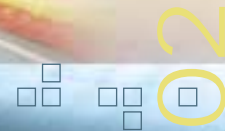
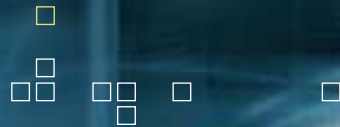
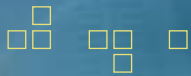




**MAIN ROADS**  
Western Australia



➔ | Main Roads Western Australia | ANNUAL REPORT 2002





# MAIN ROADS WESTERN AUSTRALIA

## WHO WE ARE

Main Roads Western Australia (Main Roads) manages a network of some 17,700 kilometres of National Highways and State Roads with a replacement value of more than \$13 billion. To manage the total road network, Main Roads works in conjunction with Local Government ensuring that Western Australians are provided with an efficient road network that supports the State's integrated transport system. Main Roads also has responsibility for all regulatory road signs, traffic control signals and road markings on all roads across the State.

In 2002, Main Roads' emphasis is on providing for the safe and efficient movement of people and goods whilst achieving a balance between economic, social and environmental objectives. Main Roads provides the essential transport infrastructure for urban, rural and remote communities and industry and ensures that ongoing public investment in road and road transport initiatives is properly managed and protected.



## OUR VISION

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

## OUR PURPOSE

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

## OUR OBJECTIVES

To provide:

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





## MAP OF REGIONAL OFFICES

Main Roads manages its business through a head office located in Perth and 10 regional offices located throughout the State.

0 Kilometres 500





## CONTENTS

Statement of Compliance.....	3	Road Industry Fact Summary .....	57
Commissioner's Statement .....	4	Maps .....	59
Corporate Challenges and The Future .....	6	> Map of Western Australian State Road Network.....	59
Community Involvement .....	8	> Map of Western Australian South West Area Road Network .....	60
Management Structure .....	12	> Map of Western Australian Metropolitan Road Network.....	61
Management Organisation Chart .....	13	Corporate Governance .....	62
Our People .....	14	Financial Highlights .....	72
Road Network Management .....	18	Financial Statements and Notes.....	78
> Road Safety .....	19	Statement of Expenditure (required under Section 175 ZE of the Electoral Act 1997).....	133
> Heavy Vehicle Operations .....	21	Publications Available to the Public.....	134
> Road Management Expertise .....	23	Glossary of Terms .....	135
Environmental Management .....	26	How to Contact Us .....	137
Operational Achievements and Performance .....	30	Appendix 1: Major Road and Bridge Projects Completed and in Progress .....	139
> The Road Program .....	31	Appendix 2: Contracts Awarded Exceeding \$1 million.....	144
> Output Overview .....	31		
> Road Maintenance and Minor Modifications .....	32		
> Road Improvements .....	34		
> Traffic Management.....	38		
> Road Construction.....	40		
> Bridge Construction.....	46		
> Audited Key Performance Indicators .....	51		





*Heavy permit vehicles contribute to state growth.*



## STATEMENT OF COMPLIANCE



*The Honourable  
Alannah MacTiernan,  
MLA*

**TO THE HONOURABLE ALANNAH MACTIERNAN,  
MLA MINISTER FOR PLANNING AND INFRASTRUCTURE**

In accordance with Section 66 of the *Financial Administration and Audit Act 1985*, I submit for your information and presentation to Parliament the Annual Report of the Commissioner of Main Roads for the year ended 30 June 2002. This Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.

MIKE WALLWORK  
ACTING COMMISSIONER OF MAIN ROADS  
21 AUGUST, 2002



## COMMISSIONER'S STATEMENT



### MAIN ROADS ENTERS THE NEW FINANCIAL YEAR AS A WELL REGARDED AUSTRALIAN STATE ROAD AUTHORITY.

The issues and challenges of the past 12 months have been handled in an open and accountable manner, from our participation in the Review of Statutory Authorities to the external inquiries into our management of Term Network Contracts and the process of land acquisition.

The Review led by Professor Michael Wood of Curtin University of Technology examined the status of Main Roads as a statutory authority in line with the recommendations of the taskforce established to review the Machinery of Western Australia's Government. The review recommendation is currently with the Premier for consideration.

Dr Ken Michael's review into Main Roads' contracting identified the need to strengthen certain areas of our in-house skills base. Since Dr Michael's report in January this year, we have re-established Main Roads' Design Office; strengthened staffing of the Timber Bridge Section and commenced the transfer of this function to our South West Regional office in Bunbury; reinforced our construction materials testing function with the creation of new positions across the State; and improved certain aspects of our contract management systems.

The outcomes of this review initiated by the Minister, and the open way in which Main Roads has implemented changes, has attracted the interest of road authorities and engineering organisations throughout Australia.

This year's review of Main Roads' processes for acquiring land, conducted by barrister Mr Ken Pettit, supported the land acquisition approach and practices adopted by Main Roads. Nevertheless, we have taken on board recommended improvements that seek to clarify the responsibility of valuers and reduce inconvenience caused to affected property owners by often complex compensation negotiations.

Through the year Main Roads continued to focus on planning the workforce of the future with its graduate, trainee and cadet schemes, which this year provided us with the largest number of new trainees and graduates in our history. We continued with our management development program for senior staff and leaders of the future and our Disability Services Awareness Program was promoted successfully across the organisation.



Main Roads' customer service and awareness has evolved with our participation in the Road Train Summit and the subsequent development and implementation of joint Government-transport industry initiatives, such as heavy-vehicle driver accreditation. Similarly, educational public tours of our Traffic Operations Centre in Northbridge are proving popular and are helping explain Main Roads' role in the critical area of managing traffic flows and emergencies on the metropolitan road network.

In terms of providing and maintaining infrastructure on the State's roads, it has been another productive year. Highlights have included the opening of the Northam Bypass that removes east-west trucks from the centre of town; construction of the Gascoyne River Bridge; awarding the contract for constructing the Ord River Bridge north of Halls Creek on Great Northern Highway; and the progression of Stages 4 and 5 of the Roe Highway extension.

Planning for Stage 1 of the Tonkin Highway extension is well underway. Planning is also progressing for Stage 1 of the Karratha-Tom Price Road, which has been designed in-house by our re-established Design Office team.

We have come to rely on and value input from our five formal advisory groups and others and we extend our appreciation of their time and effort.

Main Roads' staff have again performed diligently and professionally and I wish to personally thank staff for their dedication to the task.

And on behalf of all staff, our special thanks go to past Commissioner Greg Martin who is now the Director General, Planning and Infrastructure. We wish him well.

MIKE WALLWORK  
ACTING COMMISSIONER OF MAIN ROADS  
21 AUGUST, 2002



**THROUGH THE YEAR MAIN ROADS CONTINUED TO FOCUS ON PLANNING THE WORKFORCE OF THE FUTURE WITH ITS MANAGEMENT DEVELOPMENT PROGRAM, GRADUATE, TRAINEE AND CADET SCHEMES...**



## CORPORATE CHALLENGES AND THE FUTURE



THE NEW STRATEGIC PLAN PROVIDES REGIONS AND BRANCHES ACROSS MAIN ROADS WITH DIRECTION FOR THE FUTURE...

This year Main Roads released a new Strategic Plan 2002-2005. It identifies six new corporate challenges and the strategies to address them and outlines a revised statement of purpose. It is a result of input from Government, our Minister, our five advisory groups, external customers/stakeholders and staff.

The new Strategic Plan provides regions and branches across Main Roads with direction for the future, enabling them to undertake their business planning in a co-ordinated manner in accordance with corporate direction and priority and community expectations.

The full version of the Strategic Plan 2002-2005 is available on our website at, [www.mainroads.wa.gov.au](http://www.mainroads.wa.gov.au).

### NEW CHALLENGES

The six new corporate challenges fall under the following broad headings:

**Government** - As manager of the State road network and associated assets with a value in excess of \$13 billion, Main Roads needs to develop new solutions for the management of the condition and performance of the road network.

**Community** - Implement best practice in community consultation relating to road projects and road network management including, traffic and safety management, network capacity, maintenance strategy and the level and extent of improvements.

**Corporate Capability** - To be recognised as a centre of expertise for road management in Western Australia.

**Regions** - To maintain a skill base that allows a full appreciation of the road network needs and to respond effectively to changing workloads/patterns across the organisation and deploy resources to maximum benefit.

**Partnerships: Portfolio** - To establish arrangements with the Department for Planning and Infrastructure which recognise our complementary roles and responsibilities.

**Partnerships: Local Government** - To assist Local Government to improve the management of its share of the State's road system.

### SUSTAINABILITY

The revised statement of purpose formally recognises the responsibility of Main Roads to provide a safe and efficient road network *within a sustainability framework*. Sustainability is about the long-term balance of social, environmental and economic factors in an organisation's activities and decision-making and investment processes.

Roads present particular economic, social and environmental challenges to the application of the sustainability framework. The linear nature of roads means that they both impinge upon and sustain the every-day living environments and lives of people.

The challenge for Main Roads is to ensure that we develop methods that identify all of the costs and benefits and use this information in our decision-making process to reflect the balance of these factors that is sought by the community.



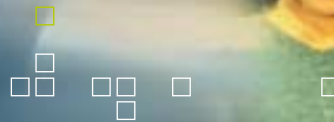
## SUSTAINABILITY APPROACH AND PERFORMANCE ACCOUNTABILITY

Main Roads' perspective and progress towards sustainability seeks to obtain a balance for the long term across the three key aspects of economic, environment and social that constitute the 'Triple Bottom Line' as well as other key issues related to the concept of the Balanced Scorecard. It should be noted that although some of the performance indicators listed below are placed under specific headings, a number of the indicators relate to two or more factors.

Economic	Environment	Social
<ul style="list-style-type: none"> <li>- Road network permitted for use by heavy freight vehicles*</li> <li>- Community perceptions of provision of roads*</li> <li>- Austroads lane occupancy (3 indicators)</li> <li>- Austroads user-cost distance</li> <li>- Return on construction expenditure*</li> <li>- Maintenance and minor modifications cost per lane kilometre*</li> <li>- Improvement expenditure cost per 1,000 million Vehicle Kilometres Travelled (VKT)*</li> <li>- Improvement cost per lane kilometre*</li> <li>- Cost per improvement*</li> <li>- Bridge construction cost per square metre of bridge deck*</li> <li>- Road construction cost per lane kilometre*</li> <li>- Achievement Index</li> </ul>	<ul style="list-style-type: none"> <li>- Community perceptions of environmental performance*</li> <li>- Austroads greenhouse gas emissions</li> <li>- Austroads traffic noise exposure</li> </ul> <p><b>Indicators developed, but yet to be published</b></p> <ul style="list-style-type: none"> <li>- Vehicle fuel and efficiency</li> <li>- Total demand for road transport</li> <li>- Total road freight demand</li> </ul> <p><b>Indicators currently under development</b></p> <ul style="list-style-type: none"> <li>- Road run-off water quality</li> <li>- Roadside vegetation condition</li> <li>- Extent of externalities recovery</li> <li>- WA traffic noise exposure</li> <li>- Net loss/gain of roadside vegetation</li> <li>- Resource recycling and substitution</li> </ul>	<ul style="list-style-type: none"> <li>- Provision of access to remote communities*</li> <li>- Smooth travel exposure*</li> <li>- Community perceptions of ride quality*</li> <li>- Peak hour travel times*</li> <li>- Austroads travel time (6 indicators)</li> <li>- Austroads social cost of crashes</li> <li>- Austroads serious casualty crashes (VKT and Population)</li> <li>- Road fatalities and serious injuries (VKT and Population)*</li> <li>- Road standards*</li> <li>- Percentage of bridges meeting operational standards*</li> <li>- Community perceptions of road safety*</li> <li>- Lane occupancy rates</li> <li>- Austroads persons hospitalised</li> </ul> <p><b>Indicators currently under development</b></p> <ul style="list-style-type: none"> <li>- Aboriginal cultural heritage</li> </ul>
Customer Perspective		
<ul style="list-style-type: none"> <li>- Austroads User Satisfaction Index</li> <li>- Non-road interventions</li> </ul>		
Program Delivery and Learning/Growth Perspective		
<ul style="list-style-type: none"> <li>- Delivery of Projects on Time and Within Budget*</li> <li>- Achievement of Output Targets*</li> <li>- Employee Opinion Poll**</li> <li>- Breach of Standards Applications*</li> <li>- Active Claims*</li> <li>- Lost Time Injury Frequency Rate*</li> </ul>		

\* Information on these indicators is available in this Annual Report.

\*\* Internal survey, results not published externally. All other indicators are available from the suite of over 30 National Performance Indicators at Austroads' website [www.austroads.com.au](http://www.austroads.com.au).



## → | community involvement

MAIN ROADS' INCREASED EMPHASIS ON COMMUNITY CONSULTATION AND INVOLVEMENT HAS RESULTED IN BENEFITS FOR ALL PARTIES INVOLVED.





## COMMUNITY INVOLVEMENT

### CONSULTATION AND CONSENSUS

Main Roads' increased emphasis on community consultation and involvement has resulted in benefits for all parties involved. As an organisation we have increased our knowledge and understanding of community needs and expectations and conversely, dialogue has helped community groups and individuals to better understand competing aims and activities.

Over the past few years, Main Roads has actively fostered a two-way relationship with our major stakeholders. This has largely been achieved through the work of five advisory bodies.

The groups meet regularly and have representation from industry, Local Government, consumer and community interests and act as a sounding board for the operational, policy and procedural activities of Main Roads. They are forums that result in greater understanding by all parties of the other's needs and positions and they have proven to be an effective tool for improving the way we do business.

The five advisory bodies are as follows:

- *Disability Advisory Group*



As part of our commitment to provide a safe and efficient road network for all road-users, Main Roads has established a Disability Advisory Group to assist in providing customer input

and advice on accessibility issues, for both existing and planned facilities and services, and on the best way to deliver our program. This advisory group includes community-based representatives with special perspectives and first-hand experience in access and mobility issues.

- *Main Roads - Western Australian Local Government Association Liaison Committee*

This group was established in 1992 and has proven very successful in developing a close working relationship between Local Government and Main Roads. The purpose of this Committee is to facilitate our joint interest in managing the entire road network across the State.

- *Western Australian Road Construction and Maintenance Industry Advisory Group*

This group provides an important interface between Main Roads and the road construction and maintenance industry, which provides construction and maintenance works and technical services to Main Roads. Our relationship with the industry and the mutual learning involved is critical to long-term success and greatly assists whole-of-government procurement policy development.

- *Heavy Vehicle Advisory Group*

Road freight transport is integral to our State's economy, in maintaining our standard of living and for our ability to compete in the national and international marketplace. It is also a growing task and one that needs to be carefully managed to ensure safety and efficiency for all road-users.

Main Roads has established a broad consultative group including representation from Local Government, Unions, the Police Service, other Government agencies and various sections of the road transport industry with the aim of improving safety and addressing community concerns over the interaction of heavy vehicles.

- *State Road Funds to Local Government Advisory Committee*

This group comprises senior Main Roads and Western Australian Local Government Association representatives and is the peak body of the Regional Road Group structure. It is formed under the State Road Funds to Local Government Agreement 2000-01 to 2004-05 and is responsible for collating project submissions determined by the Regional Road Groups across the State. The committee recommends the final Local Roads Program, which in 2001-02 was \$154.3 million.



## COMMUNITY INVOLVEMENT

### COMMUNITY PERCEPTIONS SURVEY

As part of Main Roads' ongoing Customer Service Strategy, a Community Perceptions Survey of WA road-users was undertaken. This survey was similar to the one conducted in 2000-01.

In response to satisfaction with Main Roads services overall, 96 per cent of respondents indicated that they were satisfied with the overall performance of Main Roads during 2001-02. With respect to the provision of roads across the State, 83 per cent of those surveyed were satisfied, with a further 87 per cent believing Main Roads is doing a good job in working to improve access to roads.

### FOCUS GROUPS

To make sure we continue to listen to our customers and the community and take their views into account, we have expanded on the range of ways in which we consult. Focus groups, which include members of the community and stakeholders, have been held to examine ways to improve the safety of cyclists at roundabouts and have helped to develop a policy on roadside memorials that balances compassion, road safety and road management.

### CITIZENS JURY A FIRST FOR WESTERN AUSTRALIA

Following conflicting opinions between different resident groups and Main Roads over the connection of a local road (Everingham Street) to the new extension of Reid Highway through Carine, residents were invited to take part in Western Australia's first

'citizens jury' to advise the Minister on the issue.

Of 150 respondents, a jury of 12 randomly selected residents were brought together to hear the views of groups lobbying for or against the closure of the intersection. The jury considered 10 different planning options before deciding unanimously to leave Everingham Street fully open.

Like similar models used in the UK and Germany, the citizens jury in Carine proved to be an excellent example of community democracy. In this case, local residents found a solution to a dispute, which encompassed the interests of the whole community.

### BETTER AND FAIRER ACCESS TO SERVICES

Main Roads is aiming to ensure that our services meet the needs of, and are accessible to, all road-users. To ensure that our services are accessible, we are improving the way we operate through the implementation of our Disability Services Plan. The 2001 Disability Services Plan *Ensuring Access for All* outlines Main Roads' commitments to provide for people with disabilities and is supported with staff training and awareness initiatives.

To ensure that our people provide services of the highest standard to our customers, we have provided training to increase their awareness of disability and access issues. Main Roads is understood to be the first public sector agency in WA to provide a comprehensive disability awareness session for all staff.

### AUDIBLE ANNUAL REPORT

In support of the needs of our customers with vision impairment and in line with the Disability Services Plan, Main Roads implemented a number of initiatives to ensure the accessibility of information. One of these initiatives is the provision of Main Roads' Annual Report in digital audio format on our website. This enables our customers to have the Annual Report read for them.

The installation of this audible version was accomplished in consultation with disability organisations such as Blind Citizens WA and the Association for the Blind and with our own Disability Advisory Group.

Main Roads will progressively provide other key documents in digital audio format through the Main Roads' website.

### RESPONDING TO CUSTOMER FEEDBACK AND COMPLAINTS

As part of Main Roads' Customer Service Strategy, our customer feedback process was reviewed against the essential elements of the Australian Standard on Complaints Handling, AS 4269-1995. As a result of the review, Main Roads is assessing a centrally co-ordinated complaints management process to bring together our regional systems and the metropolitan system. Our current systems ensure complaints are followed through to completion and improvements required are incorporated into business plans. However, the current missing link is an ability to capture all complaint data for aggregate analysis of trends and looming issues.



*Greg Madson (President, Blind Citizens WA Inc), demonstrating Audio Annual Report to the Disability Advisory Group.*



## COMMUNITY INVOLVEMENT

Our new Customer Service Charter was completed this year and will assist in building on our customer relationships. The charter explains the complaints process and encourages our customers to raise issues so that we can work together to improve our services and find a solution. The charter can be viewed on our website at [www.mainroads.wa.gov.au](http://www.mainroads.wa.gov.au).

Main Roads has a Customer Advocate who is available to assist customers who are not satisfied with the service we provide and will conduct an independent assessment of any complaint. For contact details please refer to [page 138](#).

### TRAFFIC FAULTS AND ROAD CONDITION REPORTING

Main Roads provides our customers across the State with access to a fault and condition reporting service 24 hours per day, seven days per week. In 2001-02 over 12,500 calls were made using the Main Roads' fault reporting service assisting in the identification and timely correction of faults across the network. A further 10,500 calls requesting road condition reports were received from around Australia.

### EQUITABLE ACCESS TO SERVICES



Main Roads maintains 10 offices in key rural locations across the State. These have become important and integrated elements of the regional economies and communities. Senior technical and customer service personnel staff our regional offices,

providing full and direct access to the range of Main Roads' services.

During 2001-02, Main Roads spent \$294.7 million (60 per cent of the statewide expenditure) on road maintenance and construction services in rural WA.

Main Roads also provides statewide access to information and services through telephone and internet services, including road condition reports, project status reports and road crash statistics.

### REGIONAL SUPPLIERS

Main Roads encourages the use of regional suppliers through application of the Government's Buy Local Policy and the inclusion of incentives in contracts to encourage regional purchasing and development.

The six Term Network Contracts covering the rural road network require the contractors to be based in the regions, include set targets for regional expenditure and require contractors to undertake local development initiatives. In 2001-02, all six contracts met or exceeded targets for regional expenditure.

A minimum of 25 per cent of State Funds are dedicated to maintenance and construction on Local Government roads. For these works, a mixture of Local Government resources and local subcontractors are usually involved.

### REGIONAL CONSULTATION

Main Roads maintains strong links with regional communities, businesses and Local Government to ensure that regional consultation is effective, and that



community concerns are addressed during the planning and delivery of road services. Our long-term contractors are also encouraged to develop

and maintain effective two-way communication and consultation with regional communities.

### SUPPORTING LOCAL PLANNING PROCESSES

Community input to road network planning and specific project planning is an integral component of Main Roads' planning processes. Main Roads has established formal consultation processes, supported by its strong regional presence and relationships. This provides the opportunity for direct regional input into planning processes.

Consultation includes public meetings, public displays and media releases, and meetings with Regional Roads Groups, local industry and community groups.

### ANNUAL ROADS FORUM 2002

Main Roads in conjunction with the Western Australian Local Government Association (WALGA) held a one-day Roads Forum in Perth during March 2002.

The Forum was attended by 320 Local Government representatives from throughout Western Australia as well as many others with an interest in roads. A wide variety of road-related topics were covered including 'Strategic Planning for Local Roads: Roads 2020', 'Heavy Vehicle Road Use', 'Road Safety and RoadWise' and the 'Road Functional Hierarchy'.



