1.2%
Metropolitan	5,638,779	5,791,414	2.7%
Mid West	2,625,219	2,489,822	-5.2%
Peel	2,032,489	2,038,952	0.3%
Pilbara	580,539	472,580	-18.6%
South West	6,397,968	6,474,026	1.2%
Wheatbelt	8,938,302	8,943,665	0.1%
<b>Total</b>	<b>32,794,588</b>	<b>32,983,620</b>	<b>0.6%</b>

The annual contract school bus service kilometres increased by 0.6 per cent, noting that there was one extra service day in the year. Service kilometres increased across most regions, though the Mid-West and Pilbara decreased because of fewer operating contract services.



The daily average service kilometre data for each region are:

Region	2020-21 Avge daily service km	2021-22 Avge daily service km	Change
Gascoyne	590	672	14.0%
Goldfields- Esperance	9,158	9,242	0.9%
Great Southern	19,160	19,767	3.2%
Kimberley	4,670	4,701	0.6%
Metropolitan	28,769	29,398	2.2%
Mid-West	13,394	12,639	-5.6%
Peel	10,370	10,350	-0.2%
Pilbara	2,962	2,399	-19.0%
South West	32,643	32,863	0.7%
Wheatbelt	45,604	45,399	-0.4%
<b>Total</b>	<b>167,320</b>	<b>167,430</b>	<b>0.1%</b>

## Key Activities

- About 540 schools serviced across the State each day over a total annual network coverage of 33m kilometres.
- Continued the process to install a safety system on Class B and C school buses with under-floor storage compartments that will alert the driver if the compartment door is open prior to departure. The program is 60 per cent completed.
- Started a review of all critical software encompassing the transport assistance framework and school bus contract administration.
- Engaged with the Public Accounts Committee in reviewing the current Student Transport Assistance Policy framework.

## Looking Ahead

- The GPS on mobile phone devices used by school bus drivers has been rolled out but the contractor uptake has been limited. SBS will continue with the program as it will streamline the process for reporting daily service kilometres.
- Finalise the installation of safety systems on luggage storage compartments on outstanding Class B and C buses.
- The tendering of fixed and short-term

contracts will continue to be undertaken across the school bus transport network.

- The PTA continues to collaborate with the Department of Communities as the lead WA agency, as negotiations between the State and the National Disability Insurance Agency (NDIA) aims to finalise a national model.
- The Evergreen contract allows for a five-yearly review of the contract with the school bus industry's elected contract representatives. The review process will start in 2022-23.

## 2.2 Fares and other revenue

### 2.2.1 Metro

#### Transperth

Fare arrangements changed significantly on January 1 with the introduction of a two-zone cap. Transperth applies a common fare structure across its integrated bus, train and ferry network – fares are based on a zonal system with nine concentric bands emanating from central Perth. Zone one is 8km; zones two and three 9km; and zones four to nine 10km or more.

Fares are determined by the number of zones through which a passenger travels. A short distance fare is available for trips of up to 3.2km (two sections). School students pay a flat fare for weekday travel during the school year, and there are multi-trip tickets for individuals (DayRider) and groups (FamilyRider).

Passengers can transfer between services and modes without an extra charge within two hours on journeys of up to four zones and within three hours on journeys of five to nine zones. This free transfer facility is not available on the two-section fare.

Ticketing facilities for passengers who choose to pay cash are provided through electronic ticket-issuing machines on all buses and ferries, and ticket-vending machines at all train stations and ferry jetties.

### Transperth cash fares schedule

The following fare schedule was in place during the first half of 2021-22. This was unchanged from the prior year to support the WA community during COVID-19:

Category	Standard	Concession
2 Sections	\$2.20	\$1.00
1 Zone	\$3.20	\$1.40
2 Zones	\$4.90	\$2.10
3 Zones	\$5.80	\$2.50
4 Zones	\$6.90	\$3.00
5 Zones	\$8.50	\$3.70
6 Zones	\$9.60	\$4.10
7 Zones	\$11.30	\$4.90
8 Zones	\$12.20	\$5.20
9 Zones	\$13.10	\$5.60
DayRider	\$13.10	\$5.60
FamilyRider	\$13.10	–

The following schedule was in place from January 1, reflecting the introduction of the two-zone fare cap and simplification of the fares structure, including removal of time of use restrictions for the DayRider:

Category	Standard	Concession
2 Sections	\$2.20	\$1.00
1 Zone	\$3.20	\$1.40
2 Zones	\$4.90	\$2.10
DayRider	\$9.80	\$4.20
FamilyRider	\$9.80	–

Note: The flat fare for school students (70c) is available only through a Student SmartRider card. During the first month of each new school year, students can buy a 70c student cash ticket while waiting for their SmartRider to be delivered. The 70c student fare is valid for travel on all Transperth services Monday to Friday from the first to the last gazetted school day of the year, during mid-year school term holidays and on public holidays that fall on a weekday during the school year.

### SmartRider and SmartParker

Discounts on cash fares are provided through the SmartRider system and are based on the reload method used. A discount of 20 per cent is available

to passengers choosing Autoload (direct debit or credit card), and 10 per cent for those who choose other reload methods (BPAY, add-value machines, on board buses and ferries, and at retail sales outlets and Transperth InfoCentres).

SmartRider provides a complete and accurate record of all boardings because users are required to tag-on/tag-off for each leg of their journey. This year, SmartRider was used for 79 per cent of all fare-paying boardings (78.9 per cent in 2020-21).

Parking fees were reintroduced during 2021-22, after being waived in 2020-21 to encourage patronage during the COVID-19 pandemic. Customers who have pre-registered their vehicle can use SmartParker to pay for parking, or use Pay-by-Plate machines which allow number-plate entry, and payment by either SmartRider or cash. In 2021-22, SmartRider was used for 92 per cent of parking transactions.

### Patronage profile

Total boardings category distribution remained stable. Fare-paying boardings accounted for 53.7 per cent of travel (consistent with 2020-21), of which 97.1 per cent used SmartRider and cash tickets (previously 97.4 per cent), with the other 2.9 per cent (2.6) relating to public transport travel associated with joint-ticketed events.

Transfers were the second largest category, accounting for 30.1 per cent (30.4), followed by travel within the Perth free transit zone and on CAT buses at 9.5 per cent (9.6). SmartRider-based free off-peak travel – offered to seniors, pensioners and carers – accounted for 4.4 per cent (4.2) with the remainder (2.3 per cent) covering miscellaneous travel categories.

Of the fare-paying boardings (excluding joint-ticketed), standard fare passengers accounted for 50.1 per cent (46.8), concession passengers 29.3 per cent (31.6) and school students 18.8 per cent (18.7). Boardings on FamilyRider tickets contributed 1.8 per cent (1.9).

SmartRider users accounted for 84.5 per cent of total transfers during the year (84.2 per cent in 2020-21).

### Cost per passenger kilometre

The total cost per passenger kilometre (including annual capital charges) of providing Transperth's

bus, train and ferry services increased by 2.3 per cent. Cost increased 1.4 per cent while passenger kilometres decreased 0.89 per cent.

Passenger kilometres represent the combination of average trip length and passenger boardings, and amounted to 993.4m passenger kilometres.

### Revenue and expenditure

#### Transperth system revenue (\$ millions)

##### Total revenue

2021-22	175.474
2020-21	163.427
2019-20	200.022

Total system revenue, which includes income from fares, parking, advertising, rent, infringements, and miscellaneous items, rose 7.4 per cent.

##### Fare revenue

2021-22	152.527
2020-21	150.130
2019-20	178.885

Fare revenue increased by 1.6 per cent.

#### Transperth system expenditure (\$ millions)

##### Total expenditure

2021-22	1,222.097
2020-21	1,205.176
2019-20	1,151.957

##### Operating expenditure

2021-22	882.909
2020-21	869.586
2019-20	832.559

Total expenditure on the Transperth system (including annual capital charges) increased 1.4 per cent, while operating expenditure (excluding annual capital charges) rose 1.5 per cent.

Total expenditure on train services increased 0.4 per cent with annual capital charges increasing 2.3 per cent. Train total operating expenditure (direct operating costs and transfer expenses) fell 0.8 per cent.

Total expenditure on bus services decreased 2.8 per cent with annual capital charges decreasing 3.1 per cent and operating expenditure increasing by 3.8 per cent, largely due to increased fuel costs.

Total expenditure on ferry services fell 18.3 per cent with annual capital charges decreasing 22.7 per cent and operating expenditure decreasing by 17.7 per cent. The lower expenditure is the result of costs normalising in 2021-22 after increasing in 2020-21 due to a major refurbishment of MV Shelly Taylor-Smith.

## 2.2.2 Regional

### Transwa

#### Cost per passenger kilometre

The cost per passenger kilometre for road coaches was \$0.49, up from \$0.45 in 2020-21, and the cost per passenger kilometre for rail increased to \$0.65 (\$0.62 in 2020-21). In both cases, the change is due to a drop in patronage resulting from regional border travel restrictions in response to the COVID-19 pandemic and an increase in the operating costs including contract labour, fuel, and maintenance costs.

### Revenue and expenditure

#### Transwa system revenue (\$ million)

2021-22	7.64
2020-21	7.80
2019-20	8.35

A total of \$7.64m revenue from cash fares was received. This is lower than expected and can be attributed to the drop in patronage resulting from COVID travel restrictions.

#### Transwa system expenditure (\$ million)

2021-22	51.12
2021-22	54.18
2020-21	53.55
2020-21	54.20
2019-20	52.00
2019-20	53.45

■ Expenditure Actual ■ Expenditure Budget

Transwa expenditure was \$51.12m, lower than the previous financial year.

## TransRegional

### Cost of service

The cost of operating regional town bus services in 2021-22 was \$23.5m, up 9.3 per cent from \$21.5m in 2020-21. This was due mainly to a significant increase in the price of fuel, and the need to meet substantial bus maintenance and refurbishment costs.

## 2.3 PTA in the community

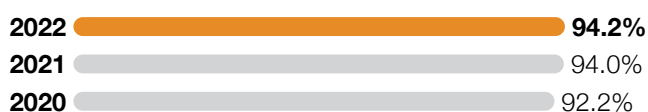
### 2.3.1 Customer satisfaction

The quality of Transperth and Transwa services is measured through an annual survey (PSM – Passenger Satisfaction Monitor) undertaken by an independent market research organisation. The PSM conducts detailed face-to-face interviews with adult public transport users to assess passenger satisfaction with aspects of our services, including safety and security.

#### Transperth

PSM results for the Transperth system are summarised below and are further outlined in the **audited key performance indicators**. They can also be accessed at [www.transperth.wa.gov.au](http://www.transperth.wa.gov.au)

##### Level of overall customer satisfaction across all Transperth services (per cent)



Overall train satisfaction achieved a new all-time high of 96 per cent passenger satisfaction this year, the sixth year in a row to achieve at least 94 per cent. Only one per cent of customers were dissatisfied.

Overall bus passenger satisfaction achieved 93 per cent, supporting last year's all-time high of 94 per cent with only two per cent of customers dissatisfied.

Overall ferry satisfaction achieved 99 per cent this year.

For a detailed breakdown see the full data on 3.10 Audited KPI report.

#### SmartRider

SmartRider has consistently attracted a high degree of user satisfaction across all modes. The 2022 result continued this trend with satisfaction for bus rated at 97 per cent (98 per cent in 2021), while satisfaction for train and ferry passengers remained stable at 96 per cent and 98 per cent respectively.

#### Transwa

##### Level of overall customer satisfaction across all Transwa services (per cent)



PSM results showed 90 per cent of passengers were satisfied with regional train and road coach services, a slight increase from 2020-21.

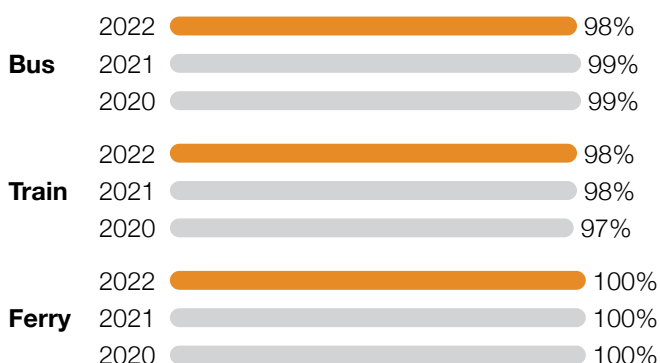
### 2.3.2 Passenger safety and security

#### Transperth

##### Customer perception of safety

The PSM assesses Transperth customer perceptions of safety during the day and at night, both while waiting for and on board (bus/train/ferry) services. Across the modes, virtually all passengers felt safe on board during the day, with results remaining consistent for the past eight years.

##### Proportion of respondents who generally feel safe aboard Transperth services during the day (per cent)



The following table shows the response for other aspects of safety perceptions.

	2020	2021	2022
<b>Transperth trains</b>			
On board (night)	74%	78%	77%
At the station/ interchange (day)	98%	98%	98%
At the station/ interchange (night)	69%	77%	73%
<b>Transperth buses</b>			
On board (night)	82%	86%	83%
At the station/ interchange (day)	99%	99%	98%
At the station/ interchange (night)	76%	82%	78%
<b>Transperth ferries</b>			
On board (night)	97%	98%	100%
At the station/ interchange (day)	99%	100%	100%
At the station/ interchange (night)	97%	98%	100%

Transperth remains committed to improving passenger security and will use the detailed PSM survey information to refocus security efforts in the coming year.

### **Commitment to safety and security**

To ensure that all passengers always feel safe on our services, digitised CCTV footage from all train and bus stations (including car parks and bike shelters) is monitored at our CMR (central monitoring room), a state-of-the-art facility which is manned 24 hours a day, seven days a week. Footage from railcars and buses is recorded and available for use if needed. All buses are fitted with CCTV cameras, with all new buses featuring ten full-colour cameras. An average 82.6 per cent of trains had security personnel on board after 7pm.

A fleet of 32 patrol cars (ten operated by transit officers covering the rail system, and 22 operated by 118 contracted security officers covering the bus and ferry systems) provides a fast and effective response to any incidents of antisocial behaviour.

In 2021-22, there was an increase in transit officer recruitment and training. A lighting upgrade project, with a heavy focus on the Joondalup Line, was rolled out to provide greater visibility for passengers.

During the year, the rollout of new dash-mounted duress alarms was completed on all buses, integrating with both the new bus digital radio system and the SmartRider ticketing system to

provide GPS tracking. Buses with an active duress alarm are tracked in real time by the depot and CMR, improving the on-road safety of our bus drivers and customers.

After a successful trial, additional body-worn cameras were rolled out to bus security staff, ensuring that in every patrol group, at least one officer has a body-worn camera.

The PTA undertakes a regular monthly meeting with representatives from the Office of the National Rail Safety Regulator (ONRSR) to discuss rail safety incidents and provide an opportunity to discuss improvements to assist both parties.

## **2.3.3 Accessible services**

### **Proximity to metropolitan services**

More than 86.23 per cent of Perth homes have ready access to public transport. This metric has remained steady for the past 11 years and is a benchmark for future service planning.

For the complete data refer to 3.10 Audited KPI report.

### **Diversity, access and inclusion**

Our Disability Access and Inclusion Plan (DAIP) 2017-2022, developed in consultation with key stakeholders, covers all metropolitan and regional services and demonstrates our commitment to providing a high level of independence for all customers.

The PTA, in partnership with the Department of Transport and Main Roads WA, is developing a Transport Portfolio Disability Access and Inclusion Plan to improve opportunities and outcomes for people with a disability and their families and carers. The plan, which replaces the expiring PTA DAIP, will align with the State Disability Strategy 2020 and include actions relevant to the portfolio.

In 2021-22 we continued to implement strategies to improve access to public transport for all customers including people with a disability and those from culturally and linguistically diverse (CaLD) backgrounds. Transport and infrastructure accessibility initiatives in the year include:

- 85,132 accessibility bulletin emails sent to recipients registered with Transperth Accessible Services and related services to



advise of system changes, upgrades and other accessibility issues.

- 73 calls to Translating and Interpreting Service (TIS) at InfoCentres and InfoLine, accessing 19 languages.
- As well as approved blind and hearing guide dogs, 30 assistance dogs were approved for travel on public transport.

## Working Groups

The PTA actively participated in the following working groups:

- The METRONET Access and Inclusion Reference Group (AIRG), which includes people with lived experience of disabilities, and advises designers on universal design features for new fixed infrastructure and the new C-series railcars and construction teams on accessibility impacts during construction.
- The Australasian Railway Association Accessibility Working Group, National Accessible Transport Taskforce, and associated working groups in the modernisation of the Disability Standards for Accessible Public Transport 2002 (DSAPT).

## Transport and infrastructure accessibility improvements

In 2021-22, Transperth:

- Completed minor works at Challis, Sherwood, Carlisle, Kenwick, Beckenham, Seaforth, Maddington, Victoria Park, Butler, Leederville, Maylands, Guildford, East Guildford, Burswood and Loch Street stations to improve accessibility.
- Undertook works to upgrade the signage and relocate the Smartrider readers at a number of stations to meet the requirements of the Disability Standards for Accessible Public Transport 2002.
- Upgraded approximately 850 bus stops to meet the requirements of Federal Disability Standards for Accessible Public Transport under the Bus Stop Accessibility Works Program.
- Continued to upgrade bus stops to include QR codes to provide real-time bus tracking and service interruption information.

In 2021-22, Transwa:

- Procured two new, fully-accessible road coaches to help ensure that all services are fully accessible. The additional road coaches means that Transwa now operates 25 fully-accessible road coaches.
- Started initial works on the second high-level platform at Merredin Station to improve accessibility for Prospector and MerredinLink services.

## Community Education

Transperth's community education program aims to increase patronage, safety awareness and access to the network for passengers with high public transport needs. In collaboration with Transperth train, ferry and bus operators, the program delivers a high public transport conversion rate for diverse users. This is achieved through face-to-face engagements including school excursion group travel, community workshops, events and training programs, school incursions, network tours, as well as provision of online resources.

In the year under review, Transperth continued to implement strategies to address barriers to system use and improve access to public transport for the most vulnerable passengers:

- Reached more than 40,000 participants from high-needs groups to help them access the public transport network.
- Provided 157 metropolitan secondary schools with transition packages and 29 selected schools with tailored school service brochures, helping students and their parents prepare for independent travel.
- Hosted a PTA Access Open Day to raise staff awareness of accessible services and provide an opportunity for people with a mobility devices and mobility suppliers to familiarise themselves with Transperth and Transwa services and infrastructure.
- Introduced a new Transperth group ticketing system increasing access to the entire Transperth network for school and education groups
- Co-designed a new online Transperth Mentor Training Course for service providers in the disability, aged and community sectors to support staff who mentor people with diverse needs on using the Transperth network.

- Participated in key events targeting older Australians such as Have a Go Day at Burswood, which was attended by more than 15,000, and local government seniors' expos and age-friendly forums in the cities of Fremantle, Joondalup, Bayswater, Armadale, Rockingham and Belmont.
- Provided key information and demonstrations at school disability expos, major hospitals, Mission Australia's NDIS Local Area Coordinator Forum and the Abilities Expo where 800 students with disabilities attended with their teachers and parents to learn more about services to help them transition from school to work or study.
- Actively participated in the Multicultural Advisory Forum, Community Advisory Forum and WA Multicultural Policy Framework Interagency Network Forum.

### 2.3.4 Communication with our customers

It is important that information about our services and projects is communicated in a timely manner. Communication strategies are applied to improve patronage and increase customer satisfaction and awareness of the benefits of public transport.

#### **Metro activities**

- Implemented a communication strategy to inform and educate passengers on the 20-day closure of the Mandurah Line for the Thornlie-Cockburn Link.
- Launched the Purple CAT service – a free bus route between Elizabeth Quay and the University of WA via Kings Park Road and QEII – with an engaging and informative advertising campaign.
- Implemented advertising campaigns to promote the use of public transport to events, including State of Origin Rugby and the 2022 AFL season at Optus Stadium.
- Introduced an interactive disruptions calendar on the Transperth website to help passengers prepare for planned service disruptions.

#### **Regional activities**

- Transwa Search Engine Marketing (SEM) Strategy went live in September 2021, promoting the Transwa website by increasing visibility through search engine results.
- *Promoted Unaccompanied Child Policy Changes* through an online campaign educating parents and children about the changes to single and whole-of-year travel conditions for unaccompanied children.
- Continued to promote annual events through advertising campaigns.
- Employed the social media strategy developed last year to connect with more of our customers.
- Targeted campaign around registering for the Pensioner Free Travel scheme to make it simpler for pensioners to book and travel using their free travel allocation.
- Introduced SMS messaging to alert passengers of disruptions or major delays that will affect the customers travel.

### 2.3.5 Environment and sustainability

The PTA continues to identify opportunities to reduce our impact on the environment and to maximise sustainability in the delivery of public transport services.

In 2021-22, we:

- Started a trial of electric buses on the Joondalup CAT service. The trial included the installation of a large solar system and battery at the Joondalup depot to provide a zero-emission service for most of the year.
- Completed a renewable energy program for all suitable bus stations and continued roll-out for Transperth train stations.
- Installed bi-directional power meters at PTA connections to the Western Power transmission network. This enables measurement of electricity returned to the transmission network that is generated by a train's regenerative brakes.

## 2.4 Infrastructure delivery

As well as providing world-class public transport services, we strategically plan and manage our land and physical assets and deliver the infrastructure required to meet current and future transport demands. We also invest heavily in maintenance and upgrades to improve our system's safety, efficiency, and resilience.

### 2.4.1 Planning for the future

IPLS develops and maintains the PTA's long-term vision and strategy for the urban passenger rail network and undertakes the investigations and operational analysis necessary to ensure the network can meet future community needs. This provides a basis for investment proposals and strategic advice to aid decision-making across the Transport Portfolio and State Government with respect to future asset investment, as well as the PTA's engagement with key external stakeholders and other third parties around improving public transport services and utilisation.

The IPLS team has expertise in strategic and operational planning, economic analysis, engineering, land, and environmental management. These skills come together, in collaboration with other Government agencies, to ensure feasible design solutions meet passenger needs, legal requirements, standards and project objectives, while delivering value-for-money outcomes for the State.

This year, IPLS' focus on the planning and development of future public transport initiatives included the following key activities:

- Completed planning, secured delivery funding, and handed over to the delivery office major bus interchange upgrades at Stirling and Canning Bridge.
- Completed feasibility designs for platform extensions at all stations requiring works to accommodate six-car trains.
- Developed a depot and stabling strategy to meet future railcar stowage and maintenance requirements.
- Scoped the METRONET North East Rapid Transit Feasibility Study and progressed the first stage of the feasibility study.

### *Rail planning activities*

- Received endorsement of the Platform and Signalling Upgrade Program (PSUP) Stage 2 business case from Infrastructure Australia.
- Completed video surveys of every pedestrian and vehicle level crossing on the PTA-controlled network to improve understanding of crossing demand and risk-taking behaviour.
- Progressed the long-term corridor protection study for Bunbury Faster Rail.
- In collaboration with Transperth, developed feasibility designs for improved bus interchange facilities at Maylands, Bull Creek and Murdoch stations.

### *Rail engineering activities*

- Provided engineering assurance and support across a range of IPLS projects to ensure compliance with the PTA's processes and standards.
- Supported the Westport planning investigation by providing rail engineering expertise during the Baseline Constraints and the Landside Logistics Opportunities Study phases of the project.
- Delivered a contract award for the Swanbourne Station upgrade project, the first market-led proposal that has proceeded to concept design phase within IPLS.
- Provided ongoing engineering support and service provision to PTA divisions and government agencies, including:
  - N&I – detailed design for 821/825 turnouts replacement.
  - PPD – track and civil assistance for the Midland Station upgrade project.
  - Main Roads WA – rail expertise and community liaison for the Mundijong Freight Rail Relocation project.

### *Land and property management activities*

- Regained control of Perth Station forecourt.
- Completed Tripartite Agreements for Bunbury Outer Ring Road and Stock Road.
- Processed more than 330 third-party applications for works and access into the freight corridor and disused lines (more than double the amount of the previous two years) and 145 WA Planning Commission applications.
- Delivered various land administration and

commercial leasing activities including:

- Land acquisition for METRONET projects.
- Leasing revenue of approximately \$15.8m (close to pre-COVID levels).
- EOLs for Kelmscott Stationmaster's House, FAL kiosks and Terminal 2 Kewdale.

### ***Environmental management activities***

- Secured State and Commonwealth Environmental and Aboriginal heritage approvals for the Byford Rail Extension (BRE) project.
- Provided environmental management advice to support commencement of construction of Lakelands Station and the Public Transport Operations Control Centre (PTOCC), and the completion of the Claremont Station Upgrade.
- Launched SpatialPTA – an online tool for PTA staff to view planning, environmental, cadastral and PTA network information.
- Started environmental management activities at a range of METRONET environmental offset sites.

## **Looking ahead**

### ***Rail planning***

- Development of concept designs for priority station upgrades for Claisebrook, Mclver and Perth stations, together with a major improvement to the track configuration and all associated infrastructure.
- Completion of the Infrastructure Australia Stage 3 Business Case for PSUP.
- Design and implementation of a trial of electric vehicle charging points at selected rail stations.
- Planning for potential future strategic rail and transit corridors.

### ***Rail engineering***

- Provide a strategic plan for the future maintenance facilities needed by N&I to maintain the network when current METRONET and platform extension projects are completed.
- Continue provision of engineering and safety assurance, and engineering management support, for IPLS projects.
- Provide technical support for N&I, PPD and METRONET projects, Westport, Bunbury Faster Train, Rail Growth Plan projects and

Asset Planning.

- Finalise the Swanbourne Station upgrade project concept design.

### ***Land and property management***

- Co-locate the PTA's Lands branch into the Portfolio Land and Property Services Branch with minimal disruption to the team and provision of continued service to the PTA.
- Provide specialist land advice including acquisition to PTA, METRONET, OMTID and MRWA projects particularly BRE, Morley- Ellenbrook Line (MEL), Forrestfield-Airport Link (FAL), Midland and CBH Sidings.
- Formalise processes for PTA and third-party projects within the freight corridor.
- Undertake maintenance of the disused lines in the south-west.
- Optimise revenue from the commercial leasing portfolio and identify new leasing opportunities.

### ***Environmental management***

- Provide environmental management advice to support long-term corridor protection studies, including Bunbury Faster Rail and North East Rapid Transit Feasibility Study and PSUP.
- Provide environmental management advice to support start of construction for Midland Station and completion of FAL.
- Finalise the environmental offset strategies for the BRE project.
- Continued implementation of the PTA's contaminated sites and asbestos remediation program.
- Start digitisation of PTA's planning, environmental and railway infrastructure datasets.

## **2.4.2 PTA Project Delivery**

PTA Project Delivery (PPD) is responsible for the delivery of complex, high-value, high-risk infrastructure projects to operate and grow the State's public transport network.

Last year, responsibility for the delivery of a number of projects being delivered as part of N&I's network maintenance and upgrade program through the Program and Projects branch, was transferred to PPD.

PPD manages the technical interface for disciplines through its Technical Services Group (TSG). The TSG provides discipline lead across all PPD and Office of Major Transport Infrastructure Delivery

(OMTID) projects, and is the direct interface at a technical level with the planners in IPLS and the respective discipline leads in N&I.

The table below summarises some of our major projects.

Project	The Vision	Progress in 2021-22	Next steps
<b>Disability Discrimination Act (DDA) Station Upgrade Program*</b>	City West station requires extensive upgrade to ensure compliance with current DDA standards.	City West Reference design and funding to be confirmed.  Successful completion of DDA compliance works at 22 stations.  Lift adaptation to ensure compliance.	Tender for design and construct contract  DDA compliance upgrade works at 34 stations.
<b>DDA works at Cannington, Gosnells and Kelmscott stations*</b>	Compliance with current DDA standards.	Works complete.	
<b>Forrestfield-Airport Link</b>	Extend the public transport network and increase the level of rail and bus services to the eastern suburbs and foothills.	Tunnels, stations, and railway infrastructure is complete and in final stages of commissioning.  Test running and driver training to commence prior to final acceptance and entry into service.	Services to start in the second half of 2022.
<b>High-Capacity Signalling Program of works</b>	The program includes the Radio Systems Replacement (RSR) project, PTOCC and the Train Control and Signalling projects. Together, these will allow more trains more often on the network.	Contract awarded for new digital radio technology.  Issue tenders for associated civil and electrical works.  Tender process under way to select proponents to deliver the signalling and train control systems.  Contract awarded for construction of PTOCC.	Continue design for new digital radio system and assess and award contracts for civil and electrical works.  Award contract for signalling and train control system works.  Continue construction of PTOCC building.



<b>Kenwick Facility</b>	Secure a freight rail facility in Kenwick to address future network needs. New facility permits transfer of leased freight rail functions from Bellevue to Kenwick.	Track, building, and facility works substantially complete. Begin staged relocation of ARC Infrastructure from Bellevue to Kenwick.	Final clearance of all ARC operations and equipment from Bellevue. Handover site to railcar project for next stage development of Bellevue depot.
<b>Lakelands Station</b>	A new station on the Mandurah Line to provide accessibility for users in Lakelands and suburbs immediately north of Mandurah.	Main construction works started in November.	Complete construction.  Station entry into service expected in first half of 2023.
<b>Mandurah Station Multi-Storey Car Park</b>	Provides additional parking capacity on the Mandurah Line and provides transport access opportunities for communities locally and across the Peel Region.	Car park started operation in November 2021.	
<b>Midland Station</b>	The project supports Midland's status as a Strategic Metropolitan Centre and strongly aligns with the program of urban renewal, being led by Development WA, to transform Midland into a contemporary urban centre.	Contract awarded in March for the design and construction of new station, bus station and car park.	Forward works on site to start early 2023 and main construction works in mid-2023.
<b>Procurement of Overhead Maintenance Vehicles*</b>	Ensuring there are sufficient vehicles available to undertake maintenance of the overhead power supply.	Design progressing.	Finalise design for wiring unit and place order for vehicle body.
<b>Solar installations at railway stations*</b>	To promote alternative energy sources.	Installation works continue.  Feasibility studies of 23 stations to identify next program of works.	Entry into service of eight installations.  Design and installation at 15 stations.