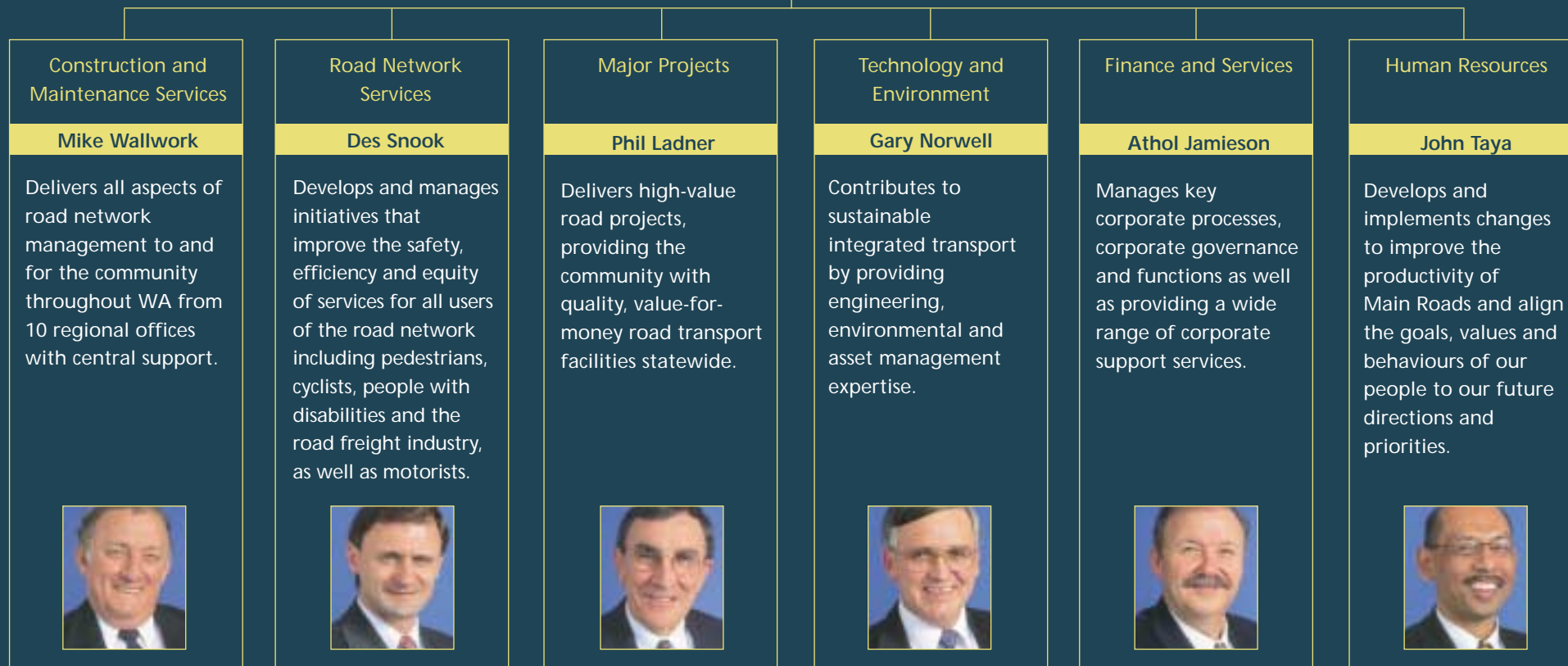
## MANAGEMENT STRUCTURE

CORPORATE EXECUTIVE  
AS AT 30 JUNE 2002



### COMMISSIONER OF MAIN ROADS

Greg Martin

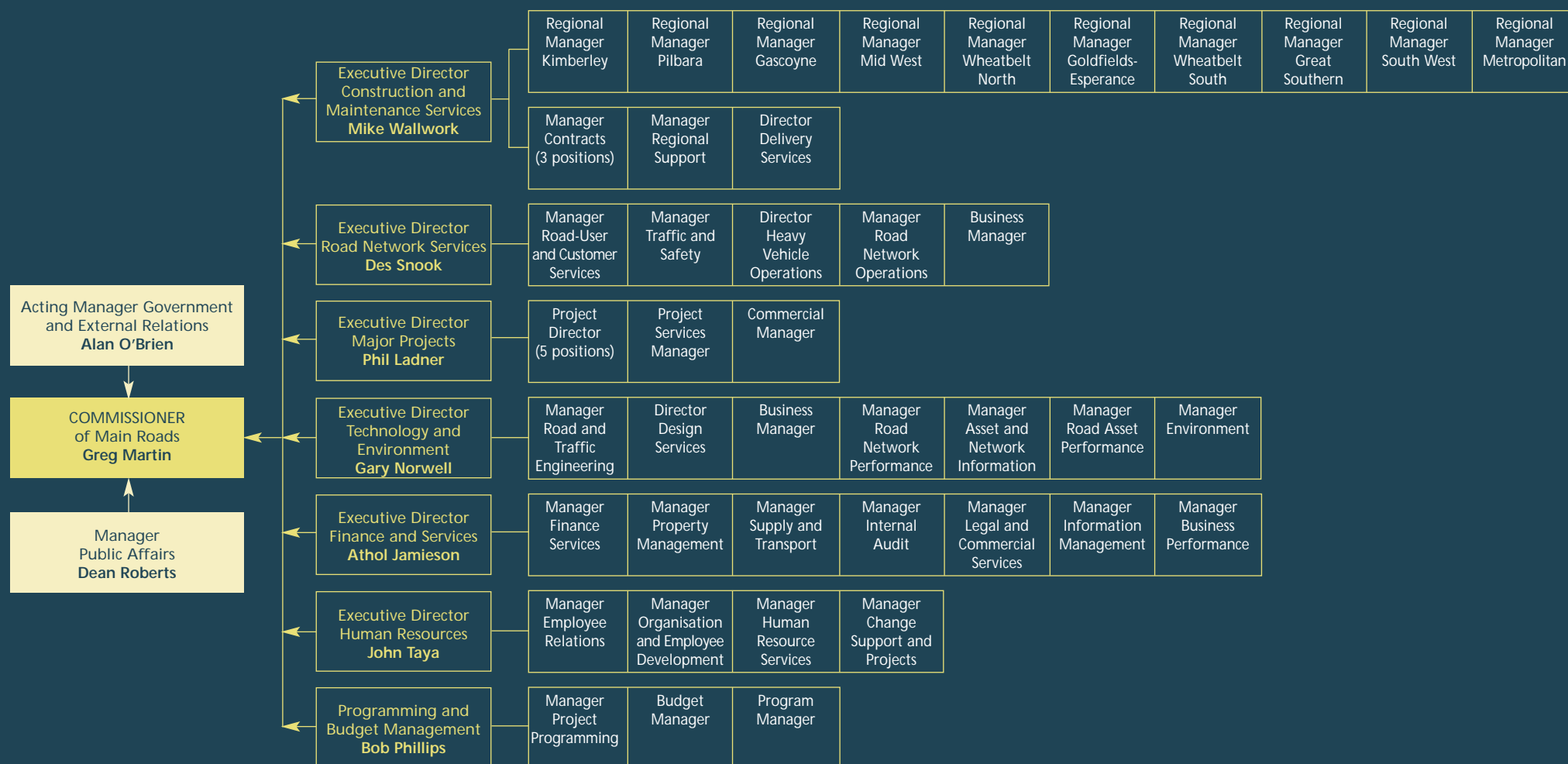




## MANAGEMENT ORGANISATION CHART

### CORPORATE EXECUTIVE

AS AT 30 JUNE 2002





## → | our people

THE FOCUS OVER THE PAST YEAR HAS BEEN BUILDING  
THE FUTURE WORKFORCE CAPACITY OF MAIN ROADS.



## OUR PEOPLE

### INTRODUCTION

The focus over the past year has been building the future workforce capacity of Main Roads.

This has been achieved through enhancing the skills of the existing highly competent people in the organisation and attracting and developing young people through the graduate, cadet and trainee programs.

Main Roads has embraced dynamic working arrangements that have broken down organisational structural rigidities that have given employees broader and more challenging roles while providing more effective delivery of the Government's commitments. A number of employees have taken on corporate roles working on initiatives that have improved the organisation, while others have been selected for tasks across the Planning and Infrastructure portfolio.

### EMPLOYEE OPINION POLL

In September 2001, Main Roads continued its strategy of ensuring a highly committed and motivated workforce by carrying out an Employee Monitoring Poll. A total of 233 employees responded to the poll, a follow-up to an earlier poll in July 2000. Results indicated a significant improvement in all key areas and Executive Directors have implemented further improvement strategies to address directorate-specific issues.

### WORKFORCE PLANNING

The Main Roads' Organisational Forecasting project is a proactive initiative which as a part of Workforce planning processes helps the organisation optimise its resources now and in the future. A dynamic, multi-factor model is used to forecast human resource requirements, providing managers with timely and relevant information to assist with improved human resource strategies in such areas as recruitment and staff development.

Main Roads is working with the Department of the Premier and Cabinet on forecasting strategies that can be applied across the Public Sector.

### LABOUR RELATIONS AND WORKPLACE REFORM

Main Roads achieved the performance targets contained in its Enterprise Agreement 2000. A number of new initiatives have commenced, focusing on enhanced skill development and developmental opportunities.

Main Roads has successfully managed this through a process of consultation with its people, unions and associations resulting in the resolution of many complex industrial issues without resorting to disputation and productivity loss.

Main Roads has commenced negotiations on its 2002 Enterprise Agreement with unions.

### STAFF NUMBERS AND SALARY RANGES

Salary Range (\$)	As at 30/06/2001			As at 30/06/2002		
	Total	Women	Men	Total	Women	Men
0 - 33,556	<b>75</b>	23	52	<b>133</b>	23	110
33,557 - 38,577	<b>93</b>	25	68	<b>35</b>	24	11
38,578 - 43,431	<b>94</b>	27	67	<b>87</b>	43	44
43,432 - 47,604	<b>93</b>	29	64	<b>111</b>	28	83
47,605 - 55,376	<b>97</b>	23	74	<b>82</b>	24	58
55,377 - 64,567	<b>145</b>	18	127	<b>145</b>	23	122
64,568 - 72,824	<b>98</b>	7	91	<b>124</b>	7	117
72,825 - 83,586	<b>82</b>	2	80	<b>88</b>	3	85
83,587 - 94,798	<b>46</b>	2	44	<b>46</b>	1	45
greater than 94,798	<b>10</b>	0	10	<b>9</b>	0	9
<b>Totals</b>	<b>833</b>	<b>156</b>	<b>677</b>	<b>860</b>	<b>176</b>	<b>684</b>

### PERFORMANCE AGREEMENTS

Performance Agreements are being implemented across Main Roads and have been extended to identify an individual's competencies and skills, learning and development plans through on-the-job training or formal training and career development plans by undertaking work in other roles.



## OUR PEOPLE

### ROAD MANAGEMENT EXPERTISE

Main Roads places great emphasis on maintaining its pool of Road Management Expertise. For details, see Road Management Expertise on [pages 23-24](#).

### GRADUATE DEVELOPMENT AND CADETSHIP PROGRAMS



Main Roads has well-established programs for engineering and business graduates. The programs have provided excellent career opportunities and attracted people who are self-motivated, adaptable to change and want to develop and achieve in a learning

environment. As at 30 June 2002, Main Roads employs 28 business and engineering graduates and 16 engineering cadets.

### TRAINEES

Main Roads has been a key participant in the Department of the Premier and Cabinet Traineeship Program. Main Roads has 12 trainees operating in the heavy vehicle, major projects, human resources, road network services, metropolitan operations, and finance and services areas.

### VOCATIONAL EMPLOYMENT

Main Roads has provided excellent opportunities for engineering students to undertake their vocational work experience.

Projects have been structured to provide students with meaningful work with a view of enabling them to apply in practice the theoretical knowledge they have obtained through their studies. This has also provided a good opportunity for students to be exposed to the operations of Main Roads, and in a number of cases, this experience has led to Main Roads being their employer of choice.

### LEADERS FOR THE FUTURE PROGRAM

The Leaders for the Future Program is in its second year as part of the Corporate Development Program. The Main Roads' Corporate Development Program is a customised management and leadership development program developed in conjunction with Curtin University of Technology and assists Leaders for the Future Program participants to develop and enhance their competencies. As at 30 June 2002, there were 29 participants in the program.

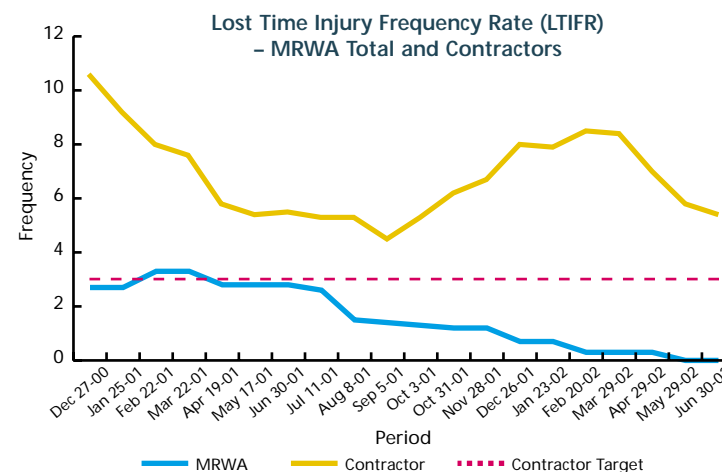
### E-LEARNING

The Main Roads' E-Learning Program (computer and web-based training) commenced with the University of Newcastle NSW in February 2002.

Customised to Main Roads' needs, the program focuses on business management topic areas and the desired pilot groups were selected by the Regional Managers and the Regional Development Committee. The course content was structured around a training needs analysis conducted by Curtin University of Technology for regional people, many of whom are not able to access tertiary development. There are 27 regional participants in the nine-month program.

### SAFETY AND HEALTH

Main Roads' occupational health and safety performance continues to achieve best-practice levels with time lost from injuries reduced from a rate of 11 as at 30 June 1997 to 0 in 2002. This is Main Roads' best performance so far.



Over the past year, Main Roads' *Healthy Lifestyle Strategy* has been a proactive health initiative aimed at improving staff fitness and wellbeing and thus minimising poor health and stress. Main Roads also has an executive Occupational Health and Safety Committee whose role is to focus on the effective management, maintenance and promotion of occupational health and safety in the organisation.

### WORKERS' COMPENSATION

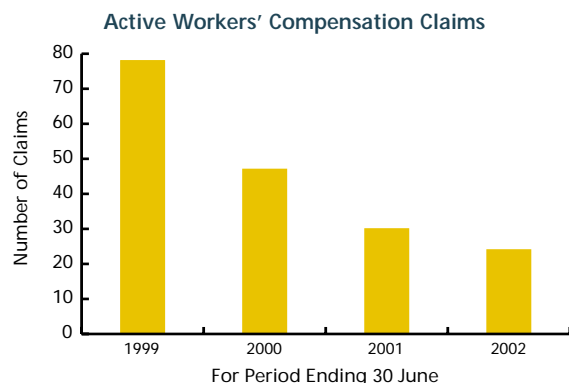
Main Roads' workers' compensation risk management and safety policies had a very positive result on the



## OUR PEOPLE

number of work-related personal injuries. During the 2001-02 financial year, only 11 workers' compensation claims were registered with 5 finalised to date.

The total number of active claims registered for all years now stands at 24, a 20 per cent reduction over the previous year.



### EQUAL EMPLOYMENT OPPORTUNITY (EEO) AND DIVERSITY

Main Roads promotes management practices that are free of bias and discrimination to create and maintain a diverse workforce that delivers products and services to meet our customers' needs.

The Main Roads' EEO and Diversity Management Plan 2000-2002 specifies a number of objectives which were achieved through:

- Training - awareness training and through the induction process

- Reviewing and changing recruitment and selection processes
- Developing a new network of contact and grievance officers
- Commencing policy review
- Identifying EEO targets through planning and reporting processes
- Co-ordination of a Diversity Committee
- Participating in diversity events such as Harmony Day.

### FLEXIBLE WORKING ARRANGEMENTS

Main Roads has implemented a considerable range of flexible working options including home-based work. In 2001-02, eight Main Roads people participated in home-based work. Three of these individuals were from regional locations.

### PUBLIC SECTOR STANDARDS AND CODE OF ETHICS

Main Roads has policies and procedures supporting public sector standards in human resources management. All Executive Directors and Managers are accountable for compliance with public sector standards and ethical codes and the Human Resources Directorate provides a monitoring and advisory role for compliance with these standards.

Since 1 July 2001, Main Roads has had three breaches of applications lodged, all dealing with the recruitment, selection and appointment standard.

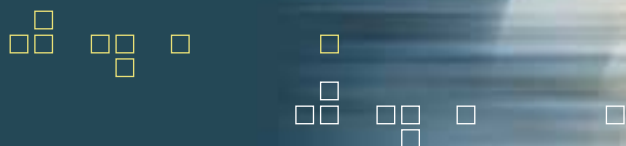
Two claims were withdrawn and the third is before the Public Sector Standards Commissioner for examination.

Main Roads has an internal self-assessment program for Public Sector Standards in Human Resource Management and during the year a number of enhancements were put in place. Subsequently, in April 2002 a new revised Recruitment and Selection Guideline document was released and is available to all employees through the Main Roads' intranet. A separate investigation involving an internal grievance dealing with recruitment, selection and appointment processes back to 1998 resulted in an Independent Investigator reviewing eighteen recruitment transactions from 1998 to 2002. There were no adverse findings relating to Main Roads' processes in any of those matters.

A table showing the number of breaches for 2000-01 and 2001-02 is below:

#### Breach of Standard Applications

	2000-01	2001-02
Number lodged	18	3
Breaches found	8	Nil
Multiple breaches	2	Nil
Applications under review	Nil	1
Material breaches	5	Nil

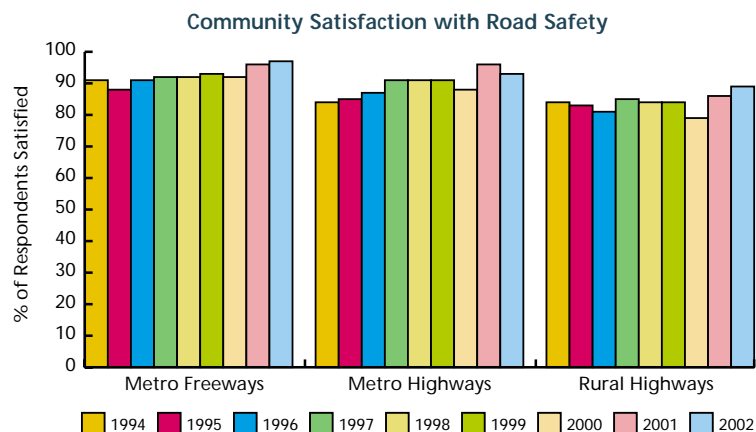


# → | road network management

...THE VAST MAJORITY OF WESTERN AUSTRALIANS EXPRESS A VERY  
HIGH LEVEL OF SATISFACTION WITH ROAD SAFETY ON OUR ROADS...

## ROAD NETWORK MANAGEMENT

### ROAD SAFETY



The 2002 Community Perceptions Survey shows that the vast majority of Western Australians express a very high level of satisfaction with road safety on our roads, especially our metropolitan freeways and rural highways. This general upward trend reflects the extensive amount of metropolitan freeway road works completed last year. The perceived level of road safety on metropolitan highways, although very high, is showing a slight downward trend and needs to be monitored. The increased attention being given to road safety through Community Awareness Programs, State and Federal Black Spot Programs and Speed Management Programs is expected to continue to improve both road safety and the community's perception and awareness of road safety.

### ROAD SAFETY TRAINING

Safety awareness training and skilling of Main Roads' people has continued as a priority. About 80 practitioners from Main Roads, Local Government and private industry attended a three-day road safety audit training course in Perth and Bunbury, and further courses are planned for the future.

Other training included:

- Crash investigation.
- Introductory traffic management and road safety.
- Monthly road safety forums at The University of Western Australia.

Additional modules and programs are being developed for implementation in 2002-03 including a presentation of an introductory traffic management and road safety course to all regions.

### ROAD SAFETY REPRESENTATION AND MEMBERSHIP

Main Roads plays a leading role in road safety through its membership of the Road Safety Council, officer support group, road safety task forces, and other road safety committees.

### ROAD SAFETY TRIALS

Main Roads has undertaken monitoring and evaluation of a number of new initiatives including:

- Speed monitoring at 240 sites statewide on roads that remained at 60 km/h, and roads that became 50km/h with the introduction of the new urban speed limit in December 2001. Data has been collected for the metropolitan area and all but two of the regions and results will be available early in the new financial year.
- Trials of yellow '40' supplementary pavement markings on roads at 40 km/h school zones were carried out on 20 school zone roads surrounding 12 primary and high schools. It was found that the supplementary pavement markings had no significant effect over and above the standard regulatory signs.
- Evaluations of red light cameras and advanced flashing yellow warning signs at traffic signals. Both studies recommended expansion of the red light camera and advanced warning flashing lights programs. It was concluded that these programs significantly reduce the number of accidents and crash costs.

Future trials proposed in 2002-03 include flashing yellow lights at school zones and painted speed pavement markings along a rural highway.



## ROAD NETWORK MANAGEMENT

### BLACK SPOT PROGRAMS

The Federal Black Spot Program 1996-2002 provided funding of \$26 million for 364 projects over the six years to June 2002 for road improvements at hazardous locations. In the May 2002 budget, the Federal Government announced a new National Black Spot Program that will provide a further \$20 million over the next 4 years, with 57 projects valued at \$6.4 million recommended for approval in 2002-03.

The 2001-02 State Black Spot Program provided funding of \$13 million for road-safety-related works on State and Local Government roads. Funding was split between State and Local Government roads on a 50:50 basis (i.e. \$6.5 million for State roads and \$6.5 million for Local Government roads). In addition, Local Government contributed a further \$3.25 million towards the cost of road works on local roads.

Typical major road safety improvement achievements included:

- installation of roundabouts at various intersections across the State
- realignment and improvement to the road geometry at intersections and selected road sections
- provision of pedestrian refuges and facilities for cyclists
- improvements to road surface treatments, such as anti-skid treatments
- traffic calming treatments and improvements to street lighting.

Main Roads conducted 11 one-day metropolitan and regional workshops to assist Local Governments in selecting the best traffic safety treatments under the Black Spot Program. These were attended by more than 200 practitioners.

### DRIVER FATIGUE

To combat fatigue on Western Australia's roads and in response to requests from motorists, Main Roads has commenced designating 24-hour rest areas on rural highways.

Main Roads continues to support the successful RoadWise 'Driver Reviver' and 'Free Coffee for Driver' initiatives as well as Local Area Traffic Enforcement Signs.

### UPGRADING SIGNALS AT RAILWAY CROSSINGS

More than 60 railway crossings fitted with flashing lights have been upgraded with new signal equipment as part of an \$11.7 million program funded by Main Roads to upgrade 104 rural crossings over a five-year period ending in 2003-04. The work includes replacing the existing incandescent signal lamps with light-emitting-diode (LED) lamps, which provide brighter visibility to drivers. Also, track circuit modifications are being undertaken to increase the amount of warning time for flashing lights at these crossings from 21 seconds to 25 seconds.

### NEW FLASHING LIGHTS AT RAILWAY CROSSINGS

A review has identified a number of crossings without signals in rural areas that meet the warrants for upgrading to flashing lights. Seven crossings will be funded in 2002-03.

### ADVANCE FLASHING WARNING SIGNS

Railway crossings without signals on major heavy vehicle routes in rural areas are being progressively fitted with advance flashing warning signs following the successful trial of these signs at crossings near Tammin, Esperance, Donnybrook and Coolup. New signs have recently been installed in Geraldton and Eneabba, with others planned in a number of locations in the Wheatbelt.



*24-hour rest areas on rural highways help combat driver fatigue.*

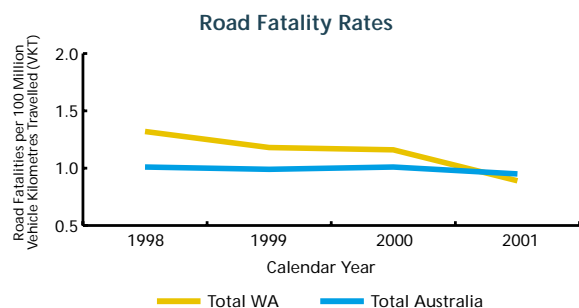


## ROAD NETWORK MANAGEMENT

### RUMBLE STRIP TRIAL

Main Roads has recently completed the installation of new signs and road markings at 20 railway crossings without signals located on high-speed rural roads throughout the Wheatbelt and southern areas of the State. Rumble strips (audible pavement markings) are to be trialed at each of these crossings in order to determine their effectiveness as a warning device approaching railway crossings.

### ROAD FATALITY/SERIOUS ROAD INJURY RATES

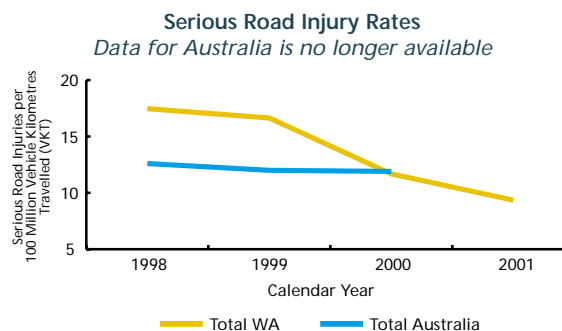


The number of road fatalities per 100 million Vehicle Kilometres Travelled (VKT) for Western Australia decreased significantly during 2001 to a level below the national fatality rate. Note that the fatality rates displayed in the graph were calculated on a calendar-year basis. In previous Annual Reports, a preliminary estimate for the current year's fatality rate was provided; this practice has been discontinued. The number of road fatalities occurring in Western Australia over the last five years are as follows:

### Western Australian Road Fatalities by Year

Year	WA Road Fatalities
1998	223
1999	218
2000	212
2001	165
2002 (up to June 30)	91

The number of serious road injuries per 100 million VKT for Western Australia decreased significantly during 2001. The serious road injury rates displayed in the graph were calculated on a calendar-year basis. A preliminary estimate for Australia-wide injury rates for the calendar year 2002 is not provided. In previous Annual Reports, Main Roads has estimated the numbers of serious road injuries that occurred nationally because these statistics have not been collected Australia-wide since 1999. However, as of this year, the practice of estimating the national number of serious road injuries has been discontinued.