\*In 2021-22, these projects were transitioned from N&I to PPD following a divisional restructure.

## 2.4.3 Office of Major Transport Infrastructure Delivery

OMTID brings together PTA and MRWA project management expertise in a central office, enabling a faster, more streamlined rollout of major transport infrastructure projects to inject stimulus and create jobs.

PTA-OMTID projects include the Thornlie-Cockburn Link (TCL), Yanchep Rail Extension (YRE), Morley- Ellenbrook Line (MEL), Bayswater Station Upgrade Project (BSUP), Denny Avenue Level Crossing Removal, the Inner Armadale Line Level Crossing Removals project and Byford Rail Extension (BRE).

### Key achievements

Project	The Vision	Progress in 2021-22	Next steps
<b>Victoria Park-Canning Level Crossing Removal</b>	Removal of five level crossings on the Armadale Line to improve road and pedestrian safety, reduce congestion, modernise stations and create public spaces.	<p>Armadale Line Upgrade Alliance</p> <p>(ALUA) announced as preferred proponent in December 2021.</p> <p>Alliance contract awarded mid-2022.</p> <p>Announcement of 18-month Armadale Line shutdown to enable safe and efficient works on three major projects.</p> <p>Western Power works start (Oats Street package).</p>	<p>Enabling works continue.</p> <p>Main works expected to begin early 2023.</p> <p>Preparation continues for Armadale Line shutdown.</p>
<b>Byford Rail Extension (BRE)</b>	<p>Extension of the Armadale Line approximately 8km south to a new at-grade station in Byford, with elevated rail through Armadale including an elevated Armadale Station.</p> <p>Other level crossings between Armadale and Byford to be addressed.</p>	<p>MetCONN announced as preferred proponent in December 2021.</p> <p>Award of Alliance contract announced in mid-2022.</p> <p>Works progressing on Thomas Road over Rail bridge.</p>	<p>Main works expected to begin late 2022.</p> <p>Preparation continues for Armadale Line shutdown.</p>
<b>Yanchep Rail Extension (YRE)</b>	Extension of the Joondalup Line to emerging population growth areas.	<p>Retaining walls along the rail alignment under way.</p> <p>Alkimos, Eglinton and Yanchep stations works under way.</p> <p>Fauna Bridges nearing completion.</p> <p>Santorini Dr and Pipidinny Rd bridges under way.</p>	<p>Complete nine road over rail bridges.</p> <p>Continue installation of retaining walls in rail corridor.</p> <p>Start installation of rail infrastructure.</p> <p>Start installation of noise wall installation.</p>

<b>Denny Avenue Level Crossing Removal</b>	Removal of a dangerous level crossing, installation of a new road- under-rail underpass and Kelmscott station precinct improvements. Funded under Level Crossing Removal Program.	<p>Kelmscott Station Plaza complete.</p> <p>Albany Highway works complete.</p> <p>Public art in underpass and at station plaza installed.</p>	<p>Install public art on Streich Ave, Kelmscott.</p> <p>Install landscaping and complete all project works.</p>
<b>Morley-Ellenbrook Line (MEL)</b>	A new level of public transport service to Perth's north-eastern suburbs with 21km of rail and new stations at Ellenbrook, Whiteman Park, Malaga, Noranda and Morley.	<p>Development Applications submitted for all station designs.</p> <p>Construction started on Ellenbrook, Whiteman Park and Malaga stations.</p> <p>Started work on railway alignment between Ellenbrook, Whiteman Park, and Malaga.</p> <p>Started work on major structures, including Gnangara Portal, and road bridges at Bennett Springs and Beechboro Rd North.</p>	<p>Start work on Noranda station precinct.</p> <p>Start works for Malaga station precinct.</p> <p>Start works for elevated rail structure in Bayswater.</p> <p>Start works within Ellenbrook Christian College including construction of the elevated rail structure.</p>
<b>Thornlie-Cockburn Link (TCL)</b>	Connection of the Mandurah Line to the Thornlie Line.	<p>Blockade of Mandurah Line for 20 days for works from Glen Iris to Cockburn.</p> <p>Retaining walls along the rail alignment under way.</p> <p>Demolition of the redundant Ranford Road bridges complete.</p> <p>Relocation of gas and telecommunication services complete.</p>	<p>Complete Kewdale White Oil Line relocation.</p> <p>Complete Ranford Road Bridge.</p> <p>Start Ranford Road Station bus interchange and carpark foundation works.</p> <p>Start Canning River Bridge works.</p> <p>Start ARC freight rail construction.</p>
<b>Bayswater Station</b>	<p>Enhance Bayswater Station by improving connections across the line, allowing more bus services to the station, improving cycling and pedestrian movements and creating a rail bridge and station that compliments the town centre.</p> <p>Provide connections for the Midland, FAL and MEL lines.</p>	<p>Completion of all in-ground works (piling) for Stage 1.</p> <p>Placement of all columns and headstocks (to support the bridge)</p> <p>Installation of 12 bridge beams (bridge 2)</p> <p>Construction of a narrower Whatley Crescent to make way for the new tracks</p>	<p>Complete construction of the turnback.</p> <p>Complete construction of the station.</p> <p>Rail closure to connect the new rail and station to the network.</p> <p>Start of stage 2.</p>



## One track shuts so the other can (in the future) open

**The 2021-22 Christmas and New Year period was one for the history books. Perth sweltered through its hottest Christmas Day on record, reaching 42.9C.**

It was also the start of the PTA's biggest public transport shutdown to date.

The top half of the Mandurah Line was shut for 20 days to facilitate major construction work on METRONET's Thornlie-Cockburn Link, Perth's first east-west line connection.

Careful consideration was given to the timing – shutting our busiest line at the quietest time of year, with the public informed months in advance to make alternative arrangements.

With the line closed between Aubin Grove and Elizabeth Quay stations, meticulous planning and preparation was required to design, implement and manage replacement bus services between the affected train stations and the CBD.

To facilitate these additional services, the Perth Convention and Exhibition Centre became a temporary bus station for the replacement buses. It was a huge effort pulling together the “pop-up” station, which had five bus stands, 170m of bus

platform, and could accommodate around 60 buses at any one time.

Over the 20 days, 3km of rail track was moved within the existing rail corridor between Cockburn Central Station and the Glen Iris tunnel, to make room for the new Thornlie Line tracks to be laid, 7500 concrete railway sleepers were re-laid, and 6km of wires installed as part of new overhead line equipment.

The Mandurah Line re-opened on Saturday January 15 as expected, marking a major milestone for the TCL. More than 140,000 passengers used bus replacement services over that time.

The success of the shutdown was a testament to the careful planning, teamwork, communication and hard work of PTA employees and contractors – from the 500 construction workers who pushed through the extreme heat, to those who built the PTA's first pop-up bus station in just one day. And the employees on the ground helping direct passengers, to the hundreds of replacement bus drivers who kept the service running while the top half of our busiest train line was out of action.



## 2.4.4 Network maintenance and upgrades

Our N&I division manages our metropolitan rail infrastructure.

Routine maintenance is carefully planned on our network so that our infrastructure is safe and reliable for passengers and employees. Specific activities include:

- Signal and level crossing maintenance and replacement
- Track maintenance including rail grinding and replacement
- Upgrading and maintaining the passenger information systems such as displays and messaging systems
- Overhead line maintenance and upgrades
- Maintenance and upgrades of station facilities

### Key activities

- Ongoing familiarisation with the new Airport Line to ensure a positive customer experience from day one in relation to the safety and reliability of the facilities and rail infrastructure.
- Building knowledge around the maintainability of the new and novel features of the Airport Line.
- Supporting the expansion of the rail system as a result of the METRONET program of works and facilitating the projects to interface with the current network.

### Upgrades

Most of the work undertaken in this area remains unseen by the public. However, if the infrastructure fails, the impact on our customers is significant, so it remains a key focus.

A list of key projects is highlighted below.

Project	The Vision	Progress in 2021-22	Next steps
Alkimos Bus Depot	The depot is required as part of YRE	Finalised the long-term lease for the use of the depot site and finalised concept plans for the construction of the bus depot	Issue tender, award contract and construct the bus depot.
Canning Highway Bus Lane	Completed bus lane along Canning Highway (Riseley Street to Sleaford Road).	Continued design work for the construction for the bus lanes.	Complete detailed design and seek funding for construction.
Claremont Station Project	An upgraded station and infrastructure to enable increased train frequencies between the new Airport Line, Perth and Claremont stations.	Construction works along the rail corridor, underpass and station were completed.	Project completion is expected in late 2022.
Enhancements to Critical Points Infrastructure	Improve reliability and enhancement of points assets to improve resilience on the metropolitan rail network.	The majority of design and installation works were completed.	Seventeen point machines in Nowargup and Mandurah are to be upgraded in 2022-23.

Project	The Vision	Progress in 2021-22	Next steps
Infrastructure Diagnostic Vehicle (IDV)	The IDV will collect and analyse rail infrastructure data (overhead and track), for a better understanding and management of asset performance. It will help targeted maintenance and allow for better asset management plans within the next two to three years.	Six diagnostic systems were successfully commissioned.  Driver training and operations readiness planning works were progressed.	Commissioning of remaining diagnostics systems to progress in 2022-23.
Jandakot Bus Depot	The depot is required as part of TCL and to support Victoria Park-Canning Level Crossing Removal.	Completed design and issued tender for the construction of the bus depot	Award contract and construct the bus depot.
Railcar Acquisition	The program will deliver 246 new C-series railcars needed for new projects and to replace the ageing A-series trains, and six new diesel railcars to replace the existing Australind.	Completion and handover of HV Test Facility to Alstom.  Completion of assembly line by Alstom at Bellevue Depot.  Contract awarded to Traction Feeder Substation.  Initial modifications to Nowergup Depot complete (C-Series Shed and Accommodation).  Completion of Stage 2 Bellevue Depot Design.  Released tender for Stage 2 Construction Contract.  Completion of C-Series EMU design.  Started manufacture and testing of new railcars at Bellevue.	Obtain possession of facility and mobilise demolition contractor.  Award contract and provide site access to Stage 2 construction contractor.  Completion of Temporary Track Connection to Bellevue Site.  Closure of Robinson Road.  Start dynamic testing of new EMU railcars on the mainline.  Completion of Australind DMU design.  Preparation for C-Series maintenance phase.
Stirling Highway Bus Lane	Completed bus lane along Stirling Highway (Hampden Road to Hackett Drive).	Continued design work for the construction for the bus lanes.	Complete detailed design and seek funding for construction.
PTA Tunnel Monitoring System	To ensure a system is available to identify the impact of construction works on rail tunnels across the network.	Installation works completed for City tunnels 2 and 4.  Design works completed on all other City tunnels.	System installation and deployment works to be progressed.

## N&I Looking ahead

- Preparing our people and processes to manage and maintain the expanded network as new projects are entered into service.
- Preparation for Radio System Replacement which will be a new technology to be maintained by N&I.

## 2.5 Our people

Our aim is to attract, develop and maintain a workforce with the right capabilities and attitudes. As the PTA grows its network and service offering to the WA community, we continue to rely upon the skills and commitment of our employees and supporting private sector contributors.

Our People and Organisational Development division (POD) provides strategic and operational labour relations, HR services and systems, workforce

management, payroll and training services for the PTA while ensuring compliance with relevant legislation.

The PTA is a Registered Training Organisation (RTO) under the *Vocational Education and Training Act 1996*. We train our own railcar drivers, transit officers, infrastructure employees, and ticketing and customer service staff. POD also manages the PTA's graduate program, vacation students and trainee programs, and Employee Assistance Program.



### Occupational groupings

- 58 per cent are employed in operations which involve looking after the day-to-day processes of delivering our public transport system.
- 28 per cent are employed in infrastructure which relates to construction and maintenance of tracks, signals, stations, and other facilities which allow services to operate.
- 14 per cent support service delivery in the areas of contract management and procurement, lease management, safety, communication, policy development and implementation, and other corporate areas.
- Operational numbers include:
  - 363 transit officers
  - 293 train drivers
  - 262 customer and ticketing service staff
  - 118 construction project managers
  - 128 engineers
  - 63 contract administrators
  - 37 road coach operators
  - 20 signal technicians
  - 31 linespersons (electrical overhead)
  - 24 railway track maintainers
  - 27 train controllers

### Key activities

#### Strategic people management

The year under review saw another period of significant change as the PTA joined the rest of the State in transitioning out of the COVID pandemic, while simultaneously accommodating expanding work requirements associated with METRONET projects. There was a positive response from employees to the mandatory vaccination

requirements issued under public health directions in late 2021.

Our workforce also demonstrated the flexibility needed to ensure transport services were maintained, as the number of staff affected or absent due to COVID increased in early 2022. The PTA adapted quickly to ensure it could deliver on its commitments while effectively managing employee burnout and fatigue.

A competitive labour market continues to impact the PTA's ability to secure and train sufficient employee numbers to deliver its services. Our specific skill set and technical requirements has demonstrated the rationale in the PTA's renewed focus of developing its own workforce instead of relying on recruitment.

POD is working with all PTA divisions to deliver on the key strategic people management goals of:

- Creating and sustaining a respectful and inclusive workforce and work environment
- Working to resolve its critical skill needs
- Exercising more agile people management through improved use of HR and supporting technology

In anticipation of new changes to health, safety, and industrial laws in relation to psychosocial hazards, and reports of alleged sexual harassment and other behaviour issues in other industries, the PTA introduced a Respectful Workplace Program. The program aims to foster a more respectful, inclusive, and safe workplace. Made up of information and training, the program is designed to educate PTA management and employees on their obligations and rights with respect to acceptable behaviours at work.

The PTA has continued to remain active in skills and training development at a national and State level. This includes ongoing partnerships with North Metropolitan TAFE METRONET Trade Training Centre, and the National Transport Commission and the Commonwealth Government to develop a National Rail Action Plan.

## ***Leadership and development***

Leadership at the PTA is about strong collaborative relationships at all levels of the organisation, supporting the strategic direction, accepting challenges and creating an environment that inspires people to achieve personal and business goals. Like most industries, leaders across the PTA are dealing with rapid changes to technology and access to data and responding to the needs of a diverse community and stakeholders.

While building the technical skills and expertise of our employees is essential, the PTA is also committed to developing the capability of our leaders to respond to a changing demographic, changing community needs and a dynamic economic and political environment.

Our 2020-2023 Leadership and Management program has continued to have a high uptake and recognises that leadership effectiveness is linked to better organisational performance. The current workshops focus on the attributes of Leading Self, Leading Others and Leading Across the PTA, as defined in the Leadership Capability Frameworks core foundational leadership skills. Five supplementary half-day workshops that deepen, consolidate, and complement leadership skills critical to the success of the PTA's Respectful Workplace Program were included. The supplementary workshops aim to boost an individuals' capability to manage a range of workplace communications and conflict and build the capability of our managers and supervisors to manage unacceptable behaviour from early intervention through to formal complaints.

The program also includes professional coaching to support development. Formal and informal coaching supports experiential development and reinforces initiatives such as peer mentoring systems, on the job experiences and referrals to online resources.

This year, the PTA also completed a joint Transport Portfolio Leadership Development Program for emerging leaders across the PTA, MRWA and the Department of Transport. Participants completed significant people management projects across the Portfolio.

## Labour Relations

The Labour Relations branch provides support to operational management through the provision of industrial relations advice, industrial and legal advocacy support, disciplinary process support and as bargaining agents for the negotiation of industrial agreements.

It was a busy year for this branch, with bargaining occurring for a number of the PTA's current industrial agreements including:

- Railway Employees (Trades)
- Railway Employees (N&I)
- Railway Employees (TTO)
- Transit Officers (registered on June 16)

The branch also coordinates the review and release of several people-related policies. The following were reviewed and endorsed this year:

- Flexible Working Arrangements (Salaried Employees) Policy and Procedure
- COVID-19 Mandatory Vaccination Policy
- Leave Management Policy

The branch continues to review and gather rostering information, processes and business practices to inform the configuration of a new Workforce Management System (WMS), which will replace the existing PTA rostering system. Drafting of negotiated industrial agreements required considering flexibilities in provision application, in consultation with relevant unions, to remove technical barriers to the implementation of WMS.

Based on user feedback after operationally trialling the system with TTO railcar driver depots, the project has identified defects and negotiated additional functionality with the vendor. Robust internal testing is now occurring in anticipation of an updated release to depots followed by operational testing prior to final implementation.

The implementation of the WMS serves as an opportunity to review, streamline, and innovate our administrative, rostering and staff management policies, practices, and processes to establish consistency, transparency, and accountability across the business.

## Diversity and equal opportunity

The PTA is committed to creating an environment where all employees and members of the public are treated with fairness, dignity and respect in accordance with equal opportunity laws and principles. The PTA aims to employ a workforce that reflects the community's diversity and provides a workplace where differences are valued and respected.

Group	Representation
Women	27%
Employees of Aboriginal or Torres Strait Islander origin	0.9%
Employees with a disability	0.6%
Employees from a culturally-diverse background	22%

The Reconciliation Action Plan (RAP) committee has been formed to progress the new RAP. This group supports the PTA's goal to build strong, respectful, and authentic relationships with Aboriginal and Torres Strait Islander communities that enable improved economic participation.

The PTA has established a Diversity and Inclusion Framework to increase diversity and inclusion in our workforce and better serve our diverse stakeholders. The framework brings together several initiatives and strategies to address policy priorities set by the Multicultural Framework. Separate plans are collated and submitted to meet the PTA's reporting obligations, such as equal employment opportunity and people with disability. However, bringing all activities under the one framework has the potential for actions to address more than a single diversity target.

The D&I Framework is overseen by the PTA Executive People Committee and regular reporting and monitoring is undertaken.

## Health and lifestyle

To promote the importance of a balanced and healthy lifestyle, the PTA offers employees information and sponsored activities, support programs and encouragement to proactively manage their health and wellbeing. The Health and Wellbeing budget is efficiently managed to achieve maximum benefits to our employees.



This year the program included free flu vaccines as well as skin checks for operational staff. An online three-month health, fitness, and sleep challenge attracted 34 teams from across the PTA.

Employees are provided with access to free confidential counselling and support services for themselves and their families through the PTA's Employee Assistance Provider, Converge International. This is particularly important for staff exposed to critical incidents.

The PTA recognises that everybody benefits from a respectful and inclusive workplace. When we feel respected, accepted, and supported, we perform better in our roles, we build better connections, and we work more effectively as a team. In turn, we service our customers and the community better.

The long-running and highly-respected PTA Peer Support Program is fundamental to the PTA's drive to provide a respectful and physically and psychologically safe work environment for all. The program offers targeted, practical, and non-judgmental support to employees experiencing professional or personal pressure. This year, the program continued to expand, with the highest number of volunteers since 2004.

The PTA now has 60 volunteer peer supporters across its divisions and locations. All volunteers completed the 12-hour Standard Mental Health First Aid Course this year to build and reinforce the skills needed to perform their important role. The ongoing COVID pandemic presented the PTA workforce with challenges and uncertainty. In the face of this pressure, our peer supporters had to adapt to the restrictions and develop innovative ways to stay connected with their co-workers and continue to offer their valued support.

## Service milestones

Our employees are key to our operations, and we value their dedication and input in providing quality services for the public. This year, two awards recognising 30 years of service were presented. In addition, there were two awards recognising 40 years of service and one award recognising 50 years of service, presented to the following employees:

Name	Position
<b>50-year service awards</b>	
Michael Jordan	Passenger Service Manager
<b>40-year service awards</b>	
Paul Lupton	Workplace Trainer and Assessor (Signals)
Graeme Tonkin	Points and Crossings Coordinator
<b>30-year service awards</b>	
Stephen Williams	Control Systems Officer
Matthew Saliacus	Regional Town Bus Services Manager

## Looking ahead

There will be an ongoing focus on securing and training the necessary staff to start operations on the Airport Line and the construction delivery phase requirements for various rail projects. As the PTA seeks to address its strategic people challenges, key priorities will include:

- Supporting management in delivering on commitments associated with the PTA's Respectful Workplace Program to support a respectful and inclusive workplace.
- Expanding development programs for identified critical occupations to grow our own workforce.
- Supporting training and development activities associated with starting rail operations as projects, such as the Airport Line, move from the build phase to the passenger service delivery phase.
- Introducing more agile people services through the introduction of a new LMS and recruitment onboarding system to improve customer experience for applicants and existing employees.
- Continuing the process to consider and identify the PTA's future workforce, in light of changes in worldwide employment demographics.



## Community gets onboard with High Wycombe mural

**When the FAL project team saw a 40m-long wall on the plans of the High Wycombe Station precinct, they knew it had potential.**

They saw it not only as an opportunity to create a vibrant piece of public art reflecting the local area, but also an opportunity to engage the Kalamunda community and its young people.

The team approached the PTA's Right Track Program, which works collaboratively with young people to increase their engagement and safety on our network.

With support from the City of Kalamunda, Right Track brought 11 young people from the Kalamunda area on board. Together, they worked with the artist known as Fieldey (Haylee Fieldes), to brainstorm, design and paint the large outdoor mural.

At one stage, some of the FAL project team even picked up a paint brush to help.

The wall, which is within the station site, is now adorned with a range of native flora and fauna including a giant cockatoo, magpie, and kangaroo, providing a striking entry statement.

The artwork is called *Homecoming* as it reflects and celebrates coming home to the hills along the Airport Line at the end of the day.

Looking at the mural from left to right, it morphs from working in the city – with its geometric buildings and shapes – into a softer and more organic scene with nature and native animals.

This eye-catching piece of artwork represents community collaboration at its best, showing what can be achieved when we engage young people in beautifying our network.

# 3 | Governance and Compliance





### 3.1 Bus safety

Regular audits and inspections have been undertaken at each Transperth bus depot to improve the safety management systems and the safety focus of contractors. Contractor lost-time injury (LTI) rates continue to be in line with, or better than, the industry standard.

All three contractors that provide Transperth bus services have transitioned to ISO45001 Occupational Health and Safety Management Systems, which has superseded the previous standard – AS4801.

- Swan Transit – AS4801 valid to July 2023, ISO45001 valid to March 2023
- Transdev – AS4801 valid to January 2023, ISO45001 valid to January 2023
- Path Transit – AS4801 valid to July 2023, ISO45001 valid to July 2024

Transperth is taking steps to ensure that bus contractors are conforming to the mandatory reporting of serious injuries required by the new WHS Act 2020. There are obligations under the Act for the person conducting the business or undertaking to report serious injuries to WorkSafe, which then determines if an investigation is required.

An enhanced cleaning regime was maintained at various times throughout the year to minimise the transmission of COVID on public transport services. Other COVID measures included enforcing the mandate to wear face masks on public transport, and employee vaccinations.

### 3.2 Rail safety

We promote, manage, and improve rail safety operations for our employees, contractors, stakeholders, and the public. Our Rail Safety Management system is monitored through audit and inspection by a dedicated resource.

Under the Rail Safety National Law (WA) Act 2015, certain railway safety incidents must be reported to the Office of the National Rail Safety Regulator. These notifiable occurrences are defined by the Rail Safety National Law (WA) Regulations 2015 as Category A (those that cause death, serious injury, or significant property damage) or Category B (those that have the potential to cause a serious accident). Incidents that do not occur on the rail network are not required to be reported.

The overall number of Category A notifiable occurrences dropped 47 per cent from 36 in 2020-21 to 19; in the same period category B incidents increased by 19 per cent from 1962 to 2283.

The significant reduction in CatAs was largely due to no reported assaults, safe-working breaches or collisions that met the criteria. Assaults that did not meet the Category A criteria were reported as CatBs – which increased 80 per cent. Positive CatB trends are seen in the reduction of safe-working breaches, and alcohol and drug irregularities.

#### ***Category A Notifiable Occurrences per million passenger boardings (pmpb)***

Target: 0.41; Actual: 0.44. CatAs fell, while total passenger boardings also declined. Of the total occurrences, 47 per cent related to attempted suicide, 44 per cent were passenger-related slips, trips and falls and 11 per cent occurred on level crossings.

#### ***Category A Notifiable Occurrences per million train kilometres (pmtk)***

Target: 0.93; Actual: 1.48. Regulatory changes to the calculation methodology meant a significant reduction in train kilometres operated this year, which masked the improvement in safety performance evidenced by a reduction in CatAs.

### ***Category B Notifiable Occurrences per million passenger boardings (pmpb)***

Target: 25.87; Actual: 53.19. CatBs increased 16 per cent from 1962 in 2020-21, to 2283, while passenger boardings were slightly down. CatBs increased in railcar faults, alleged assaults, derailments, collisions in yards, slip-trip-falls, level-crossing incidents, and SPADS (signals passed at danger). Reductions were seen in alcohol and drugs irregularities and safeworking rule and procedure breaches.

### ***Category B Notifiable Occurrences per million train kilometres (pmtk)***

Target: 59.24; Actual: 177.52. This metric was also affected by the regulatory changes in the calculation of train kilometres operated.

## **Rail safety initiatives**

### ***Strategies to reduce trespass***

- Additional station staff have been provided at strategic locations and times – IE those with higher reported incidents of trespass.
- Motion sensor camera systems have been installed to automatically detect and react to trespassers.
- Boundary fencing has been upgraded with razor wire at high-incidence locations.

### ***Strategies to reduce slip-trip-fall incidents***

- Monthly staff safety focus on prevention of slips, trips and falls.
- An escalator working group has been formed to analyse incidents, trends and hot spots.
- Bollards have been installed at some escalators to limit access for large items.
- Additional staff are being trialled to help and

inform passengers on escalator safety.

- Transwa has implemented portable ramps available on all Prospector services. The new ramps have edge barriers and are longer to enhance passenger safety when boarding and alighting services.

### ***Strategies to reduce level crossing incidents***

- An external agency was commissioned to research behaviours at level crossings to provide data to understand current behaviours and inform messaging.

### ***Strategies to reduce suspected/attempted suicides***

- Monthly fencing inspections undertaken.
- Ongoing refresher training of transit officers and customer service staff to identify people who may be at risk of self-harm and strategies for intervention.
- Mental health first aid completed as part of staff onboarding.

### ***Strategies to enhance rail safety***

- Monthly safety focus and coaching and mentoring across the network is contributing to a reduction in safe-working reportable occurrences.
- Consultation with health and safety representatives in preparation for the introduction of passenger services on the Airport Line.
- Collated Frequently Asked Questions of Safeworking rules into a printed booklet to be distributed to contractors.
- Security officers have been engaged to provide a security presence on selected Transwa train services.



## 3.3 Work health, safety, and injury management

### WHS performance

KPIs	Measures	2018-19	2019-20	2020-21	2021-22	Target	Level of achievement
	Lost-time injury/disease (LTI/D) incident rate	5.32	5.26	7.53	4.10	Zero, or 10% improvement on the previous three years	2.99
	Lost time injury severity rate	35	30.47	18.24	45.69	Zero, or 10% improvement on the previous three years	* Desired results not achieved – taking action
OSH	% of injured workers returned to work within					Greater than or equal to 80% return to work within 26 weeks	* Desired results not achieved – taking action
	(i) 13 weeks and	70.93%	62.36%	41.09%	36.79%		
	(ii) 26 weeks	84.88%	82.79%	68.49%	62.26%		
	Number of fatalities (employees/contractors)	0	0	0	0	Zero	+ Met Target

**Key** + Met Target    ^ Close to Target    \* Desired results not achieved – taking action

### Organisational commitment to health and safety

The PTA is committed to providing a safe and healthy working environment for its staff and a safe and efficient transport system for our passengers and neighbours. We have adapted to the changes in legislation that were introduced with the new Work Health and Safety (General) Regulations 2022 and have introduced new reporting regimes to comply with the new requirements.

### Injury management

We are committed to reducing work-related injury and illness, and our prompt and efficient management of work-related injuries enhances a safe and healthy workplace. Our program helps injured workers return to work as soon as medically appropriate and adheres to the requirements of the Workers' Compensation and Injury Management Act 1981.

There were 93 workers compensation claims in 2021-22, compared with 100 in 2020-21.

The 2021-22 return-to-work rate was 62.26 per cent. We remain committed to improving our performance to achieve our target of returning 80 per cent of injured workers to work within 26

weeks. To achieve this, we engage vocational rehabilitation providers as early as possible, have early communication with treating medical providers to ascertain appropriate return to work goals/timeframes and continue to work with all PTA divisions to facilitate meaningful and medically appropriate return to work plans.

### HSE management systems

We are replacing our incident reporting systems with a modern system that will collate data from operational incidents, WHS incidents, audits, risk, and environmental incidents. The new system will improve the quality of data and the joined-up nature of the systems will enable improved data analysis from which improvements to HSE processes can be driven.

## 3.4 Internal Audit and Risk management

### Audit Committee

The Audit Committee provides independent corporate governance and oversight to the Accountable Authority in areas including financial reporting, annual reporting, external and internal audit, risk management and internal control, compliance, fraud, and corruption. The committee meets on a quarterly basis.

Since May 2020, Julie De Jong, Executive Director, Strategic Business Innovation Group at the Department of Mines, Industry, Regulation and Safety, has served as the independent Chair of the Committee. In addition to the Chair, independent members of the Audit Committee include:

- An external independent member appointed in July 2019
- The Executive Director, Finance and Commercial Services, Main Roads as the cross-Portfolio representative

The PTA Executive committee participate as guests and observers.

### Internal Audit

The PTA's Internal Audit Charter outlines the objectives, independence, status, reporting arrangements and role of the Internal Audit function as conferred by the Audit Committee. The Charter is aligned with the Treasurer's Instructions and with the latest guidance from the Institute of Internal Auditors.

The Internal Audit team provides independent and objective assurance to improve the PTA's systems, processes, and business operations. The team is led by the Manager of Audit and Risk and delivers a risk based internal audit program, reporting to the Audit Committee.

In addition to the annually approved audit plan, the team have developed enhanced data analytics capabilities.