## HEAVY VEHICLE OPERATIONS

### HEAVY VEHICLE MANAGEMENT

In order to promote better management of heavy vehicles in Western Australia and improve its capability for enforcement of regulations and conditions of operation, the State Government has increased and restructured resources in the area of heavy vehicle management.

The Heavy Vehicle Operations (HVO) Directorate was created in late 2001 and combines the heavy vehicle operations, policy, compliance and enforcement functions within Main Roads. Previously, these functions were part of the Department of Transport. The HVO Directorate has relocated from Rivervale to Welshpool, providing improved access to the transport industry.

### ROAD TRAIN SUMMITS

In response to growing community concern over the impact, both on safety and amenity, of heavy vehicles interacting with general traffic in urban areas, the Minister for Planning and Infrastructure instigated a number of Road Train Summits in Perth and several major regional centres in mid-2001. Each summit attracted wide community, State, Local Government and industry participation.

An action list for improving the operations and image of the heavy transport industry was determined by consensus. An implementation Planning Team involving community, industry, Local Government and



## ROAD NETWORK MANAGEMENT

State Government agency representatives is implementing recommendations from the Road Train Summits.

### ACCREDITATION

One of the major safety initiatives to come forward from the Road Train Summits is mandatory accreditation for heavy haulage operators who choose to operate oversize and overmass permit vehicles. Accreditation, which comprises vehicle maintenance and driver-fatigue management, will go a long way to ensuring the road freight task is carried out in a safe and efficient manner on Western Australian roads for the benefit of all road-users. From 1 July 2002, accreditation for vehicle maintenance and driver-fatigue management for these heavy vehicle operators will be required.



*Mandatory accreditation is a major safety initiative.*

The maintenance requirements are based on the National Heavy Vehicle Accreditation Scheme, while the fatigue requirements centre on an industry code of practice developed by WorkSafe WA. A significant communication program has been undertaken to ensure that industry and users of transport are aware of the new requirements for operating permit vehicles.

A free-of-charge owner-driver implementation package has been developed and provided to operators to assist with the introduction of heavy vehicle accreditation. This product has been well received by industry and has assisted with the smooth introduction of accreditation.

### COMMUNITY CONSULTATION

A draft policy 'Community Involvement - Long Vehicle and Road Train Routes' has been developed and will be considered for adoption after consultation with community, Local Government and industry.

A trial of 53.5-metre road trains between Kalgoorlie and Coolgardie commenced in early 2002 and is being used to evaluate the policy. A committee comprising Local Government, community, transport and mining industries, the Police Service, the Transport Workers' Union, a road safety expert and Main Roads is supervising the trial.

### ENFORCEMENT

Additional transport inspectors have been recruited and more recruitment will be undertaken to increase the on-road enforcement capability.

New strategies for enforcement are being developed. Tendering has commenced for video surveillance, weigh-in-motion equipment and additional scales are being evaluated.



GPS vehicle tracking devices are being examined for possible use with permit vehicles to enable movements to be monitored against conditions of operation.

The draft Chain of Responsibility Legislation is being examined and it is anticipated that Western Australian legislation will be in place late 2003. Awareness of the proposed Chain of Responsibility Legislation and duty of care requirements is being raised within the industry.



## ROAD NETWORK MANAGEMENT

### ROAD MANAGEMENT EXPERTISE

In July 2001, the Minister for Planning and Infrastructure instigated an independent review into the impact of the contracting out of road construction and maintenance in Western Australia. Key objectives of the review were to determine the extent to which the contracted function can and should be brought back in-house and the degree to which local knowledge of Main Roads staff had been lost or not properly utilised.

Acting upon the recommendations of that independent review, Main Roads has initiated a number of actions that will result in a number of the contracted functions being brought back in-house.

This commitment is strengthened through the recently released Strategic Plan 2002-2005 with the inclusion of Corporate Capability as a key component. Main Roads has identified the following specific strategies aimed at achieving corporate capability:

- *Design Office*

A decision was made to increase the amount of design work done in-house from the current level of around 5 per cent to 25 per cent by 2005. To achieve this target, a Design Office has been formed to carry out project design and documentation work using in-house expertise.

The first design task undertaken by this in-house capability was Stage 1 of the Karratha - Tom Price Road. Work has now commenced on the detailed

design of the replacement of the Ashburton Bridge and road approaches.

Investigations are underway to determine the feasibility of establishing design functions in regional areas.

- *Timber Bridge Management*

Main Roads is establishing a timber bridge maintenance team and a Centre of Timber Bridge Management in the South West Region.

Since April 2002, the timber bridge inspection crew has been managed from our Bunbury office, where a directly managed bridge crew is to be established. The crew will attend to emergency repairs and a portion of the routine structural maintenance of timber bridges on State roads, the majority of which are located in the south-west of the State.

- *Materials Review*

Main Roads has also reviewed the materials function to strengthen the capacity for materials sourcing and testing. The key recommendation in relation to regional services is to retain core staff capable of meeting the base workload within each region.

Pavements Engineering remains the centre of expertise and has re-established a long-term training program aimed at all levels of pavements and materials engineering.

- *Traffic Signal Programming*

The in-house traffic signal programming expertise has been re-established with a target of 10 per cent of traffic signal programming in-house.

- *Skill Enhancement Program for Contract Management Staff*

Project and contract management skills and experience are critical to Main Roads' ability to deliver its maintenance and construction programs. We maintain an ongoing program to develop and enhance our project and contract management skills.

Main Roads has established dedicated resources to undertake workforce planning, to manage staff placements and to develop, co-ordinate and provide training.

### RECENT ACKNOWLEDGEMENTS OF MAIN ROADS' EXPERTISE

Over the last 12 months, Main Roads' knowledge, skills and innovations have been recognised in a number of external professional and industry forums. The following are examples of some of these accolades:

- *2001 Engineering Excellence Award*, Infrastructure and Building for Kwinana Freeway Interchanges and Extension Project, Institution of Engineers Australia
- *Award for Excellence 2001*, Long-span Precast Concrete Bridges for Kwinana Freeway Interchanges, Concrete Institute of Australia



## ROAD NETWORK MANAGEMENT

- *Award for Excellence 2001*, Graham Farmer Freeway Stage 1, Concrete Institute of Australia
- *Highly Commended Project Management Achievement Award*, Kwinana Freeway Interchanges and Extension Project, Australian Institute of Project Management
- Finalist *Alfred W Canning Excellence in Surveying Award*, Western Australian Institution of Surveyors
- *Austrroads Fellowship Award 2001* awarded to Gary Norwell, Executive Director Technology and Environment for outstanding achievement of major national or international significance in delivery of Austrroads objectives, Austrroads
- *Road Safety Council Award* to Mid West Region for guidance, support and assistance to Local Government, RoadWise and the community on road safety issues, Road Safety Council.

## RECOGNITION

It is always very difficult to name individuals because so many have contributed over the year, however it is equally important to give recognition. The following people are recognised for their noteworthy achievements during the year.

- John Fischer and Rob Grove for their work in bringing together the Design Teams to meet the Minister's commitment that up to 25 per cent of design work will be done in-house within three years.
- Richard Mann for his work with the Perth City Rail Advisory Committee in recommending the preferred route for entry of the South West Metropolitan Railway into the City of Perth.
- John Marmion and Derek Lee for their work with Local Government and timber industry representatives in the Great Southern and South West regions in researching the impact of proposed harvesting on local roads over the next 10 years and developing a prioritisation model to assist in allocating funds.
- Kathryn Martin was acknowledged by the Minister for the excellent work that is being done in Community Consultation in relation to the Agricultural Lime Project.
- Graeme McLean was awarded the 2001 Commissioner's Award for the development and implementation of the unique Road and Traffic Engineering Manual website.



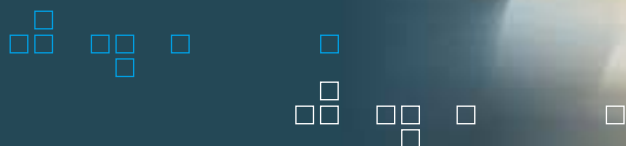
- Michelle Coffey was awarded the StateWest Achievement Award in the category of 'Outstanding Initiative Demonstrated in Job Role'. Michelle was recognised for her work in developing a drug and alcohol policy and implementing an awareness strategy throughout Main Roads.
- Jeff Anderson and Neville Willey for their review of the human resource capabilities of the regions. The main focus of the review was to ensure that Main Roads has the ability to deliver a professional service to rural communities.



## ROAD NETWORK MANAGEMENT



*The State Black Spot Program - making our roads safer.*



## → | environmental management

ENVIRONMENTAL MANAGEMENT IS A KEY SUSTAINABILITY FACTOR AND THEREFORE PLAYS AN INTEGRAL ROLE IN EACH MAIN ROADS PROJECT, WHETHER MINOR IMPROVEMENT WORKS OR LARGE CONSTRUCTION PROJECTS.



## ENVIRONMENTAL MANAGEMENT

Environmental management is a key sustainability factor and therefore plays an integral role in each Main Roads project, whether minor improvement works or large construction projects.



Notable milestones over the past year have included:

- Completion of the first of three stages of a project to upgrade Main Roads' environmental management systems to the international standard (ISO 14001);
- Introduction of a dedicated environmental intranet site housing environmental management guidelines, policies and standards; and
- Delivery of an environmental training program for Main Roads operational personnel in all regional and metropolitan offices.

### FURTHER DEVELOPMENT OF ENVIRONMENTAL MANAGEMENT SUPPORTING SYSTEMS

Main Roads has stepped up efforts to establish a systematic approach to the management of environmental issues. We are moving towards a system aligned with the ISO 14001 international standard for environmental management systems (EMS). The policy fundamentals have been established and work has commenced on the incorporation of environmental management into Main Roads' existing core management systems such as the contract and project management systems.

New guidelines on the management of key environmental issues, including environmental assessments, approvals and Aboriginal Heritage have been produced to assist project and asset managers.

### PERFORMANCE REPORTING

Main Roads has begun planning for the introduction of Public Environment Reporting with the first report due in late 2003. For those with an interest in Main Roads' operations it will enable the environmental aspects of our activities to be more widely known and understood.

### TRAINING AND AWARENESS

Main Roads has increased the level of internal training programs on environmental issues. Presentations to staff have been given across a range of environmental and heritage issues relevant to Main Roads' activities.

### WATER QUALITY

Main Roads has completed an analysis of the potential impact on wetlands and waterways of run-off from the metropolitan road network. The analysis was made using data obtained from the monitoring of first flush run-off water following rain over a period of five years. The study found that major roads in the metropolitan area might contribute up to five per cent to the total nutrient influx to waterways. The findings will be used to target 'hotspots' on the road network where run-off treatment measures may be required.

### ROADSIDE LANDSCAPE AND CONSERVATION

We have reported previously on a system for monitoring the quality of roadside vegetation to help protect and enhance the environmental value of road reserves. The system involves the annual collection of a digital video record that can be used to detect changes in roadside condition. The system is now being extended from the urban and agricultural areas into the pastoral regions and a guideline has been developed to obtain the best value from the data collected.



Vehicle used for collecting road condition data.



## ENVIRONMENTAL MANAGEMENT

Main Roads, in conjunction with the Roadside Conservation Committee and the WA Local Government Association, are developing an Environmental Code of Practice for the conduct of road construction works. This is designed to capture smaller road projects where specific environmental management plans are not normally required.

### NOISE

Traffic noise is an issue of increasing importance as traffic volumes steadily increase along major roads. Main Roads completed a program of noise measurement across the metropolitan road network to gain a clearer understanding of the extent of the problem. This data is being analysed to assist in the development of a noise management strategy for the road network.

### AIR QUALITY

Main Roads and the Department of Environmental Protection have agreed upon an air quality impact assessment protocol for all road proposals. The Department of Environmental Protection will use modelling to predict future air quality, with Main Roads providing key input in the form of data on current and expected future traffic movements. We continue to sponsor and encourage the AirWatch program, which introduces air quality issues to younger Western Australians through a school-based program.

### PUBLIC ART

Public art associated with roads is an increasing area of interest for the community. Stages 4 and 5 of the Roe Highway development will have significant public art projects established at various points along the route.

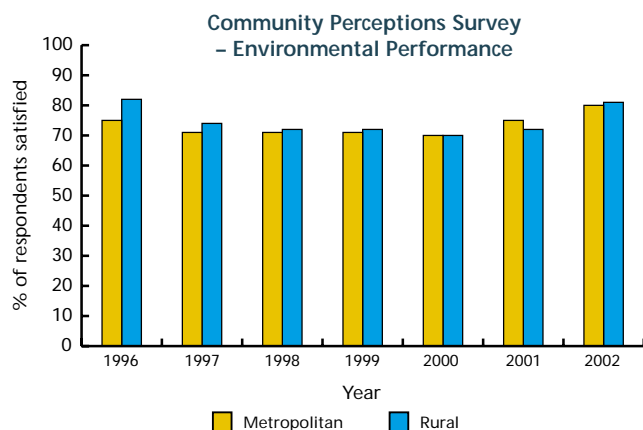




## ENVIRONMENTAL MANAGEMENT

### COMMUNITY PERCEPTIONS OF ENVIRONMENTAL PERFORMANCE

The annual community perception survey of environmental performance shows an increase in the level of satisfaction for both urban and rural roads in 2002. This is a positive result, possibly reflecting the continued efforts to strengthen environmental management across all Main Roads' activities.



### MOBILE WORK CAMPS

Main Roads' Mobile Work Camps (MWCs) program has continued to grow, with greater cross-Government participation with departments such as Education and Environmental Protection. The camps make a real contribution to the preservation of the State's roadside reserves through the efforts of young Western Australian volunteers. These young volunteers also learn about the environmental significance of the work they perform, helping to raise community awareness of the importance of preserving our roadside reserves. For the first time in Australia, through the Mobile Work Camp Program, a profile is being developed on the volumes, types and the source of rubbish discarded on the State's road reserve. This information is being used to develop public awareness of the problem and help shape future Government policy.



*The Mobile Work Camps program continues to grow.*

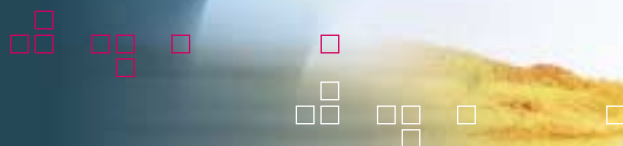
### LPG VEHICLES

In accordance with the Government's policy to replace 25 per cent of Government 6-cylinder passenger and light commercial utility vehicles with LPG vehicles, Main Roads is procuring LPG vehicles where practical. Because half our fleet is located in regional WA, the availability of LPG has restricted the use of LPG vehicles. Notwithstanding this, we are one of only two (of the top 10 agencies) that exceeded the Government's 25 per cent target, with 38 per cent of the 6-cylinder vehicles procured this year having been either dedicated LPG, or LPG and petrol dual-fuel vehicles. It is expected that this percentage will marginally increase as the availability of LPG in rural areas improves.

### WASTE PAPER RECYCLING

Main Roads has in place paper recycling and energy management programs. The collection of the paper is through a whole-of-government contract for the collection, removal and purchase of waste paper for the purpose of recycling.

Main Roads recycled 6.1 tonnes in 2001-02, averaging 521 kilograms per month.



# → | operational achievements and performance

MAIN ROADS ENSURES THAT ONGOING PUBLIC INVESTMENT IN ROAD INFRASTRUCTURE AND TRANSPORT INITIATIVES IS PROPERLY PLANNED, MANAGED AND PROTECTED.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### THE ROAD PROGRAM

The total Western Australian road network is 174,008 kilometres in length and Main Roads is directly responsible for 17,706 kilometres or about 10 per cent.

Main Roads ensures that ongoing public investment in road infrastructure and transport initiatives is properly planned, managed and protected. Our aim is to provide all road-users with a road system that delivers safety, access, reduced congestion and travel-time savings, as well as delivering social, environmental and economic benefits.

We have refined our corporate direction and priorities to focus on the key strategic requirements of the Machinery of Government Review, which has included a re-organisation into four service delivery streams. Under the Machinery of Government outcomes, route planning and decision-making is now a Department for Planning and Infrastructure function while Main Roads remains a service delivery agency within the Planning and Infrastructure portfolio.

Main Roads has reflected the Government's emphasis on improved community consultation through a review of its customer service systems to ensure they meet growing community expectations and allow for continuous improvement in all facets.

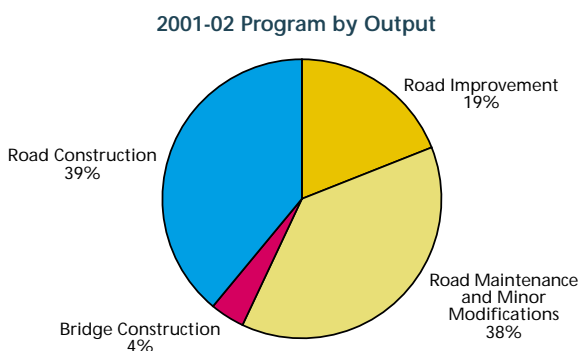
### OUTPUT OVERVIEW

Outputs are defined as the discrete goods and services, including policy advice, produced by agencies for external users and are the basis of Parliamentary Appropriations.

The following table demonstrates the linkage between the most appropriate Government strategic objective and Main Roads' desired outcomes and outputs.

Government Strategic Objective	Desired Outcome	Outputs
A growing and diversified economy.	To provide a safe and efficient road network as part of an integrated Western Australian transport system within a sustainability framework.	Road Maintenance and Minor Modifications
		Road Improvements
		Road Construction
		Bridge Construction

The proportions that each of these outputs represent for the 2001-02 program are shown below.





## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### DELIVERY OF ROAD PROJECTS ON TIME AND WITHIN BUDGET

During 2001-02, 16 projects (each with a total value exceeding \$2 million) were completed, with a total expenditure over the life of the projects of \$205.3 million. Project time and budget performance summaries are described below:

Project Delivery Indicators	Total No. of Projects and Value	Performance	
		No. of Projects and Value	% of Projects Weighted by Project Cost
Completed within Budget or within 5% over Budget	16 (\$205.3 m)	13 (\$149.9 m)	73
Completed on schedule or within 10% over planned duration		16 (\$205.3 m)	100

Note:

The above table includes some projects that still have costs to be incurred to address outstanding issues. However, construction works were completed and the projects were opened to traffic during 2001-02. These costs will not materially affect the above results in terms of completion within budget.

Notes:

(a) Comments only provided where there are noteworthy differences.

(b) Main Roads' objective is to achieve 100 per cent, however, due to external impacts on the delivery process, the historical trend indicates that a target of 90 per cent is more realistic.

(c) This was not undertaken during 2001-02 having been deferred until 2002-03.

### ROAD MAINTENANCE AND MINOR MODIFICATIONS

Main Roads maintains 4,648 kilometres of National highways and 13,058 kilometres of State highways, freeways and main roads. We also contribute funding to assist in the maintenance of 125,968 kilometres of local roads and 30,334 kilometres of roads through national parks and forests.

The following table summarises Main Roads' achievements in this area and compares these with targets set in the 2001-02 State Budget:

Measure	Target	Actual	Comments (a)
Quantity: Lane kilometres of network treated	37,493	37,637	
Local Authorities receiving funding	142	142	
Cost: Average cost per lane kilometre of road network maintained	\$4,350	\$3,984	The target was overstated. The correct target should have been \$4,145 per lane kilometre. Therefore the actual cost is only 4 per cent below the revised target. This was due to the fact that \$5.5 million of bridge maintenance works were unable to be delivered during the year.
Average cost per lane kilometre of road network depreciated	\$3,059	\$2,930	
Average funding per Local Authority	\$535,592	\$513,296	
Quality: % of sealed National and State roads meeting roughness standard	97.0%	97.5%	
User Satisfaction Index	65.0	(c)	
Timeliness: The percentage of road maintenance and minor modifications completed within the agreed 12-month timeframe (b).	90.0%	94.5%	



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### TERM NETWORK CONTRACTS (TNC)

Eight regionally based 10-year Term Network Contracts have been established to provide road maintenance and rehabilitation services on the National Highway and State road system and for regulatory signs and road lines on local roads.

To date Main Roads has undertaken formal operational reviews of 4 of the 8 contracts (1 in 2000-01 and 3 in 2001-02) with the remainder to be reviewed in 2002-03. The reviews found a high level of compliance in meeting the service and other obligations under the contracts and that the contracts are providing road-users and the community with a safe and well-maintained road network. The reviews also identified opportunities for the contractors and Main Roads to build on this performance, primarily in relation to improvements to systems and processes.

\$17.2 million of minor improvement works were delivered under the Term Network Contracts during 2001-02.

### TRAFFIC CONTROL INFRASTRUCTURE CONTRACT (TCIC)

The Traffic Control Infrastructure Contract is a 10-year statewide contract that provides maintenance and improvement services for traffic control infrastructure and road lighting on highways and main roads.

The contract has been in place for over three years and continues to exceed operational performance targets for Availability and Repair Time, as shown in the table. Aside from an abnormal outcome for April 2002 (see Note B), the contractor is also responding to notification of problems such as traffic control signal failures more quickly than the set target. Action has been taken to improve the Reliability performance for traffic control signals and road lighting.

**Table: TCIC Operational Performance**

Performance Indicator	Target	Actual <sup>(A)</sup>
<b>Availability</b> - the % of time each asset is operational		
• for traffic control signals	99.50%	99.50%
• for road lighting	99.99%	99.98%
<b>Reliability</b> - the average number of failures per asset per month		
• for traffic control signals	0.50	0.52
• for road lighting	0.03	0.09
<b>Response Time</b> - the average time taken from notification of fault to arrival on site	4.8 hr	6.2 hr <sup>(B)</sup>
<b>Repair Time</b> - the average time taken to fix a fault from arrival on site	7.5 hr	2.6 hr

Approximately \$11.6 million of traffic control infrastructure improvements, including installation of new traffic signals or modifying existing signals, and the installation of new road lighting have been undertaken under the TCIC.

*Notes:*

*(A) Figures are the average for July 2001 to April 2002.*

*(B) The average Response Time figure excluding the month of April 2002 is 3.9 hours. The first heavy rains of winter and the response requirements associated with audit results adversely impacted upon the Response Time for April.*



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### MINOR MODIFICATIONS IN THE METROPOLITAN AREA

- Karrinyup - Morley Highway - reconstructed and widened 800 metres between McGilvray Avenue and Camboon Road to reduce roughness and to provide on-road cycling facilities and protected turn pockets at various intersections.
- Intersection of North Lake Road and Leach Highway - reconstructed the intersection to improve safety by increasing the skid resistance of the running surface. At the same time, the works provided protected U-turn facilities west of North Lake Road.
- Installation of Advanced Flashing Warning signs at 18 major intersections on Tonkin, Bunbury and Reid Highways to reduce crashes by providing advance warning of signal changes particularly for heavy vehicles which require greater distance for stopping.
- Passing opportunities provided at Upper Swan Primary School on Great Northern Highway to improve safety for parents and the school community accessing the school on what is a heavily used road train route.

### ROAD IMPROVEMENTS

Improvements such as reconstruction, widening, median treatments and the construction of passing lanes increase the performance and safety of the road network.

The table below summarises Main Roads' achievements against targets set in the 2001-02 State Budget:

Measure	Target	Actual	Comments (a)
Quantity: Lane kilometres	960	939.5	
Number of other improvements	313	280	This variation is not attributable to any single project. Numerous small works in the Metropolitan region had either not commenced or were only partially complete as at 30 June 2002.
Cost: \$ per lane kilometre	\$106,946	\$93,379	Works associated with several high-cost improvements in the Metropolitan area (Fremantle, Rockingham and Riverside Drive) were deferred.
\$ per improvement	\$161,214	\$73,809	The initial budget was substantially reduced following the deferral of works associated with a High Wide Loads Corridor within the Metropolitan area.
Quality: % of network meeting operational standard			
Seal Width	81.0%	81.7%	
Shoulder Width	66.0%	66.7%	
Design Speed	78.0%	79.6%	
Timeliness: The percentage of road improvements completed within the agreed 12-month timeframe or as specified for individual major projects (b).	90%	71%	The original program has been impacted upon by the need to defer a number of high-cost projects in the Metropolitan area.

Notes:

(a) Comments only provided where there are noteworthy differences.

(b) Main Roads' objective is to achieve 100 per cent, however, due to external impacts on the delivery process, the historical trend indicates that a target of 90 per cent is more realistic.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### IMPROVEMENTS IN RURAL AREAS

#### *Great Eastern Highway (Baandee)*

The reconstruction and realignment of a 2.4-kilometre section of Great Eastern Highway across the Baandee Lakes in the Wheatbelt North region was completed in March 2002. The works included replacement of two under-strength bridges with large concrete box culverts and a 700-metre floodway.

This project raises the road profile resulting in an improved level of service during periods of flood and the new alignment improves overtaking opportunities and safety.

#### *South Western Highway (Parry Section)*

A 6.5-kilometre section of the South Western Highway 17 kilometres west of Denmark, was reconstructed, realigned and widened and included the provision of a right-turn lane to improve safety at the Parry Beach Road intersection and the replacement of two bridges. It was completed in May 2002.

The improved alignment will enhance safety for road-users on this increasingly popular tourist route to the Tree Top Walk and other tourist destinations between Denmark and Walpole.

#### *Albany Highway (Mount Barker Passing Lanes)*

Construction of a southbound passing lane located five kilometres north of Mount Barker was completed in April 2002. The purpose of the project was to provide improved overtaking opportunities on Albany Highway between Cranbrook and Albany. In addition,

school bus stops were upgraded and safety was improved at a conflict area at the intersection of Halsey Road with Albany Highway. Completion of the project brings to 29 the number of passing lanes constructed since 1995 as part of the passing lanes strategy for Albany Highway between Perth and Albany. A further seven passing lanes are planned.

#### *Coolgardie - Esperance Highway (Scaddan - Gibson)*

Reconstruction of 23.6 kilometres of the Coolgardie - Esperance Highway between Scaddan and Gibson provides improved safety for a mixture of heavy transport mostly carrying grain and tourist traffic. It also improves road drainage and will reduce maintenance costs.

The project involved the reconstruction and widening, including realignments, of this section of the Coolgardie-Esperance Highway.

#### *Goldfields Highway (Installation of Large Culverts)*

Improvements to floodways from the installation of large culverts at various places on the Coolgardie-Esperance and Goldfields Highways will reduce the number of road closures in wet weather and will provide improvements in road safety on these important State and National Highways.

#### *North West Coastal Highway (Gascoyne River - Blowholes Section)*

Construction of a new 10-kilometre road alignment with a 7-metre seal width and 1.5-metre sealed

shoulders was completed in December 2001 as part of the Gascoyne River Bridge Contract.

The North West Coastal Highway is the main link between regional centres at Geraldton, Carnarvon, Karratha and Port Hedland. The width of this section of the Highway was not sufficient for a major freight route operating triple road trains. The section was also prone to flooding from the Gascoyne River and localised rainfall, closing the road for several days at a time.

#### *South Western Highway (Wokalup Section)*

Reconstruction and widening of a 4.6-kilometre section of the South Western Highway located between Wokalup and Benger was completed in April 2002. The work included the provision of two passing lanes (one northbound, one southbound).

The project provides improved traffic safety and overtaking opportunities on the South Western Highway between Wokalup and Benger. Completion of the project brings to 11 the number of passing lanes on South Western Highway north of Bunbury.

#### *Great Northern Highway (Bindoon Hill)*

Works commenced in February 2002 on realigning and reconstructing a 3.9-kilometre section of the Great Northern Highway on the southern approach to Bindoon Hill. The first section, from the intersection with Bindoon-Moorra Road to the foot of Bindoon Hill, included a major realignment and was completed in June 2002. The second section, on the steep



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

southern slope of Bindoon Hill, will be undertaken between December 2002 and April 2003.

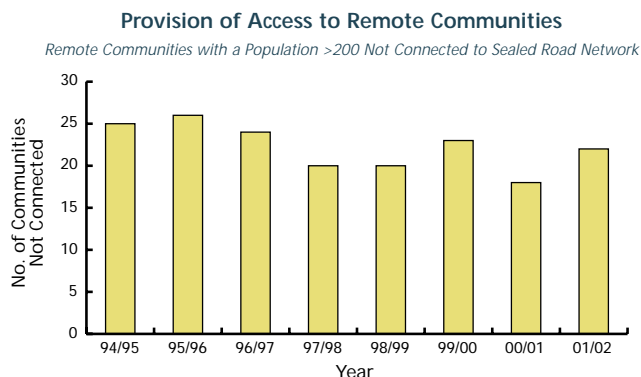
Increasing heavy traffic movements, resulting from the carting of agricultural lime sands from the central west coast to farmlands further east of Great Northern Highway, made the upgrading of this section a high priority. The improvements will provide an improved level of service and increased safety for heavy vehicles descending Bindoon Hill.

### *Aboriginal Road Plant Organisation*

Main Roads, in conjunction with the Aboriginal and Torres Strait Islander Commission (ATSIC) continues to sponsor the establishment of a pilot project, the Aboriginal road plant organisation, in the Dampier Peninsula north of Broome. This project was established to maintain and improve access roads to remote Aboriginal communities not serviced by Local Government roads.

Main Roads is providing project management assistance in addition to the funding contribution. A significant achievement during 2001-02 was the finalisation of a business plan for the short- and long-term future of the Kullarri Network Association (KNA), the association of Aboriginal communities involved in the project.

### *Remote Community Access*



In 2001-02 the number of communities with populations of 200 or more which did not have continuous sealed roads to the State's rural road network was 22, comprising 20 remote indigenous communities and two remote towns. This is an increase of four from 2000-01.

The total length of unsealed access roads to these communities is 1,915 kilometres. This represents a reduction from 2000-01 due to a net adjustment in unsealed access road length, particularly with the removal of Telfer as a town with a population of 200 or more. The length of unsealed access attributed to Telfer was 175 kilometres, 25 of which are also included for Marble Bar.

### *Tanami Road*

This project involved formation and drainage improvements to a 20-kilometre section of Tanami Road in the Kimberley region. The project is the commencement of an upgrade program for the Tanami Road southwards from the junction with the Great Northern Highway that will provide an improved level of service and transport efficiency. It provides improved road safety, reduced vehicle costs and reduced maintenance costs.

### *Gibb River Road*

Improvements were conducted on the road formation and drainage over a 16-kilometre section of the Gibb River Road in the West Kimberley. The benefits of this project are improved road safety, reduced vehicle costs and reduced maintenance costs.

### *Grain Logistics*

The Grain Logistics Review resulted in a series of road upgrade projects on local roads due to either the closure of rail lines or the redirection of off-rail-bin cartage routes.

Works continued through 2001-02 on upgrading:

- Moorine South Road in the Shire of Yilgarn
- Mukinbudin - Bonnie Rock Road in the Shire of Mukinbudin
- Beacon - Wialki Road in the Shire of Mount Marshall
- Bell Road in the Shire of Dalwallinu



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

The upgrade of these strategic local roads will improve efficiencies for grain cartage, provide improved levels of service for all road-users and increase safety for school buses sharing these roads.

### IMPROVEMENTS IN THE METROPOLITAN AREA

#### *Albany Highway (Gosnells Townsite)*

Work commenced on an ongoing project to revitalise the section of Albany Highway through Gosnells and the adjoining road network in the town precinct area. During 2001-02 minor intersection improvements were undertaken along with the addition of underground power and new street lighting.

#### *Great Eastern Highway (Roe Highway to Scott Street)*

Reconstruction of 2.6 kilometres of the Great Eastern Highway from Roe Highway to Scott Street, Greenmount was completed in September 2001. This project has improved road safety and traffic flows by the creation of a divided dual carriageway separated by a raised median strip.

#### *Tonkin Highway (Collier Road intersection)*

This project commenced in 2000-01 to upgrade the Collier Road intersection by constructing two extra lanes in Tonkin Highway approximately 500 metres each side of the intersection, one each for northbound and southbound traffic. The works were completed in August 2001. At the same time, existing right turn lanes in Tonkin Highway were extended, together with

a second right turn lane for traffic heading east along Collier Road. The work provides immediate relief for growing traffic congestion at the intersection until funding is available.

#### *Improved Bus Routes*

Main Roads has been working closely with the Department for Planning and Infrastructure to improve the efficiency of bus routes in the metropolitan area and in 2001-02 completed the following works:

- Construction of dedicated bus lanes on the East Perth Causeway linking into a new bus passenger transfer station in Victoria Park. The project included a new tear-shaped intersection at the Causeway west roundabout with traffic signalling to improve safety;
- Pedestrian access and traffic signals at the Curtin University of Technology bus station on Hayman Road; and
- Installation of a bus acceleration lane and entrance improvements on Albany Highway at the Armadale Health Campus.





## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### TRAFFIC MANAGEMENT

#### TRAFFIC OPERATIONS CENTRE

The Minister opened the new Traffic Operations Centre on 13 November 2001, with educational public tours of the facilities starting in December 2001. Around 900 members of the general public have visited the centre in the six months since officially being opened.



For further information about the tours, or to book a tour, please contact the Public Affairs Branch at our Head Office in East Perth on telephone number 9323 4522.

### INTELLIGENT TRANSPORT SYSTEMS

Major milestones in the development of Intelligent Transport Systems (ITS) for WA in the 2001-02 financial year were:

- Completion of the upgrading of the Sydney Co-ordinated Adaptive Traffic System (SCATS) to run off a PC platform. This has allowed the utilisation of recent developments of the system, including an upgraded communication system and improved system error checking.
- Installation of the integrated Traffic Management Control System in the Traffic Operations Centre (TOC). As well as allowing existing systems to be operated from one console, this system has been designed as the platform for the control of future ITS systems.
- Completion of the connection of all traffic signals in the State to SCATS. This has meant that all traffic signals now have remote fault monitoring. TOC staff can remotely check and modify the operation of all signals and give priority to emergency services at any site if required.
- The connection of 15 additional traffic monitoring cameras, taking the total number of cameras in Perth to 56. This has given TOC operators significantly improved coverage of the freeway and arterial road network.
- Completion of the installation of the optic fibre backbone cable along the Mitchell and Kwinana

Freeways. Connection of the existing ITS equipment to the cable will be completed by December 2002.

### HERO PROGRAM

Highway Emergency Response Officers (HEROs) patrol the Mitchell, Kwinana and Graham Farmer Freeways on weekdays. Two HEROs patrol the freeway network during morning (7.00am and 9.00am) and afternoon (4.00pm and 6.00pm) peak periods, reverting to one HERO during off peak periods (9.00am to 3.30pm).

The HEROs perform the following primary functions:

- Assist road-users in trouble on the freeways by contacting the RAC or other appropriate organisations;
- Identify and report traffic incidents, road hazards and road faults;
- Facilitate the recovery from minor incidents in consultation with the Traffic Operations Centre;
- Provide full surveillance, advisory and liaison services for the TOC; and
- Respond to incidents as directed by the TOC.

During 2001-02 they attended 1,639 incidents or an average of more than 30 a week. The typical types of incidents include assistance to motorists, assistance to the emergency services, removing hazards from the roadway, assisting with the management of traffic and investigating the cause of traffic congestion.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### 50 KM/H SPEED ZONE PROJECT



A major safety initiative announced by the State Government in 2001-02 was the implementation of a 50km/h speed limit in all built-up

areas from 1 December 2001. This is expected to result in a significant reduction in the number and severity of crashes in built-up areas.

The implementation was a co-ordinated operation between

- Office of Road Safety (public awareness)
- Main Roads (determination of speed zones and installation of signs)
- Police Service (enforcement).

Main Roads liaised with Local Governments and the Police Service when determining which roads should be speed zoned at 50km/h. Not all built-up areas had to be sign-posted at 50km/h because the changes to road regulations mean that all roads in built-up areas are considered to be speed zoned at 50km/h unless otherwise signed. This reduced the number of signs that would otherwise have been required.

In all, 2,200 signs were installed in the metropolitan area. A similar number were installed in regional areas. The total cost of the project in 2001-02 was \$1.25 million.

Speed monitoring data has been collected for the metropolitan area and all but two of the regions at sites on roads that remained at 60 km/h, and roads that became 50km/h. The results will be available early in the new financial year. A program to monitor the actual speed of vehicles on these roads will continue over two years.

### PERTH BICYCLE NETWORK PLAN

Stage 1 of the plan is now complete with Main Roads finalising payments to Local Governments in conjunction with the Department for Planning and Infrastructure (DPI). This year saw the commencement of the largest Principal Shared Path (PSP) contract to be undertaken to date. The \$3.8 million contract includes sections of PSP from East Perth to Maylands, a much needed link under Tonkin Highway in Bayswater and a facility that completes the route from Subiaco to Perth via the West Leederville Station to Loftus Street section.

Stage 2 commenced with Main Roads and DPI detailing designs for more than 15 kilometres of PSP to be implemented in the coming year.

### OTHER CYCLE IMPROVEMENTS

Many cyclists and motorists would have noticed that at a number of signalised intersections, small diamond and cycle markings have recently appeared. These markings are referred to as 'Diamond Dot Markings' and are positioned over the most sensitive part of the vehicle detector loop in the road to increase a cyclist's chance of detection. The guiding principle is that it highlights to a cyclist where to ride to better guarantee detection to change the signals in the event that there is no vehicular traffic.

### MAJOR WORKS CONTRACTS

As part of Main Roads' major road and bridge contracts in 2001-02 over 40 kilometres of on-and off-road facilities were constructed in the metropolitan area with more still under construction. In the rural regions, over 50 kilometres of pedestrian and cycling improvements were achieved with the construction of on-road sealed shoulders and shared paths. The cost associated with these improvements is approximately \$16.3 million.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### ROAD CONSTRUCTION

Overall, the construction of new roads and associated facilities plays a vital role in the development of an integrated transport system. New projects undertaken by Main Roads in the last year have assisted with:

- Improved safety and access
- Regional growth
- Resource development
- Tourism development
- Reductions in congestion, pollution and travel times.

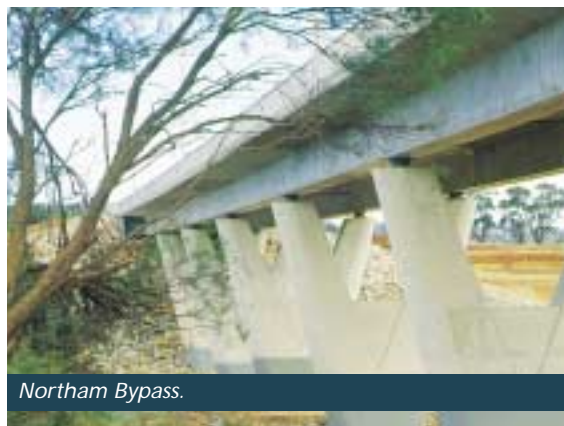
The table below summarises Main Roads' achievements against targets set in the 2001-02 State Budget:

Measure	Target	Actual	Comments (a)
Quantity: Lane kilometres	753	660	Work on the Great Eastern Highway at Sawyers Valley and Roe Highway between Nicholson Road and South Street did not proceed.
Cost: \$ per lane kilometre	\$360,372	\$327,941	The deferral of the above two high-cost projects significantly impacted upon the unit rate.
Quality: Where as constructed, audit meets design standard based on Austroads guidelines and Australian Standard	100%	100%	
Timeliness: The percentage of road construction completed within the agreed 12-month timeframe or as specified for individual major projects (b).	90%	80%	The original program has been impacted by the need to defer planned works.

Notes:

(a) Comments only provided where there are noteworthy differences.

(b) Main Roads' objective is to achieve 100 per cent, however, due to external impacts on the delivery process, the historical trend indicates that a target of 90 per cent is more realistic.



Northam Bypass.

### ROAD CONSTRUCTION IN RURAL AREAS

#### Northam Bypass

This 15-kilometre bypass of the Northam townsite was opened on 17 May 2002, one month ahead of schedule. The new alignment and reconstruction of the Great Eastern Highway commences near the Northam Army Camp entrance west of the township, skirts Northam to its north and rejoins the existing highway near Malabaine Road to the east of the town.

The bypass removes some 600 heavy freight vehicles per day from the centre of Northam, resulting in improved road safety for residents and tourists, reduced risk to the public from transport of hazardous materials, reduced traffic noise for residents, particularly at night, and reduced freight costs.

The \$38.3-million contract was awarded in January 2001 and included \$4.1 million for construction of a new bridge over the Avon River at nearby Toodyay. Including land and other costs, the total project budget for the Northam Bypass was \$40.2 million. Allowing for minor outstanding work, the final cost is anticipated to be \$47 million.

The bypass includes the following main features:

- 14.9 kilometres of new highway and associated side road connections
- nine bridges and two stock underpasses, and
- the realignment of 1.1 kilometres of the narrow gauge railway.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### *Mount Magnet to Leinster Road (Youanmi to Agnew Section)*

Mount Magnet to Leinster Road through Sandstone forms an important east-west transport link between Geraldton Port and the Northern Goldfields. The road joins Great Northern Highway at Mount Magnet to the Goldfields Highway near Leinster, spanning a total distance of 305 kilometres.

The project benefits of completing the 163-kilometre Youanmi - Agnew section will include improved tourist access through the Goldfields, reliable access for the Sandstone community to the closest town of Mount Magnet, improved transport linkages to the Northern Goldfields by providing the mining industry with an alternative export route and service centre at Geraldton, a decrease in the driving risks associated with dusty, gravel roads and the mix of light traffic and large trucks and improved access to existing and proposed mineral developments. In addition, the project is an integral part of the proposed east-west general infrastructure corridor.

The contract for the design and construction of 163 kilometres of road was awarded in July 2001. Construction commenced during February 2002 using separate teams based at Windsor Station and Sandstone. Construction completion on this \$46-million project is expected by mid-2003.

### *Great Northern Highway (Dalwallinu Heavy Transport Route)*

The Heavy Transport Route removes heavy traffic from Dalwallinu's main street by relocating the highway to the eastern side of the Perth - Geraldton railway line and positioning it adjacent to the town's light industrial area. The railway reserve and parkland situated between the old and new highway alignments now provide a buffer between the town centre and highway traffic. The removal of heavy traffic from Johnson Street also provides the opportunity for development of the town centre as well as improved parking and amenities through the Town Beautification Project. This project, along with other works planned between Miling and Wubin will provide cost efficiencies for freight transport.

The works, completed in May 2002, included 1.2 kilometres of new road alignment construction, one kilometre of widening of the existing road, construction of five intersections and associated lighting, pavement markings and signage.

### *Bunbury Highway (Mandurah Estuary Bridge Approaches)*

This project, with a cost of \$1.7 million, was completed in January 2002. It extended the existing dual carriageway of the Bunbury Highway by a total of two kilometres either side of the Mandurah Estuary Bridge including the installation of street lighting.

The project improves traffic safety, reduces congestion and improves traffic flows on this major link. The project has the added benefit of enabling the establishment of a temporary three-lane traffic flow scheme (two lanes in peak flow direction, one opposing lane) for peak periods. This scheme has been successfully implemented at peak periods such as Easter and long weekends to significantly increase the traffic flow capacity of the Mandurah Estuary Bridge.

### *Narrogin Link Road (Heavy Haulage North-South Route)*

This \$3.5-million project involved the initial design and construction of Stage 1 of the Narrogin Link Road, which comprised the section between Herald Street and the Co-operative Bulk Handling Facility. The project involved the construction of three major box culverts over the Narrogin Brook, realignment of the Narrogin Brook at Herald Street intersection, a roundabout, 1.35 kilometres of new kerbed road to primerseal stage and associated underground stormwater drainage including installation of pollutant traps.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

Narrogin is the service centre for a large farming area of the central southern region of WA. The aim of the project is to completely remove heavy vehicles from Narrogin's Central Business District.

The project included a significant involvement by the Town and Shire Councils of Narrogin.

### *Karratha - Tom Price Road*

This new route has been developed to replace the existing Roebourne - Wittenoom Road as the main public thoroughfare between Karratha - Wickham and the central Pilbara. The road will provide an enhanced service to the mining sector as well as transport and other industries in the region and afford support for tourism in the area. It will also greatly reduce travel times and minimise the long closure periods experienced on the existing unsealed roads between Karratha and Tom Price during the wet season.

Stage 1 of the project consists of a 25-kilometre section between Tom Price and the Nanutarra - Munjina Road and will cost an estimated \$20 million for construction by mid-2003. Detailed design and clearance acquisitions are proceeding on this basis and tenders for construction were called in June 2002.

Stage 2 consists of a 95-kilometre section between Karratha and Curlewis and will cost \$80 million. Planning and investigation works are currently proceeding to enable this section of the road to be completed in 2005.

### *Carnarvon - Mullewa Road*

This 164-kilometre unsealed road services the town of Gascoyne Junction, pastoral properties and the Aboriginal community of Burringurrah east of Gascoyne Junction. The road also provides access to the popular tourist locations of Rocky Pool, Kennedy Ranges and Mount Augustus.

The road can be closed by relatively low rainfalls and on average is closed for 10 days per year isolating communities and industries. The road also has a very high crash rate in relation to the State average with over 50 per cent of the accidents being non-collision type, where drivers have lost control.

A Financing Agreement is in place between the Shires of Carnarvon and Upper Gascoyne and Main Roads to fund the project with the total estimated cost of \$20 million over 8 years. Construction commenced in 2000 and work is scheduled for completion in 2007-08.

In 2001-02, 13 kilometres of seal was completed at a cost of \$1.66 million bringing the total length of sealed road up to 30 kilometres. The Shire proposes to construct an additional 15 kilometres and three major flood crossings in 2002-03.

### *Victoria Highway*

This project, with a value of \$2.7 million, provided eight kilometres of rehabilitation to the Victoria Highway east of the Kununurra townsite. The project was delivered on time and on budget. It provides greatly improved service to road-users by reducing road closures and has significantly reduced maintenance costs.

### *Ripon Hills Road*

The project to construct and seal 132 kilometres of new sealed road from just east of Marble Bar to the Telfer turn-off on the Woodie Woodie Road was completed during 2001-02.

The road provides increased accessibility to remote Aboriginal communities such as Punmu and to mining communities such as Telfer and Woodie Woodie. By providing reduced travel times and costs, the road promotes further resource development in the East Pilbara and tourism to the Rudall River National Park.

### *Marble Bar Road*

Work has commenced on the construction and sealing of a further 20 kilometres of the Port Hedland to Marble Bar Road in the vicinity of the Coongan River.

This work is part of an ongoing project and will see the provision of a seal to approximately 140 kilometres of the 144 kilometres on Marble Bar Road from Port Hedland to Marble Bar, improving accessibility to the town, the East Pilbara and tourist destinations.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### FUTURE ROAD CONSTRUCTION IN RURAL AREAS

#### *Geraldton Southern Transport Corridor*

The Geraldton Southern Transport Corridor, a road and rail project managed by Main Roads, provides a unique opportunity for the City of Geraldton to redefine its future development and encourage growth of associated business, tourism, economic and employment opportunities in the region.

The \$88 million Stage 1 of the project involves the design and construction of:

- 13.0 kilometres of single rail alignment from Narngulu Industrial Area to the Geraldton Port;
- 4.8 kilometres of road works from the Geraldton Port to North West Coastal Highway;
- Six road bridges over the railway and road, one rail bridge over road, one rail tunnel and the removal of an existing road bridge;



- associated interchanges and connections to the local road system; and
- rail modifications within the Port to improve unloading arrangements.

The tender process for Stage 1 will commence in July 2002 with the calling of Expressions of Interest and it is anticipated that the Design and Construct contract will be awarded in April 2003 and construction completed by the end of 2005.