### Risk Management

Risk management is crucial to achieving the PTA's purpose of providing safe, customer-focussed, integrated, and efficient transport services. The PTA's Executive and senior management are committed

to ensuring that risk management is embedded in the organisation, providing best practice in decision-making, business management and corporate governance. Effective risk management is evident when strategic, operational and project risks are proactively identified, assessed, and controlled, with opportunities being recognised and capitalised on.

## 3.5 Freight corridor lease agreement compliance

Management of the long-term lease of the rail freight infrastructure is undertaken by Arc Infrastructure (previously known as Brookfield Rail and WestNet Rail). Arc manages and operates the rail freight infrastructure under the terms of the Leases, and is the accredited owner of the infrastructure as defined in the Rail Safety National Law (WA) Act 2015.

Appropriate oversight of Arc's management of the rail corridor and railway infrastructure is critical to detect any breach of obligations in relation to the Leases.

Arc engages an independent expert on a five-yearly basis, to review compliance with performance standards as defined in the Leases. The most recent audit of operational lines was completed in December 2019 and the final report received in June 2020. An audit of non-operational lines was undertaken in late 2020 and the report received in April 2021.

Additionally, Arc provides an Annual Corridor Minister's Report that details:

- Audited financial statements for Arc Infrastructure
- Gross tonnes and train numbers for freight and passenger services during the reporting period on each section of line
- Track kilometres in use for standard gauge, narrow gauge, dual gauge and operational and non-operational track
- Director's Certification of compliance pursuant to clause 15 of the Leases

PTA measures the effectiveness of the agreement by reviewing the Annual Corridor Minister's Report, the five-yearly inspection report from the independent expert and the five-yearly maintenance plan provided by Arc.

## 3.6 Other legal and policy requirements

### Information and Records Management

The PTA is committed to evolving its information and records management processes and practices. In compliance with the State Records Act 2000, the efficiency and effectiveness of the record-keeping system is continually being reviewed and improved.

In 2021-22 PTA:

- Streamlined and improved a number of paper-based processes to capture and manage the information digitally.
- Completed preparation for the implementation of the WA Information Classification Policy by reviewing the capability of systems and investigating appropriate changes.
- Trained staff in the use of the Electronic Document and Records Management System (EDRMS) and Information Management and Awareness Training (IMAT).
- Created more than 1.5 million documents and email records.
- Created more than 24,000 files in the EDRMS.
- Destroyed approximately 3000 files under approved disposal processes.

The PTA investigated and introduced new systems and modifications to systems to increase usability, automation, data capture and compliance to records management requirements, while reducing manual activities.

### Compliance with public sector standards

Our commitment to promoting the highest standards of corporate governance, professional conduct and ethical behaviour continued through ensuring our practices complied with relevant obligations, such as Public Sector Standards in Human Resource Management, the Code of Conduct requirements in the WA government sector and the PTA's own Code of Conduct and policy requirements.

An HR officer sits as a member of most recruitment selection panels as an ongoing support and compliance function. We continued selection panel training to ensure all our recruitment processes and employment decisions were conducted in accordance with the Public Sector Commissioner's Instructions: Employment Standard and Filling a

Public Sector Vacancy. An HR officer or relevant labour relations officer is allocated to support management and monitor compliance with relevant standards in relation to performance management and grievance management. This ensures high compliance with our obligations.

We managed Breach of Standard claims as required by the Public Sector Management (Breaches of Public Sector Standards) Regulations 2005 (WA). We completed two Breaches of Standard claims. Neither required referral to the PSC. We supported staff and improved compliance by reviewing Breach of Standard claims and identifying practice improvements.

In 2021-22, we led several initiatives to help foster a culture of integrity and provide assurance in the governance of the PTA. These included:

- Continuing work on a PTA-wide integrity framework, aligned to the Integrity Strategy for WA Public Authorities 2020-2023
- Developing and launching a new online Conflict of Interest (COI) form to provide for systematic recording and capture of employee declarations of any COI. Employee declarations are required for all recruitment and procurement processes
- Monitoring and responding to trends through discussion of integrity as a standing item on the agenda of the monthly corporate executive meeting
- Updating the PTA's strategic risks to explore proactive identification and treatment of emerging risks
- Established regular internal audit plan to provide insight to the effectiveness and compliance of the PTA
- Introducing new enhanced requirements in relation to contractors engaged by the PTA to ensure compliance with and reduce risk of fraud and corruption
- Ensuring mandatory Accountable and Ethical Decision-Making training was provided to all staff
- Development of on-line learning modules to support the code of conduct and unconscious bias
- Regularly publishing articles and information for employees to assist in developing and reminding them of their obligations in relation to compliance with relevant codes and standards

- Introduced an online internal and external access Fraud and Corruption reporting portal to enable simple reporting for all types of integrity matters plus a 24-hour telephone hotline to record complaints.

## **Compliance with relevant written law**

### ***Enabling legislation***

The PTA is established under the Public Transport Authority Act 2003, an Act to establish a State agency responsible for providing public passenger transport services anywhere in WA, and performing functions under other Acts, including the Rail Freight System Act 2000 and the Government Railways Act 1904 as well as the construction of railways under various railway enabling Acts. Currently the Minister responsible for the PTA is the Minister for Transport.

### ***Legislation impacting on the PTA's activities***

In the performance of its functions, the PTA complies with all relevant written laws of Western Australia and, where required, reports on an annual basis in accordance with key legislation, including the following: Auditor General Act 2006; Contaminated Sites Act 2003; Disability Services Act 1993 (C'wealth); Electoral Act 1907; Environmental Protection Act 1986; Equal Opportunity Act 1984; Financial Management Act 2006; Freedom of Information Act 1992; Heritage Act 2018; Industrial Relations Act 1979; Public Interest Disclosure Act 2003; Public Sector Management Act 1994; Rail Safety National Law (WA) Act 2015; Railways (Access) Act 1998; Salaries and Allowances Act 1975; State Records Act 2000; State Superannuation Act 2000; State Trading Concerns Act 1916; Procurement Act 2020; Western Australian Jobs Act 2017 and Work Health and Safety Act 2020. Other various agreements/acts and written laws impact on the PTA's activities from time to time.

In the financial administration of the PTA, we have complied with the requirements of the Financial Management Act 2006. We have also complied with every other relevant written law and exercised controls to provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of public property and the incurring of liabilities have been in accordance with legislative provisions.

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



**Peter Woronzow**  
Accountable Authority  
13 September 2022



**Robyn Lamont**  
Chief Finance Officer  
13 September 2022

## Expenditure on advertising, market research, polling and direct mail

In compliance with section 175ZE of the Electoral Act 1907, the following table reports our expenditure on advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

	2021-22 \$
<b>Expenditure with Advertising Agencies:</b>	
Rare Creativethinking	1,142,925
Definition Pty Ltd	202,225
Facebook	141,783
Ad Capital Advertising Pty Ltd	118,134
Initiative Media Australia P/L	78,059
Linkedin	37,499
Pamphleteers	27,020
Railway Gazette Group	12,957
Google	10,742
Grad Connection Pty Ltd	8,290
Australia's Golden Outback	6,000
Raw image	1,855
	<b>1,787,489</b>
<b>Expenditure with Market Research Agencies:</b>	
Painted Dog Research	722,574
Rare Creativethinking	6,100
	<b>728,674</b>
Expenditure with Polling Agencies:	Nil
Expenditure with Direct Mail Agencies:	Nil
<b>Expenditure with Media Advertising Agencies:</b>	
Rare Creativethinking	241,888
Initiative Media Australia P/L	48,836
Agorapulse SaS	1,681
	<b>292,405</b>
<b>Total Expenditure</b>	<b>2,808,568</b>

## 3.7 Other governance and financial disclosures

### Pricing policy

Government continued to maintain public transport fares at an affordable level. The Transperth two-zone capped fare was introduced on 1 January 2022.

The PTA reviews its fares annually. The fares are set by Government to ensure affordability for both metropolitan and regional Western Australia.

Transperth and Transwa fare information is provided at [www.transperth.wa.gov.au](http://www.transperth.wa.gov.au) and [www.transwa.wa.gov.au](http://www.transwa.wa.gov.au)

### Workers Compensation

There were 93 workers compensation claims during the year, compared to 100 in 2020-21.

### Indemnification of Directors and Officers

The Authority provides a statutory indemnity for directors and its officers, and we also maintain directors and officers insurance.

### Unauthorised use of credit cards

Some PTA officers hold corporate credit cards, but only where their functions warrant it. Despite each cardholder being reminded of their obligations annually under the PTA credit card policy, there were six instances where the Western Australian Government Purchasing Card has been used for a personal purpose. All transactions were settled within five working days after Finance became aware that the transaction was for personal use. There were no referrals for disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount, and, that the nature of the expenditures were immaterial and characteristic of honest mistakes.

	2022 \$
Aggregate amount of personal use expenditure for the reporting period	88
Aggregate amount of personal use expenditure settled by the due date (within five working days)	88
Aggregate amount of personal use expenditure settled after the period (after five working days)	0
Aggregate amount of personal use expenditure outstanding at the end of the reporting period	0



## Explanations of major capital expenditure variations

a) Budgeted estimates and actual results for 2021-22

	Budget* \$000	Actual \$000	Variation \$000	Comments
Thornlie-Cockburn Link	224,611	224,075	536	Project scheduling
Forrestfield-Airport Link	209,932	189,107	20,825	Project scheduling
Morley-Ellenbrook Line Delivery	150,648	177,703	(27,055)	Project scheduling
Yanchep Rail Extension	117,946	157,585	(39,639)	Project scheduling
Rail Infrastructure in Progress	100,133	83,135	16,998	Project scheduling
Railcar Replacement	71,187	65,155	6,032	Project scheduling
Bayswater Station (Forrestfield-Airport Link Services and Morley-Ellenbrook Line Forward Works)	54,950	47,007	7,943	Project scheduling
Railcar Acquisition	54,399	43,770	10,629	Project scheduling
Bus Replacement Program - New Bus Replacement Program in Progress	54,281	51,099	3,182	Project scheduling
Level Crossing Removal Program	44,253	35,177	9,076	Project scheduling
Rail Line Planning	36,667	36,247	420	Project scheduling
High Capacity Signalling - Program of Works	33,903	23,507	10,396	Project scheduling
Other	227,515	149,232	78,283	Project scheduling
<b>Grand Total</b>	<b>1,380,425</b>	<b>1,282,799</b>	<b>97,626</b>	

\* The Budget is reflective of the Public Transport Authority's published Asset Investment Program as at 30 June 2022. The Budget is part of what was approved in the 2022-23 Budget Process.

b) Major Works in progress and completed

Description of Work	2021-22 Estimated Total Cost \$000	Estimated Cost to Complete \$000	Total cost of project Actual \$000	Expected Year of Completion
Forrestfield-Airport Link	1,861,000	164,184	1,696,816	2022/23
Morley-Ellenbrook Line Delivery	1,123,194	889,101	234,093	2024/25
Level Crossing Removal - Victoria Park - Canning (Inner Armadale)	1,047,001	987,484	59,517	2025/26
Thornlie-Cockburn Link	880,189	396,450	483,739	2024/25
Byford Rail Extension - Delivery	797,008	790,437	6,571	2024/25
Railcar Replacement	749,333	493,016	256,317	2029/30
Bus Replacement Program - New Bus Replacement Program in Progress	614,186	482,500	131,686	2029/30
Yanchep Rail Extension	607,038	294,755	312,283	2023/24
Rail Infrastructure in Progress	494,115	302,536	191,579	2025/26
Railcar Acquisition	473,344	338,597	134,747	2029/30
High Capacity Signalling - Program of Works	449,486	420,959	28,527	2025/26
New Midland Station (Cale Street) Delivery	239,483	234,046	5,437	2024/25

## 3.8 Independent Auditor's Opinion 2022

### Public Transport Authority of Western Australia

To the Parliament of Western Australia

### Report on the audit of the financial statements

I have audited the financial statements of the Public Transport Authority of Western Australia (the Authority) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Authority for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

### Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

### Responsibilities of the Chief Executive Officer for the financial statements

The Chief Executive Officer is responsible for:

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

In preparing the financial statements, the Chief Executive Officer is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

### Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## Report on the audit of controls

### Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Public Transport Authority of Western Australia. The controls exercised by the Chief Executive Officer are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Public Transport Authority of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

### The Chief Executive Officer's responsibilities

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

### Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with

relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

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

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

### Limitations of controls

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

## Report on the audit of the key performance indicators

### Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Public Transport Authority of Western Australia for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Public Transport Authority of Western Australia are relevant and appropriate to assist users to assess the Authority's

performance and fairly represent indicated performance for the year ended 30 June 2022.

### **The Chief Executive Officer's responsibilities for the key performance indicators**

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

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

### **Auditor General's responsibilities**

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

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement,

including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

### **My independence and quality control relating to the report on financial statements, controls and key performance indicators**

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

### **Other information**

The Chief Executive Officer is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

This auditor's report relates to the financial statements and key performance indicators of the Public Transport Authority of Western Australia for the year ended 30 June 2022 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



### **Caroline Spencer**

Auditor General for Western Australia  
Perth, Western Australia  
13 September 2022



## 3.9 Key performance indicators

### Relationship to Government Strategic Goals

The following table depicts the relationship between the Government's Strategic Goals and desired outcomes and services that the PTA provides in order to achieve those goals. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Strategic Goal	PTA Desired Outcomes	PTA Service Output
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Accessible, reliable and safe public transport system	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long term functionality of the rail corridor and railway infrastructure	4. Rail Corridor and Residual Freight Issues Management

Note: The key performance indicators and the variances are calculated based on original source data and the results are reported with rounding to the nearest appropriate decimals.

### Financial targets: Actual compared to budget targets

The following table provides a comparison of the financial targets and outcomes against criteria included in the Resource Agreement between the Chief Executive Officer, Minister for Transport and the Treasurer.

	2022 Target <sup>(1)</sup> \$000	2022 Actual \$000	Variation \$000	Notes
Total cost of services (expense limit) (sourced from Statement of comprehensive income)	1,886,250	1,856,305	(29,945)	(a)
Net cost of services (sourced from Statement of comprehensive income)	1,662,800	1,646,193	(16,607)	(b)
Total equity (sourced from Statement of comprehensive income)	8,553,726	8,387,913	(165,813)	(c)
Approved salary expense level	224,954	211,814	(13,140)	(d)
Executive Salary Expense Level	1,099	987	(112)	
Agreed borrowing limit (where applicable)	3,048,958	3,048,958	0	

(1) As specified in the revised Resource Agreement.

(a) Total cost of services is below target by \$29.9 million. The variance is mainly due to the underspend on external works due to project delays.

(b) Net cost of services is below target by \$16.6 million. The variance is mainly due to the underspend on external works and deferral of income from Western Australian Planning Commission (WAPC) due to project delays.

(c) Total equity is below target by \$165.8 million due to deferral of capital expenditure on projects.

(d) Approved salary expense is below target by \$13.1 million due to vacant positions filled by contractors.

## Working cash targets

	2022 Agreed limit \$000	2022 Actual \$000	Variation \$000	Notes
Agreed working cash limit	90,335	53,608	36,727	(a)

(a) The variation is due to reduction in creditors and a bring forward of operating costs.

## Summary of KPIs

### Actual compared to budget targets

The following table provides a summary of Key Performance Indicators against criteria included in the latest Resource Agreement between the Chief Executive Officer, Minister for Transport and the Treasurer. These have been included in the latest Budget Paper.

	2021-22 Target	2021-22 Actual	Variation
<b>Key Effectiveness Indicators</b>			
<b>Outcome 1: Accessible, reliable and safe public transport system</b>			
<b>Use of public transport – passengers per service kilometre:</b>			
Metropolitan bus services (a)	0.96	0.84	-0.12
Metropolitan train services (b)	2.49	2.03	-0.46
Metropolitan ferry services (c)	10.62	9.71	-0.91
Intra-town regional bus services	0.675	0.678	0.003
Country passenger rail services (d)	0.172	0.139	-0.033
Country passenger road coach services (e)	0.059	0.042	-0.017
Inter-town country bus services (f)	0.013	0.012	-0.001
<b>Accessible Public Transport:</b>			
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service	85%	86.23%	1.23%
<b>Metropolitan and regional passenger services reliability:</b>			
Bus services within four minutes of scheduled time (g)	85%	80.38%	-4.62%
Train arriving within four minutes of scheduled time	95%	94.22%	-0.78%
Ferries arriving within three minutes of scheduled time	96%	92.49%	-3.51%
<b>Country passenger rail and road coach services reliability:</b>			
Prospector arriving within 15 minutes of scheduled time (h)	80%	33.87%	-46.13%
Australind arriving within 10 minutes of scheduled time (i)	90%	80.07%	-9.93%
MerredinLink arriving within 10 minutes of scheduled time (j)	90%	66.67%	-23.33%
AvonLink arriving within 10 minutes of scheduled time	90%	97.78%	-0.91%
Road Coaches arriving within 10 minutes of scheduled time	95%	97.78%	2.78%
<b>School Bus availability at arrival/departure time:</b>			
Satisfaction with School Bus availability at arrival/departure time	99.00%	99.80%	0.80%

	2021-22 Target	2021-22 Actual	Variation
<b>Level of overall customer satisfaction - customer satisfaction index:</b>			
Metropolitan bus services	90%	93%	3%
Metropolitan train services	92%	96%	4%
Metropolitan ferry services	99%	99%	0%
Country passenger rail and road coach services	92%	90%	-2%
<b>Customer perception of safety - independent external surveys:</b>			
Train station - daytime	96%	98%	2%
On-board train - daytime	97%	98%	1%
Train station - night-time	70%	73%	3%
On-board train - night-time	76%	77%	1%
Bus station - daytime	98%	98%	0%
On-board bus - daytime	99%	98%	-1%
Bus station - night-time	75%	78%	3%
On-board bus - night-time	82%	83%	1%
<b>Level of notifiable safety occurrences - notifiable occurrences:</b>			
Category A: occurrences per million passenger boardings (k)	0.41	0.44	0.03
Category A: occurrences per million train kilometres (l)	0.93	1.48	0.55
Category B: occurrences per million passenger boardings (m)	25.87	53.19	27.32
Category B: occurrences per million train kilometres (n)	59.24	177.52	118.28
Regional school bus services: notifiable occurrences (accidents) reported each school year (o)	19	17	-2
Return on Construction Expenditure (p)	1.6	1.7	0.1
<b>Outcome 2: Protection of the long-term functionality of the rail corridor and railway infrastructure</b>			
Number of lease breaches	Nil	Nil	Nil
<b>Key Efficiency Indicators</b>			
<b>Service 1: Metropolitan and Regional Passenger Services</b>			
Average cost per passenger kilometre			
Transperth bus operations (q)	\$1.50	\$1.74	\$0.24
Transperth train operations (r)	\$0.78	\$1.00	\$0.22
Transperth ferry operations (s)	\$1.81	\$2.17	\$0.36
Average cost per 1,000 place kilometres			
Intra-town regional bus services	\$86.43	\$89.76	\$3.33
<b>Service 2: Country Passenger Rail and Road Coach Services</b>			
Average cost per passenger kilometre			
Transwa rail (t)	\$0.54	\$0.65	\$0.11
Transwa road coaches (u)	\$0.35	\$0.49	\$0.15
Average cost per 1,000 place kilometres			
Inter-town country bus services (v)	\$15.69	\$18.82	\$3.13

	2021-22 Target	2021-22 Actual	Variation
<b>Service 3: Regional School Bus Services</b>			
Average cost per contracted kilometre: School bus services	\$3.88	\$4.01	\$0.13
<b>Service 4: Rail Corridor and Residual Freight Issues</b>			
Total cost of managing the rail freight corridor and residual freight issues	\$224,563	\$221,255	-\$3,308.00

- a) The 2021-22 result was 12.50 per cent below the 2021-22 target due to patronage being lower by 12.87 per cent as a result of the ongoing impact of COVID-19.
- b) The 2021-22 result was 18.47 per cent below the 2021-22 target due to patronage being lower by 24.68 per cent as a result of the arrival of the COVID-19 Omicron variant in Western Australia. Patronage was also affected by the delayed opening of the METRONET Forrestfield-Airport Link (FAL) and service disruptions to facilitate METRONET construction.
- c) The result for 2021-22 was 8.57 per cent below the 2021-22 target due to a decline in patronage of 8.60 per cent as a result of the COVID-19 Omicron variant; FAL delays and service disruptions on METRONET construction.
- d) The result for 2021-22 was 19.19 per cent below the 2021-22 target due to a decline in patronage which was affected by the COVID-19 pandemic regional travel restrictions.
- e) The result for 2021-22 was 28.81 per cent less than the 2021-22 target due to a decline in patronage attributed regional travel restrictions in response to the COVID-19 pandemic.
- f) The 2021-22 result was 7.69 per cent below the 2021-22 target as a result of an increase in service kilometres and a reduction in patronage.
- g) The OTR of Transperth buses in 2021-22 was 5.44 per cent below the 2021-22 target predominately due to road works and traffic congestion; and increased use of private vehicles for travel during COVID-19.
- h) The OTR of the Prospector was 57.66 per cent below the 2021-22 target due to delays associated with crossings, track and signals issues as a result of maintenance work undertaken by Arc Infrastructure.
- i) The OTR of the Australind for 2021-22 was 11.03 per cent below the 2021-22 target as a result of delays associated with crossings, track related issues and Mechanical issues.
- j) The OTR of the MerredinLink was 25.92 per cent below the 2021-22 target due to delays associated with crossings, track-related issues and mechanical issues.
- k) The result for 2020-21 is 7.32% above the 2021-22 target due to a decline in total passenger boardings.
- l) The 2021-22 result is 59.14 per cent above target due largely to regulatory changes to the calculation of train kilometres. The result is expected to offer better comparison going forwards.
- m) The result for 2021-22 is above the target by 105.60 per cent due to Category B incidents being much higher than anticipated. This was compounded by passenger boardings being lower than anticipated due to the impact of COVID-19.
- n) The result for 2021-22 exceeded the 2021-22 target by 199.66 per cent. A significant contributor to this is the regulator driven change in the calculation of train kilometres. In addition, Category B incidents for 2021-22 were also higher than anticipated.
- o) The number of notifiable incidents for 2021-22 was 10.53 per cent below the 2021-22 target. The lower number of notifiable incidents compliments the continued efforts by SBS and contractors/drivers in recognising the importance of adopting a safe system approach to road safety.
- p) The 2021-22 result was 6.25 per cent greater than the 2021-22 target driven by greater activity in METRONET and Election Commitment

Projects in 2021-22.

- q) The 2021-22 result was 16 per cent above the target predominately due to lower patronage and passenger kilometres as a result of COVID-19. Total cost was also above target largely due to increased fuel costs.
- r) The 2021-22 result was 28.21 per cent above the 2021-22 target due to lower patronage as a result of COVID-19; delayed opening of METRONET FAL and service disruptions to
- s) The 2021-22 result was 19.89 per cent above the 2021-22 target due to higher total costs from the refurbishment of MV Phillip Pandal and lower passenger kilometres. facilitate METRONET construction.
- t) The 2021-22 result was 20.37 per cent above the 2021-22 target due to a combination of lower passenger kilometres and total costs in 2021-22.
- u) The 2021-22 result is 40 per cent above the 2021-22 target due to lower patronage because the COVID-19 pandemic and an increase in the operating costs.
- v) The average cost per 1,000 place kilometres was 19.91 per cent above target, driven by higher operating costs and lower patronage levels due to the continuing impact of COVID-19.



## Certification of KPIs

For the year ended 30 June 2022

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Public Transport Authority's performance, and fairly represent the performance of the Public Transport Authority of Western Australia for the financial year ended 30 June 2022.

A handwritten signature in black ink, appearing to read 'Peter Woronzow', with a long horizontal line extending to the right.

**Peter Woronzow**

Accountable Authority

13 September 2022

## 3.10 Audited KPI report

### Measuring Performance

#### Outcome 1: Accessible, reliable and safe public transport system

##### EFFECTIVENESS INDICATORS

The PTA's effectiveness in providing an accessible, reliable and safe public transport system is measured using the following key effectiveness indicators for:

1. Use of public transport
2. Accessible public transport
3. Service reliability
4. Level of overall customer satisfaction
5. Customer perception of safety
6. Level of notifiable occurrences
7. Return on Construction Expenditure (RCE)

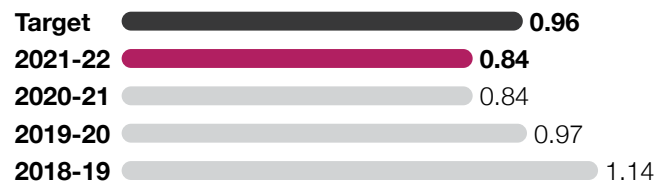
#### 1. Use of Public Transport

The use of public transport is measured by comparing the annual number of passengers carried with the number of service kilometres. Service kilometres are kilometres operated on scheduled passenger services and exclude "non-productive running" i.e. travelling to or from the depot to commence a service trip or re-positioning to commence another service trip.

The measure indicates the extent to which services provided, as represented by the number of kilometres operated, are being utilised. An increasing trend in the indicator will generally signify that patronage is rising at a rate greater than the rate of increase in service kilometres operated and represents an improvement in effectiveness as well as an increase in the use of public transport.

This effectiveness indicator is applied to each mode of public transport. The indicator is based on total boardings on Transperth services and includes fare-paying boardings plus free travel and transfers. Transfers are boardings which occur either between services within the same mode or between modes during the specified ticket transfer time.

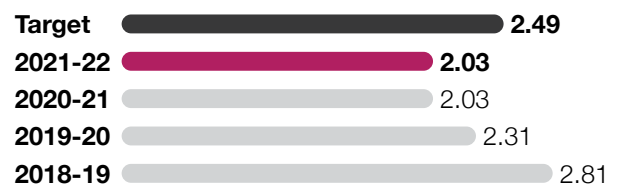
#### Transperth Bus Services



Passengers per service kilometre

The 2021-22 result was below the 2021-22 target due to patronage being lower by 12.87 per cent. Patronage was significantly lower than expected, particularly during the second half of the year, due to the arrival of the COVID-19 Omicron variant in Western Australia. Full service delivery was maintained during the year with no material reductions noted. The 2021-22 result is coincidentally in line with the 2020-21 result with both years having near identical overall service delivery and patronage.

#### Transperth Train Services



Passengers per service kilometre

The 2021-22 result was well below the 2021-22 target due to patronage being lower by 24.68 per cent. Patronage was significantly lower, particularly during the second half of the year, due to the arrival of the COVID-19 Omicron variant in Western Australia. In addition, the delayed opening of the METRONET Forrestfield-Airport Link (FAL) and service disruptions to facilitate METRONET construction also contributed to the lower than expected patronage. Normal service delivery was maintained during the year, despite COVID-19 impacts. However the delayed opening of FAL combined with line closures during the year, resulted in service kilometres being 7.61 per cent below target.

The 2021-22 result was coincidentally in line with the previous year with both years having near identical service delivery and patronage.

## Intra-town Regional Bus Services

Intra-town services operate within rural town boundaries, while inter-town services run between regional centres.

At the commencement of 2019-20, six inter-town services that were previously administered by the Regional Town Bus Services (RTBS) section were transferred to Transwa. Transwa which also has a small number of contracted inter-town services in place. The new indicator passenger per service kilometre was created for Inter-town Country Bus Services managed by Transwa.

The remaining three inter-town services which stay with RTBS are now included in the KPI results of the Intra-town Regional Bus Services. These services include the inter-town components of the Kalgoorlie and Karratha contracts, and the Mandurah-Waroona-Pinjarra service.

To enable comparison to be made between 2019-20 and the three financial years preceding 2019-20, actual results for 2018-19, 2017-18 and 2016-17 were adjusted to reflect the transfer of inter-town services.

### Intra-Town Regional Bus Services



### Adjusted Intra-Town Bus Services (including 3 Inter-Town services)



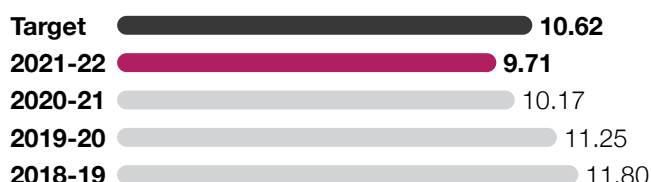
*Passengers per service kilometre*

The 2021-22 result of 0.678 passengers per service kilometre was 2.57 per cent above the result for 2020-21 and 0.44 per cent above the 2021-22 target. This was mainly due to a 0.47 per cent increase in service kilometres from 3.220 million in 2020-21 to 3.235 million in 2021-22 and a 3.10 per cent increase in patronage from 2.128 million in 2020-21 to 2.194 million in 2021-22.

The result for 2021-22 is above the 2021-22 target and 2020-21 result despite Western Australian borders re-opening to travellers in February 2022, leading to significantly high numbers of COVID-19 infections in Perth and regional communities. It was good to see the continued support of regional passengers during the challenging pandemic operating environment as effective policies which

were implemented in regional towns to ensure that the bus services were seen to be clean and safe and there were also significant growth in passenger numbers on the Bunbury and Busselton intra-town services due to families relocating to the south-west for employment and other opportunities.

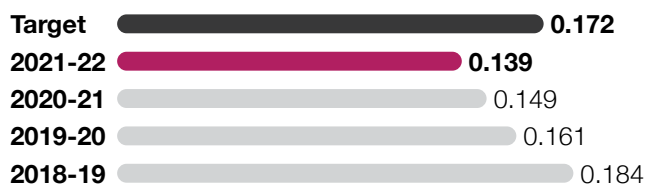
## Transperth Ferry Services



*Passengers per service kilometre*

The result for 2021-22 was below the 2021-22 target due to a decline in patronage of 8.60 per cent. This lower than expected patronage particularly during the second half of the year, is attributed to the arrival of the COVID-19 Omicron variant in Western Australia. Full service delivery was maintained during the year with no material reductions noted. The 2021-22 result was lower than the previous year due to patronage being 4.53 per cent lower.

## Transwa Rail Services

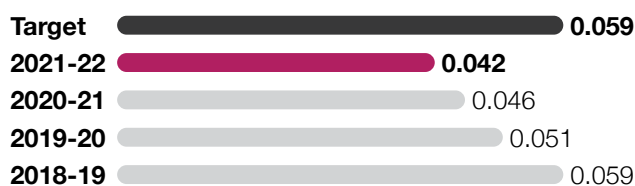


*Passengers per service kilometre*

The rail passengers per service kilometre in 2021-22 was less than the 2021-22 target and 2020-21 result due to lower patronage.

The decline in passengers per service kilometre has been directly affected by the COVID-19 pandemic with regional travel restrictions in place intermittently over the period.

## Transwa Road Coach Services



*Passengers per service kilometre*

The 2021-22 road coach passengers per service kilometre result was less than that achieved in 2020-21 due to a 7 per cent (10,404 patrons) decline in patronage.

The decline in patronage is attributed to the COVID-19 pandemic resulting in regional travel restrictions being in place during the period.

### Inter-town Country Bus Services

Intra-town services operate within rural town boundaries, while inter-town services run between regional centres.

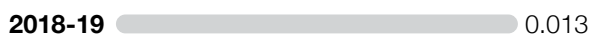
At the start of the 2019-20 financial year, due to a change in PTA operations, six inter-town services were transferred from Regional Town Bus Services (RTBS) to Transwa which also has a small number of contracted inter-town services in place. The new indicator passenger per service kilometre was created for Inter-town Country Bus Services managed by Transwa.

For comparative purposes the inter-town results recorded by RTBS in the previous years have been adjusted to represent the equivalent results of the six inter-town services that were transferred to Transwa.

#### Inter-Town Country Bus Services (Transwa)



#### Adjusted Inter-Town Bus Services (RTBS)



Passengers per service kilometre

The 2021-22 result was 7.69 per cent below the 2021-22 target as a result of an increase in service kilometres and a reduction in patronage in 2021-22 mainly due to COVID-19 restrictions. The inter-town service are mainly used by tourists and back packers.

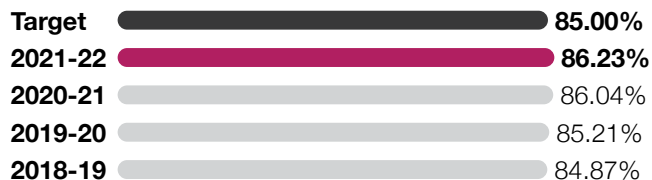
## 2. Accessible Public Transport

Accessibility to public transport, in terms of service coverage, is measured as the proportion of Property Street Addresses (PSA) within the Perth Public Transport Area (PPTA) which are within 500 metres of a Transperth stop providing an acceptable level of service. The PPTA defines the core operational areas for Transperth services.

“Acceptable Service Level” (ASL) is defined as an hourly service during the day with at least three trips per hour (i.e. at 20-minute intervals) in the peak flow direction in the morning and/or afternoon peak hours, excluding dedicated school bus services.

The indicator uses PSA data from Landgate and service information and stop location data from the Transperth Route Information System (TRIS).

The measure demonstrates the extent to which the PTA meets its accessibility standards in the Perth metropolitan area.



*The proportion of street addresses within the Perth Public Transport Area (PPTA) which are within 500 metres of a Transperth stop providing an acceptable level of service*

The 2021-22 result has exceeded the 2021-22 target and 2020-21 result and is the highest KPI result to date. The result indicates that 995,556 PSAs, out of 1,154,512 in the PPTA have ready access to an ASL. Since 2008-09, the total number of PSAs within PPTA has increased by 37.32 per cent to cater for Perth’s growing population. The total number of PSAs within 500 metres of an ASL stop also increased by 45.98 per cent due to bus service expansion.

## 3. Service Reliability

An independent customer satisfaction survey conducted indicated that service reliability is regarded as one of the most significant characteristics of a quality service. Service reliability is essentially a combination of two main factors, punctuality and consistency.

Services are considered to be punctual if they arrive within a defined period of time after the scheduled arrival time. This parameter is referred to as “On Time Running” (OTR).

The OTR measure demonstrates the extent to which the PTA meets its service reliability standards.

### Metropolitan and Regional Passenger Services

Operation	OTR parameter
Transperth Trains	4 minutes
Transperth Buses	4 minutes
Transperth Ferries	3 minutes

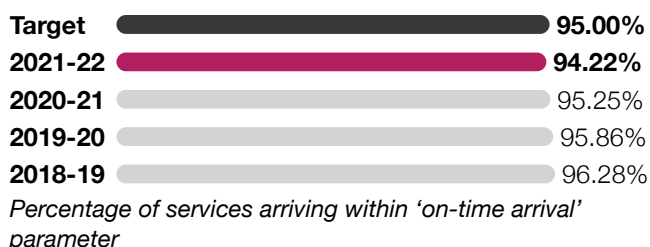
## Country Passenger Rail and Road Coach Services

Operation	OTR parameter
<b>Transwa Rail</b>	
<b>Prospector</b>	15 minutes
<b>Australind</b>	10 minutes
<b>AvonLink</b>	10 minutes
<b>MerredinLink</b>	10 minutes
<b>Road Coaches</b>	10 minutes

### Regional school bus services

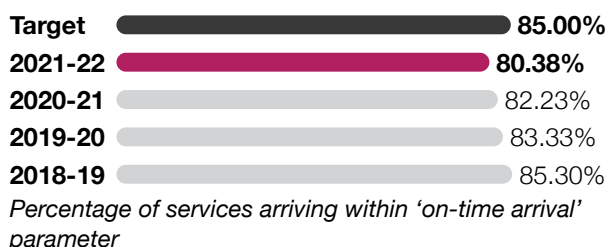
Drop off no less than 10 minutes before school starts and pick up within 10 minutes of school ending.

### Transperth Train Services



The OTR of Transperth trains in 2021-22 reached 94.22 per cent, which was slightly below target and lower than the previous year. Factors affecting train service reliability include passenger related delays causing longer dwell times at stations, special events, electrical and mechanical issues with trains, the level of notifiable occurrences and impact of increased weather related events which result in slippery track conditions and trains travelling at a reduced speed.

### Transperth Bus Services



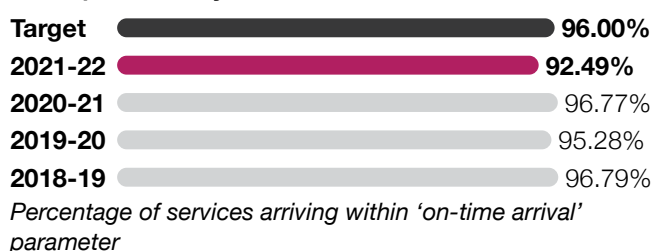
The OTR of Transperth buses in 2021-22 was 80.38 per cent which was below the 2021-22 target of 85.00 per cent and the 2020-21 result of 82.23 per cent.

The lower than expected result was predominately due to road works and traffic congestion, with many potential public transport passengers opting to use private vehicles during COVID-19.

The PTA continues to monitor the situation and implement improvements to timetables where possible as well as working closely with Main Roads Western Australia to identify and implement bus priority measures.

During the year, a new Traffic Signal Priority system commenced trials, aiming to provide late running buses with green light priority through signalised intersections.

### Transperth Ferry Services



The MV Tricia, MV Shelley Taylor-Smith and MV Phillip Pandal ferry passengers between Elizabeth Quay and South Perth's Mend Street jetty.

The OTR of Transperth ferry services for 2021-22 was 92.49 per cent which is below the 2021-22 target and the result for 2020-21.

The lower than expected result is largely due to the combination of slow and cumbersome boarding ramp arrangements at the Mends Street jetty. In addition, this KPI has tighter OTR tolerances than those specified in contractual requirements with the operator.

Most trips that fail to meet on-time running requirements are only three to four minutes late.

The issues at the Mends Street jetty should be substantially resolved when the jetty is upgraded in October 2022.

### Transwa Rail Services

Indicators of the 'OTR' performance for Transwa rail services are reported separately for each service.

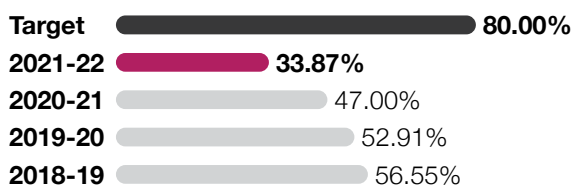
These services operate on the freight rail network which is managed and operated by Arc Infrastructure (previously known as Brookfield Rail and WestNet Rail) under a long-term lease.

Reliability is impacted by track, signal, or mechanical issues and crossings. Track, signal, and mechanical issues are delays due to maintenance works undertaken by Arc Infrastructure. Crossings are



delays that result from waiting times for trains to enable another train on a single track line to cross over.

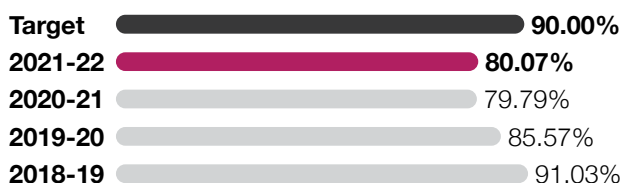
#### a. Prospector



*Percentage of services arriving within 'on-time arrival' parameter*

The OTR of the Prospector reached 33.87 per cent which was below the 2021-22 target and the 2020-21 result. The result was due to delays associated with crossings (706 instances - 62 per cent); track related issues (178 instances - 16 per cent); and signals issues (86 instances - 8 per cent) as a result of maintenance work undertaken by Arc Infrastructure.

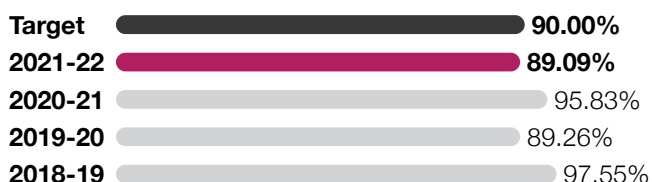
#### b. Australind



*Percentage of services arriving within 'on-time arrival' parameter*

The OTR of the Australind for 2021-22 reached 80.07 per cent which was below the 2021-22 target due to delays associated with crossings (500 instances - 55 per cent); track related issues (141 instances - 16 per cent); and mechanical issues (120 instances - 13 per cent).

#### c. AvonLink



*Percentage of services arriving within 'on-time arrival' parameter*

The OTR of the AvonLink reached 89.09 percent which was slightly below the 2021-22 target (1.01 per cent) and 7 per cent below the 2020-21 result due to delays associated with crossings (48 instances - 36 per cent); track-related issues (56

instances - 42 per cent); and mechanical issues (13 instances - 10 per cent).

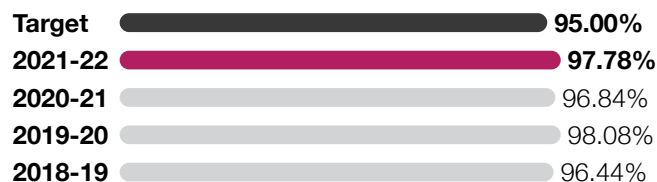
#### d. MerredinLink



*Percentage of services arriving within 'on-time arrival' parameter*

The OTR of the MerredinLink reached 66.67 per cent which was below the 2021-22 target and the 2020-21 result due to delays associated with crossings (96 instances - 49 per cent); track-related issues (55 instances - 27 per cent); and mechanical issues (12 instances - 6 per cent). Delays associated with crossings have increased by 42 instances (43 per cent) compared to 2020-21 while track related issues have also increased slightly from 51 instances in 2020-21 to 55 instances in 2021-22 (8 per cent).

#### Transwa Road Coach Services



*Percentage of services arriving within 'on-time arrival' parameter*

The OTR of road coach services has exceeded the 2021-22 target and the result for 2020-21 and reached 97.78 per cent. The result is inclusive of road issues (80 instances - 37 per cent); mechanical issues (37 instances - 17 per cent); and passenger related issues (33 instances - 15 per cent).

#### Regional School Bus Services

##### Satisfaction with School Bus availability at arrival/departure time

The Key Performance Indicator aims to ensure that School Bus Services run to timetable and/or frequency and it will measure the satisfaction of the service reliability through the online complaints register. A web based reporting tool has been set up for parents and schools to report breaches of on-time arrivals and departures.

The emphasis of the indicator is on the delivery of the School Bus Services to meet community on-time requirements and on performance improvements where the Contract Bus Services fail to meet the requirements.

The actual results are provided in the following tables:

Parameters	Annual 2021-22
Number of School Bus Service trips	377,846
Number of Satisfaction Complaints	7
Satisfaction with School Bus availability at arrival/departure time (%)	99.80%

#### Drop off before school starts and pickup when school finishes

2018-19 99.89%

#### Satisfaction with School Bus Availability at Arrival/Departure Time

Target 99.00%  
 2021-22 99.80%  
 2020-21 100.00%  
 2019-20 99.87%

Satisfaction with School Bus availability at arrival and departure time reached 99.80 per cent in 2021-22 and was 0.2 per cent below the 2020-21 result and 0.8 per cent above the 2021-22 target.

In 2021-22, the number of stakeholder responses was seven and has remained relatively low and this is reflected in the outcome being marginally higher than the 2021-22 target.

PTA maintains ongoing discussions with stakeholders to ensure the high level of service reliability and customer satisfaction is maintained.

## 4. Level of Overall Customer Satisfaction

The proportion of patrons who expressed overall satisfaction with their public transport service level, measures the public perception of Transperth's performance in providing a high-quality and attractive public transport service.

The measure for Transperth services is derived from an extensive annual survey conducted by independent pollsters. The survey, known as the 'Passenger Satisfaction Monitor' (PSM), provides an objective, unbiased view over time of patrons' overall satisfaction with the system, e.g. safety, on-time running, courtesy of staff, service frequency and station amenities. The information is used by Transperth to develop strategies for improving service performance and infrastructure.

The pollsters interview a large sample of passengers in lengthy face-to-face surveys. Interviewers are normally assigned to various services and transit station locations over a four-week period covering the working week and weekend.

### Transperth Train Services

For the Transperth train PSM, a total of 1,009 train patrons were surveyed. The overall sample comprised of:

- Adults aged 18 years or over residing within the Perth metropolitan area;
- Current users of Transperth train services (excluding school students); and
- Patrons who travel on trains at least once per fortnight.

Target 92%  
 2021-22 96%  
 2020-21 94%  
 2019-20 94%  
 2018-19 95%

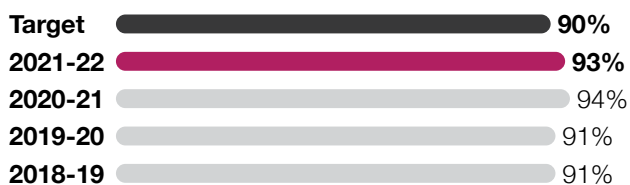
% of respondents either "very satisfied" or "satisfied"

The 2021-22 result has exceeded the 2021-22 target by 4.4%. Overall the customer satisfaction result of 96 per cent for 2021-22 is an all time high, with the previous highest being 95 per cent in 2018-19.

## Transperth Bus Services

For the Transperth bus PSM, a total of 2,883 bus patrons were surveyed. The overall sample of regular bus patrons comprised of:

- Adults aged 18 years or older, residing within the Perth Bus Contract region;
- Current users of Transperth bus services (excluding school students); and
- Patrons who travel on bus at least once per fortnight.



% of respondents either "very satisfied" or "satisfied"

The overall Transperth bus customer satisfaction result for 2021-22 of 93 per cent, although slightly lower than the 2020-21 all time high result, exceeded the 2021-22 target. This is the fourth consecutive year for Transperth bus to achieve a result of at least 91 per cent.

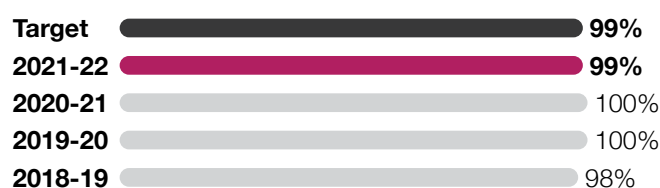
In 2021-22, customer satisfaction with bus service frequency during peak times achieved 89 per cent, slightly lower than the all-time high of 91 per cent achieved for the previous two years. This is also the third consecutive year to improve upon the previous all-time high of 88 per cent (achieved in 2019).

Overall satisfaction with bus punctuality achieved an equal all-time high of 85 per cent; and 92 per cent of surveyed patrons were satisfied with bus driver vehicle handling, slightly below the all-time high of 93 per cent achieved the previous three years.

## Transperth Ferry Services

For the Transperth ferry PSM, a total of 239 ferry patrons were surveyed. The overall sample comprised of:

- Adults aged 18 years or older, residing within the Perth metropolitan who used the ferry at least once per fortnight
- Patrons who were users of Transperth ferry services while visiting Perth
- School students were excluded from the sample.



% of respondents either "very satisfied" or "satisfied"

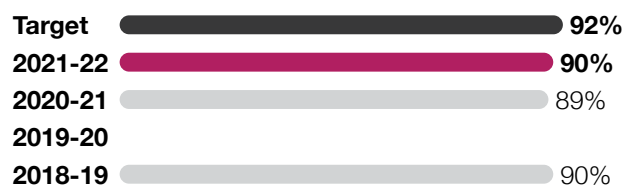
In 2021-22, 99 per cent of ferry users expressed overall satisfaction. This is a slight decrease on 2020-21 result but still achieving the target and the sixth consecutive year with a score of at least 99 per cent.

## Transwa Train and Road Coach Services

An independent passenger satisfaction survey is undertaken annually for each Transwa service: Australind, Prospector, AvonLink, MerredinLink and Road Coach.

Due to COVID-19 restrictions, the customer satisfaction survey could not be conducted in April and May 2020, and as a result the 2019-20 results were not available. The PTA received exemption from the Under Treasurer for reporting of these KPIs.

In 2021-22, a total of 991 country services patrons were surveyed via a self-completion questionnaire. The sample error estimate was  $\pm 3 - 5$  per cent and represents score differences required to reach the 95 per cent confidence level.



% of respondents either "very satisfied" or "satisfied"

The overall customer satisfaction level across country services patrons remains high at 90 per cent for 2021-22.

This is slightly below the 2021-22 target of 92 per cent and above the result for 2020-21. The satisfaction level across all modes continues to remain strong. Overall the total dissatisfaction level is 3 per cent which is low.

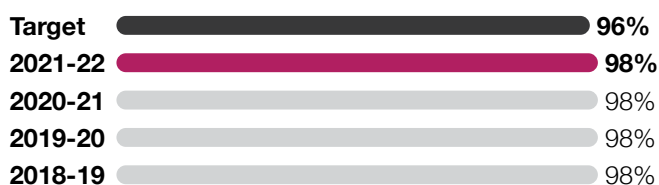
## 5. Customer Perception of Safety

Safety perceptions are an important factor in the public deciding whether to use public transport. The PTA is continuing to invest in security-related infrastructure and uses risk based resource allocation to enhance security staffing in specific areas of vulnerability. This increase in presence at strategic times and locations has ensured that customers can see the tangible measures being taken to increase their safety.

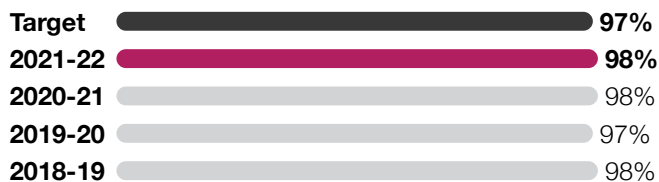
Customer perceptions of safety are measured through data gathered in the Passenger Satisfaction Monitor (PSM) which distinguishes between on-train and on-bus and at stations, at night and during the day for the Transperth train and bus services.

### Transperth Train Services

#### Stations



#### On-board trains



*Customer perception of safety - Day-time*

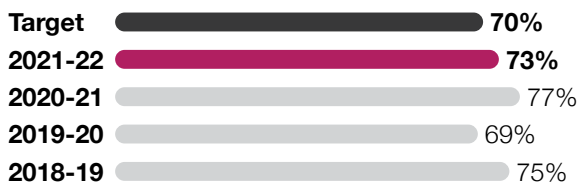
#### Train stations - day

The result maintains the high level of safety perceived by passengers at stations during the day by exceeding the target by 2 per cent.

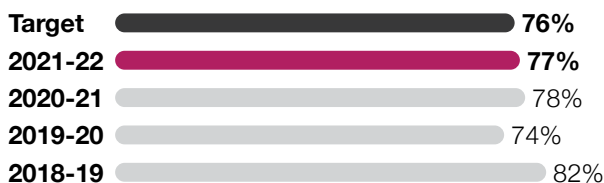
### On-board trains - day

Over the past decade there has been a high consistency of people feeling safe on-board trains during the day with the target again exceeded this year by 1 per cent.

#### Stations



#### On-board trains



*Customer perception of safety - Night-time*

### Train stations - night

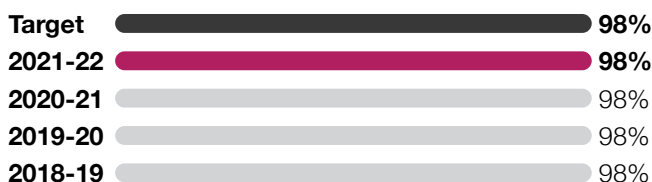
The perception of passengers feeling safe at night at stations is a 4 per cent decline on the 2020-21 result with the target exceeded by 3 per cent. It is of note that last year's sample was approximately 50 per cent smaller due to COVID-19 impacts.

### On-board trains - night

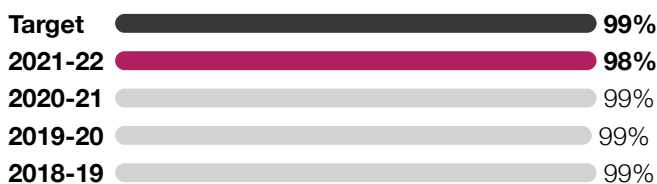
The perception of passengers feeling safe at night on trains is a 1 per cent decline on the 2020-21 result with the target exceeded by 1 per cent.

### Transperth Bus Services

#### At bus stations/interchanges



#### On-board buses



*Customer perception of safety - Day-time*

### Bus stations/Interchanges - day

The 2021-22 result achieved the target and was consistent with the results achieved over the previous five years.

### On-board buses - day

The 2021-22 result was slightly below the target but is the twentieth consecutive year to achieve at least 98 per cent.

#### At bus stations/interchanges



#### On-board buses



#### Customer perception of safety - Night-time

### Bus stations/Interchanges - night

The 2021-22 result exceeded the target but dropped back slightly from last year's equal all-time high of 82 per cent, previously achieved in 2018. The result remains the third highest on record and reflects the PTA's strong commitment to safety.

### On-board buses - night

The 2021-22 result exceeded the target but dropped back from the 86 per cent achieved in the previous year.

Improvements have been made over the past couple of years to minimise night-time fare evasion and enhance anti-social behaviour management on the bus network. On-bus duress alarms combined with the use of additional business intelligence allow for enhanced night-time security presence and support which leads to quicker incident response times to on-bus incidents. Improved management of on-bus incidents also flows through to stations and interchanges reducing incident numbers.

## 6. Level of Notifiable Occurrences

### Rail Safety

Railway safety incidents are recorded and reported to the Office of the National Rail Safety Regulator (ONRSR). These incidents are termed 'Notifiable Occurrences'. PTA's reporting systems for the notification of Category 'A' and Category 'B' occurrences comply with the Rail Safety National Law (WA) Regulations 2015 [section 57 (a)] and the Rail Safety National Law (WA) Act 2015 [section 44].

Rail safety KPI's are reviewed annually and formulated by considering trends from previous years coupled with an aspirational reduction in incidents.

Category 'A' occurrences are those resulting in serious injury, death, or significant damage. Category 'B' occurrences are occurrences with the potential to cause a serious injury, death or significant damage.

Performance indicators for both Category 'A' and Category 'B' occurrences are presented against million passenger boardings and million train kilometres. A low rate of incidents indicates that sound safety procedures and risk management procedures/controls exist and are operating effectively throughout the rail system.

The benchmark values for Category 'A' and Category 'B' incidents are calculated on the projected estimations of the number of future passenger boardings and train kilometres.

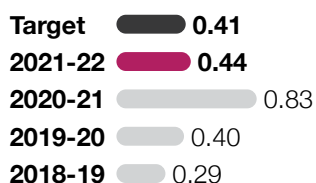
In 2021-22, the service kilometres measurement utilised in this KPI, has been aligned to the requirements of the Office of National Rail Safety Regulator.

This impacts directly on the results for the 2021-22 Category A Occurrences – per million train kilometres and Category B Occurrences – per million train kilometres. To enable comparison to be made between 2021-22 and the preceding financial years, results for 2018-19, 2019-20 and 2020-21 have been adjusted to reflect this change. The 2021-22 target however remains unchanged and aligns to the original budget setting for 2021-22.

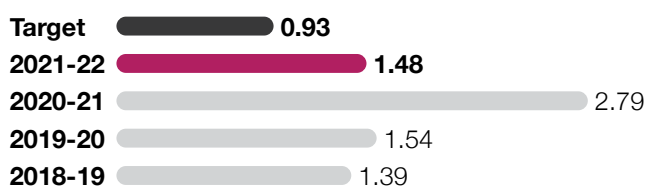


## Category A Occurrences

### Category 'A' occurrences per million passenger boardings



### Category 'A' occurrences per million train kilometres



Notifiable Occurrences - Rail safety

### Category A Occurrences – Per Million Passenger Boardings

The result for the year is slightly above target.

Category A incidents for the year were down from thirty-six in 2020-21 to nineteen in 2021-22. Total passenger boardings have also declined compared to the previous year. The combination of these factors is reflected in the year to date result. PTA's ongoing education to the public on the dangers of trespassing and followed by increased signage have helped achieve this result. Of the total Category A occurrences, the majority were related to attempted suicide and passenger related slips, trips and falls with the balance made up of occurrences on Level Crossings.

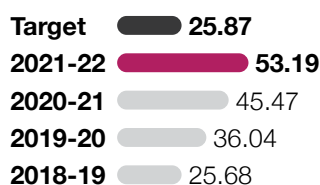
### Category A Occurrences – Per Million Train Kilometres

The result for 2021-22 is higher than the 2021-22 target. Regulatory changes to the calculation of train kilometres have resulted in a significant reduction in train kilometres operated in 2021-22 compared to the 2021-22 target, which is aligned to original budget settings. If target were to be aligned with the requirements of the Office of National Rail Safety Regulator, the revised target will be 1.78, hence presenting a more favourable result.

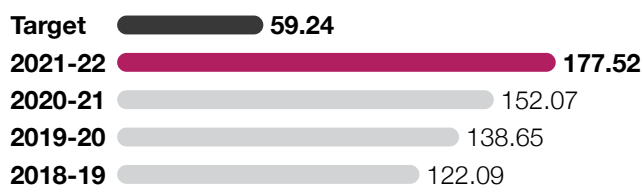
The 2021-22 result is lower than the 2020-21 result due to lower number of Category A incidents in 2021-22. Category A incidents have reduced from thirty-six in 2020-21 to nineteen in 2021-22. PTA's ongoing education to the public on the dangers of trespassing and followed by increased signage have helped achieve this result.

## Category B Occurrences

### Category 'B' occurrences per million passenger boardings



### Category 'B' occurrences per million train kilometres



Notifiable Occurrences - Rail safety

### Category B Occurrences – Per Million Passenger Boardings

Category B incidents for the year increased from 1,962 in 2020-21 to 2,283 in 2021-22. Passenger Boardings were slightly down on the previous year. The majority of this increase was due a rise in reportable assaults that occurred on the network.

Category B occurrences increased in Railcar Fault, Alleged Assaults, Derailments, Collisions in Yards, Slip, Trips and Falls, Level Crossing Incidents and Signals Passed at Danger. Reductions in occurrences were seen in Alcohol and Drugs Irregularities and Safeworking Rule and Procedure breaches.

## Category B Occurrences – Per Million Train Kilometres

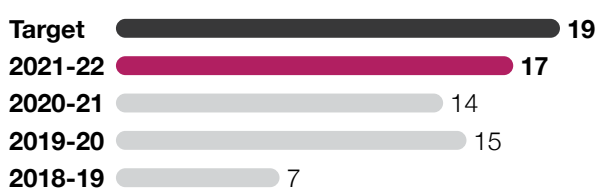
The 2021-22 result is based on the service kilometre measurement that is aligned to the requirements of the Office of National Rail Safety Regulator. As a result, the number of train kilometres in 2021-22 is much lower resulting in a higher KPI. The 2021-22 target has not been altered and is aligned to budget settings utilising higher train kilometres. The 2021-22 result is therefore much higher than the 2021-22 target. If target were to be aligned with the requirements of the Office of National Rail Safety Regulator, the revised target will be 122.85, hence presenting a more favourable result.

The result for 2021-22 is higher than that achieved in 2020-21 because of an increase in the number of incidents in 2021-22. Category B incidents have increased from 1,962 in 2020-21 to 2,283 in 2021-22 mainly due to higher strict COVID-19 lockdowns in the previous year when patronage fell sharply.

### Regional School Bus Services Safety

Accidents attributable to all causes are notified to the PTA. The measure for the notifiable occurrences is expressed as the number of accidents (major and minor) reported during the school year.

A low number of occurrences indicate that effective safety management procedures and controls exist and are being adhered to by school bus contractors and drivers throughout the regional school bus fleet.



*School Bus Services notifiable occurrences (accidents) reported each school year*

The number of notifiable incidents for 2021-22 was 10.5 per cent below the 2021-22 target.

The data shows that 17 accidents were recorded, comprising of 6 major and 11 minor accidents, of which 64.7 per cent of the accidents occurred in the regional Western Australia and 35.3 per cent in metropolitan Perth.

The incident data notes that 65 per cent of the accident cases occurred through no fault of the driver but regrettably, multiple fatalities were recorded, and these relate to two separate major bus accidents. The investigations appear to show that medical episodes were contributing factors in the crash causes. The investigative reports may provide further insight into the specific cause of the accidents once they are finalised.