#### *Lancelin - Cervantes Road*

Planning continues on the Lancelin - Cervantes Road that forms the final link in the Lancelin - Dongara coastal road known as Indian Ocean Drive. This new 65-kilometre road link will assist the ongoing economical development of the Central Coast Region and will support the projected population growth and development and provide benefits to the existing fishing industry. The estimated project cost is \$33 million.

### ROAD CONSTRUCTION IN THE METROPOLITAN AREA

#### *Kwinana Freeway Transitway*

This project cost \$35.3 million and was

completed on time in February 2002. It has delivered two dedicated bus lanes in the centre of Kwinana Freeway between Judd Street in South Perth and Manning Road in

Como. It connects with the bus lanes constructed as part of the Narrows Bridge Duplication Project.

The project encompasses a bus transfer station at the Canning Highway interchange to enable passengers to safely embark and disembark to transfer to other services. The project also included works to replace footbridges across the freeway at Comer, Preston and Thelma Streets and modifications to the existing structure at Cale Street. Road works through the project area included relocating the southbound freeway lanes further east and modifying the freeway layout to include the bus transfer station. The Bus Way encourages increased use of public transport by reducing bus travel times and providing greater reliability of journey times.





## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### *Reid Highway (Marmion Avenue - Erindale Road)*

Costing \$18 million, this section of the Reid Highway through Carine was completed in July 2001.

Reid Highway begins at West Swan Road in West Swan and extends to Mitchell Freeway in the west. It forms part of a network of highways that connects suburbs in the north, east and southern areas of the metropolitan region and in doing so improves access to industrial and commercial areas and other major arterial routes including the State's rural highways.

To complete the highway's western extension (Carine Section), Reid Highway has been constructed between Mitchell Freeway and Marmion Avenue to a single carriageway configuration. Eventually, the highway will form a four-lane dual carriageway controlled-access highway linking Marmion Avenue at Carine to Roe and Great Northern Highways at Midland; a distance of about 25 kilometres.

### *Roe Highway Stages 4 and 5 (Welshpool Road - Nicholson Road)*

The extension of Roe Highway between Welshpool Road and Nicholson Road will deliver a four-lane, freeway-style highway with direct access at Orrong/Welshpool Road, the Kenwick Link and Nicholson Road via grade-separated interchanges. The estimated project cost is \$89 million.

Other roads will be carried over Roe Highway, but will not provide a direct connection. These include Brixton Street, Albany Highway and Spencer Road.

Orrong Road will be extended as a dual carriageway connecting Roe Highway with McDowell Street via two lanes in each direction. The single lane section of the Kenwick Link will also be upgraded with a second carriageway constructed between the Albany Highway - William Street intersection and Ladywell Street.

As part of the extension, William Street in Beckenham will be disconnected from Roe Highway and connected to Welshpool Road via an undivided road with two lanes in each direction.

Other principal components of this contract will include the closure of Cameron Street in Thornlie at Roe Highway and a shared-use footbridge at this location, as well as twin bridges carrying Roe Highway across the Canning River.

The \$62-million Design and Construct contract was awarded in May 2001 and the project is on schedule with completion to Kenwick Link due in December 2002. It is expected that the section to Nicholson Road will be completed and open to traffic by May/June 2003.

*Roe Highway extension under construction.*



### *Principal Shared Paths (Loftus Street to Coghlan Road and East Parade to Caledonian Avenue)*

In conjunction with the Department for Planning and Infrastructure, Main Roads initiated work to extend the Principal Shared Path network with an award of a \$3.5-million contract. The sections of shared path will

*Principal Shared Path construction on East Parade.*



be located within the south-eastern side of the Perth - Midland railway line reserve and the southern side of the Perth - Fremantle railway line reserve. The total combined length of the path works is 4.2 kilometres. When constructed, the shared paths will pass and provide access to four train stations.

In addition to the path construction, the main features of the works include a pedestrian and cyclist bridge over Guildford Road adjacent to the Mount Lawley subway and a pedestrian underpass at Hamilton Street Subiaco.

Work commenced in February 2002. The Hamilton Street Underpass is complete and the Guildford Road footbridge will be constructed in mid-July 2002. The project is due for completion in September 2002.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### FUTURE ROAD CONSTRUCTION IN METROPOLITAN AREAS

#### *Roe Highway Stage 6 (Nicholson Road - South Street)*

This \$40-million project is programmed for contract award in August 2002 with completion of the project expected in 2004.

#### *Tonkin Highway (Mills Road West - Mundijong)*

The Tonkin Highway extension will be delivered in two stages. Stage 1 of the project will comprise 18 kilometres and take Tonkin Highway from the intersection with Mills Road West in Martin through to Armadale Road by the end of 2004 and to Thomas Road in Byford in 2006. Planning for Stage 2 of the extensions is under way which will take Tonkin Highway another 14 kilometres to South Western Highway at Mundijong.

The extension of Tonkin Highway will provide a dedicated freight route, with access to the Forrestdale industrial area to the west of the urban areas of Armadale, Kelmscott, Byford and Mundijong. The benefits of this project will include the opening up of new employment opportunities for the South-east Corridor and the provision of safer local roads by separating heavy vehicles from local traffic. A feature of the project will be a five-metre protective buffer zone between the highway and an Aboriginal Heritage site at Wright Lake.

The Minister has approved a short list of four applicants to provide proposals for the Stage 1 works. Stage 1 has received Aboriginal Heritage and environmental approval to proceed and it is expected that the contract, for in excess of \$100 million, will be awarded in November 2002.

#### *Great Northern Highway (Lennard Street - City of Swan Boundary)*

Great Northern Highway forms part of the Perth to Darwin National Highway (Route 1) and is the main link from the Perth Metropolitan area to the northern regions of Western Australia linking the State with the Northern Territory. In addition to being the dedicated National Highway, this link also serves as the classified Heavy Haulage Route for the north of the State.

The project will upgrade five sections of the Highway between straight line kilometre (SLK) 6.34 and 33.52 commencing in 2003. The project is estimated to cost \$17 million.

#### *Great Eastern Highway (Sawyers Valley - The Lakes)*

The Great Eastern Highway forms part of the National Highway route for long-distance traffic travelling east from Perth and also serves as an arterial route for the eastern corridor of the metropolitan area.

This project involves upgrading the Great Eastern Highway between Sawyers Valley and The Lakes turn-off to dual-use carriageway. The design consultancy tender will be advertised in July 2002 and the

construction tender is expected to be awarded in September 2003 with an anticipated completion date of March 2005. Expected cost of this project is \$25 million.

The benefits of this project include improved road safety for residents and tourists and more efficient transportation to the eastern states and the Goldfields - Esperance region.

#### *Extension of Mitchell Freeway to Shenton Avenue*

The Government has made a commitment to extend the Mitchell Freeway from Hodges Drive to Shenton Avenue by 2005. Pre-construction activities including community consultative processes, assessment of environmental impacts and preliminary design and documentation will commence in 2002-03. The majority of investigation, design and documentation will be undertaken in-house.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### BRIDGE CONSTRUCTION

Bridge crossings are critical and help ensure that the State's road network has the capacity to maximise the efficiency of road transport.

New bridge construction contributes to:

- improved transport efficiency and capacity
- improved access and reliability of access
- improved safety.

The table below summarises Main Roads' achievements against the targets published in the 2001-02 State Budget:

Measure	Target	Actual	Comments (a)
Quantity: Square metres of bridge deck	7,831	7,135	A number of bridge projects had either not commenced or were only partially completed as at 30 June 2002.
Cost: per square metre	\$2,956	\$2,948	
Quality: % of bridges meeting required standards.			
Strength:	89.0%	90.8%	
Width:	93.0%	93.9%	
Timeliness: The percentage of bridge construction completed within the agreed 12-month timeframe or as specified for individual major projects (b).	90%	91%	

Notes:

(a) Comments only provided where there are noteworthy differences.

(b) Main Roads' objective is to achieve 100 per cent, however, due to external impacts on the delivery process, the historical trend indicates that a target of 90 per cent is more realistic.

The table below summarises Main Roads' achievements against targets published in the 2001-02 State Budget for a new Key Effectiveness Indicator that is currently under development.

Key Effectiveness Indicator	Target	Revised Target(a)	Actual	Comments
Bridge Standards - % of bridges that are accessible to freight vehicles that meet the National Road Transport Commission (NRTC) standard	82%	91%	92.3%	The data for this key effectiveness indicator only includes bridges on State and National Highways.
Load restricted bridges (bridges that are load posted) (b)	0%	0%	0%	The target for the percentage of load posted bridges on National Highways and State Roads is zero. This aim is set to ensure no restrictions for general as-of-right vehicles on these main links in the State.

Notes:

(a) The State Budget 2001-02 estimate for bridge standards was revised from 82% to 91% after the State budget submission.

(b) Main Roads has statutory responsibility to rate all bridges on public roads for safe load capacity. If a bridge rating indicates a load carrying capacity below Vehicle Standard Regulation (VSR) limits, then a posted load limit is required to restrict the load legally permitted to cross the bridge.



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### BRIDGE CONSTRUCTION IN RURAL AREAS

#### *Toodyay Bridge*

Construction of a new two-lane bridge over the Avon River in Toodyay was completed and opened to traffic on 1 December 2001. The new bridge located on the Goomalling to Toodyay Road cost \$5.3 million, is 170-metres long and includes a dual-use path for pedestrians and cyclists. This bridge replaces an old timber bridge that had been restricted to single-lane use.

The new bridge provides an improved level of service for all road-users and increased safety for school children and school buses that use the bridge to access Toodyay High School, which is located across the Avon River from the town centre.

The old timber bridge was demolished in April 2002 after Main Roads and Curtin University of Technology carried out research involving load testing.

#### *Gascoyne River Bridge (North West Coastal Highway)*

The single-lane Gascoyne River Bridge built in 1931 has limited capacity, which is restrictive for heavy loads. In addition, the Gascoyne River Bridge has been closed due to flooding on average three days per year over the past five years, with no viable alternative route. Flooding associated with Cyclone Steve in March 2000 caused considerable damage to the bridge.

Construction of the new two-lane bridge has commenced with completion originally scheduled for September 2002, at a cost of \$7.2 million including approach road works.

Works are on schedule and it is anticipated that the Gascoyne River Bridge will be open to traffic by the end of July 2002.

#### *Dalyup and Lort River Bridges*

Extensive improvements carried out to the embankments of the Dalyup and Lort River Bridges on the South Coast Highway will minimise the risk of future flood damage and wash-aways. Flooding in January 1999 and in March 2000 closed both bridges for two weeks causing significant disruption to Esperance businesses, especially those directly involved in tourism, adversely affecting the town and its economy.



*Gascoyne River Bridge (North West Coastal Highway)*



## OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

### FUTURE BRIDGE CONSTRUCTION IN RURAL AREAS

#### *Ord River Bridge*

This project provides for the construction of a 240-metre two-lane bridge to replace the existing low-level floodway on the Great Northern Highway between Halls Creek and Warmun. The Highway is a strategically important land transport corridor from a defence, freight and tourism point of view and this floodway is the major cause of road closure during the wet season.

The bridge will provide a significant improvement to traffic safety, increased pavement life, reduced maintenance and freight costs and an overall improvement to the level of service, given that the existing Ord River Floodway is impassable to traffic on an annual basis for varying periods of time.

Construction is due to commence in July 2002 for completion in January 2003.

### BRIDGE CONSTRUCTION IN METROPOLITAN AREAS

#### *Shenton Park Bus Bridge*

This \$2.2-million project consisted of a busway bridge over the Perth to Fremantle railway line with an associated underpass. The contract was awarded in November 2001 and was completed in April 2002.

The works provided for:

- exclusive two-way, single-lane, bus lane and bus bridge across the railway linking Stubbs Terrace with the Railway Road - Aberdare Road intersection
- shared path for pedestrians with improved crossing of Railway Road at the Railway Road - Aberdare Road intersection
- an underpass to allow for future Principal Shared Path along rail
- associated drainage and landscaping.



*Eddystone Avenue Bridge.*

#### *Eddystone Avenue Bridge*

Construction of this project incorporates a two-lane bridge over the Mitchell Freeway, completion of the connection between Joondalup Drive and Caridean Street and construction of a dual-use path (including a separate underpass) on the north-west verge.

Work began on the \$8-million project in February 2002 and is due for completion in December 2002.

The community will benefit through improved and more efficient access to Joondalup, enabling the City to achieve its full potential as one of the fastest growing municipalities in Australia. Other benefits include enhanced safety through reduced congestion on the road network, reduced travel times, reduced vehicle operating costs for people travelling between Joondalup and the western suburbs, safer access to and from Eddystone Primary School and improvements in the operating efficiency of intersections such as Hodges Drive - Caridean Street and Ocean Reef Road - Joondalup Drive.

Benefits to local residents include increased children's safety brought about by provision of a drop-off area adjacent to Eddystone Primary School, protected bus bays, provision of service roads fronting residential properties, improved traffic arrangements and median lighting.



## KEY PERFORMANCE INDICATORS

### STATEMENT OF CERTIFICATION

I hereby certify that the following Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess Main Roads' performance, and fairly represent the performance of the Commissioner of Main Roads for the financial year ended 30 June 2002.

MIKE WALLWORK  
ACTING COMMISSIONER OF MAIN ROADS  
ACCOUNTABLE AUTHORITY  
21 AUGUST, 2002



## KEY PERFORMANCE INDICATORS

### To the Parliament of Western Australia

#### COMMISSIONER OF MAIN ROADS PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2002

##### **Matters Relating to the Electronic Presentation of the Audited Performance Indicators**

This audit opinion relates to the performance indicators of the Commissioner of Main Roads for the year ended June 30, 2002 included on the Commissioner of Main Roads' web site. The Commissioner of Main Roads is responsible for the integrity of the Commissioner of Main Roads' web site. I have not been engaged to report on the integrity of this web site. The audit opinion refers only to the performance indicators named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these performance indicators. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance indicators to confirm the information included in the audited performance indicators presented on this web site.

##### **Scope**

I have audited the key effectiveness and efficiency performance indicators of the Commissioner of Main Roads for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Commissioner is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the Commissioner's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

##### **Audit Opinion**

In my opinion, the key effectiveness and efficiency performance indicators of the Commissioner of Main Roads are relevant and appropriate for assisting users to assess the Commissioner's performance and fairly represent the indicated performance for the year ended June 30, 2002.

D D R PEARSON  
AUDITOR GENERAL  
October 31, 2002



## AUDITED KEY PERFORMANCE INDICATORS

### MAIN ROADS' PURPOSE AND GOVERNMENT DESIRED OUTCOME

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

### SUMMARY OF KEY PERFORMANCE INDICATORS

OUTPUT (4 Outputs)	EFFICIENCY (4 Efficiency Indicators)	EFFECTIVENESS (6 Effectiveness Indicators)
1. Road Maintenance and Minor Modifications	1.1 <b>Maintenance and Minor Modification Costs:</b> Cost per lane kilometre to maintain and undertake minor modifications to the National and State road network.	1.2 <b>Smooth Travel Exposure:</b> The percentage of travel on roads meeting roughness standard as used by Austroads. This indicator shows the extent to which Main Roads has maintained the road asset. It records travel on the network meeting recognised roughness benchmark intervention standards, therefore providing a measure of the delivery of a safe and comfortable ride. Well-maintained roads contribute to lower operating costs for road-users.  1.3 <b>Community Perceptions of Ride Quality:</b> Ride quality. This indicator complements the Smooth Travel Exposure Indicator by giving the public's opinion of ride quality.
2. Road Improvements	2.1 <b>Improvement Expenditure:</b> Improvement expenditure cost per 1,000 million vehicle kilometres travelled.	2.2 <b>Road Standards:</b> This measure shows the extent to which vehicles travel on roads conforming to the operational standards of seal width, shoulder width and design speed. Improvement of the road network to meet operational standards enables more safe and efficient transport.  2.3 <b>Road Network Permitted for Use by Heavy Freight Vehicles:</b> The percentage of the network available to large freight vehicles. This indicator relates to the efficient transportation of goods within Western Australia.  2.4 <b>Peak Hour Travel Times:</b> Morning peak travel time from Metropolitan centres to the boundary of the Perth Central Area. This indicator relates to the efficiency of urban commuting.
3. Road Construction	3.1 <b>Road Construction Costs:</b> Cost per lane kilometre to construct new roads.	3.2 <b>Return on Construction Expenditure:</b> Benefit Cost Ratios as used by Austroads. This indicator shows the benefits to the community that are delivered by the road construction program through reduced vehicle operating costs, travel time, crashes and flood closures.
4. Bridge Construction	4.1 <b>Bridge Construction Costs:</b> Cost per square metre of bridge deck.	Refer 3.2



## AUDITED KEY PERFORMANCE INDICATORS

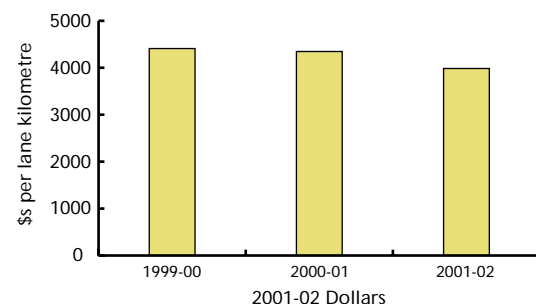
### 1. ROAD MAINTENANCE AND MINOR MODIFICATIONS

#### 1.1 Maintenance and Minor Modification Costs (Efficiency)

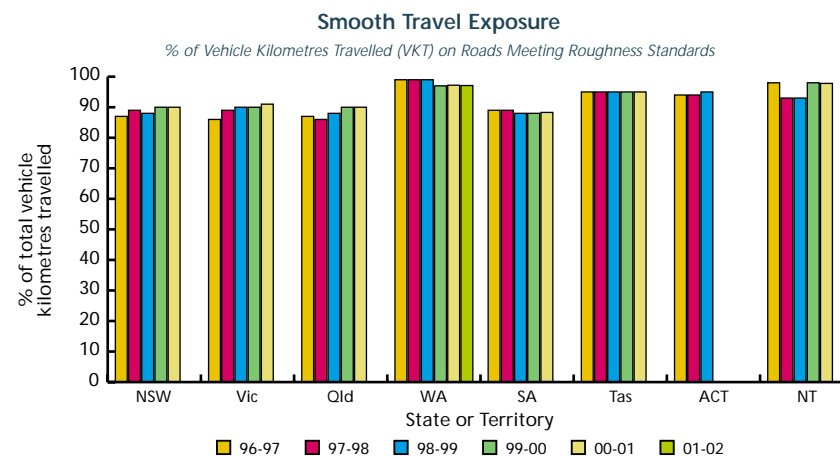
Each year, Main Roads undertakes works on State and National Roads to preserve the existing road asset to specified standards.

The Maintenance and Minor Modification Costs indicator represents the financial efficiency of this road and roadside maintenance works by showing the cost per lane kilometre to maintain acceptable travel conditions.

**Maintenance and Minor Modification Costs**



#### 1.2 Smooth Travel Exposure (Effectiveness)



Maintenance works are undertaken to meet recognised benchmark intervention standards, which limit the exposure of road users to unexpected defects. Well-maintained roads provide a safer and more comfortable ride and contribute to lower vehicle operating costs, particularly for heavy vehicles. They are also more likely to achieve their optimum life at minimal total cost to the community. A key measure of road condition is road roughness.

Smooth Travel Exposure is a key indicator of the effectiveness of road maintenance expenditure. It represents the proportion of travel undertaken each year on all roads with surface roughness less than 110 NRM (NAASRA Roughness Meter), the national standard that provides acceptable travel conditions for passenger car users.

Of the total travel on Western Australian sealed national and state roads, 97 per cent is undertaken on roads that meet the roughness standard. From the length perspective, 98 per cent of these roads meet the roughness standard. These figures indicate that Western Australia continuously provides smooth travel for road users.

This indicator shows Western Australia with better performance than the other States (except Northern Territory). However, this very specific indicator must be read in conjunction with the Road Standards indicator at 2.2.

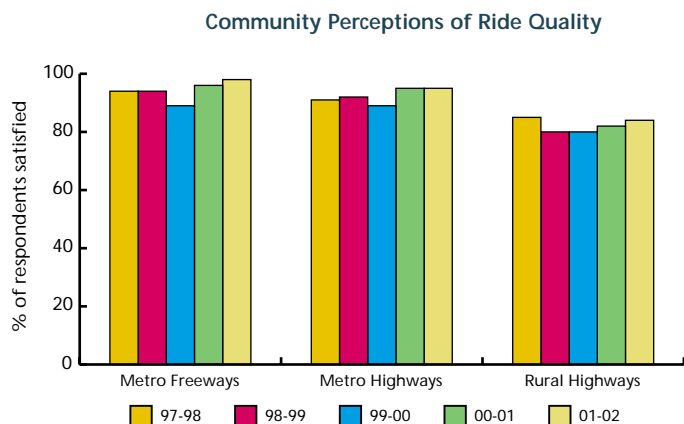
While 2001-02 figures are not yet available for other States, prior years figures have been included to allow historical comparisons.



## AUDITED KEY PERFORMANCE INDICATORS

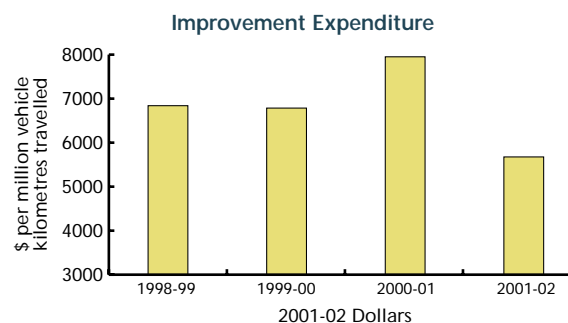
### 1.3 Community Perceptions of Ride Quality (Effectiveness)

Physical measurements of the road network are further supported by results from the annual Community Perceptions Survey. Respondents were asked their opinion on the condition or ride quality of the road network under Main Roads' control. This indicator complements indicator 1.2 by presenting road user perceptions of the condition of freeways and highways. These results are compatible with the large proportion of travel on roads that meet roughness standards as shown in indicator 1.2 and show that the standard set as being acceptable meets community standards. These results represent all respondents who gave a "just OK" or better rating and are based on a random sample of 1,150 people (250 people in the metro area and 900 people in rural areas). This gives an outcome within +/- 3 per cent of the actual figures at the 95 per cent level of confidence.



## 2. ROAD IMPROVEMENTS

### 2.1 Improvement Expenditure (Efficiency)



Improvement works (including reconstruction) are undertaken to maintain and improve the capacity of the existing road network. This is achieved through works that improve road standards and incorporate major geometric improvements.

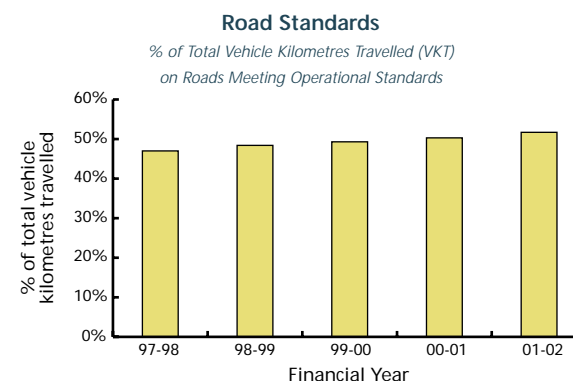
The graph compares total expenditure on improvement works (inputs) with the total million vehicle kilometres travelled (MVKT) on Western Australian roads (output).

Improvement Expenditure in 2001-2002 is lower than previous years due to the deferral of several high cost improvement projects associated with the High Wide Loads Corridor in the Metropolitan area. The decrease is compounded by an inflated 2000-2001 figure with improvement expenditure being carried over from 1999-2000 due to "Cyclone Steve" and its resulting flood damage. For this reason it is difficult to compare current improvement costs per MVKT with those of previous years.

This indicator must be read in conjunction with other performance indicators such as Road Standards.

### 2.2 Road Standards (Effectiveness)

Indicator 2.2 is a demand related measure of the effectiveness of improvement expenditure. It shows the extent to which vehicles travel on roads which conform to the operational standards of seal width, shoulder width and design speed. These standards provide for a safe and efficient road network and are based upon National Standards relating to road usage.