Comparing the actual results for 2021-22 to 2020-21, the increase in the number of notifiable incidents highlights the importance of maintaining a high standard of road safety when transporting students to and from school. The incident rate although higher, notes that majority of the accidents cases occurred through no fault of the contractors/drivers.

Comparing the result for 2021-22 to the 2021-22 target, the lower number of notifiable incidents compliments the continued efforts by SBS and contractors/drivers in recognising the importance of adopting a safe system approach to road safety.

The number of 'Not at fault' accidents represent the greater share of all reported accident cases and this advocates that school bus drivers understand the need to adopt a safe system approach to road safety.

Cornerstone to the safe system approach are a number of key contractual conditions which include:

- Implementing a Safety Management Plan (SMP);
- The contracted school bus meeting road worthiness standards and appropriate school bus specifications, noting that the buses are inspected by the Department of Transport once each year;
- The safe operation of a school bus and the mandatory reporting of traffic offences.

## 7. Return on Construction Expenditure (RCE)

New construction works add to the capacity of the rail and bus networks. Return on Construction Expenditure (RCE) is based on the estimated Benefit Cost Ratio (BCR) of a set of projects undertaken each year. It indicates the extent to which new bus and rail construction expenditures will deliver future economic benefits to the community.

This indicator represents the expenditure weighted average BCR for the PTA Asset Investment Program (AIP) for which a BCR has been calculated. The AIP includes projects that increase the capacity of the rail and bus networks in line with customer demand and replace/upgrade ageing or obsolete infrastructure. This expenditure increases the accessibility, reliability and safety of Western Australia's public transport system. This indicator was introduced in 2018-19.

The RCE is the expenditure weighted average BCR defined by:

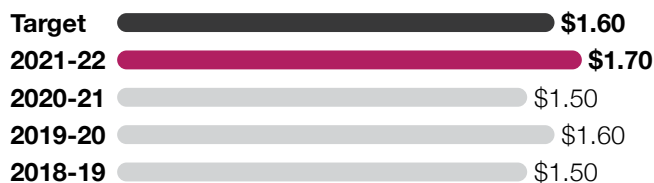
$$\text{RCE} = \text{Sum of Expected Project Benefits} / \text{Sum of Project Expenditures}$$

The scope of the RCE includes projects that:

- are in the approved Asset Investment Plan (AIP) and relevant to infrastructure construction with an Estimated Total Cost (ETC) of \$25 million or higher;
- have a relevant financial year approved AIP budget of \$1m or higher; and
- have an approved BCR

Due to the nature of the Public Transport Authority AIP, year on year comparison of the indicator may be challenging. A large project that dominates the annual budgeted or actual expenditure will skew the ratio to its individual BCR.

Variances will reflect changes based on the individual project BCR's and their relative annual cost of the projects, and variations of the annual budgeted and actual expenditures.



### *Return on Construction Expenditure (RCE)*

The 2021-22 result was greater than the 2021-22 target and the 2020-21 result. The 2021-22 result was driven by greater activity in METRONET Projects and Election Commitment Projects in 2021-22 and was in line with expectations.

## EFFICIENCY INDICATORS

The PTA's effectiveness in providing a cost-efficient public transport system is measured using the following key efficiency indicators:

1. Average cost per passenger kilometre
2. Average cost per 1000 place kilometres
3. Average cost per contracted kilometre

These measures are sensitive to changes in service kilometres and patronage. In the eight years to February 2020, Transperth system continued to record large increases in service kilometres with the roll out of additional bus services, the introduction of new six-car and three-car trains, the extension of the urban passenger line network to Butler, increased service frequencies associated with the Optus Stadium, Aubin Grove Station, Edgewater Multi-Storey Carpark, Curtin Central Bus Station and operations from Elizabeth Quay jetty including the extension of Elizabeth Quay jetty facility to accommodate a new ferry, MV Tricia introduced in December 2019. However, in the four months to June 2020, Transperth system recorded decreases in service kilometres and patronage due to the temporary service reduction in response to a decline in service demand associated with the COVID-19 crisis.

The benefits of the State's investment in public transport and the long-term planning for optimum expansion and utilisation of WA's public transport networks including METRONET and Transport@3.5 Million will be better reflected in future KPIs as patronage improves.

### 1. Average Cost per Passenger Kilometre

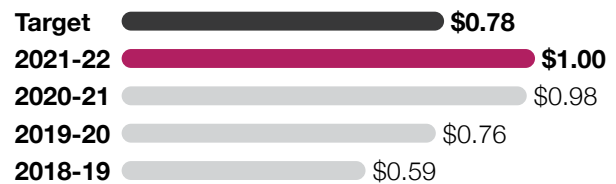
This indicator measures the cost efficiency of providing passenger services, expressed as the cost of carrying one passenger over one kilometre.

#### Transperth

Passenger kilometres are calculated by multiplying the number of total boardings by the average trip length.

The indicator measures the cost efficiency of the services, i.e. the trend in the cost of carrying one passenger over one kilometre. A declining trend indicates that the resources used to provide the services are being utilised in a cost efficient manner.

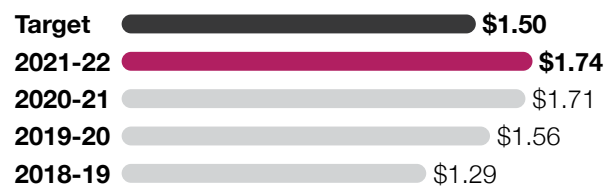
#### Transperth Train Services



*Average cost per passenger kilometre*

The 2021-22 result was 28.21 per cent above the target and 2.15 per cent above the prior year's result, predominately due to lower than expected patronage because of continued COVID-19 impacts. The delayed opening of METRONET Forrestfield-Airport Link (FAL) and service disruptions to facilitate METRONET construction also contributed to the lower than expected passenger travel. Overall passenger kilometres were 25.61 per cent below the target and 1.74 per cent below the prior year. Total cost was 4.21 per cent below the target and 0.38 per cent above the prior year.

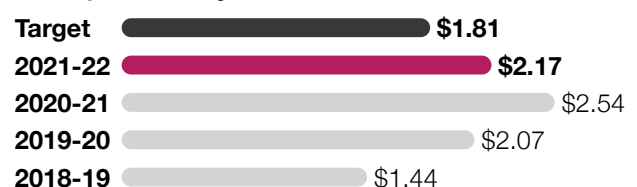
#### Transperth Bus Services



*Average cost per passenger kilometre*

The 2021-22 result was 15.80 per cent above the target and 1.76 per cent above the 2020-21 result, due to lower than expected patronage because of continued COVID-19 impacts. Passenger kilometres were 12.23 per cent lower than target but 1.06 per cent higher than the previous year. Total cost was 1.86 per cent above target and 2.82 per cent above the prior year, largely due to increased fuel costs.

#### Transperth Ferry Services

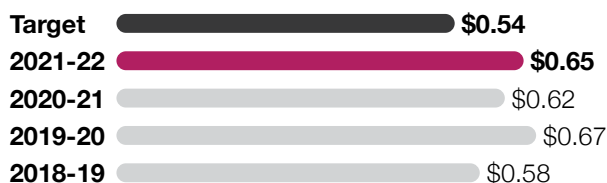


*Average cost per passenger kilometre*

The 2021-22 result was 20.11 per cent above the target and 14.41 per cent below the prior year's result. Total cost was 9.63 per cent above the target, largely due to the refurbishment of MV Phillip Pandal. However costs were 18.27 per cent lower than the prior year which included costs for the refurbishment

of MV Shelly Taylor-Smith. Passenger kilometres were 8.57 per cent lower than the target and 4.53 per cent lower than the previous year due to the COVID-19 pandemic suppressing patronage.

### Transwa Rail Services



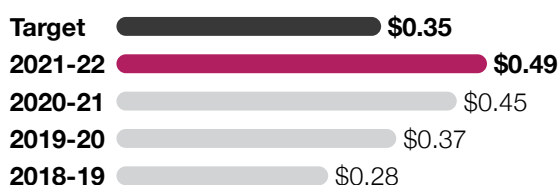
*Average cost per passenger kilometre*

Rail average cost per passenger kilometre is 20.37 per cent above the target and 4.35 per cent above the 2020-21 result.

Total cost of \$31.095 million in 2021-22 is \$2.351 million lower than the target of \$33.446 million. In addition, total passenger kilometres of 48.58 million is also 14.25 million lower than the target of 62.83 million, leading to an overall increase in the total cost per passenger kilometre.

The decline in patronage is due to regional travel restrictions in response to the COVID-19 pandemic. Total cost is higher due to an overall increase in operating costs including for contract labour and maintenance.

### Transwa Road Coach Services



*Average cost per passenger kilometre*

Road coach average cost per passenger kilometre in 2021-22 is 41.91 per cent above the 2021-22 target and 8.87 per cent above the 2020-21 result.

This is mainly due to a decrease in patronage resulting from the COVID-19 pandemic and an increase in the operating costs including contract labour, fuel and maintenance costs.

## 2. Average Cost per 1000 Place Kilometres

This indicator measures the cost efficiency of providing the service per 1000 place kilometres and it is calculated for each mode by dividing total cost by place kilometres and multiplying by 1000. Place kilometres are calculated by multiplying the average fleet capacity by the service kilometres.

Intra-town services operate within rural town boundaries, while inter-town services run between regional centres.

### Intra-Town Regional Bus Services

At the start of the 2019-20 financial year, due to a change in PTA operations, six inter-town services were transferred from Regional Town Bus Services (RTBS) to Transwa which also has a small number of contracted inter-town services in place. The new indicator passenger per service kilometre was created for Inter-town Country Bus Services managed by Transwa.

The remaining three inter-town services which stay with RTBS are now included in the KPI results of the Intra-town Regional Bus Services. These services include the inter-town components of the Kalgoorlie and Karratha contracts, and the Mandurah-Waroona-Pinjarra service.

For comparative purposes, the previous years' actual results of intra-town services have been adjusted to include what was previously recognised as the Kalgoorlie inter-town and Karratha inter-town services. Also included are the figures for the Mandurah shopper service.

### Intra-Town Regional Bus Services



### Adjusted Intra-Town Bus Services (including 3 Inter-Town services)



*Total cost per 1000 place kilometres*

The 2021-22 result of \$89.76 per 1,000 place kilometres was above both the 2020-21 result of \$82.11 and the 2021-22 target of \$86.43. While place kilometres increased slightly from 261.736 million in 2020-21 to 262.239 million in 2021-22, the increase in this KPI was largely due to a significant



increase in the total cost of running intra-town services.

The total cost of \$23.539 million for 2021-22 was 9.52 per cent higher than 2020-21 (\$21.492 million) and 3.83 per cent higher than the target (\$22.670 million). The cost increase was largely due to a significant increase in the price of fuel during the year, and the need to meet substantial bus maintenance and refurbishment costs during 2021-22.

### Inter-town Country Bus Services

At the start of the 2019-20 financial year, due to a change in PTA operations, six inter-town services were transferred from Regional Town Bus Services (RTBS) to Transwa which also has a small number of contracted inter-town services in place. The new indicator passenger per service kilometre was created for Inter-town Country Bus Services managed by Transwa.

For comparative purpose the inter-town results recorded by RTBS in the previous years have been adjusted to represent the equivalent results of the six inter-town services that were transferred to Transwa.

#### Inter-Town Country Bus Services (Transwa)

<b>Target</b>	<b>\$15.69</b>
<b>2021-22</b>	<b>\$18.82</b>
<b>2020-21</b>	\$15.17
<b>2019-20</b>	\$16.73

#### Adjusted Inter-Town Bus Services (RTBS)

<b>2018-19</b>	\$16.12
----------------	---------

*Total cost per 1000 place kilometres*

The total cost per 1,000 place kilometres was 19.91 per cent above target, and 24.01 per cent above the 2020-21 result. The result is driven by higher operating costs and lower patronage levels due to the continuing impact of COVID-19.

## 3. Average Cost per Contracted Kilometres

### Regional School Bus Services

The cost of administering school bus services on a kilometre basis is calculated by dividing the total costs of school bus contracts and operating expenses by the total contracted kilometres.

<b>Target</b>	<b>\$3.88</b>
<b>2021-22</b>	<b>\$4.01</b>
<b>2020-21</b>	\$3.90
<b>2019-20</b>	\$3.81
<b>2018-19</b>	\$3.80

*Average cost per contracted kilometre*

The average cost per contract kilometre was \$4.01 for 2021-22, 3.35 per cent above the 2021-22 target and 2.82 per cent above the 2020-21 result.

Comparing the annual result to the target setting, the collected data observed that:

- The annual cost of services increased by 2.81% due to cost pressures.
- The annual contract school bus service kilometres decreased by 0.56%.
- Declines in passenger numbers of 1.2% and contract service numbers operating in the regions of 0.8% respectively.
- The actual cost of services was \$132.169 million.
- The contract school bus fleet travelled around 32.984 million kilometres equivalent to 167,430 kilometres on each school day.
- The total number of contracted school bus services was 959.
- On average, 25,579 students accessed the school bus network on each school day.
- The school bus fleet serviced about 540 schools around the state.

Outcome 2: Protection of the long-term functionality of the rail corridor and railway infrastructure

EFFECTIVENESS INDICATOR

The most significant issue for this outcome is the management of the long-term lease of the rail freight infrastructure to Arc Infrastructure (previously known as Brookfield Rail and WestNet Rail) and reporting any breaches by the parties involved with the Rail Freight Corridor Land Use Agreement (Narrow Gauge) and Railway Infrastructure Lease Agreement and Rail Freight Corridor Land Use Agreement (Standard Gauge) and Railway Infrastructure Lease Agreement dated 2000 (the Leases).

Arc Infrastructure manages and operates the rail freight infrastructure under the terms of the Leases. Under the Leases, Arc Infrastructure is the ‘accredited owner’ of the infrastructure as defined in the Rail Safety National Law (WA) Act 2015.

Arc Infrastructure engages an independent expert, on a five-yearly basis, to review compliance to performance standards as defined in the Leases. The 2020 audit of operational lines was completed in December 2019 with the final report received in June 2020.

Additionally, Arc Infrastructure provides an Annual Corridor Minister’s Report that detail:

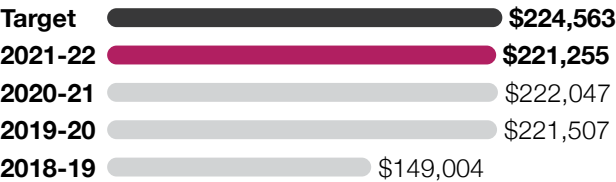
- Audited financial statements for Arc Infrastructure
- Gross tonnes and train numbers for freight and passenger services during the reporting period on each section of line
- Track kilometres in use for standard gauge, narrow gauge, dual gauge and operational and non-operational track
- Directors Certification of compliance pursuant to clause 15 of the leases

PTA measures the effectiveness of the agreement by internally reviewing the Annual Corridor Minister’s Report, the five-yearly inspection report from the independent expert and the five-yearly maintenance plan provided by Arc Infrastructure.

There has been no lease breach by Arc Infrastructure with the above agreements since 2009.

COST EFFICIENCY

The cost efficiency for the management of the long-term lease of the rail freight infrastructure to Arc Infrastructure is monitored using the total cost of managing the rail corridor and residual freight issues.



Cost of managing rail corridor and residual freight issues management (\$'000)

The cost efficiency for the management of the rail corridor and the long-term lease of the rail freight infrastructure with Arc Infrastructure is monitored using the total cost of managing the rail corridor and residual freight issues.

The cost of managing the rail corridor and residual freight issues was \$221.2 million (including \$180.5 million in depreciation of the freight network infrastructure). The result is below the 2021-22 target of \$224.5 million (1.34 per cent) and the result for 2020-21 (0.22 per cent).



## Powering the future of public transport

**In February, two battery-powered electric buses began servicing the Joondalup CAT route for a WA-first trial investigating the potential of this sustainable technology.**

Battery-powered electric buses emit less greenhouse gases than their diesel and natural gas-powered counterparts, making them a more sustainable alternative.

Before entering service, the vehicles underwent a commissioning process, including licensing, staff training and final testing.

The Joondalup bus depot was also upgraded with a high-voltage EV charging system, so the buses can be recharged at the depot, partly from a 100kW solar power array and battery storage system.

A range of factors will be evaluated during the trial to determine the reliability and efficiency of the buses, including performance, energy efficiency, downtime, emissions reductions, life-cycle costs, and risks.

Two more battery-powered vehicles will join the trial in August 2022. These Transperth buses will service most bus routes in the Joondalup contract area, not just the CAT routes.

The additional buses will allow the PTA to make a broader assessment of the performance capability of the electric buses in the Transperth operating environment.

Results from the trial will pave the way for the long-term use of electric buses on the Transperth network.

The future of this sustainable technology has also been supported by the Australian Federal Government, who has committed funding to electric bus infrastructure and the manufacture of 130 electric buses in a local Perth facility from 2024-25.



# 4 | Financial Statements



## Certification of financial statements

### FOR THE YEAR ENDED 30 JUNE 2022

The accompanying financial statements of the Public Transport Authority of Western Australia have been prepared in compliance with the provisions of the Financial Management Act 2006 (WA) from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2022 and the financial position as at 30 June 2022.

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

A stylized, handwritten signature in black ink, consisting of a large, flowing 'P' followed by a horizontal line and a small flourish.

**Peter Woronzow**  
Accountable Authority  
13 September 2022

A handwritten signature in black ink, appearing to read 'Robyn' followed by a stylized surname.

**Robyn Lamont**  
Chief Finance Officer  
13 September 2022



# Financial report

FOR THE YEAR ENDED 30 JUNE 2022

The Public Transport Authority of Western Australia has pleasure in presenting its audited general purpose financial statements for the financial reporting period ended 30 June 2022 which provides users with the information about PTA's stewardship of resource entrusted to it. The financial information is presented in the following structure:

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# Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$'000	2021 \$'000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expenses	3.1(a)	231,628	220,571
Supplies and services	3.3	464,905	354,418
Depreciation and amortisation expenses	5.1.1, 5.2, 5.3.1	455,745	458,854
Finance costs	8.3	79,194	75,802
Grants and subsidies	3.2	564,253	548,403
Energy and fuel		31,338	30,626
Other expenditure	3.4	29,242	44,513
<b>Total cost of services</b>		<b>1,856,305</b>	<b>1,733,187</b>
<b>Income</b>			
<b>Revenue</b>			
User charges and fees	4.2	142,264	143,519
Operating lease revenue	4.3	5,466	5,466
Commonwealth grants and contributions	4.4	14,830	2,090
Interest revenue	4.5	372	1,016
Other income	4.6	47,210	29,746
<b>Total revenue</b>		<b>210,142</b>	<b>181,837</b>
<b>Gains/(Losses)</b>			
Gains/(Losses) on disposal of non-current assets	4.7	(30)	72
<b>Total Gains/(Losses)</b>		<b>(30)</b>	<b>72</b>
<b>Total income other than income from State Government</b>		<b>210,112</b>	<b>181,909</b>
<b>NET COST OF SERVICES</b>		<b>1,646,193</b>	<b>1,551,278</b>
<b>Income from State Government</b>			
Operating subsidy contributions	4.1	1,003,812	1,032,160
Income from other public sector entities	4.1	181,235	119,678
Resources received	4.1	1,148	1,298
Royalties for Regions Fund	4.1	79,940	10
<b>Total income from State Government</b>		<b>1,266,135</b>	<b>1,153,146</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(380,058)</b>	<b>(398,132)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation surplus	10.10	13,397	6,843
Changes in hedge reserve	10.10	(43)	123
<b>Total other comprehensive income</b>		<b>13,354</b>	<b>6,966</b>
<b>TOTAL COMPREHENSIVE SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>(366,704)</b>	<b>(391,166)</b>

See also the Schedule of income and expenses by service note 2.2.

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

# Statement of financial position

AS AT 30 JUNE 2022

	Note	2022 \$'000	2021 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8.4	203,937	215,006
Restricted cash and cash equivalents	8.4	143,811	437,959
Inventories	6.4	25,124	23,833
Receivables	6.1	42,377	41,626
Amounts receivable for services	6.2	152,411	86,696
Other current assets	6.3	20,651	18,582
<b>Total Current Assets</b>		<b>588,311</b>	<b>823,702</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	8.4	1,800	1,562
Amounts receivable for services	6.2	225,122	397,574
Infrastructure, property, plant, equipment and vehicles	5.1	11,056,647	10,222,074
Right-of-use assets	5.2	30,288	35,583
Intangibles	5.3	10,937	12,914
<b>Total Non-Current Assets</b>		<b>11,324,794</b>	<b>10,669,707</b>
<b>TOTAL ASSETS</b>		<b>11,913,105</b>	<b>11,493,409</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	6.6	162,606	166,502
Borrowings	8.1	215,896	178,855
Lease liabilities	8.2	6,126	5,800
Employee related provisions	3.1(b)	50,916	47,331
Other provisions	6.7	4,970	6,476
Capital grant liabilities	6.8	56,150	18,567
Other current liabilities	6.9	28	42
Deferred income operating lease	6.5	5,466	5,466
Derivative financial instruments	7.0	366	332
<b>Total Current Liabilities</b>		<b>502,524</b>	<b>429,371</b>
<b>Non-Current Liabilities</b>			
Borrowings	8.1	2,833,062	2,706,871
Lease liabilities	8.2	24,327	29,262
Employee related provisions	3.1(b)	12,203	11,594
Other provisions	6.7	3,945	6,269
Deferred income operating lease	6.5	149,131	154,597
<b>Total Non-Current Liabilities</b>		<b>3,022,668</b>	<b>2,908,593</b>
<b>TOTAL LIABILITIES</b>		<b>3,525,192</b>	<b>3,337,964</b>
<b>NET ASSETS</b>		<b>8,387,913</b>	<b>8,155,445</b>
<b>EQUITY</b>			
Contributed equity	10.10	6,897,212	6,298,019
Reserves	10.10	4,845,597	4,832,243
Accumulated deficit		(3,354,896)	(2,974,817)
<b>TOTAL EQUITY</b>		<b>8,387,913</b>	<b>8,155,445</b>

The Statement of financial position should be read in conjunction with the accompanying notes.

# Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated deficit \$'000	Total equity \$'000
<b>Balance at 1 July 2020</b>		<b>5,674,906</b>	<b>4,825,277</b>	<b>(2,576,672)</b>	<b>7,923,511</b>
Correction of prior period		-	-	(13)	(13)
<b>Restated balance at 1 July 2020</b>		<b>5,674,906</b>	<b>4,825,277</b>	<b>(2,576,685)</b>	<b>7,923,498</b>
Deficit		-	-	(398,132)	(398,132)
Other comprehensive income		-	6,966	-	6,966
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>6,966</b>	<b>(398,132)</b>	<b>(391,166)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Capital appropriations	10.10	596,312	-	-	596,312
Other contributions by owners	10.10	13,306	-	-	13,306
Distributions to owners	10.10	(1,739)	-	-	(1,739)
Transfers of net assets from other agencies		15,234	-	-	15,234
<b>Total</b>		<b>623,113</b>	<b>-</b>	<b>-</b>	<b>623,113</b>
<b>Balance at 30 June 2021</b>		<b>6,298,019</b>	<b>4,832,243</b>	<b>(2,974,817)</b>	<b>8,155,445</b>
<b>Balance at 1 July 2021</b>		<b>6,298,019</b>	<b>4,832,243</b>	<b>(2,974,817)</b>	<b>8,155,445</b>
Correction of prior period		-	-	(21)	(21)
<b>Restated balance at 1 July 2021</b>		<b>6,298,019</b>	<b>4,832,243</b>	<b>(2,974,838)</b>	<b>8,155,424</b>
Deficit		-	-	(380,058)	(380,058)
Other comprehensive income		-	13,354	-	13,354
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>13,354</b>	<b>(380,058)</b>	<b>(366,704)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Capital appropriations	10.10	590,275	-	-	590,275
Other contributions by owners	10.10	4,760	-	-	4,760
Distributions to owners		(5,033)	-	-	(5,033)
Transfers of net assets from other agencies	10.10	9,191	-	-	9,191
<b>Total</b>		<b>599,193</b>	<b>-</b>	<b>-</b>	<b>599,193</b>
<b>Balance as at 30 June 2022</b>		<b>6,897,212</b>	<b>4,845,597</b>	<b>(3,354,896)</b>	<b>8,387,913</b>

The Statement of changes in equity should be read in conjunction with the accompanying notes.



# Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$'000	2021 \$'000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Operating subsidy contribution		1,003,812	1,032,159
Capital appropriations		590,275	596,312
Funds from other public sector entities		215,811	103,084
Royalties for Regions Funds		84,700	13,316
Holding account drawdown		106,737	95,671
<b>Net cash provided by state government</b>		<b>2,001,335</b>	<b>1,840,542</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(226,118)	(212,869)
Supplies and services		(500,077)	(404,443)
Finance costs		(76,502)	(76,933)
Grants and subsidies		(563,600)	(546,054)
Receipts paid into consolidated account		(3,218)	(2,862)
GST payments on purchases		(232,120)	(201,581)
Other payments		(26,620)	(20,491)
<b>Receipts</b>			
User charges and fees		142,792	143,506
Commonwealth grants and contributions		14,087	5,000
Interest received		441	1,154
GST receipts on sales		36,533	26,791
GST receipts from taxation authority		202,686	158,988
Other receipts		48,745	28,037
<b>Net cash used in operating activities</b>	8.4.2	<b>(1,182,971)</b>	<b>(1,101,757)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current assets		(1,282,794)	(1,160,781)
<b>Receipts</b>			
Proceeds from sale of non-current assets		552	699
<b>Net cash used in investing activities</b>		<b>(1,282,242)</b>	<b>(1,160,082)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments</b>			
Repayment of borrowings		(570,400)	(416,137)
Principal elements of lease		(4,333)	(4,966)
<b>Receipts</b>			
Proceeds from borrowings		733,632	748,311
<b>Net cash provided by financing activities</b>		<b>158,899</b>	<b>327,208</b>
Net increase in cash and cash equivalents		(304,979)	(94,089)
Cash and cash equivalents at the beginning of the period		654,527	748,616
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	8.4	<b>349,548</b>	<b>654,527</b>
<b>(including current and non-current restricted cash and cash equivalents)</b>			

The Statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

## 1. Basis of preparation

The Public Transport Authority of Western Australia (PTA) is a WA Government entity, controlled by the State of Western Australia, which is the ultimate parent. The PTA is a not-for-profit entity (as profit is not its principal objective).

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

These annual financial statements were authorised for issue by the Accountable Authority of the PTA on 13 September 2022.

### Statement of compliance

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

1. *The Financial Management Act 2006 (FMA)*
2. *The Treasurer's Instructions (TIs)*
3. *Australian Accounting Standards (AAS) including applicable interpretations*
4. *Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.*

The FMA and the TI's take precedence over AAS's. Several AAS's are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

### Judgements and estimates

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

### Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the PTA as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST

components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

### **Contributed equity**

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

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

## **2. PTA outputs**

### **How the PTA operates**

This section includes information regarding the nature of funding the PTA receives and how this funding is utilised to achieve the PTA's objectives. This note also provides the distinction between controlled funding and administered funding:

	<b>Note</b>
PTA objectives	2.1
Schedule of income and expenses by service	2.2

### **2.1 PTA objectives**

#### **Purpose**

To provide safe, customer-focused, integrated and efficient transport services.

#### **Services**

The PTA provides the following services:

#### **Service 1: Metropolitan and Regional Passenger Services**

Transperth is the brand and operating name of the public transport system in the greater Perth metropolitan area. The Transperth system consists of a bus network, a fully electrified urban train system and a ferry service. It is managed by our Transperth branch and covers key functions such as system planning, bus service delivery, bus service security, passenger information services, ticketing and bus fleet procurement. Transperth bus and ferry services are provided under commercial contract arrangements; train services are provided by our Transperth Train Operations (TTO) division under an internal service-level agreement. Passenger information comprising InfoCentre, InfoLine and customer feedback services are provided under contract by Serco.

Under the TransRegional brand, our Regional Town Bus Services (RTBS) branch manages Trans branded school and town public bus services in 15 major regional towns in rural WA.

#### **Service 2: Country Passenger Rail and Road Coach Services**

Transwa is the brand and operating name for the road coach and rail public transport system serving regional centres. Our Transwa network extends to Kalbarri and Meekatharra in the north, east to Kalgoorlie, and south-east to Esperance. The services link 240 regional locations to the Perth

metropolitan area (and locations in between) and are used by a variety of passengers for a range of travel purposes. Transwa now manages 6 inter-town services previously managed by TransRegional – two in the Pilbara and one each in the Kimberley, Gascoyne, Mid-West and Goldfields regions.

### **Service 3: Regional School Bus Services**

The PTA manages the policy and entitlement framework, delivers system support and oversees the contract arrangements of orange school bus services around the State. These buses provide access to school for students in rural areas (picking them up from the farm gate where appropriate), as well as access to schools in the metropolitan area for students attending special education facilities. Responsibility for the management of these services rests with our School Bus Services (SBS) branch. In addition to the orange contract school buses, there are four cluster contracts made up of 47 contract school buses that are funded by the Department of Education (DoE) and administered by SBS. These services do not form part of our Student Transport Assistance Policy Framework (STAPF). Where eligible students cannot be accommodated on a school bus, their parents/carers are paid a conveyance allowance to offset the cost of getting their children to the nearest appropriate school.

### **Service 4: Rail Corridor and Residual Freight Issues Management**

Managing the rail freight corridor and infrastructure leases to the private sector and associated freight transport issues.