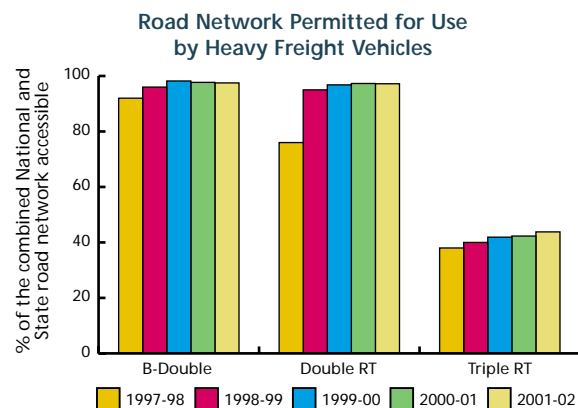




## AUDITED KEY PERFORMANCE INDICATORS

### 2.3 Road Network Permitted for Use by Heavy Freight Vehicles (Effectiveness)

The use of larger vehicles with greater payloads can increase the overall efficiency of freight operations, resulting in lower transport costs. However, to maintain road safety and guard against infrastructure damage, restrictions are placed on trucks that are larger than AUSTROADS Class 9. These include B-doubles (Class 10), double road trains (Class 11) and triple road trains (Class 12).



Because of the relatively high efficiency of these vehicles, the proportion of roads accessible to them is an important factor in the overall efficiency of freight transport in this State. The accompanying chart shows the extent to which the combined National and State road network in Western Australia is accessible to these classes of vehicle. The indicator was established in 1997-98 and therefore only 5 years of data is available.

As there are very few B-double roads that are not also accessible by double road trains, the B-double statistic is only fractionally larger than the double road train statistic.

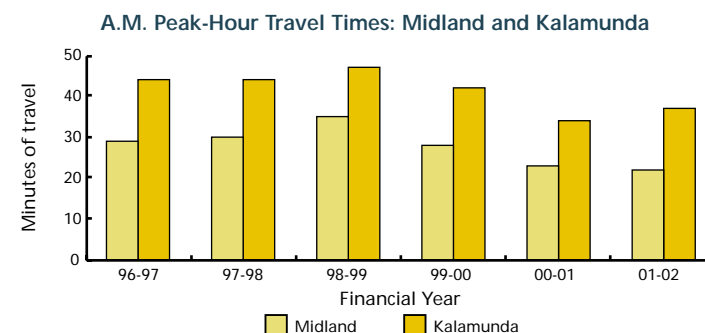
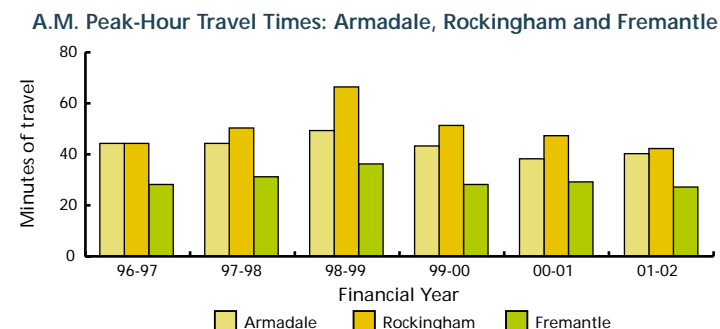
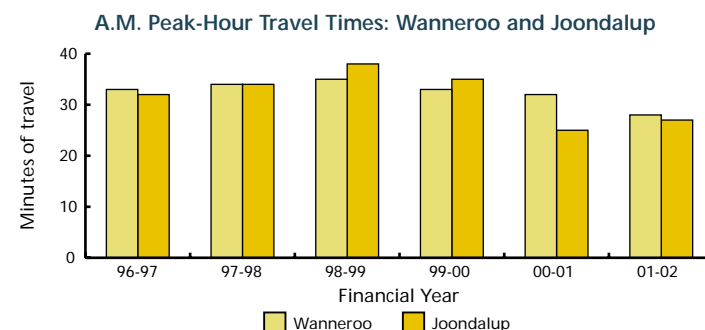
Compared with the 2000-01 statistics, both the B-double and the double road train statistics were fractionally reduced in 2001-02. This is because the growth in the State road network in 2001-02 (due to new roads, classification of local roads, etc.) has been slightly larger than the growth of the B-double and double road train networks.

### 2.4 Peak Hour Travel Times (Effectiveness)

Main Roads' effectiveness in facilitating the efficient movement of people and goods across the State road network is indicated by morning peak-hour travel times. This indicator shows the trend in morning peak-hour travel times over the last six years from seven Metropolitan centres to the boundary of the Perth Central Area. There was an improvement in morning peak-hour travel times from 2000-01 to 2001-02 over the Wanneroo, Midland, Rockingham and Fremantle routes. These improvements in morning peak-hour travel times can be attributed to the completion, last financial year, of projects in Main Roads' major road building program.

Slight increases in the morning peak-hour travel time over the Kalamunda and Armadale routes are consistent with road works on the Causeway. Increased congestion between the Karrinyup Road and Hutton Street off-ramps contributed to the slight

increase in morning peak-hour travel time over the Joondalup route.

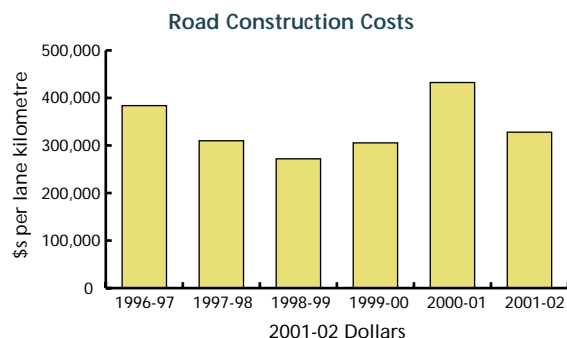




## AUDITED KEY PERFORMANCE INDICATORS

### 3. ROAD CONSTRUCTION

#### 3.1 Road Construction Costs (Efficiency)



Indicator 3.1 shows the cost per lane kilometre of constructing new roads. It should be noted that the method of calculation changed in 1998-99. The figures since 1998-99 are actual costs plus overheads. Prior years' figures are based on tendered contract prices plus an allowance for contract management and associated on costs.

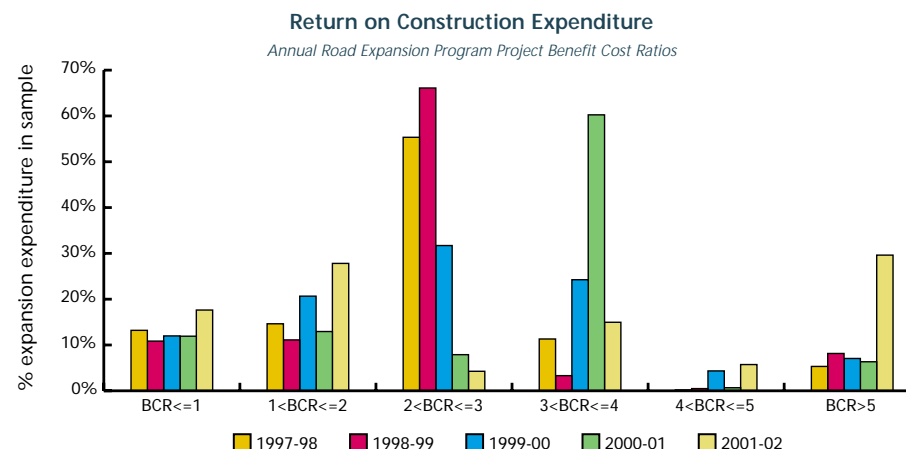
Road construction costs can vary considerably dependent on complexity of projects, location and special conditions affecting construction. The 2000-01 unit rate for road construction was \$427,137 per lane kilometre. As indicated in the Annual Report for that year, this was an exceptionally high rate due to the carry over of high cost works associated with the Kwinana Freeway. The 2001-02 outcome is \$327,941 against a budget papers target of \$360,372 per lane kilometre. The 2001-02 outcome has been influenced by the deferral of high unit cost works on Roe Highway between Nicholson Road and South Street (\$19.8 million) and Great Eastern Highway between Sawyers Valley and the Lakes (\$16.1 million). If these works had been undertaken as planned, the unit rate would have been in the order of \$384,000 per lane kilometre which is comparable with the target rate identified in the budget papers. Therefore the 2001-02 outcomes reflect a return to more normal unit costs.

#### 3.2 Return on Construction Expenditure (Effectiveness)

New road and bridge construction works add to the capacity of the road network. Return on Construction Expenditure shows Benefit Cost Ratios of major expansion projects undertaken by Main Roads. It indicates the extent to which road and bridge construction expenditure will deliver future economic benefits to the community.

Indicator 3.2 represents the distribution of BCRs for all new road and bridge construction projects over \$500,000. The graph expresses the total dollar value of projects with BCRs within each range as a percentage of the total for evaluated works over \$500,000.

The 2001-02 analysis also shows that the Western Australia community would gain \$4.65 for every dollar spent on those expansion projects in the future.



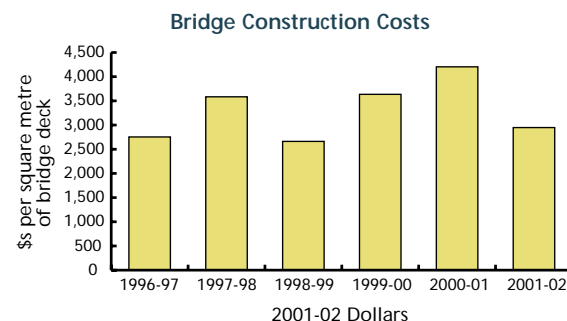


## AUDITED KEY PERFORMANCE INDICATORS

### 4. BRIDGE CONSTRUCTION

#### 4.1 Bridge Construction Costs (Efficiency)

Indicator 4.1 shows the cost per square metre of constructing new bridges. It should be noted that the method of calculation changed in 1998-99. The figures since 1998-99 are actual costs plus overheads. Prior years' figures are based on tendered contract prices plus an allowance for contract management and associated costs.



Bridge construction costs can vary considerably dependent on bridge type, location and special conditions that affect construction (eg. traffic volumes). In 2001-02 average bridge construction costs per square metre decreased by 30 per cent compared to 2000-01. This variation is related to the exceptionally high cost of works on the Kwinana Freeway interchanges, Narrows bridge duplication and Wellington Street ramps undertaken in 2000-01. The 2001-02 budget papers target rate for bridge construction was \$2,956 against a final outcome of \$2,948 per square metre of bridge deck. Therefore the 2001-02 outcomes reflect a return to more normal unit costs.



*One of three new bridges on North West Coastal Highway between Roebourne and Karratha*



## ROAD INDUSTRY FACT SUMMARY

### ROAD INDUSTRY FACT SUMMARY

	WA	Aust	WA (%)
Area (square km)	2,529,880	7,692,030	32.89
Population	1,909,751	19,386,663	9.85
Licensed drivers and riders	1,362,684	14,979,812	9.10
Vehicles on register including motor cycles	1,371,341	12,476,767	10.99
Annual vehicle kilometres travelled (100 million VKT)	186.35*	1,846.35*	10.09
Road length excluding forestry roads (kilometres)	147,019**	808,294**	18.19
Fatalities (for calendar year 2001)	165	1,757	9.39
Fatalities/100 million VKT	0.89	0.95	
Fatalities /100,000 persons	8.64	9.06	
Fatalities/10,000 vehicles	1.20	1.41	
Serious injuries (for calendar year 2001)	1,744	N/A***	
Serious injuries/100 million VKT	9.36		
Serious injuries /100,000 persons	91.32		
Serious injuries/10,000 vehicles	12.72		

\* Main Roads WA estimates.

\*\* WA road length as at 30 June 2002, Australia road length as at 30 June 2001 (indicative % only).

\*\*\* Serious injuries for Australia are not available.

#### Sources

Area	Australian Bureau of Statistics Year Book 2002
Population	Australian Demographic Statistics (30 June 2001)
Licensed drivers	Motor Registry - Australian Bureau of Statistics Year Book 2002 (30 June 2001)
Road length	Australian Bureau of Statistics Year Book 2002 (30 June 2001) and Main Roads WA (30 June 2002)
Fatalities	Main Roads WA Accidents System and Australian Transport Safety Bureau (31 Dec 2001)
Vehicles on register	ABS Motor Vehicle Census (31 Mar 2001)



## ROAD INDUSTRY FACT SUMMARY

### ROAD INDUSTRY FACT SUMMARY CONTINUED

Road Classification (as at 30 June 2002)	Sealed (km)	Unsealed (km)	Total (km)	Sealed %
National Highways	4,648	0	4,648	100
State Highways	6,034	167	6,201	97
Main Roads	5,699	1,158	6,857	83
<b>Sub-Total</b>	<b>16,381</b>	<b>1,325</b>	<b>17,706</b>	<b>93</b>
Local Roads regularly maintained	31,595	89,989	121,584	26
Local Roads not regularly maintained	118	4,266	4,384	3
<b>Sub-Total</b>	<b>31,713</b>	<b>94,255</b>	<b>125,968</b>	<b>25</b>
Forestry Roads	58	26,931	26,989	0
National Park Roads	52	2,248	2,300	2
Privately maintained Roads	110	935	1,045	11
<b>Sub-Total</b>	<b>220</b>	<b>30,114</b>	<b>30,334</b>	<b>1</b>
<b>Total WA Road Network</b>	<b>48,314</b>	<b>125,694</b>	<b>174,008</b>	<b>28</b>

#### Source

Main Roads WA (30 June 2002)



## MAPS





## MAPS





## MAPS





## → | corporate governance

...WE BALANCE COMPLIANCE AGAINST RISK-TAKING AS  
WE DIRECT, CONTROL AND ARE HELD ACCOUNTABLE  
FOR THE BUSINESS PERFORMANCE OF MAIN ROADS.



## CORPORATE GOVERNANCE

### STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance means the way we balance compliance against risk-taking as we direct, control and are held accountable for the business performance of Main Roads.

This statement outlines the key corporate governance practices in place.

### AUTHORITY TO ACT

The *Main Roads Act 1930* establishes the Commissioner of Main Roads as a corporate body and sets out the powers and duties of the office. The Act was last amended in 1997. Greg Martin was appointed as the Commissioner of Main Roads on 2 May 2000 in accordance with Section 7 of the *Main Roads Act*.

On 25 June 2002, the Minister for Planning and Infrastructure announced that Mr Martin had been appointed to the position of the Director General, Department for Planning and Infrastructure with effect from 29 July 2002.

### ENABLING LEGISLATION

The *Main Roads Act 1930* provides the powers necessary for the discharge of the functions of the office of the Commissioner of Main Roads. Regulations under the Act provide specific responsibilities in respect of cadets and advertising signs. The *Land Administration Act 1997* provides powers for the resumption of land, Section 84 of the *Road Traffic Act 1974* provides powers in respect of

liability for road damage, and Regulation 297 the *Road Traffic Code 2000* provides powers in respect of road signs. Sections 1107 and 1402 of the *Road Traffic (Vehicle Standards) Regulations 1977* provide the Commissioner of Main Roads with the authority to issue permits for vehicles exceeding the regulatory dimensions and mass of vehicles or loads.

### COMPLIANCE WITH RELEVANT LAWS

In addition to the corporate governance practices already outlined, Main Roads complied with the following laws:

#### *Legislation Administered*

The Commissioner of Main Roads administers the *Main Roads Act 1930* and the accompanying Regulations.

#### *State Legislation*

*Aboriginal Heritage Act 1972; Anti-Corruption Commission Act 1988; Conservation and Land Management Act 1984; Construction Industry Portable Paid Long Service Leave Act 1985; Environmental Protection Act 1986; Equal Opportunity Act 1984; Financial Administration and Audit Act 1985; Freedom of Information Act 1992; Government Employees Superannuation Act 1987; Heritage of Western Australia Act 1990; Highways (Liability for Straying Animals) Act 1983; Industrial Relations Act 1979; Land Administration Act 1997; Licensed Surveyors Act 1909; Local Government Act 1995; Local Government Grants Act 1978; Long Service Leave Act 1958; Metropolitan*

*Region Town Planning Scheme Act 1959; Occupational Safety and Health Act 1984; Oil Refinery (Kwinana) Agreement Act 1952; Property Law Act 1969; Public and Bank Holidays Act 1972; Public Sector Management Act 1994; Radiation Safety Act 1975; Residential Tenancies Act 1987; Salaries and Allowances Act 1975; Standard Survey Marks Act 1924; State Supply Commission Act 1991; State Trading Concerns Act 1916; Strata Titles Act 1985; Town Planning and Development Act 1928; Transfer of Land Act 1893; Waterways Conservation Act 1976; Western Australian Planning Commission Act 1985; and Workers' Compensation and Rehabilitation Act 1981.*

#### *Federal Legislation*

Federal Government legislation, which affects Main Roads' activities includes:

*Australian Land Transport Development Act 1988, Interstate Road Transport Act 1985 and Workplace Relations Act 1996.*

*The following written laws also impact on activities undertaken:*

*Constitution Act 1889, Constitution Acts Amendments Act 1899, and Interpretation Act 1984.*

In the administration of Main Roads, controls have been implemented which provide reasonable assurance of compliance with the requirements of the *Main Roads Act 1930* and other written law. At the date of signing, there are no known circumstances that would render this statement misleading or inaccurate.



## CORPORATE GOVERNANCE

### CORPORATE EXECUTIVE

Members of Main Roads' Corporate Executive and their responsibilities are shown on page 12. The Corporate Executive meet every month to provide corporate direction for Main Roads and to review performance relating to program delivery, contracts, finances, human resources and key business improvements including stakeholder concerns and risk management. In addition to these monthly meetings, special meetings are held as necessary.

There is an extended Corporate Executive comprising the Corporate Executive plus the Regional Managers as the regional representatives of the Commissioner. These meetings are usually held quarterly.

### CORPORATE EXECUTIVE COMMITTEES

There are six Corporate Executive committees:

- Dynamic Resourcing Committee (to consider and direct workforce planning and resource allocations in Main Roads, based on organisational requirements and employees' overall development needs)
- Corporate Development Committee (focuses on a planned approach to employee learning and development across Main Roads)
- Workforce Management Committee (the objective of this committee is to evaluate the status of surplus employees and make recommendations on the voluntary severance strategy)

- Business Development Committee (focuses on the review, co-ordination and implementation of a wide range of corporate business matters)
- Audit Committee (focuses on providing assurance that adequate management practices and controls are developed and maintained by all levels of management so as to achieve the efficient and effective business performance of Main Roads)
- Occupational Health and Safety Committee (focuses on the effective management, maintenance and promotion of occupational safety and health within Main Roads).

### STRATEGIC PLAN 2002-2005

Our 'Directions and Priorities 2000-2003' was comprehensively reviewed during the year and was replaced by our new 'Strategic Plan 2002-2005'. For details of this new plan, please refer to our website [www.mainroads.wa.gov.au](http://www.mainroads.wa.gov.au).

### MINISTERIAL DIRECTIVES

There were no directives issued by the Minister for Planning and Infrastructure under Section 19B of the *Main Roads Act 1930* during the year.

### INTERNAL CONTROLS

Procedures designed to safeguard the assets and interests of Main Roads and to provide reliable reports have been established. The system of internal control ensures that there is an appropriate division of responsibilities and provides a reasonable assurance that control procedures are monitored and reviewed.

Internal Audit Branch examines the internal controls in accordance with an established audit plan. See the section on *Audit Committee* below.

The Accounting Manual, which contains our accounting and financial management policies and procedures, is available on-line to all staff.

The Corporate Executive monitors the operational and financial performance of the business at its monthly meetings. Executive Directors routinely monitor performance within their areas and report personally every quarter to the Commissioner.

### DELEGATION OF AUTHORITY

A comprehensive, up to date, Delegation of Authority Manual is available on-line to all staff to provide clear and concise direction on authority to transact the business of Main Roads.



## CORPORATE GOVERNANCE

### AUDIT COMMITTEE

Members of the Audit Committee are:

- Commissioner
- Executive Director Finance and Services
- Executive Director Road Network Services
- Executive Director Technology and Environment
- Manager Internal Audit
- Representatives from the Office of the Auditor General and from Stanton Partners.

The role of the Audit Committee, which meets every month, is to review internal and external audit findings and recommendations and ensure that corrective action is taken to safeguard assets and improve controls and processes in Main Roads.

The annual internal audit plan, as the first year of the three-year Strategic Audit Plan, is approved by the Audit Committee and consists of a balanced mix of operational and finance audits based on the organisation's risk exposure. The majority of the audits are performed by various contractors.

### EXTERNAL AUDIT

The Auditor General is responsible for the independent external audit review of Main Roads. The Office of the Auditor General has contracted out the fieldwork to Stanton Partners, Chartered Accountants.

### FINANCIAL ADMINISTRATION AND AUDIT ACT 1985, THE TREASURER'S INSTRUCTIONS, THE ACCOUNTING MANUAL AND ALL OTHER RELEVANT LEGISLATION

The *Financial Administration and Audit Act 1985* and the *Treasurer's Instructions* are available on-line to all staff. Access to other current legislation is available on the Internet from the Ministry of Justice website.

### ETHICAL STANDARDS AND PERFORMANCE

A Code of Conduct, supported by a number of human resource policies, applies to all staff.

Main Roads Corporate Executive promotes the need for staff to adhere to the highest standards of corporate governance practice and ethical behaviour. Procedures are in place to meet the requirements of the Government of Western Australia relating to ethical standards and performance, including complying with the *Guidelines for Reporting* under Section 14 of the *Anti-Corruption Commission Act 1988*.

A report, as required by Section 31 of the *Public Sector Management Act 1994* on the extent to which public sector standards, codes of ethics and any relevant code of conduct have been complied with, is available on [page 17](#).

### PARTICULARS OF ANY INTEREST IN CONTRACTS

No member of the Corporate Executive ([refer page 12](#)), or any organisation in which a member of the Corporate Executive has a financial interest, had an interest in any contract entered into or proposed by Main Roads or its associates.

### RISK MANAGEMENT

A comprehensive risk management plan is in place. The plan is reviewed annually to ensure that it is current and relevant. This information feeds the three-year Strategic Audit Plan, the annual internal audit program and branch business planning across the organisation.

### INSURABLE RISKS

Insurance cover is provided by the Insurance Commission of Western Australia (RiskCover) for the following risks:

- Workers' compensation
- Property
- Public liability
- Motor vehicles.

Project specific insurance is a requirement in all contracting.



## CORPORATE GOVERNANCE

### ADVISORY GROUPS

Main Roads seeks regular input on issues and policy development from a variety of stakeholder groups. For details see *Community Involvement* on [pages 8-11](#).

### CERTIFICATION OF MAIN ROADS MANAGEMENT SYSTEM TO AS/NZS ISO 9001:2000

All core business processes are third party certified. Each process is owned and managed by nominated senior staff.

During the year, Main Roads successfully converted its certification to AS/NZS ISO 9001:2000 standard for the following processes:

- Project Management (Category 1 and 2 contracts)
- Works Contract Management (Category 1 and 2 contracts)
- Supply Processes
- Asset Management Planning
- Budget and Programming
- Product Standards.

### INFORMATION STATEMENT

An Information Statement, which has been produced in accordance with the requirements of the *Freedom of Information Act 1992*, is available from our Library in the Head Office (see Publications Available to the Public on [page 134](#)). This statement provides guidance on how to obtain information from Main Roads under the Freedom of Information (FOI) legislation. However most information is available without a formal FOI request.

Our Freedom of Information Co-ordinator can be contacted at our Head Office in East Perth on telephone number (08) 9323 4268 and that role ensures the deployment of active management of grievances as per the approved process.