## 2.2 Schedule of income and expenses by service

For the year ended 30 JUNE 2022

	Metropolitan and Regional Passenger Services		Country Passenger Rail and Road Coach Services		Regional School Bus Services		Rail Corridor and Residual Freight Issues Management		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>COST OF SERVICES</b>										
<b>Expenses</b>										
Employee benefits expense	189,784	183,014	20,060	18,924	4,121	4,201	17,663	14,432	231,628	220,571
Supplies and services	426,947	311,087	17,652	22,155	1,538	1,484	18,768	19,692	464,905	354,418
Depreciation and amortisation expense	268,257	268,164	6,113	6,156	836	980	180,539	183,554	455,745	458,854
Finance costs	75,706	72,130	982	1,131	1	1	2,505	2,540	79,194	75,802
Grants and subsidies	436,375	425,122	989	802	126,882	122,479	7	-	564,253	548,403
Energy and fuel	27,525	27,942	3,721	2,594	48	43	44	47	31,338	30,626
Other expenses	25,524	40,410	1,605	1,794	384	527	1,729	1,782	29,242	44,513
<b>Total cost of services</b>	<b>1,450,118</b>	<b>1,327,869</b>	<b>51,122</b>	<b>53,556</b>	<b>133,810</b>	<b>129,715</b>	<b>221,255</b>	<b>222,047</b>	<b>1,856,305</b>	<b>1,733,187</b>
<b>Income</b>										
User charges and fees	134,624	135,770	7,636	7,737	4	12	-	-	142,264	143,519
Operating lease revenue	-	-	-	-	-	-	5,466	5,466	5,466	5,466
Commonwealth grants and contributions	13,830	2,090	1,000	-	-	-	-	-	14,830	2,090
Interest revenue	372	1,016	-	-	-	-	-	-	372	1,016
Gain/ (Loss) on disposal of non-current assets	30	16	-	5	-	-	(60)	51	(30)	72
Other revenue	30,010	14,159	1,400	1,119	-	4	15,800	14,464	47,210	29,746
<b>Total income other than income from State Government</b>	<b>178,866</b>	<b>153,051</b>	<b>10,036</b>	<b>8,861</b>	<b>4</b>	<b>16</b>	<b>21,206</b>	<b>19,981</b>	<b>210,112</b>	<b>181,909</b>
<b>NET COST OF SERVICES</b>	<b>1,271,252</b>	<b>1,174,818</b>	<b>41,086</b>	<b>44,695</b>	<b>133,806</b>	<b>129,699</b>	<b>200,049</b>	<b>202,066</b>	<b>1,646,193</b>	<b>1,551,278</b>
<b>Income from State Government</b>										
Operating subsidy contributions	905,054	857,617	38,604	39,127	46,191	126,395	13,963	9,021	1,003,812	1,032,160
Income from other public sector entities	176,752	114,550	-	-	4,258	4,928	225	200	181,235	119,678
Resources received	-	-	-	-	-	-	1,148	1,298	1,148	1,298
Royalties for Regions Fund	-	-	14	10	79,926	-	-	-	79,940	10
<b>Total income from State Government</b>	<b>1,081,806</b>	<b>972,167</b>	<b>38,618</b>	<b>39,137</b>	<b>130,375</b>	<b>131,323</b>	<b>15,336</b>	<b>10,519</b>	<b>1,266,135</b>	<b>1,153,146</b>
<b>Surplus/(deficit) for the period</b>	<b>(189,446)</b>	<b>(202,651)</b>	<b>(2,468)</b>	<b>(5,558)</b>	<b>(3,431)</b>	<b>1,624</b>	<b>(184,713)</b>	<b>(191,547)</b>	<b>(380,058)</b>	<b>(398,132)</b>

The Schedule of income and expenses by service should be read in conjunction with the accompanying notes.



### 3. Use of our funding

#### Expenses incurred in the delivery of services

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

	Note	2022 \$'000	2021 \$'000
Employee benefits expenses	3.1(a)	231,628	220,571
Employee related provisions	3.1(b)	63,119	58,925
Grants and subsidies	3.2	564,253	548,403
Supplies and services	3.3	464,905	354,418
Other expenditure	3.4	29,242	44,513

#### 3.1 (a) Employee benefits expenses

	2022 \$'000	2021 \$'000
Employee benefits	210,795	201,889
Termination benefits	1,019	455
Superannuation - defined contributions plans	19,814	18,227
<b>Total employee benefits expenses</b>	<b>231,628</b>	<b>220,571</b>
Add: AASB 16 Non-monetary benefits	96	106
Less: Employee contributions (per the statement of comprehensive income)	(100)	(92)
<b>Net employee benefits</b>	<b>231,624</b>	<b>220,585</b>

**Employee benefits** includes wages, salaries, accrued and paid leave entitlements, paid sick leave and termination payments; and non-monetary benefits (such as cars and free or subsidised travel) for employees.

**Termination benefits** are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefit in exchange for the termination of employment. Termination benefits are recognised when PTA is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Superannuation** is the amount recognised in profit or loss in the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, other GESB schemes or other superannuation funds.

**AASB 16 Non-monetary benefits** are non-monetary employee benefits predominantly relating to the provision of vehicle benefits and are recognised under AASB16 which are excluded from the employee benefits expense.

**Employee Contributions** are contributions made to the PTA by employees towards employee benefits that have been provided by the PTA. This includes both AASB 16 and non-AASB 16 employee contributions.

### 3.1 (b) Employee related provisions

	2022 \$'000	2021 \$'000
<b>Current</b>		
<b>Employee benefits provisions</b>		
Annual leave (i)	24,535	22,412
Long service leave (ii)	21,341	20,222
Deferred salary scheme (iii)	141	141
	<b>46,017</b>	<b>42,775</b>
<b>Other provisions</b>		
Employment on-costs (iv)	4,899	4,556
<b>Total current employee related provisions</b>	<b>50,916</b>	<b>47,331</b>
<b>Non-Current</b>		
<b>Employee benefits provisions</b>		
Long service leave (ii)	10,994	10,431
<b>Other provisions</b>		
Employment on-costs (iv)	1,209	1,163
<b>Total non-current employee related provisions</b>	<b>12,203</b>	<b>11,594</b>
<b>Total employee related provisions</b>	<b>63,119</b>	<b>58,925</b>

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

**(i) Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of liabilities is expected to occur as follows:

	2022 \$'000	2021 \$'000
Within 12 months of the end of the reporting period	18,472	16,561
More than 12 months after the end of the reporting period	6,063	5,851
	<b>24,535</b>	<b>22,412</b>

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

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

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

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2022 \$'000	2021 \$'000
Within 12 months of the end of the reporting period	4,471	4,159
More than 12 months after the end of the reporting period	27,864	26,494
	<b>32,335</b>	<b>30,653</b>

The provision for long service leave is recognised at the face value of each employee's long service leave entitlement based on remuneration rates current as at the end of the reporting period, adjusted for the employee's age factor. This method is referred to as the shorthand method.

An actuarial assessment of long service leave undertaken by PriceWaterhouseCoopers Actuaries at 30 June 2021 determined that the liability measured using the short-hand measurement technique above was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the PTA's experience of employee retention and leave taken.

**(iii) Deferred salary scheme liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

	2022 \$'000	2021 \$'000
Within 12 months of the end of the reporting period	141	141
More than 12 months after the end of the reporting period	-	-
	<b>141</b>	<b>141</b>

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

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenditure, note 3.4 (apart from the unwinding of the discount (finance cost))' and are not included as part of the PTA's 'employee benefits expenses'. The related liability is included in 'Employment on-costs provision'.

	2022 \$'000	2021 \$'000
<b>Employment on-costs provision</b>		
Carrying amount at start of period	5,719	4,779
Additional provisions recognised	3,246	3,322
Payments/other sacrifices of economic benefit	(2,857)	(2,382)
<b>Carrying amount at end of period</b>	<b>6,108</b>	<b>5,719</b>

### Key sources of estimation uncertainty – annual leave and long service leave

The PTA undertook an actuarial assessment of its long service leave provision in 2021 and is using employees' age-based factors for discounting its expected future payments between valuations. These factors incorporate a series of assumptions such as demographics, salary inflation, and market yields on Commonwealth Government bonds. Fluctuations in any of the assumptions used to calculate these factors may impact the provision for annual and long service leave.

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

## 3.2 Grants and subsidies

	2022 \$'000	2021 \$'000
<b>Recurrent</b>		
Bus operators (i)	415,492	400,110
School bus services (i)	125,242	120,827
Regional bus services (i)	19,272	17,696
Student conveyance allowance (ii)	1,640	1,652
Ferry services (i)	1,513	1,842
Grants to other government agencies	544	526
Grants to local government (iii)	550	3,050
Grants to non-government schools (iv)	-	2,700
	<b>564,253</b>	<b>548,403</b>

(i) Transactions are mainly contract payments to Metropolitan and Regional bus operators and ferry operators.

(ii) Contribution to eligible parents/carers for transportation costs by private motor vehicle. This entitlement applies to rural students living outside of a public transport area and students with special needs who are required to attend an education support facility.

(iii) Grants to local government relates to the bus shelter grant scheme.

(iv) Grants to non-government schools includes a grant to build a sports pavillion and environmental studies.

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

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

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

### 3.3 Supplies and services

	2022 \$'000	2021 \$'000
Contractors	367,269	280,734
Motor vehicles	11,420	12,005
Materials and signs	7,821	8,082
Consumables	15,284	14,585
Communications	1,322	1,071
External works	38,461	16,415
Other	23,328	21,526
<b>Total supplies and services expenses</b>	<b>464,905</b>	<b>354,418</b>

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

### 3.4 Other expenditure

	2022 \$'000	2021 \$'000
Payroll tax	13,090	12,386
Workers' compensation	10,559	9,912
Impairment losses	155	16,740
Payment of infringements to consolidated account	3,218	2,862
Audit fees	609	401
Notional charges for services provided by government agencies	1,148	1,298
Employee on-costs	343	829
Bad debts written off	5	75
Expected credit losses expense	115	10
<b>Total other expenditure</b>	<b>29,242</b>	<b>44,513</b>

#### Other expenditure:

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

**Impairment losses** are recognised in the Statement of comprehensive income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised as an expense. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

**Employee on-costs** includes workers' compensation insurance and employment on-costs. The on-costs liabilities associated with the recognition of annual and long service leave liabilities are included at note 3.1(b) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

**Expected credit losses** is an allowance of trade receivables, measured based on lifetime expected credit losses at each reporting date. The PTA has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the



economic environment. Please refer to note 6.1.1 Movement of the allowances for impairment of trade receivables.

## 4. Our funding sources

### How we obtain our funding

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

	Note	2022 \$'000	2021 \$'000
Income from State Government	4.1	1,266,135	1,153,146
User charges and fees	4.2	142,264	143,519
Operating lease revenue	4.3	5,466	5,466
Commonwealth grants	4.4	14,830	2,090
Interest revenue	4.5	372	1,016
Other income	4.6	47,210	29,746
Gains (Losses) on disposal of non-current assets	4.7	(30)	72

### 4.1 Income from State Government

	2022 \$'000	2021 \$'000
<b>Appropriations received during the period:</b>		
Operating subsidy contributions (i)	1,003,812	1,032,160
<b>Income received from other public sector entities during the period (ii)</b>	<b>181,235</b>	<b>119,678</b>
<b>Resources received from other public sector entities during the period (iii)</b>		
State Solicitors Office	964	1,192
Landgate	5	-
Department of Water and Environmental Regulation	31	2
Department of Primary Industries and Regional Development	-	10
Department of Communities	-	5
Main Roads WA	39	89
Department of Finance	45	-
Department of Transport	64	-
<b>Total resources received</b>	<b>1,148</b>	<b>1,298</b>
<b>Royalties for Regions Fund:</b>		
Regional Community Services Account (iv)	79,940	10
<b>Total income from State Government</b>	<b>1,266,135</b>	<b>1,153,146</b>

- (i) Operating subsidy contributions are recognised as revenues at fair value in the period in which the PTA gains control of the appropriated funds. The PTA gains control of appropriated funds at the time those funds are deposited in the bank account.

Operating subsidy contributions fund the net cost of services delivered (as set out in note 2.2) except depreciation expense.

- (ii) Income from other public sector entities are recognised as income when the PTA has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the PTA receives the funds.
- (iii) Resources received from other public sector entities are recognised as income (and assets or expenses) equivalent to the fair value of the assets or the fair value of those services that can be reliably determined and which would have been purchased if not donated.
- (iv) The Regional Community Services Accounts are sub-funds within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the PTA receives the funds.

## 4.2 User charges and fees

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Fare revenue	<b>142,264</b>	<b>143,519</b>

### Revenue recognition

Revenue is recognised at the transaction price when the PTA transfers control of the services to customers.

Revenue is recognised for the major business activities as follows:

#### Fare revenue

Revenue is recognised when the PTA transfers control of services to a customer for the amount to which the PTA expects to be entitled. Revenue is recognised at a point in time when performance obligations are satisfied.

#### Provision of services

Revenue is recognised in the accounting period in which the relevant performance obligations has been satisfied.

## 4.3 Operating lease revenue

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Rental income from freight network infrastructure (i)	<b>5,383</b>	5,383
Rental income from grain receival sites (ii)	<b>83</b>	83
	<b>5,466</b>	<b>5,466</b>

- (i) The sale of the Westrail Freight Business on 17 December 2000 included an operating lease of the freight network infrastructure for 49 years between the Western Australian Government Railways Commission (WAGR) – now the PTA and Westnet Rail Pty Ltd – now Arc Infrastructure Pty Ltd. The lease rentals were fully prepaid on 17 December 2000, and credited to deferred operating lease revenue.
- (ii) A 99 year operating lease for 118 grain receival sites was entered into with Co-operative Bulk

Handling (CBH) in 2003. Rental income for 99 years of \$7.45 million was received in full at the commencement of the lease, and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 6.5 'Deferred income – operating leases').

A further 99 year operating lease for 15 grain receival sites was entered into with CBH in 2004. Rental income for 99 years of \$775,000 was received in full at the commencement of the lease and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 6.5 'Deferred income – operating leases').

#### 4.4 Commonwealth grants

	2022 \$'000	2021 \$'000
<b>Commonwealth grant (via Treasury):</b>		
Karel Avenue Upgrade Project	-	351
Bunbury Faster Rail Project	1,000	-
National Partnership Covid19 Response	13,087	-
Platform and Signalling Upgrade Project	743	1,739
	<b>14,830</b>	<b>2,090</b>

Recurrent grants are recognised as income when the grants are receivable.

Commonwealth recurrent grant received for Karel Avenue Upgrade Project and Platform and Signalling Upgrade Project are recognised as income when the PTA achieves milestones specified in the grant agreement.

Commonwealth grants received for National Partnership on COVID19 Response are recognised as income when the grant is received.

#### 4.5 Interest revenue

	2022 \$'000	2021 \$'000
Interest revenue	372	1,016

Revenue is recognised as the interest accrues.

Interest revenue received from Treasury was calculated only on the balance of the funds received for the METRONET account (note 10.6).

## 4.6 Other income

	2022 \$'000	2021 \$'000
Rents and leases	15,794	14,907
Advertising income	7,745	4,844
Parking	6,016	6
Infringements	3,273	2,870
Third party contribution for pipeline relocation	6,076	-
Miscellaneous	5,274	5,510
SmartRider card sales	904	750
External works	2,119	795
Net change in fair value of financial instruments through profit and loss	9	64
	<b>47,210</b>	<b>29,746</b>

### Revenue recognition

Revenue is recognised when the PTA transfers control of services to a customer for the amount to which the PTA expects to be entitled.

Revenue is recognised for the major business activities as follows:

#### Sale of goods and External works

Revenue is recognised from the sale of goods, external works and disposal of other assets when the PTA transfers control of the goods to a customer for the amount to which the PTA expects to be entitled.

#### Provision of services

Revenue is recognised in the accounting period in which the relevant performance obligations have been satisfied.

#### Infringements

Infringements are recorded on a cash basis. Outstanding infringements are not recognised as receivables, as the future economic benefits are minimal and cannot be reliably measured at the end of the reporting period.

#### Rents and leases

Revenue from rents and leases is recognised in the accounting period in which the relevant performance obligations have been satisfied.

## 4.7 Gains/(Losses) on disposal of non-current assets

	2022 \$'000	2021 \$'000
<b>Net proceeds from disposal of non-current assets</b>		
Land	236	-
Buses	255	646
Other	74	51
<b>Carrying amount of non-current assets disposed</b>		
Land	(236)	-
Buses	(294)	(603)
Other/write-off of non-current assets	(65)	(22)
<b>Net Gains/(Losses)</b>	<b>(30)</b>	<b>72</b>

**Realised and unrealised gains** are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting the carrying amount of the asset and related selling expenses from the proceeds on disposal. Gains and losses are recognised as profit or loss in the Statement of comprehensive income (from the proceeds of sale).

## 5. Key assets

### Assets the PTA utilises for economic benefit or service potential

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

	Note	2022 \$'000	2021 \$'000
Infrastructure, property, plant, equipment and vehicles	5.1	11,056,647	10,222,074
Right-of-use assets	5.2	30,288	35,583
Intangible assets	5.3	10,937	12,914
<b>Total key assets</b>		<b>11,097,872</b>	<b>10,270,571</b>



## 5.1 Infrastructure, property, plant, equipment and vehicles

Year ended 30 June 2022	Land \$'000	Buildings \$'000	Freight infrastructure \$'000	Rollingstock \$'000	infrastructure \$'000	Railway infrastructure \$'000	Plant, equipment & motor vehicles \$'000	System infrastructure \$'000	Bus infrastructure \$'000	Vessels \$'000	Buses \$'000	Construction in progress \$'000	Total \$'000
<b>1 July 2021</b>													
Gross carrying amount	457,805	118,073	13,388,458	1,386,723	6,039,320	57,846	339,868	712,182	1,013,917	2,750,006	26,270,445		
Accumulated depreciation	-	(83,038)	(11,339,744)	(743,113)	(2,779,380)	(39,654)	(260,633)	(278,705)	(520,850)	-	(16,048,371)		
<b>Carrying amount at start of period</b>	<b>457,805</b>	<b>35,035</b>	<b>2,048,714</b>	<b>643,610</b>	<b>3,259,940</b>	<b>18,192</b>	<b>79,235</b>	<b>433,477</b>	<b>493,067</b>	<b>2,750,006</b>	<b>10,222,074</b>		
Additions	-	-	-	-	6,199	-	1,065	611	-	1,266,571	1,274,446		
Transfers (i)	(48)	964	8,635	2,041	121,235	1,932	12,346	25,448	47,514	(225,356)	(5,289)		
Other disposals	-	-	-	-	-	(5)	(60)	-	(294)	-	(359)		
Revaluation increments/(decrements)	13,397	-	-	-	-	-	-	-	-	-	13,397		
Impairment losses (ii)	-	-	-	-	-	-	-	-	-	-	-		
Depreciation	-	(3,493)	(167,460)	(41,005)	(150,056)	(4,576)	(14,835)	(17,326)	(48,708)	(163)	(447,622)		
<b>Carrying amount at 30 June 2022</b>	<b>471,154</b>	<b>32,506</b>	<b>1,889,889</b>	<b>604,646</b>	<b>3,237,318</b>	<b>15,543</b>	<b>77,751</b>	<b>442,210</b>	<b>491,579</b>	<b>2,830</b>	<b>11,056,647</b>		

(i) On 30 June 2022, the PTA recognised transferred assets from Main Roads WA for Freight Level Crossing upgrades (\$8.6 million) and land for (\$0.6 million). Transfers from PTA to Main Roads WA for Principal Shared Path (PSP) at Claremont Station amounted to \$5.0 million. All other transfers relate to movements from construction in progress to respective asset profiles.

(ii) Impairment losses are recognised in the Statement of comprehensive income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in note 9.3.

## 5.1 Infrastructure, property, plant, equipment and vehicles (continued)

Year ended 30 June 2021	Land \$'000	Buildings \$'000	Freight infrastructure \$'000	Rollingstock \$'000	Railway infrastructure \$'000	Plant, equipment & motor vehicles \$'000	System infrastructure \$'000	Bus infrastructure \$'000	Vessels \$'000	Buses \$'000	Construction in progress \$'000	Total \$'000
<b>1 July 2020</b>												
Gross carrying amount	446,200	118,073	13,382,467	1,385,828	6,017,445	48,584	341,868	700,128	6,166	962,722	1,679,760	25,089,241
Accumulated depreciation	-	(79,558)	(11,168,034)	(702,123)	(2,631,272)	(34,618)	(246,242)	(261,406)	(3,042)	(471,387)	-	(15,597,682)
<b>Carrying amount at start of period</b>	<b>446,200</b>	<b>38,515</b>	<b>2,214,433</b>	<b>683,705</b>	<b>3,386,173</b>	<b>13,966</b>	<b>95,626</b>	<b>438,722</b>	<b>3,124</b>	<b>491,335</b>	<b>1,679,760</b>	<b>9,491,559</b>
Additions	-	-	-	-	-	-	-	253	-	-	1,182,094	1,182,347
Transfers (iii)	3,170	-	5,991	895	21,875	9,262	1,448	11,801	103	49,941	(95,106)	9,380
Other disposals	-	-	-	-	-	-	-	-	(22)	(602)	-	(624)
Revaluation increments/ (decrements)	8,435	-	-	-	-	-	(3,448)	-	-	1,856	-	6,843
Impairment losses (iv)	-	-	-	-	-	-	-	-	-	-	(16,742)	(16,742)
Depreciation	-	(3,480)	(171,710)	(40,990)	(148,108)	(5,036)	(14,391)	(17,299)	(212)	(49,463)	-	(450,689)
<b>Carrying amount at 30 June 2021</b>	<b>457,805</b>	<b>35,035</b>	<b>2,048,714</b>	<b>643,610</b>	<b>3,259,940</b>	<b>18,192</b>	<b>79,235</b>	<b>433,477</b>	<b>2,993</b>	<b>493,067</b>	<b>2,750,006</b>	<b>10,222,074</b>

(iii) On 30 June 2021, the PTA recognised transferred assets from Main Roads WA for Freight Level Crossing upgrades (\$5.5 million) and Henley Brook Bus Station (\$9 million) and land was transferred from Development WA (\$0.7 million). Transfers from PTA to Main Roads WA for bus lanes amounted to \$1.7 million. All other transfers relate to movements from construction in progress to respective asset profiles.

(iv) Impairment losses are recognised in the Statement of comprehensive income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. Information on fair value measurements is provided in note 9.3.

## **Initial recognition**

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

## **Subsequent measurement**

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings, freight network infrastructure, railway infrastructure, bus infrastructure, system infrastructure, rollingstock, vessels and buses. All assets except plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

Land controlled by the PTA including metropolitan and regional corridor land, not subject to commercial lease, is independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land was revalued as at 1 July 2021 by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised at 30 June 2022.

Land which is commercially leased is independently valued on the capitalised value of current lease.

Buildings, freight network infrastructure, railway infrastructure, bus infrastructure, system infrastructure and Transwa rollingstock are revalued at fair value using current replacement cost by independent valuers, engineering and management professionals. Buses, vessels and urban rollingstock are revalued utilising internal resources and recent contract prices. Valuations are obtained every three to five years. The fair value is based on current replacement cost as the assets are specialised and limited market-based evidence of value is available.

Fair value for infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Construction in progress is recognised at cost.

## **Significant assumptions and judgements**

The most significant assumptions and judgement in estimating fair value are assets useful lives, which are estimated having regard to such factors as asset maintenance, rate of technical and commercial obsolescence and asset usage. The useful lives of fixed assets are reviewed annually.

## 5.1.1 Depreciation and impairment

### Charge for the period

	2022 \$'000	2021 \$'000
<b>Depreciation</b>		
Buildings	3,493	3,480
Freight network infrastructure	167,460	171,710
Rollingstock	41,005	40,991
Railway infrastructure	150,056	148,108
Plant, equipment and motor vehicles	4,576	5,036
Systems infrastructure	14,835	14,390
Bus infrastructure	17,326	17,299
Vessels	163	212
Buses	48,708	49,463
<b>Total depreciation for the period</b>	<b>447,622</b>	<b>450,689</b>

As at 30 June 2022 there were no indications of impairment to infrastructure, property, plant, equipment and vehicles.

All surplus assets at 30 June 2022 have either been classified as assets held for sale or have been written-off.

### Finite useful lives

Buildings, freight network infrastructure, railway infrastructure, bus infrastructure, system infrastructure, rollingstock, vessels, buses and plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale and land.

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

Class of asset	Useful Life
Buildings	10 to 50 years
Rollingstock	10 to 45 years
Infrastructure (including bus, railway, freight network and system)	5 to 100 years
Plant and equipment	3 to 40 years
Buses	10 to 45 years
Vessels	4 to 20 years

The estimated useful lives and residual values are reviewed annually, and adjustments are made where appropriate.

Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised because its service potential has not, in any material sense, been consumed during the reporting period.

## Impairment

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

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

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

There were no impairment indicators to property, plant and equipment, vehicles or infrastructure assets identified at 30 June 2022.

As the PTA is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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

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

## 5.2 Right-of-use assets

### Year ended 30 June 2022

#### At 1 July 2021

	Land and buildings \$'000	Plant, equipment and motor vehicles \$'000	Total \$'000
Gross carrying amount	42,699	3,253	45,952
Accumulated depreciation	(8,944)	(1,425)	(10,369)
<b>Carrying amount at start of period</b>	<b>33,755</b>	<b>1,828</b>	<b>35,583</b>
Additions	654	997	1,651
Transfers	(2,122)	-	(2,122)
Disposals	-	(15)	(15)
Depreciation	(3,931)	(878)	(4,809)
<b>Carrying amount at 30 June 2022</b>	<b>28,356</b>	<b>1,932</b>	<b>30,288</b>
Gross carrying amount	43,354	3,888	47,242
Accumulated depreciation	(14,998)	(1,956)	(16,954)



<b>Year ended 30 June 2021</b>	<b>Land and buildings \$'000</b>	<b>Plant, equipment and motor vehicles \$'000</b>	<b>Total \$'000</b>
<b>1 July 2020</b>			
Gross carrying amount	31,154	2,304	33,458
Accumulated depreciation	(2,955)	(922)	(3,877)
<b>Carrying amount at start of period</b>	<b>28,199</b>	<b>1,382</b>	<b>29,581</b>
Additions	11,545	1,365	12,910
Transfers	(1,942)	385	(1,557)
Disposals	-	(416)	(416)
Depreciation	(4,047)	(888)	(4,935)
<b>Carrying amount at 30 June 2021</b>	<b>33,755</b>	<b>1,828</b>	<b>35,583</b>
Gross carrying amount	42,699	3,253	45,952
Accumulated depreciation	(8,944)	(1,425)	(10,369)

### Initial recognition

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

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

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

The PTA has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

## Subsequent Measurement

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

## Depreciation and impairment of right-of-use assets

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

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

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1.

The following amounts relating to leases have been recognised in the Statement of comprehensive income:

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
<b>Depreciation charge of right-of-use assets</b>		
Land and buildings	<b>3,931</b>	4,047
Plant, equipment and motor vehicles	<b>878</b>	888
<b>Depreciation expenses of right-of-use assets</b>	<b>4,809</b>	<b>4,935</b>
Lease interest expenses	<b>893</b>	979
Expenses relating to variable lease payments not included in lease liabilities		
Short-term leases	<b>62</b>	96
Low-value leases	<b>172</b>	160

The total cash outflow for leases in 2022 was \$4,332,643 (2021: \$5,944,712) which include payments of both interest and principal.

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

The PTA has leases for office accommodation, bus depots and stations, car parks, motor vehicles and licenses.

The PTA recognises leases as right-of-use assets and associated lease liabilities in the Statement of financial position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 8.2.

### 5.3 Intangible assets

#### Year ended 30 June 2021

##### 1 July 2020

Gross carrying amount	8,202	30,760	38,962
Accumulated amortisation	(3,563)	(23,116)	(26,679)

##### Carrying amount at start of period

<b>4,639</b>	<b>7,644</b>	<b>12,283</b>
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Additions and transfers in	-	3,860	3,860
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Amortisation expense	(587)	(2,642)	(3,229)
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##### Carrying amount at 30 June 2021

<b>4,052</b>	<b>8,862</b>	<b>12,914</b>
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#### Year ended 30 June 2022

##### 1 July 2021

Gross carrying amount	8,202	34,620	42,822
Accumulated amortisation	(4,150)	(25,758)	(29,908)

##### Carrying amount at start of period

<b>4,052</b>	<b>8,862</b>	<b>12,914</b>
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Additions and transfers in	-	1,337	1,337
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Amortisation expense	(588)	(2,726)	(3,314)
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##### Carrying amount at 30 June 2022

<b>3,464</b>	<b>7,473</b>	<b>10,937</b>
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#### Initial recognition

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

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefit;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

Costs incurred in the research phase of a project are immediately expensed.

#### Subsequent measurement

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

### 5.3.1 Amortisation and impairment

#### Charge for the period

	2022 \$'000	2021 \$'000
<b>Amortisation</b>		
Computer software	2,726	2,642
Licences	588	587
<b>Total amortisation for the period</b>	<b>3,314</b>	<b>3,229</b>

As at 30 June 2022 there were no impairment indicators in relation to intangible assets identified.

The PTA held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets held in construction in progress.

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

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

Asset	Useful Life
Software*	2 to 5 years
Website costs	3 to 5 years
Licences	15 years

\* Software that is not integral to the operation of any related hardware.

#### Impairment of intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1

## 6. Other assets and liabilities

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

	Note	2022 \$'000	2021 \$'000
Receivables	6.1	42,377	41,626
Amounts receivable for services (Holding Account)	6.2	377,533	484,270
Other current assets	6.3	20,651	18,582
Inventories	6.4	25,124	23,833
Deferred income operating leases	6.5	(154,597)	(160,063)
Payables	6.6	(162,606)	(166,502)
Other provisions	6.7	(8,915)	(12,745)
Capital grants liabilities	6.8	(56,150)	(18,567)
Other current liabilities	6.9	(28)	(42)

## 6.1 Receivables

	2022 \$'000	2021 \$'000
<b>Current</b>		
Trade receivables	8,110	2,652
Allowance for impairment of trade receivables	(139)	(24)
Accrued revenue	4,450	3,697
GST receivable	29,336	35,219
Other receivables - external works	620	82
<b>Total receivables</b>	<b>42,377</b>	<b>41,626</b>

Trade receivables are recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. PTA holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

PTA recognises an allowance for expected credit losses (ECLs) on trade receivables measured at the lifetime expected credit losses at each reporting date. PTA has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to note 3.4 for the amount of ECLs expensed in this financial year.

### 6.1.1 Movement of the allowances for impairment of trade receivables

	2022 \$'000	2021 \$'000
<b>Reconciliation of changes in the allowance for impairment of trade receivables:</b>		
Opening Balance	24	15
Expected credit losses expense	115	9
<b>Balance at end of period</b>	<b>139</b>	<b>24</b>

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table note 9.1(d) 'Financial instruments disclosures'.

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

## 6.2 Amounts receivable for services (Holding Account)

	2022 \$'000	2021 \$'000
Current	152,411	86,696
Non-current	225,122	397,574
<b>Balance at end of period</b>	<b>377,533</b>	<b>484,270</b>

Amounts receivable for services represent the non-cash component of operating subsidy contribution. It is restricted in that it can only be used for asset replacement or payment of leave liability.



The PTA receives funding on an accrual basis. The operating subsidy are paid partly in cash and partly as an asset (holding account receivable) until 2011-12. From 2012-13, the PTA no longer receives funding into holding account receivable. The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

Amounts receivable for services are considered not impaired (i.e. there is no expected credit loss of the holding accounts).

### 6.3 Other current assets

	2022 \$'000	2021 \$'000
<b>Current</b>		
Prepayments	20,651	18,582
<b>Balance at end of period</b>	<b>20,651</b>	<b>18,582</b>

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

### 6.4 Inventories

	2022 \$'000	2021 \$'000
<b>Current</b>		
Maintenance spares - at cost	25,124	23,833

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory. Inventory recorded using the inventory control system is valued at the weighted average cost and the remainder is valued on a first in first out basis.

Inventories are measured at cost unless they are no longer required as maintenance spares, in which case they are measured at net realisable value.

## 6.5 Deferred income - operating lease

	2022 \$'000	2021 \$'000
<b>Current</b>		
Freight network infrastructure prepaid operating lease (i)	5,383	5,383
Co-operative Bulk Handling 99 year lease (ii)	83	83
<b>Total current</b>	<b>5,466</b>	<b>5,466</b>
<b>Non-current</b>		
Freight network infrastructure prepaid operating lease (i)	142,643	148,026
Co-operative Bulk Handling 99 year lease (ii)	6,488	6,571
<b>Total non-current</b>	<b>149,131</b>	<b>154,597</b>
<b>Balance at end of period</b>	<b>154,597</b>	<b>160,063</b>

(i) The sale of the Westrail Freight Business on 17 December 2000 included an operating lease of the freight network infrastructure for 49 years between the Western Australian Government Railways Commission (WAGR) – now the PTA and Westnet Rail Pty Ltd – now Arc Infrastructure Pty Ltd. The lease rentals were fully prepaid on 17 December 2000, and credited to deferred operating lease revenue.

(ii) A 99 year operating lease for 118 grain receival sites was entered into with Co-operative Bulk Handling (CBH) in 2003. Rental income for 99 years of \$7.45 million was received in full at the commencement of the lease, and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 4.3 'Operating lease revenue').

A further 99 year operating lease for 15 grain receival sites was entered into with CBH in 2004. Rental income for 99 years of \$775,000 was received in full at the commencement of the lease and is accounted for as revenue over the 99 year lease period, with the prepaid portion shown as deferred income. (See note 4.3 'Operating lease revenue').

## 6.6 Payables

	2022 \$'000	2021 \$'000
<b>Current</b>		
Accrued operational expenses (Note 1)	116,811	132,738
Accrued interest	18,906	16,214
Accrued salaries	7,876	5,994
Trade payables	16,012	8,415
Other payables	3,001	3,141
<b>Balance at end of period</b>	<b>162,606</b>	<b>166,502</b>

(Note 1) Included in payables is the Smartrider top up value inclusive of GST. Smartrider revenue is recognised when the PTA transfers control of the services to a customer for the amount to which the PTA expects to be entitled and GST payable at that point.

Payables are recognised at the amounts payable when the PTA becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair

value, as settlement is generally within 15-20 days.

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

The accrued salaries suspense account (See note 8.4.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from PTA's appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pays instead of the normal 26. No interest is received on this account.

## 6.7 Other provisions

	Note	2022 \$'000	2021 \$'000
<b>Current</b>			
Workers' compensation	6.7.1	3,075	3,975
Contaminated sites	6.7.1	1,895	2,501
<b>Total current</b>		<b>4,970</b>	<b>6,476</b>
<b>Non-current</b>			
Contaminated sites	6.7.1	3,945	6,269
<b>Total non-current</b>		<b>3,945</b>	<b>6,269</b>
<b>Balance at end of period</b>		<b>8,915</b>	<b>12,745</b>

### Provision for Workers' Compensation

Provision is made for all outstanding claims from periods before 1 July 1997 and any previous year's fund contribution assessments based on claims experience and performance adjustment from RiskCover. The amount of the provision is the estimated outstanding value of claims plus any actuarial assessments of the previous years adjusted fund contribution at the end of the reporting period.

The workers' compensation fund contributions are initially calculated on estimates of wages, prior year claims and budgeted investment income and are then adjusted on the actual outcomes of these factors for the period of cover. Workers' compensation fund contributions are adjusted three years after the close of the period of cover and the PTA has made a provision based upon the RiskCover performance adjustment. The performance adjustment outcome for a year is influenced by the actual experience for a year being different to what was expected when the fund contribution was set. Differences can arise when the actual outcome is different from that originally projected, specifically in relation to number of claims received, cost of the claims, reinsurance costs and investment returns.

### Provision for Contaminated sites

Provision is recognised for the sites that are classified as contaminated – remediation required or possibly contaminated – investigation required, and where the PTA has a liability in respect of investigation or remediation expenses.

The contaminated sites provision is the present value on the best estimates made by management for investigation or remediation expenses of contaminated or suspected contaminated sites.

Future remediation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

## 6.7.1 Movement in provisions

	2022 \$'000	2021 \$'000
<b>Movements in each class of provisions during the period, are set out below:</b>		
<b>Workers' compensation provisions</b>		
Carrying amount at start of period	3,975	767
Additional provisions recognised	10,424	10,020
Payments/other sacrifices of economic benefit	(11,324)	(6,812)
Carrying amount at end of period	<b>3,075</b>	<b>3,975</b>
<b>Contaminated sites provision</b>		
Carrying amount at start of period	8,770	10,302
Additional provisions recognised	1,178	528
Payments/other sacrifices of economic benefit	(4,108)	(2,060)
Carrying amount at end of period	<b>5,840</b>	<b>8,770</b>

## 6.8 Capital grants liabilities

	2022 \$'000	2021 \$'000
Current	56,150	18,567
<b>Total Capital grant liabilities</b>	<b>56,150</b>	<b>18,567</b>
<b>Reconciliation of changes in capital grant liabilities</b>		
Opening balance at the beginning of the period	18,567	30,351
Additions	70,000	5,000
Income recognised in the reporting period.	(32,417)	(16,784)
Closing balance at the end of period	<b>56,150</b>	<b>18,567</b>

The PTA capital grant liabilities relate to capital grants received from Western Australian Planning Commission (WAPC) for the delivery of the Yanchep Rail Extension and from Commonwealth Government for the delivery of the Platform and Signalling Upgrade Project. Income is recognised when the PTA achieves milestones specified in the capital grant agreement.

	2022 \$'000	2021 \$'000
<b>Expected satisfaction of capital grant liabilities</b>		
1 year	56,150	18,567
	<b>56,150</b>	<b>18,567</b>

## 6.9 Other current liabilities

	2022 \$'000	2021 \$'000
<b>Current</b>		
Payments held in suspense	23	20
Parental leave	5	22
<b>Balance at end of period</b>	<b>28</b>	<b>42</b>

## 7. Financial assets and financial liabilities

	2022 \$'000	2021 \$'000
<b>Other financial liabilities</b>		
<b>Derivatives designated as hedging instruments:</b>		
Cash flow hedges		
Current foreign exchange forward contracts	(366)	(332)
<b>Total instruments at fair value through OCI</b>	<b>(366)</b>	<b>(332)</b>

The PTA enters into foreign exchange forward contracts with the Western Australian Treasury Corporation to hedge its exposure to foreign currency risks. The foreign exchange forward contracts are designated as cash flow hedges and are entered into for periods with foreign currency exposure of the underlying transactions.

### Initial recognition and subsequent measurement

The foreign exchange forward contracts are initially recognised at fair value on the date on which it is entered into and are subsequently remeasured at fair value. Any gains or losses arising from changes in the fair value are taken directly to profit or loss, except for the effective portion of cash flow hedges.

### Cash flow hedges

Forward foreign exchange contracts are entered into as hedges to avoid or minimise possible adverse financial effects of movements in exchange rates. Such derivatives are stated at fair value. Changes in the fair value of derivatives that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income and the ineffective portion is recognised immediately in profit or loss.

When the hedged firm commitment results in the recognition of an asset or a liability, then at the time the asset or liability is recognised, the associated gains or losses that had previously been recognised in other comprehensive income are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognised in other comprehensive income are reclassified to profit or loss in the same period in which the hedged firm commitment affects profit or loss.

When a hedging instrument expires or is sold, terminated, or exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that was recognised in other comprehensive income at that time remains separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income is immediately reclassified to profit or loss as a reclassification adjustment.

## 8. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the PTA.

	<b>Note</b>
Borrowings	8.1
Lease liabilities	8.2
Finance costs	8.3
Cash and cash equivalents	8.4
Reconciliation of cash	8.4.1
Reconciliation of operating activities	8.4.2
Capital commitments	8.5

### 8.1 Borrowings

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
<b>Current</b>		
Western Australian Treasury Corporation Loans	215,896	178,855
<b>Non-current</b>		
Western Australian Treasury Corporation Loans	2,833,062	2,706,871
<b>Balance at end of period</b>	<b>3,048,958</b>	<b>2,885,726</b>

All loans payables are initially recognised at fair value, being the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method.

The non-current loan from the Western Australian Treasury Corporation (WATC) includes Term floating rate lending of \$155 million (2021: \$180 million) that will become due and payable during the 2022-23 financial year. It is the PTA's expectation that these amounts will be refinanced under contractual arrangements in place with the WATC, rather than to be repaid. Therefore, they are recognised as non-current borrowings. This is supported by:

- a master lending agreement with the WATC that allows the PTA to refinance all or any part of maturing debt at regular intervals; and
- the expected approval of the PTA's forecast borrowing requirements for the next four years, including no requirement for repayment of the amounts classified as non-current above, within the Western Australian State Budget.



## 8.2 Lease liabilities

	2022 \$'000	2021 \$'000
Current	6,126	5,800
Non-current	24,327	29,262
<b>Total lease liabilities</b>	<b>30,453</b>	<b>35,062</b>

### Initial measurement

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

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

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

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

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

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

This section should be read in conjunction with note 5.2.

### Subsequent Measurement

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

## 8.3 Finance costs

	2022 \$'000	2021 \$'000
Interest expense on Western Australian Treasury Corporation (WATC) borrowings	78,301	74,823
Lease interest expense	893	979
<b>Finance costs expensed</b>	<b>79,194</b>	<b>75,802</b>

'Finance costs' includes the interest component of lease liability repayments, costs incurred in connection with the borrowing of funds for short term and long term borrowings, amortisation of discounts or premiums relating to borrowings.

The PTA has made a determination to expense all borrowing costs associated with the construction of capital projects as allowed by the alternative accounting treatment under AASB 123 *Borrowing Costs*.

## 8.4 Cash and cash equivalents

### 8.4.1 Reconciliation of cash

	2022 \$'000	2021 \$'000
Cash and cash equivalents	203,937	215,006
Restricted cash and cash equivalents	145,611	439,521
<b>Balance at end of period</b>	<b>349,548</b>	<b>654,527</b>

### Restricted cash and cash equivalents

	2022 \$'000	2021 \$'000
<b>Current</b>		
Royalties for Regions Fund (i)	1,305	1,267
Parental leave	5	22
Commonwealth funds	3,196	3,769
METRONET account (iii)	137,037	431,108
Funding segregated for specific projects	2,268	1,793
	<b>143,811</b>	<b>437,959</b>
<b>Non-current</b>		
Accrued salaries suspense account (ii)	1,800	1,562

- (i) Unspent funds are committed to projects and programs in WA regional areas.
- (ii) Funds held in suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.
- (iii) The METRONET Account – cash held in this account is to be used only for the purpose as prescribed in note 10.6 'The METRONET Account'.

## Financing facilities

The PTA has a short-term liquidity facility of \$200 million (2021: \$200 million) with the Western Australian Treasury Corporation.

	2022 \$'000	2021 \$'000
Amounts drawn from this facility at June 30	-	-

The PTA has a working capital facility of \$60 million (2021: \$60 million) with the Western Australian Treasury Corporation.

Amounts drawn from this facility at June 30	-	-
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For the purpose of the Statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

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

	Note	2022 \$'000	2021 \$'000
<b>Net cost of services</b>		<b>(1,646,193)</b>	<b>(1,551,278)</b>
Adjustment income from other public sector entities		-	15,486
<b>Non-cash items:</b>			
Depreciation and amortisation expense	5.1.1, 5.2, 5.3.1	455,745	458,854
Net loss/(gain) on disposal	4.7	30	(72)
Resources received	4.1	1,148	1,298
Net foreign exchange loss/(gain)		(9)	(60)
Receivables written off during the period		-	75
Expected credit losses expense	3.4	115	10
Income recognised from contract liability		743	-
Capitalised costs written off		6,292	-
Deferred lease income	4.3	(5,466)	(5,466)
<b>(Increase)/ decrease in assets:</b>			
Receivables (i)		(8,706)	(3,420)
Inventories		(1,291)	(2,145)
GST receivables/(payments) (ii)		5,884	(15,421)
<b>Increase/(decrease) in liabilities:</b>			
Payables (i)		8,387	(9,213)
Current provisions		2,092	8,450
Other current liabilities		(14)	(14)
Non-current provisions		(1,728)	1,159
<b>Net cash used in operating activities</b>		<b>(1,182,971)</b>	<b>(1,101,757)</b>

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

## 8.5 Capital commitments

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

	<b>2022</b> <b>\$'000</b>	<b>2021</b> <b>\$'000</b>
Within 1 year	<b>1,496,146</b>	1,025,191
Later than 1 year and not later than 5 years	<b>2,165,587</b>	1,547,862
Later than 5 years	<b>328,808</b>	1,088,863
<b>Balance at end of year</b>	<b>3,990,541</b>	<b>3,661,916</b>

## 9. Risks and Contingencies

This note sets out the key risk management policies and measurement techniques of the PTA.

	Note
Financial risk management	9.1
Contingent assets	9.2.1
Contingent liabilities	9.2.2
Fair value measurements	9.3

### 9.1 Financial risk management

Financial instruments held by the PTA are cash and cash equivalents, restricted cash and cash equivalents, receivables, payables, Western Australian Treasury Corporation (WATC) borrowings and foreign exchange forward contracts. The PTA has limited exposure to financial risks. The PTA's overall risk management program focuses on managing the risks identified below.

#### (a) Summary of risks and risk management

##### Credit risk

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

Credit risk associated with the PTA's financial assets is minimal because the main receivable is the amounts receivable for services (holding account) which is receivable from the State Government. For receivables other than Government, the PTA trades only with recognised, creditworthy third parties. The PTA has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the PTA's exposure to bad debts is minimal. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt. At the end of the reporting period there were no significant concentrations of credit risk.

##### Liquidity risk

Liquidity risk arises when the PTA is unable to meet its financial obligations as they fall due.

The PTA is exposed to liquidity risk through its trading in the normal course of business.

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

##### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the PTA's income or the value of its holdings of financial instruments. The PTA's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

All borrowings are due to the WATC and are repayable at fixed rates with varying maturities. Other than as detailed in the interest rate sensitivity analysis table at note 9.1(f), the PTA is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing, with the exception of METRONET Special Purpose Account balance and it has no borrowings other than WATC borrowings and finance leases (fixed interest rate).

## Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The PTA's exposure to the risk of changes in foreign exchange rates relates primarily to the PTA's Asset Investment Program activities (when capital expenditure is denominated in a foreign currency).

The PTA uses foreign exchange forward contracts to manage some of its foreign currency risk for transactions that are payable in a foreign currency.

The PTA enters into foreign exchange forward contracts with the Western Australian Treasury Corporation. Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of highly probable forecast purchases or firm commitment for future purchases in foreign currencies. The currency giving rise to this risk is primarily Euro.

## (b) Categories of financial instruments

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

	2022 \$'000	2021 \$'000
<b>Financial assets</b>		
Cash and cash equivalents	203,937	215,006
Restricted cash and cash equivalents	145,611	439,521
Loans and receivables (i)	390,574	490,677
<b>Total financial assets</b>	<b>740,122</b>	<b>1,145,204</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	3,298,195	3,105,899
Foreign exchange forward contracts	366	332
<b>Total financial liabilities</b>	<b>3,298,561</b>	<b>3,106,231</b>

- (i) The amount of financial assets at amortised costs excludes GST recoverable from the ATO (statutory receivable).



### (c) Foreign currency risk

	Euro	
	2022 \$'000	2021 \$'000
Foreign currency forward contracts designated as hedging instruments	2,721	3,391

Settlement dates of foreign exchange forward contracts						
	Notional Amount AUD \$'000	Up to 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
<b>2022</b>						
Euro	2,721	-	-	2,721	-	-
	<b>2,721</b>	-	-	<b>2,721</b>	-	-
<b>2021</b>						
Euro	3,391	-	-	3,391	-	-
	<b>3,391</b>	-	-	<b>3,391</b>	-	-

### (d) Credit risk exposure

The following table details the credit risk exposure on the PTA's trade receivables using a provision matrix.

Days past due						
	Total	Current	<30 days	31 - 60 days	61 - 90 days	>90 days
<b>30 June 2022</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Expected credit loss rate		0%	0%	0.8%	2.6%	69.0%
Estimated total gross carrying at default	<b>8,048</b>	<b>5,583</b>	<b>1,651</b>	<b>624</b>	<b>1</b>	<b>189</b>
Expected credit losses	<b>(139)</b>	-	(2)	(5)	-	(132)
<b>30 June 2021</b>						
Expected credit loss rate		0%	0.2%	0.8%	5%	52%
Estimated total gross carrying at default	<b>2,579</b>	<b>1,549</b>	<b>942</b>	<b>44</b>	<b>2</b>	<b>42</b>
Expected credit losses	<b>(24)</b>	-	(2)	-	-	(22)

## e) Liquidity risk and interest rate exposure

The following table details the PTA's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities										
Weighted average effective interest rate %	Interest rate exposure				Nominal amount \$'000	Maturity dates				
	Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate (ii) \$'000	Non-interest bearing \$'000		Up to 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
Note										
30 June 2022										
Financial Assets										
8.4	Cash and cash equivalents	203,937	-	-	203,937	203,937	203,937	-	-	-
8.4	Restricted cash and cash equivalents	145,611	-	137,037	8,574	145,611	145,611	-	-	-
6.1	Receivables (i)	13,041	-	-	13,041	13,041	13,041	-	-	-
6.2	Amounts receivable for services	377,533	-	-	377,533	377,533	1,715	11,808	138,888	129,574
		740,122	-	137,037	603,085	740,122	364,304	11,808	138,888	129,574
Financial Liabilities										
6.6	Payables	162,606	-	-	162,606	162,606	162,606	-	-	-
6.8	Capital grants liabilities	56,150	-	-	56,150	56,150	4,679	9,358	42,113	-
8.2	Lease liabilities (iii)	30,453	30,453	-	-	35,944	606	1,190	5,106	13,804
6.9	Other current liabilities	28	-	-	28	28	28	-	-	-
8.1	WWATC borrowings (iv)	3,048,958	3,048,958	-	-	3,652,306	70,471	1,745	236,058	1,178,455
		3,298,195	3,079,411	-	218,784	3,907,034	238,390	12,293	283,277	1,192,259
										2,180,815

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

(ii) Variable interest rates represent the most recently determined rate applicable to the instrument at the end of reporting period.

(iii) The carrying amount of lease liabilities includes \$28.5 million from leased land and buildings, and \$2.0 million from leased plant, equipment and vehicles.

(iv) The principal repayment of the WATC loans is based on a 25 year repayment schedule.

## (e) Liquidity risk and Interest rate exposure (continued)

Interest rate exposure and maturity analysis of financial assets and financial liabilities										
	Weighted average effective interest rate %	Interest rate exposure				Nominal amount \$'000	Maturity dates			
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate (ii) \$'000	Non-interest bearing \$'000		Up to 1 month \$'000	1 to 3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
Note										
30 June 2021										
Financial Assets										
Cash and cash equivalents	8.4	215,006	-	-	215,006	215,006	215,006	-	-	-
Restricted cash and cash equivalents	8.4	439,521	-	431,108	8,413	439,521	439,521	-	-	-
Receivables (i)	6.1	6,407	-	-	6,407	6,407	6,407	-	-	-
Amounts receivable for services	6.2	484,270	-	-	484,270	484,270	1,201	8,270	77,225	207,008
		1,145,204	-	431,108	714,096	1,145,204	662,135	8,270	77,225	207,008
Financial Liabilities										
Payables	6.6	166,502	-	-	166,502	166,502	166,502	-	-	-
Capital grants liabilities	6.8	18,567	-	-	18,567	18,567	2,449	7,347	8,771	-
Lease liabilities (iii)	8.2	35,062	35,062	-	-	41,372	668	1,137	5,148	17,744
Other current liabilities	6.9	42	-	-	42	42	42	-	-	-
WATC borrowings (iv)	8.1	2,885,726	2,885,726	-	-	3,397,080	62,717	427	191,034	969,958
		3,105,899	2,920,788	-	185,111	3,623,563	232,378	8,911	204,953	987,702
										2,189,619

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

(ii) Variable interest rates represent the most recently determined rate applicable to the instrument at the end of reporting period.

(iii) The carrying amount of lease liabilities includes \$33.2 million from leased land and buildings, and \$1.9 million from leased plant, equipment and vehicles.

(iv) The principal repayment of the WATC loans is based on a 25 year repayment schedule.

## (f) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the PTA's financial assets (METRONET – Special Purpose Account) at the end of the reporting period on the deficit for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$'000	- 100 basis points		+ 100 basis points	
		Deficit \$'000	Equity \$'000	Deficit \$'000	Equity \$'000
<b>2022</b>					
<b>Financial Assets</b>					
Restricted cash and cash equivalents (METRONET)	137,037	(1,370)	(1,370)	1,370	1,370
<b>2021</b>					
<b>Financial Assets</b>					
Restricted cash and cash equivalents (METRONET)	431,108	(4,311)	(4,311)	4,311	4,311

## 9.2 Contingent assets and liabilities

Contingent liabilities are not recognised in the Statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

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

### 9.2.1 Contingent assets

There were no contingent assets as at 30 June 2022.

### 9.2.2 Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

#### Litigation in progress

Three separate claims have been lodged by third parties with the Supreme Court in relation to taking orders for the acquisition of land for the construction of public transport infrastructure. One trial is scheduled to be heard in the next financial year. The other two claims are scheduled to be heard at later dates. It is not possible to disclose the amount of the claims as it could compromise settlement negotiations.

In April 2016, the PTA granted an indemnity to Perth Airport Pty Ltd for any loss or liability it suffers or incurs due to personal injury, third party property damage and consequential losses arising in connection with the construction of the Forrestfield Airport Link project on and underneath Perth Airport. The PTA has put in place insurance to reduce the State's exposure to claims under the indemnity.

#### Contaminated sites

Under the *Contaminated Sites Act 2003*, the PTA is required to report known and suspected contaminated sites to the Department of Water and Environment Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated – remediation required* or *possibly contaminated – investigation required*, the PTA may have a liability in respect of investigation

or remediation expenses (refer to note 6.7 Other provisions).

During the year one additional site owned or controlled by the PTA was reported to DWER and classified as Contaminated – Remediation Required. That site has subsequently been remediated and is expected to be reclassified in due course. Four sites have been reclassified by DWER, as a result of investigation or remediation carried out by the PTA, to classifications which do not require further work while the current use is maintained. The PTA is currently investigating and managing the outcome of the classification process from previous years. Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the PTA may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

### 9.3 Fair value measurements

					Fair value at end of the period \$'000
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>2022</b>					
<b>Assets measured at fair value:</b>					
Land	5.1	-	-	471,154	471,154
Buildings	5.1	-	-	32,506	32,506
Freight network infrastructure	5.1	-	-	1,889,889	1,889,889
Systems infrastructure	5.1	-	-	77,751	77,751
Rollingstock	5.1	-	574,781	29,865	604,646
Railway infrastructure	5.1	-	-	3,237,318	3,237,318
Bus infrastructure	5.1	-	-	442,210	442,210
Vessels	5.1	-	-	2,830	2,830
Buses	5.1	-	491,579	-	491,579
		-	1,066,360	6,183,523	7,249,883
<b>2021</b>					
<b>Assets measured at fair value:</b>					
Land	5.1	-	-	457,805	457,805
Buildings	5.1	-	-	35,035	35,035
Freight network infrastructure	5.1	-	-	2,048,714	2,048,714
Systems infrastructure	5.1	-	-	79,235	79,235
Rollingstock	5.1	-	609,575	34,035	643,610
Railway infrastructure	5.1	-	-	3,259,940	3,259,940
Bus infrastructure	5.1	-	-	433,477	433,477
Vessels	5.1	-	-	2,993	2,993
Buses	5.1	-	493,067	-	493,067
		-	1,102,642	6,351,234	7,453,876

There were no transfers between Levels 1, 2 or 3 during the current and previous periods. The transfers are generally limited to assets newly classified as non-current assets held for sale.

### **Valuation techniques to derive Level 2 fair values**

Level 2 fair values of rollingstock, buses and non-current assets classified as held for sale are derived using the cost approach. Market evidence of sales prices of rollingstock and bus contracts held by the PTA are used to determine price per railcar and bus respectively. It should be noted that rollingstock is classified as both level 2 and level 3 on the fair value hierarchy as market information is available for urban railcars, however, regional rollingstock is recurrently valued by an independent third party as no observable inputs are available.

Non-current assets held for sale have been measured at fair value less related selling expenses. Fair value is determined by reference to market evidence of sales price agreed upon by both parties in the form of a contract.



### Fair value measurements using significant unobservable inputs (Level 3)

	Land \$'000	Buildings \$'000	infrastructure \$'000	Freight network \$'000	Systems infrastructure \$'000	Rollingstock \$'000	infrastructure \$'000	Railway infrastructure \$'000	Bus infrastructure \$'000	Vessels \$'000
<b>2022</b>										
Fair Value at start of period	457,805	35,035		2,048,714	79,235	34,035	3,259,940		433,477	2,993
Additions	-	-	-	-	1,065	-	6,199		611	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	13,397	-	-	-	-	-	-	-	-	-
Transfers	(48)	964		8,635	12,346	-	121,235		25,448	-
Disposals	-	-	-	-	(60)	-	-	-	-	-
Depreciation expense	-	(3,493)		(167,460)	(14,835)	(4,170)	(150,056)		(17,326)	(163)
Other	-	-	-	-	-	-	-	-	-	-
<b>Fair Value at end of period</b>	<b>471,154</b>	<b>32,506</b>		<b>1,889,889</b>	<b>77,751</b>	<b>29,865</b>	<b>3,237,318</b>		<b>442,210</b>	<b>2,830</b>
<b>2021</b>										
Fair Value at start of period	446,200	38,515		2,214,433	95,626	38,204	3,386,173		438,722	3,124
Additions	-	-	-	-	-	-	-	-	253	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	8,435	-	-	-	(3,448)	-	-	-	-	-
Transfers	3,170	-		5,991	1,448	-	21,875		11,801	103
Disposals	-	-	-	-	-	-	-	-	-	(22)
Depreciation expense	-	(3,480)		(171,710)	(14,391)	(4,169)	(148,108)		(17,299)	(212)
Other	-	-	-	-	-	-	-	-	-	-
<b>Fair Value at end of period</b>	<b>457,805</b>	<b>35,035</b>		<b>2,048,714</b>	<b>79,235</b>	<b>34,035</b>	<b>3,259,940</b>		<b>433,477</b>	<b>2,993</b>

## **Valuation processes and basis of valuation**

There were no changes in valuation techniques during the period. Revaluation is set every three to five years for each asset cost profile held at fair value.

### **Land**

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuations and Property Analytics) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Land which is commercially leased was independently valued on the capitalised value of current lease by Burgess Rawson. The valuations were performed during the 2021-22 year and recognised at 30 June 2022.

### **Buildings and infrastructure**

Fair value for the following buildings and infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence.

Buildings and bus infrastructure have been revalued as at 30 June 2018 by independent valuers Rider Levett Bucknall.

Freight network infrastructure has been revalued on 30 June 2019 by independent valuation professionals GHD.

Vessels have been revalued as at 30 June 2019 by taking up the PTA's latest vessel contract price, adjusted for the obsolescence.

Rollingstock has been revalued as at 30 June 2020 by taking up the PTA's latest contract pricing from current contract with Alstom for metropolitan and regional rollingstock assets.

Railway infrastructure has been revalued on 30 June 2020 by independent valuers Rider Levett Bucknall.

Buses have been revalued as at 30 June 2021 by taking up the PTA's latest contract pricing from Volvo and Daimler.

System infrastructure has been revalued on 30 June 2021 by independent valuation professionals GHD.

Construction in progress, plant & equipment and intangibles are valued at cost.

The PTA entered into a rail lease with Karara Rail Pty Ltd and Gindalbie Metals Limited on 10 August 2012. The agreement grants a lease of the rail corridor from Tilley to Karara. The rail line was constructed by Karara Mining Limited for its exclusive use over the period of the lease term of 49 years. While legal ownership is vested in PTA, beneficial ownership is with Karara Mining Limited, therefore the assets are not included in the freight network infrastructure balance, however the asset will be transferred to PTA upon the expiry of the lease.

### Land, buildings and infrastructure (Level 3 fair values)

Valuation using current replacement cost utilises the significant Level 3 input, which is estimated by the professional valuation services; and consumed economic benefit/obsolescence of asset, which is estimated by the internal asset management experts based on the recurrent maintenance and replacement plans. In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy.