Number of FOI applications received and complaints to the Ombudsman are shown below:

	2001-02	2000-01	1999-00	1998-99	1997-98
FOI Applications Received	28	27	42	31	49
Complaints to the Ombudsman	11	7	4	6	5
Complaints Upheld	0	0	0	1	1



## CORPORATE GOVERNANCE

### ORGANISATION PERFORMANCE REPORTING

A comprehensive suite of approximately 17 performance indicators exist addressing the many dimensions of the business, along with 36 interstate benchmarking indicators as well as output-based reporting to Parliament.

See also *Treasury Reporting Requirements* and *Compliance Returns* on [pages 70-71](#).

This is complemented by the Commissioner's performance agreement with the Minister.

### KEEPING STAFF INFORMED

All staff participate in formal monthly organisation-wide briefing arrangements (Team Briefs) on matters of urgency, importance or interest. Staff are actively encouraged to provide feedback to the Commissioner or the Executive Directors on any issues that they may have.

This process is complemented by routine management meetings across the organisation and periodic regional Corporate Executive meetings.

### AUSTROADS

Main Roads is a member of Austroads, which is the association of Australian and New Zealand road transport and traffic authorities. Austroads' purpose is to contribute to the achievement of improved Australian and New Zealand transport-related outcomes. This membership allows us to compare our performance with the Australian industry at large across a comprehensive suite of indicators.

### CONTRACTS

#### *General Conditions of Contract*

The General Conditions of Contract (AS 2124) currently used in Main Roads for Category 2 construct-only contracts was developed in 1992 for the general construction industry. Over the years it has been necessary to supplement AS2124 with Special Conditions of Contract to meet the specific needs of road construction and maintenance. This has resulted in a document that is not user-friendly. A new suite of the Conditions that better suits the road construction and maintenance industry is being compiled and is nearing completion. The new clauses will be circulated to the WA Road Construction and Maintenance Industry Advisory Group and on acceptance submitted to Standards Australia for certification.

#### *Contracts Awarded and Operational Reviews*

Main Roads awarded 557 contracts valued at \$136 million during 2001-02. This represents a forty-four per cent reduction in the number of contracts and an eighty per cent reduction in the value of contracts awarded over 2000-01. This very large reduction in the value of contracts awarded is primarily due to the high value of the contracts awarded in 2000-01 that resulted from the award of term network contracts with a combined value of \$385 million. Furthermore, the reduction in the number and value of contracts is due to greater use of the term contracts to deliver work previously competitively tendered.

There has been continued industry consultation in the development of Main Roads' contracting strategies, policies and processes.

In 2001-02, operational reviews for three of the eight Term Network Contracts (TNCs), the Term Control Infrastructure Contracts (TCIC), both Term Asset Contracts Structures (TACS), both Term Consultancy Contracts Structures (TCCS) and all three Term Consultancy Contracts (TCC) were completed. The intention of these reviews is to routinely assess the performance of the contractors and Main Roads.

Plans are in place to conduct similar reviews of the four remaining TNCs and for follow-up reviews of the TNC audited in 2000-01 and the three TNCs audited in 2001-02.

#### *Government Electronic Marketplace Tendering*

Main Roads advertises all tenders over \$50,000 and publishes contract award details for contracts over \$10,000 on the Government Contracting Information Bulletin Board, which is available to industry on the Internet. Tender documents for service contracts not containing complex plans and drawings can also be downloaded from the Bulletin Board.



## CORPORATE GOVERNANCE

### *Buy Local Policy*

During the year Main Roads' Manager Supply and Transport participated in the State Supply Commission review of the Government's Buy Local Policy. Given its regional distribution and the general availability in regional WA of many of the works and services required for procurement, Main Roads has provided feedback to the State Supply Commission that has resulted in improvements to the new Buy Local Policy.

The decentralisation of Main Roads' procurement function across ten regions, together with the application of the regional preferences available to local businesses under this policy has ensured a high local content. During 2001-02, 99.6 per cent of Main Roads purchasing expenditure (including contracts awarded) was from local businesses as defined by the Buy Local Policy. This local content exceeded the seventy per cent local purchasing target established in the Buy Local Policy and the new target of eighty per cent applicable from 1 July 2002.

Enhancements were made to the Main Roads Contract Administration System, to enable all local content to be quantified. These changes were finalised and made available to other Government agencies using the system.

### *Priority Access Policy*

Priority Access is a State Government Policy aimed at creating a strong training culture within Western Australian industry. Businesses that participate in a wide range of training and employment activities will

be registered by the Department of Training as Priority Access Employers. This registration is a prerequisite for businesses tendering for State Government contracts.

To ensure that our suppliers were aware of this policy, we wrote to our prequalified contractors and other contractors who have carried out works for us over the previous two years. In addition, details of these businesses were provided to the Department of Training to further encourage registration.

Main Roads' Manager Supply and Transport is a member of the Department of Training's Evaluation Steering Committee for the review of the Priority Access Policy.

### *Main Roads' Tenders Committee*

A Tenders Committee comprising two experienced officers from Main Roads and two senior officers from other agencies, ensures that policies and procedures are strictly followed with all tenders over \$50,000.

The membership of the Tenders Committee comprises Mr Stephen Harvey, Director Facilities and Services (Education Department of Western Australia), who together with Mr Alex Taylor, Director Asset Management (Western Australian Police Service) make up the external representatives on the committee. Their personal commitment and the willingness of their respective agencies to contribute to the quality of Main Roads' contracting processes and procedures is appreciated.

### *Procurement Grievances Process*

Main Roads has a procedure in place for dealing with procurement grievances. The existence of this

procedure is referenced in all tender documents and a copy is available on the Main Roads' website. This procedure, which is endorsed by the Western Australian Road Construction and Maintenance Industry Advisory Group, provides for a customer-focused, fair, structured and responsive approach to reviewing grievances lodged by our contractors and suppliers.

During the year, eighteen grievances were lodged with Main Roads, equating to 3.2 per cent of all contracts awarded. We successfully resolved seventeen of these grievances internally. The State Supply Commission advised in the resolution of one. Two of the eighteen grievances lodged were upheld.

### *Contract Audits*

PricewaterhouseCoopers conducted an operational audit of Category 2 contracts and an operational audit of our contract administration and management procedures. Apart from minor recommendations for improvement, their findings were generally favourable.

### *Insurances Required by Our Contractors*

A review of the indemnity and insurance clauses in Main Roads' contracts was finalised in June 2002. Considerable work was done to ensure that the insurances that our contractors are required to hold are fair and reasonable. To this end, we sought and obtained endorsement of the clauses from the members of the WA Road Construction and Maintenance Industry Advisory Group.



## CORPORATE GOVERNANCE

### *New Pre-qualification System for Works Contracts*

A new and significantly enhanced pre-qualification system for works will commence on 1 July 2002. The new pre-qualification system reduces the number of categories for both roads and structures within which contractors can be prequalified thus simplifying the assessment process. Prequalified contractors will be required to provide updates on their financial capacity on an annual basis and their technical capacity on a six-monthly basis. Mandatory requirements in relation to quality, safety, environmental and traffic management systems are to be introduced over the next few years.

### *Supply Managers Forum*

Our Manager Supply and Transport meets regularly with the supply managers of other government agencies and with officers from the Department of Housing and Works to network and share initiatives and jointly address issues.

### *State Tenders Committee*

The Honourable Tom Stephens, Minister for Housing and Works appointed Main Roads' Executive Director Construction and Maintenance, Mike Wallwork, as Chairperson of the State Tenders Committee with effect from 1 July 2002. Our Executive Director Finance and Services, Athol Jamieson, is also a member of this committee. The committee meets weekly at the State Supply Commission.

### LIGHT VEHICLE FLEET

The light vehicle fleet was reduced by 76 vehicles in 2001-02. These reductions are part of a review that

has to date reduced the fleet by 23 per cent from 453 to 347 vehicles and modified its composition to minimise costs. These measures have reduced fleet costs by some \$1.5 million per annum.

Where practical, Main Roads are procuring LPG vehicles. For further information please see page 29.

### CUSTOMER FOCUS

See [pages 8-11](#) for a report on our customer-focus activities.

### EXTERNAL REVIEWS/EVALUATIONS

During the year, the Minister for Planning and Infrastructure had the following reviews conducted:

#### *Land Acquisition*

Following complaints to the Minister, barrister Ken Pettit carried out an independent review of Main Roads' land acquisition activities. This review supported the land acquisition approach and practices adopted by Main Roads' staff and vindicated the ethical standards and processes.

#### *Review of Contracting Strategy: Ken Michael Report*

The Minister for Planning and Infrastructure sought independent expert advice to address her concerns that Main Roads had gone too far too fast in its contracting strategy. The report gave some credence to that view in the areas of timber bridge expertise and road and bridge design capabilities. In response to the recommendations of the report, we are establishing a timber bridge expertise team in the South West Region

that will have a co-ordination role in timber bridges across the State and a design office within the head office. We have also established some design capability in our regional offices to replace some of the design work which has been contracted out. Over the next three years, our target is to have 25 per cent of design work completed in-house.

The Minister was also concerned that the contracting strategy could have had a large impact on regional areas. The report found that some suppliers and contractors in the regions lost work from Main Roads but others had gained, and there was no significant net impact.

#### *Review of Statutory Authority*

This review was conducted by a team comprising Mike Wood, Executive Dean, Curtin Business School, the Commissioner of Main Roads and a number of senior people from Main Roads and the Minister's Office. The objective of the review was to examine the status of Main Roads as a statutory authority, in line with the recommendations of the taskforce established to review the Machinery of Western Australia's Government (the 'MOG Review'). The review was based on the premise that unless there are reasons to retain statutory authority status, such agencies should be absorbed within departments.

The review recommendation is currently with the Premier for consideration.



## CORPORATE GOVERNANCE

### CAPITAL USER CHARGE

A Capital User Charge (CUC) was introduced by the Government from 1 July 2001 as a charge on capital employed by public sector agencies. The charge is paid quarterly based on the net value of assets held by the agency at the end of the preceding quarter. Road infrastructure assets, including land within road reserves, are exempt from the charge because these form part of our outputs. Main Roads is required to pay the CUC on other assets. The CUC rate is based on the weighted average cost of private sector debt and equity and is currently set at 8 per cent.

### INFORMATION MANAGEMENT

All key recommendations arising out of the five-year Strategic Information Management Plan have been addressed.

A separate strategic Telecommunications Plan has also been developed to provide direction for the next three years in the move to greater integration of our voice and data needs within the metropolitan area and across the state.

The Strategic Information Management Plan will be revised early in 2002-03.

### TREASURY REPORTING REQUIREMENTS

Information is provided to Treasury, in the format and within the deadlines specified in the Treasury document *Treasury Information Requirements April 1998*. This includes:

- Information required for the formulation of the State budget, the production of the State budget papers and the ongoing monitoring and review of financial and output performance against budget
- A capital works program submitted annually
- Information for the Government Mid-year Financial Projection Statement (Mid-Year Review), which is a requirement of the *Government Financial Responsibility Act 2000*
- Capital works progress reports, submitted regularly
- Information on an ongoing basis throughout the year as changes occur, or are proposed, in Main Roads' Statement of Outcomes and Outputs, showing the reasons for the change and the output performance
- Annual cash flow profile (and subsequent changes to the profile) for each source of revenue from the Consolidated Fund, and quarterly reporting of actual cash flows against these profiles
- Six-monthly reports on borrowings guaranteed by the Treasurer, other guarantees, indemnities and sureties issued and payments made

- Accrual-based information to enable Treasury to produce the State's consolidated whole-of-government financial statements and finance statistics for both budgetary and financial reporting purposes. Projected outcomes are provided for the current year plus estimates for the budget year and for three forward years. Actual results are reported monthly in the form of Statement of Financial Performance, a Statement of Financial Position and Cash Flows
- Daily and monthly reports of payments and receipts
- Commonwealth Grants Commission information as and when required.



## CORPORATE GOVERNANCE

### COMPLIANCE RETURNS

A number of compliance returns are prepared in accordance with legislative requirements and directives from Government, including:

- Anti-Corruption Commission: A summary of all reports made to the Commission is submitted each year by 30 June. A nil return is required if no reports have been made
- Commonwealth Department of Transport and Regional Services: An annual Black Spot program is developed through the State Consultative Panel for National Black Spot funding, which is then submitted to the Department for approval, followed by two-monthly progress reports
- Commonwealth Department of Transport and Regional Services: Annual, monthly and ad hoc reports are provided under the *Australian Land Transport Development Act 1998*, including a five-year forward works strategy, project proposal reports and project and financial progress reports
- Department of Consumer and Employment Protection: Information for approval of Agreements by Government, and for entry into the Western Australian Public Sector Agreements Database, is submitted as required (Premier's Circular No. 6/94)
- The State Road Funds to Local Government Advisory Committee: oversees, monitors and recommends to the Minister for Planning and Infrastructure the distribution of State Funds to Local Government roads. This funding is provided in accord with the *State Road Funds to Local Government Agreement* and Local Government is provided with expenditure reports on a periodic basis
- Department of the Premier and Cabinet: *Human Resource Minimum Obligatory Information Requirements* (HRMOIR) reports are submitted as required (Premier's Circular No. 40/93 and Public Sector Policy Circular No. 1/97)
- National Library of Australia and State Library: Copies of publications created or released are deposited with the National Library and the State Library (Circular to Ministers No. 26/93)
- Office of Equal Employment Opportunity: An annual report is submitted to the Office of Equal Employment Opportunity under Part IX, Section 141 of the *Equal Opportunity Act 1984*, showing information about our workforce
- Office of the Information Commissioner: An annual return is submitted, showing information about applications received under the *Freedom of Information Act 1992*
- State Supply Commission: In accordance with the requirements of the *State Supply Commission Act 1991*, an annual report, which includes a Statement of Compliance with the State Supply Commission policies, is submitted. This report provides information about supply activities and expenditure on goods and services purchased
- State Supply Commission: In accordance with the Government's Buy Local Policy a report recording the total value of contracts awarded annually and the percentage of the expenditure which represents contracts awarded to local businesses, i.e. regional businesses, Perth metropolitan businesses and businesses located in other States and Territories of Australia and New Zealand, is submitted
- Office of the Public Sector Standards Commissioner: In accordance with *Section 31 (1) of the Public Sector Management Act 1994* a *Statement of Compliance* is required in the annual report. The report details the extent to which Public Sector Standards, codes of ethics and any relevant codes have been complied with by Main Roads for the previous 12 months. See also *Ethical Standards and Performance* on page 65.



## ➔ financial highlights

MAIN ROADS  
Western Australia

THIS SECTION CONTAINS FINANCIAL HIGHLIGHTS ONLY. THE AUDITED  
FINANCIAL STATEMENTS AND NOTES ARE AT PAGES 89-124.



## FINANCIAL HIGHLIGHTS

This section contains financial highlights only.  
The audited financial statements and notes are at  
[pages 80-132](#).

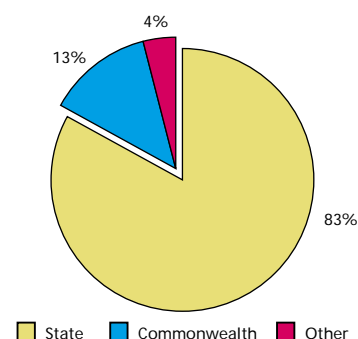
### REVENUE

Total revenue to pay for the activities of Main Roads  
Western Australia came from the following sources:

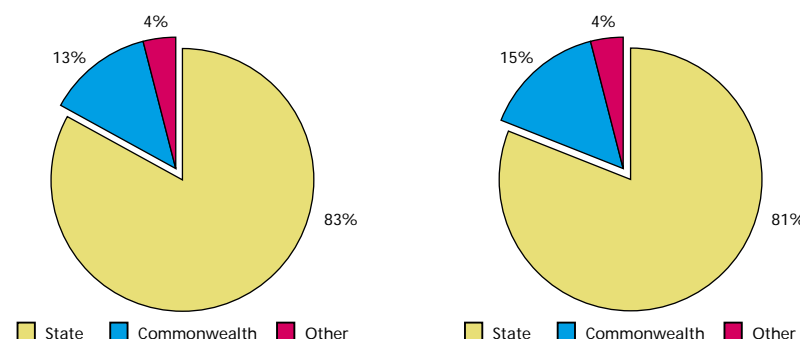
	2001-02 \$M	2000-01 \$M
State Government		
Appropriations	380.7	285.4
Capital Contribution	240.0	217.0
	620.7	502.4
Commonwealth Grants	96.1	75.1
Contributions to Road Works	11.2	46.2
Profit on Sale of Assets	7.4	5.5
Natural Disaster Relief Arrangements	6.5	21.3
Rents	2.9	3.0
Other	2.5	2.1
<b>TOTAL</b>	<b>747.3</b>	<b>655.6</b>

Note: This summary includes Capital Contributions, which are shown directly in the Statement of Financial Position.

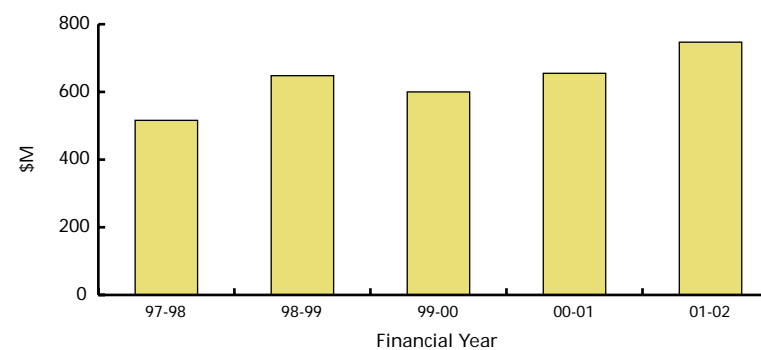
**Funding Sources 2001-02**  
\$747.3 Million



**Funding Sources 1997-98**  
\$515.7 Million



**Total Revenue – Comparisons with Previous Years**





## FINANCIAL HIGHLIGHTS

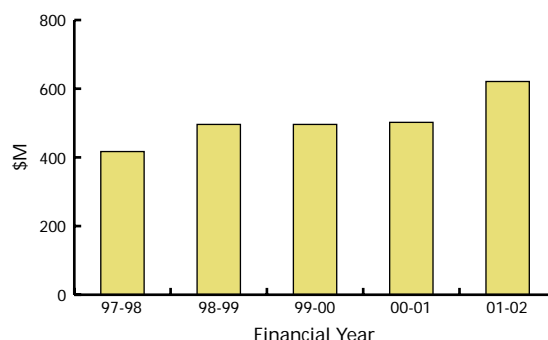
### State Sources

Funds received for capital expenditure are treated as Owner's Contributions and are credited directly to Equity in the Statement of Financial Position. This treatment commenced in 2001-02 in line with the Financial Reform Program introduced by the Department of Treasury and Finance.

Included in the funds transferred from the Consolidated Fund are Motor Vehicle Licence Fees of \$254.7 million (2000-01 \$236 million) and Motor Vehicle Permit Fees \$1.8 million (2000-01 also \$1.8 million). Motor Vehicle Licence Fees are collected under the *Road Traffic Act 1974* by the Department for Planning and Infrastructure and transferred to Main Roads by the Department of Treasury and Finance via the Consolidated Fund. Motor Vehicle Permits are issued under the *Road Traffic Act* for vehicles that are oversize or special purpose or which carry oversize or extra load. Main Roads issued 39,818 permits in 2001-02.

The balance of the funds received under this category are contributions made by the State Government to fund required roadworks.

### State Funding – Comparisons with Previous Years



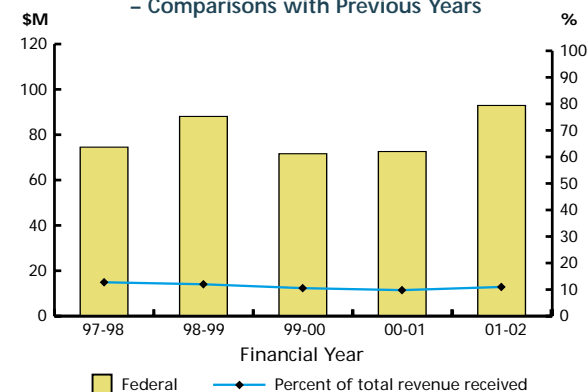
In 2001-02 the introduction of accrual appropriations by the Department of Treasury and Finance resulted in the funding of asset depreciation for the first time. This funding, a non-cash appropriation of \$118 million, is held in a holding account. The funds may be drawn, based on a business case, for replacement of assets.

### Commonwealth Grants

Funds received from the Commonwealth comprise:

	2001-02 \$M	2000-01 \$M
Australian Land Transport Development Act 1988		
- National Highways	65.3	69.6
- Roads of National Importance	24.8	-
- Black Spot Program	4.8	4.5
	94.9	74.1
Interstate Road Transport Act 1985	1.2	1.0
	96.1	75.1

### Commonwealth Funding – Comparisons with Previous Years



In 2001-02 the increase in revenue from the Commonwealth relates to an increase of Roads of National Importance funding for the Roe Highway extension project.



## FINANCIAL HIGHLIGHTS

### *Contributions to Roadworks*

This includes work done on behalf of other government agencies and the private sector. The amount for 2000-01 was particularly high because it included a large contribution from the Department of Transport towards the South West Metro Rail Project - Kwinana Freeway for rail related interchanges and extensions.

### *Natural Disaster Relief Arrangements*

The Fire and Emergency Services Authority, under the Natural Disaster Relief Arrangements, provided \$6.6 million towards the restoration cost of roads damaged by cyclones and abnormal rainfall. The amount provided in 2000-01 was substantially higher because it included major expenditure resulting from Cyclone Steve and abnormal heavy flooding in the Wheatbelt South region.

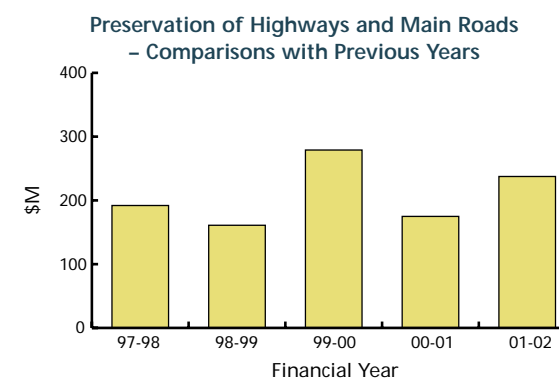
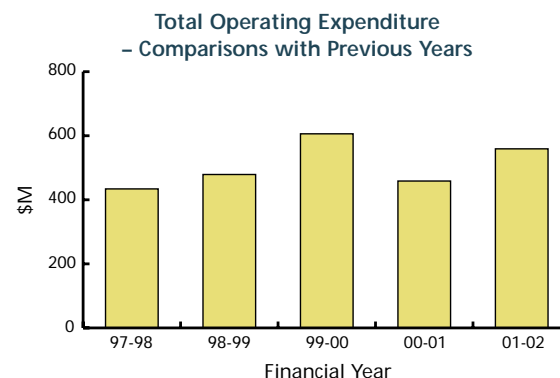
## EXPENDITURE

### *Total Expenditure*

Total expenditure for the year was \$800.6 million compared with \$853.1 million in 2000-01:

	2001-02 \$M	2000-01 \$M
Operating Expenditure		
Preservation of Highways and Main Roads	236.6	174.9
Grants and Expenditure on Local and Other Roads	145.4	145.5
Depreciation of Road Infrastructure	155.7	115.6
Borrowing Costs	15.4	15.4
Past Service Superannuation Costs	4.8	6.8
Other	0.3	0.4
	558.2	458.6
Expenditure on Road Infrastructure Capitalised	242.4	394.5
<b>TOTAL</b>	<b>800.6</b>	<b>853.1</b>

Note: This view of expenditure is different from that presented in the Statement of Financial Performance which shows the Cost of Services view.