Significant Level 3 unobservable inputs used by the PTA are derived and evaluated as follows:

Description	Fair value 2022 \$'000	Fair value 2021 \$'000	Valuation technique(s)	Unobservable inputs	Source
Freight network infrastructure	1,889,889	2,048,714	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal management experts based on the recurrent maintenance and asset management plans
				Replacement cost per kilometre of network	
				Replacement cost per kilometre of rail	Valuation reports supplied by independent valuation experts GHD Pty Ltd in 2019
				Replacement cost per cubic metre of ballast	
				Replacement cost per sleeper	
Land	471,154	457,805	Market approach	Selection of land with similar approximate utility	Western Australian Land Information Authority (Valuation Services)
Systems infrastructure	77,751	79,235	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal asset management experts based on the recurrent maintenance and asset management plans
				Replacement cost per individual items	Valuation reports supplied by independent valuation experts GHD in 2021
				Replacement cost per metre of cabling	
Buildings	32,506	35,035	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal asset management experts based on the recurrent maintenance and asset management plans
				Replacement cost per square metre floor area (m2)	Valuation reports supplied by independent valuation experts Rider Levett Bucknall in 2018
				Replacement cost per individual items	

### Land, buildings and infrastructure (Level 3 fair values)

Description	Fair value 2022 \$'000	Fair value 2021 \$'000	Valuation technique(s)	Unobservable inputs	Source
Railway infrastructure	3,237,318	3,259,940	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal management experts based on the recurrent maintenance and asset management plans
				Replacement cost per individual tunnel	
				Replacement cost per station structure	
				Replacement cost per kilometre of rail line	
				Replacement cost per signal	Valuation reports supplied by independent valuation experts Rider Levett Bucknall in 2020
				Replacement cost per sleeper	
				Replacement cost per kilometre of overhead traction wiring	
Bus infrastructure	442,210	433,477	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal asset management experts based on the recurrent maintenance and asset management plans
				Replacement cost per square metre floor area (m2)	Valuation reports supplied by independent valuation experts Rider Levett Bucknall in 2018
				Replacement cost per individual items	
Rollingstock	29,865	34,035	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal asset management experts based on the recurrent maintenance and asset management plans
				Replacement cost per railcar	Internal asset management experts based on the cost of the contract price of the new rollingstock
Vessels	2,830	2,993	Current replacement cost	Consumed economic benefit/obsolescence of asset	Internal asset management experts based on the recurrent maintenance and asset management plans
				Replacement cost per vessel	Internal asset management experts based on the cost of the contract price of the new vessel in 2019, adjusted for obsolescence

## 10. Other disclosures

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

	Note
Events occurring after the end of the reporting period	10.1
Initial application of Australian Accounting Standards	10.2
Future impact of Australian standards issued not yet operative	10.3
Key management personnel	10.4
Related party transactions	10.5
Special purpose accounts	10.6
Remuneration of auditors	10.7
Act of Grace payments	10.8
Non-current assets classified as held for sale	10.9
Equity	10.10
Supplementary financial information	10.11
Explanatory statement (Controlled Operations)	10.12

### 10.1 Events occurring after the end of the reporting period

#### Formation of a new Transport Portfolio Land and Property Services Branch

In July 2022 a new Transport Portfolio Land and Property Services Branch was formed with staff co-locating from the Department of Transport, Public Transport Authority and Main Roads Western Australia's land and properties functions. The Branch was formed on the same basis as the Office of Major Transport Infrastructure Delivery (OMTID) which was established in 2020.

The purpose of the new Portfolio Land and Property Services Branch is as follows:

- Be a centre of excellence for Transport portfolio land transactions, commercial leasing, and corporate building management with experienced and expert staff.
- Be highly responsive to transport infrastructure project priorities, ensuring that land transactions and property services align to project requirements and portfolio land and property asset management strategies.

### 10.2 Initial application of Australian Accounting Standards

The following standards are operative for reporting periods ended on or after 30 June 2022:

- AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts
- AASB 2021-3 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021

The PTA considers the above standards do not have material impact on the accounts.

### 10.3 Future impact of Australian Accounting Standards not yet operative

The PTA cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements* or by an exemption from TI 1101. Where applicable, the PTA plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
<b>AASB 17</b>	<p><b>Insurance Contracts</b></p> <p>This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts.</p> <p>The PTA has not assessed the impact of the Standard.</p>	1 Jan 2023
<b>AASB 2020-1</b>	<p><b>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</b></p> <p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>There is no financial impact.</p>	1 Jan 2023
<b>AASB 2020-3</b>	<p><b>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</b></p> <p>This Standard amends: (a) AASB 1 to simplify the application of AASB 1; (b) AASB 3 to update a reference to the Conceptual Framework for Financial Reporting; (c) AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability; (d) AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset; (e) AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and (f) AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value.</p> <p>There is no financial impact.</p>	1 Jan 2022
<b>AASB 2020-6</b>	<p><b>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</b></p> <p>This Standard amends AASB 101 to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1.</p> <p>There is no financial impact.</p>	1 Jan 2022
<b>AASB 2021-2</b>	<p><b>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</b></p> <p>This Standard amends: (a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; (b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; (d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and (e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.</p> <p>There is no financial impact.</p>	1 Jan 2023



## 10.4 Key management personnel

The PTA has determined key management personnel to include cabinet ministers and senior officers of the PTA. The PTA does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

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

### Accountable Authority

Compensation band (\$)	2022	2021
0 - 10,000	1	1

The accountable authority of the PTA is the Director General - Transport who oversees the agencies Main Roads WA, the Department of Transport and the PTA. The Director General's compensation is paid by the Department of Transport. The day-to-day operations of the PTA are overseen by the Managing Director whose compensation is reported under the compensation of senior officers.

### Compensation of senior officers

Compensation band (\$)	2022	2021
0 - 10,000	2	1
60,001 - 70,000	-	1
100,001 - 110,000	1	-
140,001 - 150,000	1	-
150,001 - 160,000	1	-
190,001 - 200,000	-	1
200,001 - 210,000	1	1
210,001 - 220,000	2	1
220,001 - 230,000	3	-
230,001 - 240,000	-	2
240,001 - 250,000	1	3
260,001 - 270,000	1	-
270,001 - 280,000	1	1
280,001 - 290,000	1	1
340,001 - 350,000	-	1
370,001 - 380,000	1	-
	<b>16</b>	<b>13</b>

	2022 \$'000	2021 \$'000
Short-term employee benefits	2,339	2,214
Post-employment benefits	282	255
Other long-term benefits	313	319
Termination benefits	248	-
<b>Total compensation of senior officers</b>	<b>3,182</b>	<b>2,788</b>

Total compensation includes the superannuation expense incurred by the PTA in respect of senior officers.

## 10.5 Related party transactions

The PTA is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the PTA include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

### Significant transactions with Government-related entities

In conducting its activities, the PTA is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- Income from State Government (Note 4.1);
- Capital appropriations (Note 10.10);
- Royalties for Regions Funding (Note 4.1 & Note 10.10);
- Transfer of assets to and from Main Roads WA (Note 10.10);
- Income from the Department of Education (DoE) for transport assistance programs (Note 4.1);
- Income from the Department of Transport for the Perth Central Area Transit (CAT) bus service (Note 4.1 & Note 4.6);
- Income from Main Roads WA for infrastructure projects (Note 4.1);
- Income from Development WA for infrastructure projects (Note 4.1);
- Income from Water Corporation for infrastructure projects (Note 4.1);
- Income from Queen Elizabeth II Medical Centre (QEII MC) for the shuttle bus service (Note 4.2);
- Lease rentals payments for fleet leasing to the Department of Finance (Note 8.2 & Note 8.3);
- Insurance payments to the Insurance Commission of Western Australia (Note 3.3 & Note 3.4)
- Payments to Main Roads WA for infrastructure projects (Note 3.2 & Note 3.3);
- Payment to Western Power for infrastructure project (Note 3.3)
- Payments to Electricity Generation and Retail Corporation (Synergy) for the supply of electricity mainly railcars (Note 3.3 and Energy & Fuel)
- Drawdown and repayment of loans with the Western Australian Treasury Corporation for the purposes of funding the Asset Investment Program (Note 8.1 & Note 8.3);
- Payments to the Department of Finance (Office of State Revenue) for payroll tax (Note 3.4);
- Payments of emergency levy to the Department of Fire and Emergency Services (Note 3.3);
- Payments of building permit for infrastructure projects to the Department of Mines, Industry Regulation and Safety (Note 3.3);
- Payments to the Department of Transport for vehicles' annual licence and registration fees (Note 3.3);
- Payments of infringements collected by PTA to the consolidated fund of the Department of Treasury (Note 3.4);
- Payments of standing charges to the Economic Regulation Authority for electricity networks access (Note 3.3);
- Contribution for the support and maintenance of events through School Leavers campaign to

the Western Australia Police Force (Note 3.2);

- Payments to Water Corporation for both operation and capital projects related service fees and charges (Note 3.3);
- Payment to the Commissioner of State Revenue for parking licence fee (Note 3.3);
- Payment to the Department of Biodiversity Conservation for nature reserve (Note 3.3);
- Remuneration for services provided by the Auditor General (Note 10.7).

#### Material transactions with related parties

- Superannuation payments to GESB (Note 3.1(a)).

## 10.6 Special purpose accounts

### METRONET Account

Established under section 16(1)(d) of the FMA. The purpose of the account is to provide a source of funding for the delivery of METRONET transport infrastructure projects including all associated costs (such as planning and development activities and administering METRONET).

	2022 \$'000	2021 \$'000
<b>Balance at start of period</b>	<b>431,108</b>	526,538
Receipts - Contribution from State Government (incl provisional funding)	<b>461,350</b>	362,677
Receipts - Contribution from Commonwealth Government (incl provisional funding)	<b>147,500</b>	94,720
Receipts - Other government agencies	<b>96,109</b>	81,411
Proceeds from Land Sales	<b>1,546</b>	5,310
Interest received	<b>357</b>	1,107
Payments	<b>(1,000,933)</b>	(640,655)
<b>Balance at end of period</b>	<b>137,037</b>	<b>431,108</b>

## 10.7 Remuneration of auditors

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

	2022 \$'000	2021 \$'000
Auditing the accounts, financial statements, controls and key performance indicators	<b>267</b>	260

## 10.8 Act of Grace payments

135 Act of Grace payments was made pursuant to authorisations given under Section 80(1) of the Financial Management Act 2006. (2021: Nil).

2022 \$'000	2021 \$'000
675	-

## 10.9 Non-current assets classified as assets held for sale

Opening balance

Assets reclassified as held for sale

**Total assets classified as held for sale**

Less assets sold

**Closing balance**

2022 \$'000	2021 \$'000
-	-
236	-
<b>236</b>	<b>-</b>
(236)	-
<b>-</b>	<b>-</b>

The PTA has no interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5.

## 10.10 Equity

	2022 \$'000	2021 \$'000
<b>Contributed equity</b>		
<b>Balance at start of period</b>	6,298,019	5,674,906
<b>Contribution by owners</b>		
Capital appropriations	590,275	596,312
<b>Other contributions by owners</b>		
Royalties for Regions Fund - Regional Infrastructure and Headworks Account	4,760	13,306
Transfer of net assets from other agencies:		
Main Roads WA	9,191	14,559
Development WA	-	675
<b>Total contribution by owners</b>	<b>604,226</b>	<b>624,852</b>
<b>Distribution to owners</b>		
Transfer of net assets to other agencies		
Main Roads WA	(5,033)	(1,739)
<b>Total distributions to owners</b>	<b>(5,033)</b>	<b>(1,739)</b>
<b>Balance at end of period</b>	<b>6,897,212</b>	<b>6,298,019</b>
<b>Reserves</b>		
<b>Asset Revaluation Reserve</b>		
<b>Balance at start of period</b>	4,832,243	4,825,277
Net revaluation increments/(decrements):		
System infrastructure	-	(3,448)
Land	13,397	8,435
Buses	-	1,856
	<b>13,397</b>	<b>6,843</b>
<b>Hedge Reserve</b>		
Currency forward contracts	(43)	123
	<b>(43)</b>	<b>123</b>
<b>Balance at end of period</b>	<b>4,845,597</b>	<b>4,832,243</b>

## 10.11 Supplementary financial information

### a) Write-offs

During the financial year \$71,420 (2021: \$175,685) was written off the PTA's asset register under the authority of:

	2022 \$'000	2021 \$'000
The accountable authority	71	176

During the financial year \$4,967 (2021: \$75,116) of bad debts were written off under the authority of:

	2022 \$'000	2021 \$'000
The accountable authority	5	75

### b) Losses through theft, defaults and other causes

	2022 \$'000	2021 \$'000
Loss of public moneys and public and other property through theft or default	18	-

## 10.12 Explanatory statement (Controlled Operations)

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which are greater than 10% and 1% of Total Cost of Services for the Statements of comprehensive income and Statement of cash flows and are greater than 10% and 1% of Total Assets for the Statement of financial position.



## 10.12.1 Statement of comprehensive income variances

	Variance Note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
<b>Expenses</b>						
Employee benefits expenses		234,102	231,628	220,571	(2,474)	11,057
Supplies and services	A	465,640	464,905	354,418	(735)	110,487
Depreciation and amortisation expenses		480,726	455,745	458,854	(24,981)	(3,109)
Finance costs		79,123	79,194	75,802	71	3,392
Grants and subsidies		577,614	564,253	548,403	(13,361)	15,850
Energy and fuel		33,669	31,338	30,626	(2,331)	712
Other expenses		33,731	29,242	44,513	(4,489)	(15,271)
<b>Total cost of services</b>		<b>1,904,605</b>	<b>1,856,305</b>	<b>1,733,187</b>	<b>(48,300)</b>	<b>123,118</b>
<b>Income</b>						
<b>Revenue</b>						
User charges and fees	1	173,726	142,264	143,519	(31,462)	(1,255)
Operating lease revenue		5,466	5,466	5,466	-	-
Commonwealth grants and contributions		9,569	14,830	2,090	5,261	12,740
Interest revenue		186	372	1,016	186	(644)
Gain on disposal of non-current assets		(3,205)	(30)	72	3,175	(102)
Other income	B	64,289	47,210	29,746	(17,079)	17,464
<b>Total revenue</b>		<b>250,031</b>	<b>210,112</b>	<b>181,909</b>	<b>(39,919)</b>	<b>28,203</b>
<b>Total income other than income from State Government</b>		<b>250,031</b>	<b>210,112</b>	<b>181,909</b>	<b>(39,919)</b>	<b>28,203</b>
<b>NET COST OF SERVICES</b>		<b>1,654,574</b>	<b>1,646,193</b>	<b>1,551,278</b>	<b>(8,381)</b>	<b>94,915</b>
<b>Income from State Government</b>						
Operating subsidy contributions		984,430	1,003,812	1,032,160	19,382	(28,348)
Income from other public sector entities	2,C	226,946	181,235	119,678	(45,711)	61,557
Resources received		-	1,148	1,298	1,148	(150)
Royalties for Regions Fund	D	79,935	79,940	10	5	79,930
<b>Total income from State Government</b>		<b>1,291,311</b>	<b>1,266,135</b>	<b>1,153,146</b>	<b>(25,176)</b>	<b>112,989</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(363,263)</b>	<b>(380,058)</b>	<b>(398,132)</b>	<b>(16,795)</b>	<b>18,074</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Changes in asset revaluation surplus		-	13,397	6,843	13,397	6,554
Changes in hedge reserve		-	(43)	123	(43)	(166)
<b>Total other comprehensive income</b>		<b>-</b>	<b>13,354</b>	<b>6,966</b>	<b>13,354</b>	<b>6,388</b>
<b>TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD</b>		<b>(363,263)</b>	<b>(366,704)</b>	<b>(391,166)</b>	<b>(3,441)</b>	<b>24,462</b>

Refer to note 'Schedule of income and expenses by services'.

### **Major Estimate and Actual (2022) Variance Narratives**

1. User charges and fees lower than estimated by \$31.5 million (18%) mainly due to a slower than expected recovery of patronage from Covid-19 and impact of the 2 weeks Mandurah line shut down from December 2021 to January 2022.
2. Income from other public sector entities lower than estimated by \$45.7 million (20%) mainly due to deferral of income recognition from Western Australian Planning Commission (WAPC) for the METRONET Yanchep Rail Extension project due to project delay.

### **Major Actual (2022) and Comparative (2021) Variance Narratives**

- A. Supplies and services increased by \$110.5 million (31%) mainly due to increased external works for the Yanchep Rail Extension project funded by WAPC and increased contractor cost due to Tonkin Gap works and Thomas Road over rail works.
- B. Other income increased by \$17.5 million (59%) mainly due to third party contribution for Pipeline relocation and resumption of paid parking revenue at train stations.
- C. Income from other public sector entities increased by \$61.6 million (51%) mainly due to increased works on the Yanchep Rail Extension project funded by the WAPC and contributions from Main Roads for various METRONET projects.
- D. Royalties for Regions Fund increased by \$79.9 million due to a change in government funding arrangement for the Regional School Bus Services. This service was funded through operating subsidies in the previous year.

## 10.12.2 Statement of financial position variances

	Variance Note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents		147,964	203,937	215,006	55,973	(11,069)
Restricted cash and cash equivalents	A	156,878	143,811	437,959	(13,067)	(294,148)
Inventories		21,687	25,124	23,833	3,437	1,291
Receivables		23,306	42,377	41,626	19,071	751
Other current assets		17,295	20,651	18,582	3,356	2,069
Amounts receivable for services	1	35,165	152,411	86,696	117,246	65,715
<b>Total Current Assets</b>		<b>402,295</b>	<b>588,311</b>	<b>823,702</b>	<b>186,016</b>	<b>(235,391)</b>
<b>Non-Current Assets</b>						
Restricted cash and cash equivalents		1,381	1,800	1,562	419	238
Amounts receivable for services	2,B	362,408	225,122	397,574	(137,286)	(172,452)
Infrastructure, property, plant, equipment and vehicles		11,293,995	11,056,647	10,222,074	(237,348)	834,573
Right-of-use assets		25,025	30,288	35,583	5,263	(5,295)
Intangibles		9,731	10,937	12,914	1,206	(1,977)
<b>Total Non-Current Assets</b>		<b>11,692,540</b>	<b>11,324,794</b>	<b>10,669,707</b>	<b>(367,746)</b>	<b>655,087</b>
<b>TOTAL ASSETS</b>		<b>12,094,835</b>	<b>11,913,105</b>	<b>11,493,409</b>	<b>(181,730)</b>	<b>419,696</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		160,684	162,606	166,502	1,922	(3,896)
Borrowings		133,397	215,896	178,855	82,499	37,041
Lease liabilities		4,300	6,126	5,800	1,826	326
Employee related provisions		41,272	50,916	47,331	9,644	3,585
Other provisions		3,177	4,970	6,476	1,793	(1,506)
Capital grant liabilities		351	56,150	18,567	55,799	37,583
Other current liabilities		-	28	42	28	(14)
Deferred income operating lease		5,466	5,466	5,466	-	-
Derivative financial instruments		520	366	332	(154)	34
<b>Total Current Liabilities</b>		<b>349,167</b>	<b>502,524</b>	<b>429,371</b>	<b>153,357</b>	<b>73,153</b>
<b>Non-Current Liabilities</b>						
Borrowings	3	3,153,838	2,833,062	2,706,871	(320,776)	126,191
Lease liabilities		21,122	24,327	29,262	3,205	(4,935)
Employee related provisions		9,721	12,203	11,594	2,482	609
Other provisions		7,125	3,945	6,269	(3,180)	(2,324)
Deferred income operating lease		149,131	149,131	154,597	-	(5,466)
<b>Total Non-Current Liabilities</b>		<b>3,340,937</b>	<b>3,022,668</b>	<b>2,908,593</b>	<b>(318,269)</b>	<b>114,075</b>
<b>TOTAL LIABILITIES</b>		<b>3,690,104</b>	<b>3,525,192</b>	<b>3,337,964</b>	<b>(164,912)</b>	<b>187,228</b>
<b>NET ASSETS</b>		<b>8,404,731</b>	<b>8,387,913</b>	<b>8,155,445</b>	<b>(16,818)</b>	<b>232,468</b>
<b>EQUITY</b>						
Contributed equity		6,897,068	6,897,212	6,298,019	144	599,193
Reserves		4,825,390	4,845,597	4,832,243	20,207	13,354
Accumulated deficit		(3,317,727)	(3,354,896)	(2,974,817)	(37,169)	(380,079)
<b>TOTAL EQUITY</b>		<b>8,404,731</b>	<b>8,387,913</b>	<b>8,155,445</b>	<b>(16,818)</b>	<b>232,468</b>

The Statement of financial position should be read in conjunction with the accompanying notes.

### **Major Estimate and Actual (2022) Variance Narratives**

1. Current amounts receivable for services, which reflects the holding account drawdown for asset replacement in the future is higher than estimate by \$117.2 million (333%) due to an increased expectation to deliver the asset replacement program in 2022-23, mainly around the Radio and Bus replacement program. This is also reflected in the lower than estimated non-current amounts receivable for services in 2021-22. (Refer to Note 2)
2. Non-current amounts receivable for services which reflects the holding account drawdown for asset replacement in the future is lower than estimate by \$137.3 million (38%) due to expected delivery of asset replacement program within the next 12 months. (Refer to Note 1)
3. Non-current borrowings lower than estimated by \$320.8 million (10%) due to deferral of assets investment program mainly around the Forrestfield Airport Link (FAL) project and asset replacement program.

### **Major Actual (2022) and Comparative (2021) Variance Narratives**

- A. Current restricted cash and cash equivalent decreased by \$294.1 million (67%) mainly due to construction progressed in the METRONET projects mainly around the Yanchep Rail Extension project and the Thornlie-Cockburn Link.
- B. Amounts receivable for services, which reflects the holding account drawdown for asset replacement in the future decreased by \$172.5 million (43%) mainly due to investment in the Radio and Bus replacement project.

### 10.12.3 Statement of cash flows variances

	Variance Note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
Operating subsidy contributions		984,430	1,003,812	1,032,159	19,382	(28,347)
Capital appropriations		658,016	590,275	596,312	(67,741)	(6,037)
Funds from other public sector entities		209,263	215,811	103,084	6,548	112,727
Royalties for Regions Fund	1	103,474	84,700	13,316	(18,774)	71,384
Holding account drawdown		86,696	106,737	95,671	20,041	11,066
<b>Net cash provided by State Government</b>		<b>2,041,879</b>	<b>2,001,335</b>	<b>1,840,542</b>	<b>(40,544)</b>	<b>160,793</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee benefits		(234,460)	(226,118)	(212,869)	8,342	(13,249)
Supplies and services		(498,423)	(500,077)	(404,443)	(1,654)	(95,634)
Finance costs		(79,115)	(76,502)	(76,933)	2,613	431
Grants and subsidies		(577,614)	(563,600)	(546,054)	14,014	(17,546)
Receipts paid into consolidated account		(4,420)	(3,218)	(2,862)	1,202	(356)
GST payments on purchases		(261,866)	(232,120)	(201,581)	29,746	(30,539)
Other payments		(33,044)	(26,620)	(20,491)	6,424	(6,129)
<b>Receipts</b>						
User charges and fees		173,726	142,792	143,506	(30,934)	(714)
Commonwealth grants and contributions		9,569	14,087	5,000	4,518	9,087
Interest received		186	441	1,154	255	(713)
GST receipts on sales		34,926	36,533	26,791	1,607	9,742
GST receipts from taxation authority		226,940	202,686	158,988	(24,254)	43,698
Other receipts		65,352	48,745	28,037	(16,607)	20,708
<b>Net cash used in operating activities</b>		<b>(1,178,243)</b>	<b>(1,182,971)</b>	<b>(1,101,757)</b>	<b>(4,728)</b>	<b>(81,214)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Purchase of non-current assets		(1,585,800)	(1,282,794)	(1,160,781)	303,006	(122,013)
<b>Receipts</b>						
Proceeds from sale of non-current assets		-	552	699	552	(147)
<b>Net cash used in investing activities</b>		<b>(1,585,800)</b>	<b>(1,282,242)</b>	<b>(1,160,082)</b>	<b>303,558</b>	<b>(122,160)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Payments</b>						
Repayments of borrowings	2,A	(358,855)	(570,400)	(416,137)	(211,545)	(154,263)
Principal elements of lease payments		(4,753)	(4,333)	(4,966)	420	633
Other repayments	3	(68,137)	-	-	68,137	-
<b>Receipts</b>						
Proceeds from borrowings		760,331	733,632	748,311	(26,699)	(14,679)
<b>Net cash provided by financing activities</b>		<b>328,586</b>	<b>158,899</b>	<b>327,208</b>	<b>(169,687)</b>	<b>(168,309)</b>
Net increase/(decrease) in cash and cash equivalents		(393,578)	(304,979)	(94,089)	88,599	(210,890)
Cash and cash equivalents at the beginning of the period		699,801	654,527	748,616	(45,274)	(94,089)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>306,223</b>	<b>349,548</b>	<b>654,527</b>	<b>43,325</b>	<b>(304,979)</b>
<b>(including current and non-current restricted cash and cash equivalents)</b>						

The Statement of cash flows should be read in conjunction with the accompanying notes.

**Major Estimate and Actual (2022) Variance Narratives**

1. Royalties for Regions Fund lower than estimated by \$18.8 million (18%) mainly due to the deferral of cash flow for the Australind railcar replacement and Grain Freight upgrade.
2. Repayments of borrowings higher than estimated by \$211.5 million (59%) mainly due to the renewal of medium term borrowings.
3. Other repayments lower than estimated by \$68.1 million mainly due to METRONET Provisions for Projects Under Developments transferred out to fund Byford rail extension, Wharf Street and Victoria Park-Canning Level Crossing Removal projects.

**Major Actual (2022) and Comparative (2021) Variance Narratives**

- A. A. Repayment of borrowings increased by \$154.3 million (37%) due to the renewal of medium term borrowings.



## Glossary of terms

<b>ACR</b>	Annual corridor report
<b>ASL</b>	Acceptable service level (an hourly service during the day with at least three trips, i.e. at 20-minute intervals, in the peak flow direction in the morning and afternoon peaks).
<b>CaLD</b>	Culturally and linguistically diverse
<b>CAT</b>	Central area transit
<b>Category A</b>	Incident causing serious injury, death, or significant damage.
<b>Category B</b>	Incident that may have the potential to cause a serious accident.
<b>CCTV</b>	Closed-circuit television
<b>Circle Route</b>	A high-frequency bus service connecting major shopping centres, universities, schools and colleges.
<b>CLA</b>	Corridor lease agreement
<b>CMR</b>	Central monitoring room
<b>CNG</b>	Compressed natural gas
<b>CRM</b>	Composite rate model
<b>DAIP</b>	Disability Access and Inclusion Plan
<b>DER</b>	Department of Environmental Regulation
<b>DoE</b>	Department of Education
<b>DoT</b>	Department of Transport
<b>DPI</b>	Department of Planning and Infrastructure
<b>DSMS</b>	Dynamic Stand Management System
<b>ECM</b>	Evergreen contract model
<b>EDRMS</b>	Electronic document records management system
<b>EMS</b>	Environmental Management Systems
<b>EWP</b>	Elevated Work Platform
<b>ES</b>	Education Support
<b>ESC</b>	Education Support Centre
<b>FAL</b>	Forrestfield-Airport Link
<b>Fare-paying boardings</b>	Covers only those people, standard fare or concession, who pay (either by tagging on or by the purchase of a cash ticket) as they enter the system.
<b>FTZ</b>	Free Transit Zone
<b>GPS</b>	Global Positioning System
<b>HSE</b>	Health, safety and environment
<b>IEC</b>	Intensive English Centre
<b>IFRS</b>	Incident and Fault Reporting System
<b>Initial boardings</b>	Fare-paying boardings, plus free travel on passes, free travel on CAT services in Perth, Fremantle and Joondalup and free travel on services within the Perth FTZ.

<b>IPLS</b>	Infrastructure Planning and Land Services (PTA division)
<b>KPI</b>	Key performance indicator
<b>KRA</b>	Key Result Area
<b>LDC</b>	Language Development Centre
<b>LDS</b>	Language Development School
<b>LTI</b>	Lost time injury
<b>MRWA</b>	Main Roads WA
<b>N&amp;I</b>	Network and Infrastructure (PTA division)
<b>OLE</b>	Overhead line equipment
<b>ORS</b>	Office of Rail Safety
<b>OSH</b>	Occupational safety and health
<b>OTR</b>	On-time running
<b>OMTID</b>	Office of Major Transport Infrastructure Delivery
<b>Passenger place kilometres</b>	The average seat capacity multiplied by the kilometres travelled while in service.
<b>PDP</b>	Project definition plan
<b>POD</b>	People and Organisational Development (PTA division)
<b>PPD</b>	PTA Project Delivery
<b>PPTA</b>	Perth Public Transport Area
<b>PSA</b>	Property Street Addresses
<b>PSM</b>	Passenger Satisfaction Monitor
<b>PSUP</b>	Platform and Signalling Upgrade Program
<b>PTC</b>	Public Transport Centre
<b>RAP</b>	Reconciliation Action Plan
<b>RRV</b>	Road rail vehicle
<b>RUS</b>	Route Utilisation Strategy
<b>SBS</b>	School Bus Services (PTA branch)
<b>Service kilometres</b>	The kilometres travelled while in service.
<b>SFBMS</b>	Safety, Freight and Business Management Systems (PTA division)
<b>SSMG</b>	Strategic Safeworking Management Group
<b>STAPF</b>	Student Transport Assistance Policy Framework
<b>STARRS</b>	Stop Think Assess Respond Report System
<b>Total boardings</b>	Fare-paying boardings, plus free travel on passes, free travel on CAT services in Perth, Fremantle and Joondalup and free travel on services within the Perth FTZ, plus transfers between services.
<b>TTO</b>	Transperth Train Operations (PTA division)
<b>WAGRC</b>	Western Australian Government Railways Commission (PTA predecessor)



## Public Transport Authority

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