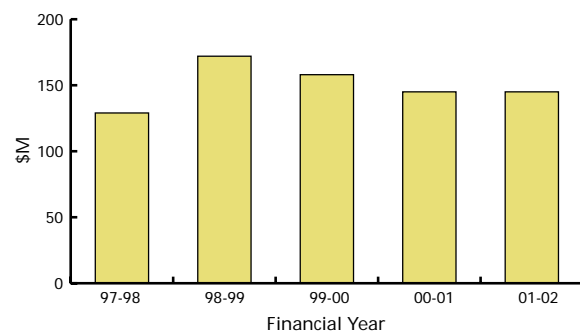


## FINANCIAL HIGHLIGHTS

### *Expenditure on Local and Other Roads*

Main Roads works in close partnership with Local Government to provide well-managed roads for the community throughout the State. Funding is provided to Local Government in accordance with the State Road Funds to Local Government Agreement 2000-2001 to 2004-2005. For more details see the section on the Maintenance and Minor Modifications on [page 33](#).

**Grants and Expenditure on Local and Other Roads  
– Comparisons with Previous Years**

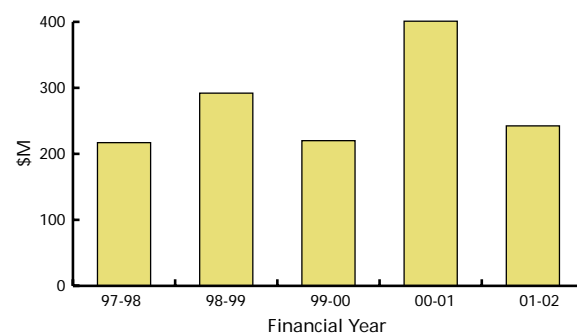


Expenditure in 1998-99 and 1999-00 included significant "State initiated" projects such as Ripon Hills Road and Mount Magnet - Sandstone Road

### *Capital Expenditure*

This comprises expenditure of \$242.4 million on construction and improvement of our road infrastructure, \$2.9 million on property, plant and equipment and \$1.4 million on land acquired for roadworks.

**Capital Expenditure on Highways,  
Main Roads and Local Roads  
– Comparisons with Previous Years**



2000-01 included major works relating to the Kwinana Freeway extension





## FINANCIAL HIGHLIGHTS

### BORROWING COSTS AND DEBT REPAYMENTS

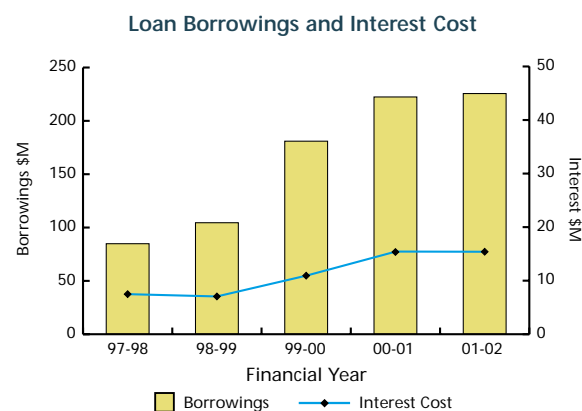
The State Government has provided loan approvals to facilitate earlier delivery of infrastructure projects for community benefit.

A borrowing facility has been established to fund projects identified under the Transform WA program. The total Transform WA loan facility is \$261.6 million.

\$142.5 million of this facility had been drawn down as at 30 June 2002 of which \$10.0 million was drawn down in 2001-02. The balance of the loan facility of \$119.5 million is expected to be taken in 2002-03.

The total of Main Roads' loan liability as at 30 June 2002 was \$225.7 million.

Interest cost on these borrowings during the year was \$15.4 million (2000-01 was also \$15.4 million).



	1997-98 %	1998-99 %	1999-00 %	2000-01 %	2001-02 %
Interest cost as a percentage of total revenue	1.5	1.1	1.8	2.3	1.7
Debt as a percentage of total equity	0.9	1.0	1.8	2.1	2.1



## FINANCIAL STATEMENTS AND NOTES

### CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

The accompanying financial statements of the Commissioner of Main Roads have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the year ending 30 June 2002 and the financial position as at 30 June 2002.

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

MIKE WALLWORK  
ACTING COMMISSIONER OF MAIN ROADS  
21 AUGUST, 2002

ATHOL JAMIESON  
PRINCIPAL ACCOUNTING OFFICER  
21 AUGUST, 2002



## FINANCIAL STATEMENTS AND NOTES

### To the Parliament of Western Australia

#### COMMISSIONER OF MAIN ROADS FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2002

##### **Matters Relating to the Electronic Presentation of the Audited Financial Statements**

This audit opinion relates to the financial statements of the Commissioner of Main Roads for the year ended June 30, 2002 included on the Commissioner of Main Roads' web site. The Commissioner of Main Roads is responsible for the integrity of the Commissioner of Main Roads' web site. I have not been engaged to report on the integrity of this web site. The audit opinion refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these statements. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

##### **Scope**

I have audited the accounts and financial statements of the Commissioner of Main Roads for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Commissioner is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial

statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Commissioner.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the Commissioner to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Commissioner's financial position, its financial performance and its cash flows.

The audit opinion expressed below has been formed on the above basis.

##### **Audit Opinion**

In my opinion,

- (i) the controls exercised by the Commissioner of Main Roads provide reasonable assurance that the receipt, expenditure and investment of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows and the Notes to the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Commissioner at June 30, 2002 and its financial performance and its cash flows for the year then ended.

D D R PEARSON  
AUDITOR GENERAL  
October 31, 2002



# → | financial statements and notes

- STATEMENT OF FINANCIAL PERFORMANCE
- STATEMENT OF FINANCIAL POSITION
- NOTES TO THE FINANCIAL STATEMENTS



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>COST OF SERVICES</b>			
<b>Expenses from Ordinary Activities</b>			
Employee Expenses	2	26,311	19,180
Supplies and Services	3	189,658	178,998
Grants and Subsidies	4	91,829	88,848
Depreciation - Infrastructure Assets	5	155,709	115,619
Depreciation - Other Non-Current Assets	6	2,718	1,643
Borrowing Costs	7	15,401	15,375
Superannuation Expense	8	9,402	11,077
Loss on Sale of Assets	14	1	-
Revaluation decrement of Property Held for Resale	9	313	85
Infrastructure Assets Retired/Replaced	10	66,903	27,808
<b>Total Cost of Services</b>		<b>558,245</b>	<b>458,633</b>
<b>Revenues from Ordinary Activities</b>			
Commonwealth Grants	11	96,097	75,117
Natural Disaster Funds	12	6,571	21,327
Contributions to Roadworks	13	11,199	46,191
Net Profit on Disposal of Non-Current Assets	14	7,448	5,486
Grants from Other Bodies	15	486	-
Other Revenue from Ordinary Activities	16	4,122	4,963
<b>Total Revenues from Ordinary Activities</b>		<b>125,923</b>	<b>153,084</b>
<b>NET COST OF SERVICES</b>		<b>432,322</b>	<b>305,549</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>REVENUES FROM GOVERNMENT</b>			
Output Appropriations	17	380,656	502,405
Resources Received Free of Charge	17	724	108
<b>Total Revenues from Government</b>		<b>381,380</b>	<b>502,513</b>
<b>CHANGE IN NET ASSETS</b>	30 (b)	<b>(50,942)</b>	<b>196,964</b>
Asset revaluation increment recognised direct in equity	30 (a)	2,405,648	89,804
<b>TOTAL CHANGE IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS</b>		<b>2,354,706</b>	<b>286,768</b>

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



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>CURRENT ASSETS</b>			
Cash Assets	18	56,958	2,598
Restricted Cash Assets	18	1,078	1,070
Receivables	19	9,665	18,185
Amounts Receivable for Outputs	20	6,155	-
Prepayments		395	284
Inventories	21	10,906	9,226
Property Held for Resale	22	1,959	3,686
<b>Total Current Assets</b>		<b>87,116</b>	<b>35,049</b>
<b>NON-CURRENT ASSETS</b>			
Road Infrastructure	23	13,107,507	10,681,414
Property, Plant and Equipment	24	33,974	35,140
Land Acquired for Roadworks	25	76,459	76,400
Property Held for Resale	22	14,595	15,070
Amounts Receivable for Outputs	20	111,865	-
<b>Total Non-Current Assets</b>		<b>13,344,400</b>	<b>10,808,024</b>
<b>TOTAL ASSETS</b>		<b>13,431,516</b>	<b>10,843,073</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>CURRENT LIABILITIES</b>			
Payables	26	104,628	112,969
Interest-Bearing Liabilities	27	6,730	6,730
Provision for Employee Entitlements	28	25,968	26,304
<b>Total Current Liabilities</b>		<b>137,326</b>	<b>146,003</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest-Bearing Liabilities	27	218,942	215,673
Provision for Employee Entitlements	28	59,079	59,980
<b>Total Non-Current Liabilities</b>		<b>278,021</b>	<b>275,653</b>
<b>TOTAL LIABILITIES</b>		<b>415,347</b>	<b>421,656</b>
<b>NET ASSETS</b>		<b>13,016,169</b>	<b>10,421,417</b>
<b>EQUITY</b>			
Contributed Equity	29	240,046	-
Asset Revaluation Reserve	30 (a)	3,719,675	1,314,027
Accumulated Surplus	30 (b)	9,056,448	9,107,390
<b>TOTAL EQUITY</b>		<b>13,016,169</b>	<b>10,421,417</b>

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



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>CASH FLOWS FROM GOVERNMENT</b>			
Output Appropriations		262,651	285,370
Capital Contributions (2000-01 Appropriation)		240,046	217,020
<b>Net Cash Provided by Government</b>		<b>502,697</b>	<b>502,390</b>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee Costs		(26,361)	(20,976)
Supplies and Services		(315,230)	(262,646)
Borrowing Costs		(11,762)	(15,403)
GST Payments on Purchases		(46,948)	(53,320)
<b>Receipts</b>			
Commonwealth Grants		96,097	75,117
Natural Disaster Funds		6,571	21,327
Other Contributions to Roadworks		16,086	45,294
Rent Received		2,981	2,770
Other Income		671	2,582
GST Receipts on Sales		2,989	4,710
GST Receipts from Taxation Authority		45,868	41,735
<b>Net Cash Used in Operating Activities</b>	32	<b>(229,038)</b>	<b>(158,810)</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

	Note	2001-2002 \$'000	2000-2001 \$'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Purchase of Non-Current Assets</b>			
Land and Buildings In-Service		-	(454)
Plant, Equipment and Vehicles		(2,942)	(3,021)
Land Acquired for Roadworks		(1,439)	(6,094)
Infrastructure		(229,265)	(398,182)
<b>Proceeds from Sale of Non-Current Assets</b>			
Land		4,009	6,518
Land and Buildings In-Service		6,860	2,054
Plant, Equipment and Vehicles		216	3,491
<b>Net Cash Provided by Investing Activities</b>		<b>(222,561)</b>	<b>(395,688)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Borrowings		10,000	46,500
Repayment of Borrowings		(6,730)	(6,730)
<b>Net Cash Provided by Financing Activities</b>		<b>3,270</b>	<b>39,770</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>54,368</b>	<b>(12,338)</b>
<b>CASH ASSETS AT BEGINNING OF FINANCIAL YEAR</b>		<b>3,668</b>	<b>16,006</b>
<b>CASH ASSETS AT END OF FINANCIAL YEAR</b>	18	<b>58,036</b>	<b>3,668</b>

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



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 1. SIGNIFICANT ACCOUNTING POLICIES

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

##### (a) General Statement

- (i) The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and the Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The *Financial Administration and Audit Act 1985* and the Treasurer's Instructions are legislative provisions governing preparation of financial statements and take precedence over Australian Accounting Standards and the UIG Consensus Views. The modifications are intended to fulfill the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or

significant financial effect upon the reported results, details of that modification and where practicable the resulting financial effect are disclosed in individual notes to these financial statements.

- (ii) The financial statements have been prepared on the accrual basis of accounting and, subject to the exceptions noted in these Accounting Policies, have been drawn up using the historical cost convention.

##### (b) Output Appropriations

Output Appropriations are recognised as revenues in the period in which Main Roads gains control of the appropriated funds. Main Roads gains control of appropriated funds at the time those funds are deposited into Main Roads' bank account or credited to the holding account held at the Department of Treasury and Finance. [Refer to Note 17.](#)

##### (c) Contributed Equity

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

recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position. All other transfers have been recognised in the Statement of Financial Performance. Prior to the current reporting period, capital appropriations were recognised as revenue in the Statement of Financial Performance. Capital appropriations which are repayable to the Treasurer are recognised as liabilities. [Refer to Note 17](#) and [Note 38\(b\)](#) for the financial impact of this change.

##### (d) Capital User Charge

A capital user charge rate of 8 per cent has been set by the Government for 2001-02 and represents the opportunity cost of capital invested in the net assets of Main Roads used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Roads and land within road reserves are exempt from the charge. Main Roads did not incur the capital user charge in 2001-02 because the net asset position adjusted for exempt assets was negative.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### (e) Grants and Other Contributions Revenue

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

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

##### (f) Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when Main Roads has passed control of the goods or other assets or delivery of the service to the customer. Revenue from Contributions to Roadworks is recognised using the percentage of completion method.

##### (g) Land Acquired for Roadworks

Expenditure relating to property acquired for roadworks is included at cost under Land Acquired for Roadworks until the land is required for road construction. It is then transferred to the infrastructure asset (Land Within Road Reserves). See Note 1(h)(i).

Land determined to be surplus to the requirements of road construction and road reserve is available for disposal and is transferred to Property Held for Resale.

Wherever possible, properties are rented or leased until required for roadworks. Revenue from these properties is recognised as revenue in the financial year earned.

##### (h) Valuation of Road Infrastructure

The Road Infrastructure asset has been valued at fair value on the following basis:

- (i) *Land Within Road Reserves* is valued using valuations provided by the Valuer General's Office at 30 June 2002. Land values were provided by geographic location as follows:
  - Metropolitan area - average land value estimates for Local Government Areas based on R20 zoning for 899 square metre land parcels.
  - South West Region - nominal unimproved valuation rates covering the south west of the State from Geraldton to Esperance.
  - Balance of State - nominal unimproved valuation rates based on leasehold rates for Crown land.

- (ii) *Roads* are valued at replacement cost determined for the major road components of earthworks, drainage, pavement and seal based on the road location within the State. The replacement cost at 30 June 2002 is based on rates determined at 30 June 2002 by Main Roads.

- (iii) *Bridges* are valued at replacement cost based on bridge type and geographic location within the State. The replacement cost at 30 June 2002 is based on rates determined at 30 June 2002 by Main Roads.

- (iv) *Road Furniture* is valued at replacement cost based on asset type. The replacement cost at 30 June 2002 is based on rates determined at 30 June 2002 by Main Roads.

- (v) *Work in Progress* is recognised at cost.

##### (i) Property Held for Resale

Property held for resale is valued at the lower of cost and net realisable value. Cost includes cost of acquisition and interest paid if applicable. All rates, taxes, development and other costs (apart from interest) are expensed in the year that payment is made. Sales revenue is brought to account upon the signing of an unconditional contract of sale.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### (j) Property, Plant and Equipment

The cost method of accounting is used for acquisitions of land and buildings, plant, vehicles, furniture, equipment, computer hardware and software assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

#### (k) Depreciation

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their future economic benefits. Non-current assets are depreciated on a straight-line basis using rates that are reviewed annually.

##### Road Infrastructure

Earthworks	100 years
Pavement, Drainage and Seals:	
Metropolitan Asphalt Roads	40 years
Rural Roads	Up to 50 years
Bridges	60 to 100 years
Road Furniture	15 to 50 years

<b>Buildings</b>	25 to 40 years
------------------	----------------

#### Equipment and Furniture

Computer Hardware & Software	3 to 13 years
Equipment and Furniture	5 to 13 years
Plant and Vehicles	5 to 10 years

Generally, assets costing less than \$1,000 are expensed at the time of purchase.

The useful life of rural road pavements, drainage and seals is based on pavement condition, with a maximum life of fifty years. Pavement condition is determined using road roughness counts.

Road infrastructure work in progress is not depreciated.

#### (l) Maintenance and Repairs to Road Infrastructure Assets

Expenditure on maintenance and repairs to road infrastructure assets is expensed during the period in which it is incurred.

#### (m) Revaluation of Land, Buildings and Infrastructure

Main Roads has a policy of valuing land, buildings and infrastructure at fair value. Main Roads officers undertake the revaluation of road pavements, structures and road furniture. Land within road reserves is valued by the Valuer General's Office ([See Note 1\(h\)](#)). Where a revaluation basis other than fair value has been utilised, the revaluation basis is disclosed.

#### (n) Leased Assets

Main Roads has entered into a number of operating lease arrangements for land and buildings, vehicles and office equipment where the lessors effectively retain all the risks and benefits incidental to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the statement of financial performance over the lease term, as this is representative of the pattern of benefits derived from the leased property.

#### (o) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned to inventories on a standard, average or last known cost basis.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### (p) Receivables, Payables, Accrued Salaries and Interest-Bearing Liabilities

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

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

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

Loans are recognised and carried at the amount of net proceeds received. Interest is recognised as it accrues.

Accrued salaries and wages represent the amount due to staff but unpaid at the end of the financial year as the end of the last pay period for that financial year does not coincide with the end of the financial year. Main Roads considers the carrying amount approximates net fair value.

#### (q) Employee Entitlements

Provision has been made for benefits accruing to employees in relation to annual leave, long service leave, superannuation and redundancy.

##### *Annual Leave*

This entitlement is recognised at current remuneration rates plus relevant on costs and is measured at the amount unpaid at the reporting date in respect to employees' service up to that date.

##### *Long Service Leave*

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to the expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using interest rates to obtain the estimated future cash outflows.

This method of measurement of the liability is consistent with the requirements of Australian Accounting Standard AAS30 "Accounting for Employee Entitlements".

#### *Superannuation*

Staff may contribute to the Superannuation and Family Benefits Act Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. The Government Employees Superannuation Board (GESB) administers all of these schemes.

The liability for superannuation charges incurred under the Superannuation and Family Benefits Act pension scheme, together with the pre-transfer service liability for employees who transferred to the Gold State Superannuation Scheme, are provided for at reporting date. The provision is based on information provided by the GESB.

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



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

The note disclosure required by paragraph 51(e) of AAS30 (being the employer's share of the difference between employees' accrued superannuation benefits and the attributable net market value of plan assets) has not been provided. State scheme deficiencies are recognised by the State in its whole of government reporting. The GESB's records are not structured to provide the information for Main Roads. Accordingly, deriving the information for Main Roads is impractical under current arrangements, and thus any benefits thereof would be exceeded by the cost of obtaining the information.

#### *Redundancy*

A provision is raised, for those redundancies approved at reporting date as part of the ongoing restructuring of Main Roads.

#### **(r) Resources Received Free of Charge**

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

#### **(s) Comparative Figures**

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented in the current financial year. In 2000-01 the Cost of Services in the Statement of Financial Performance included capital expenditure with capital removed as a separate item. This year the Cost of Services exclude capital expenditure and the comparative amounts for 2000-01 have been presented on the same basis.

#### **(t) Borrowing Costs**

Borrowing costs are expensed as incurred, as borrowings do not relate to specific projects under construction.

#### **(u) Insurance**

Main Roads regularly reviews its insurance arrangements including areas where self-insurance is deemed to be economically justified. Currently, these self-insurance areas are:

- roads, bridges and road furniture; and
- heavy construction plant (except for automatic third party personal injury cover in cases where the plant is licensed for road use).

#### **(v) Property Liabilities and Commitments**

A liability has been recognised in respect of properties for which a Notice of Resumption under the *Land Administration Act 1997* has been issued and formal possession has taken place but where settlement has not been achieved at reporting date. Liabilities in such circumstances have been based on officer valuations and include costs of acquisition. This liability is included in Payables. [See Note 26.](#)



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 2. EMPLOYEE EXPENSES

	2001 - 02	2000 - 01
	\$'000	\$'000
Wages and Salaries	21,241	15,667
Annual Leave	2,059	1,427
Long Service Leave	928	534
Other Related Expenses	2,083	1,552
	<b>26,311</b>	<b>19,180</b>

#### 3. SUPPLIES AND SERVICES

Contracts for Supplies and Services	162,504	149,978
Materials	3,464	2,314
Payments to Local Authorities for work on Highways & Main Roads	6,934	5,116
Land Acquisition	121	163
Plant Hire Charges	1,378	6,414
Payroll Tax/Fringe Benefits Tax	2,569	1,480
Postage, Stationery and Reprographics	389	277
Telecommunications	2,097	2,133
Building Maintenance and Equipment	1,348	756
Electricity and Gas	2,155	1,555
Contributions	4,633	6,094
Legal Costs	479	734
Advertising	226	344
Rates and Taxes	544	322
Insurance	817	1,318
	<b>189,658</b>	<b>178,998</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 4. GRANTS AND SUBSIDIES

	2001 - 02	2000 - 01
	\$'000	\$'000
Grants and Subsidies to Local Government	91,779	88,440
Grants to other Entities - Ministry for Planning	50	408
	<b>91,829</b>	<b>88,848</b>

#### 5. DEPRECIATION OF INFRASTRUCTURE ASSETS

Roads - Earthworks	46,425	40,249
Roads - Pavement, Drainage & Seal	86,519	55,115
Bridges and Major Culverts	18,636	16,961
Road Furniture	4,129	3,294
	<b>155,709</b>	<b>115,619</b>

Depreciation policies are explained in Note 1(k).

#### 6. DEPRECIATION - OTHER NON-CURRENT ASSETS

Buildings In-Service	1,108	1,156
Plant and Vehicles	214	679
Computer Hardware and Software	2,071	1,618
Other Equipment and Furniture	555	630
<b>Total Depreciation</b>	<b>3,948</b>	<b>4,083</b>
Depreciation Capitalised to Infrastructure	1,230	2,440
<b>Depreciation Expensed</b>	<b>2,718</b>	<b>1,643</b>

#### 7. BORROWING COSTS

Average Interest Rate During The Year	6.50%	7.05%
Borrowing Costs During The Year		
Western Australian Treasury Corporation	<b>15,401</b>	<b>15,375</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 8. SUPERANNUATION EXPENSE

	2001 - 02	2000 - 01
	\$'000	\$'000
Pre-transfer service - Gold State Superannuation Scheme	1,495	1,421
Superannuation and Family Benefits Act Pension Scheme	3,301	5,398
Contributory Scheme - Gold State Superannuation Scheme	3,132	2,888
Non Contributory - West State Superannuation Scheme	1,474	1,370
	<b>9,402</b>	<b>11,077</b>

##### 9. REVALUATION DECREMENT OF PROPERTY HELD FOR RESALE

Property surplus to requirements and held for resale has been revalued to the lower of cost and estimated net realisable value.

313	85
<b>313</b>	<b>85</b>

##### 10. INFRASTRUCTURE ASSETS RETIRED/REPLACED

Infrastructure assets replaced or retired during the year have been expensed at their carrying amount.

Roads	22,082	26,376
Bridges	4,998	208
Land Within Road Reserves	10,396	-
Road Furniture	101	1,224
Work in Progress	29,326	-
	<b>66,903</b>	<b>27,808</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 11. REVENUE FROM COMMONWEALTH GRANTS

2001 - 02	2000 - 01
\$'000	\$'000

##### **Australian Land Transport Development Act 1988**

94,855	74,062
--------	--------

Grants are received from the Commonwealth Government through the Australian Land Transport Development Trust Fund. This funding is used for the construction and maintenance of National Highways, upgrading Roads of National Importance and for the Road Safety Blackspots Program.

##### **Interstate Road Transport Act 1985**

1,242	1,055
-------	-------

A charge is levied under the Act on interstate commercial vehicles that are exempt from State charges and the revenue raised is distributed in accordance with the damage attributed to interstate vehicles in each State.

<b>96,097</b>	<b>75,117</b>
---------------	---------------

#### 12. NATURAL DISASTER FUNDS

Represents a recoup of funds from the Fire and Emergency Services Authority under Natural Disaster Relief Arrangements for amounts expended on local government and State roads to restore the roads to pre-flood damage condition.

6,571	21,327
<b>6,571</b>	<b>21,327</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 13. CONTRIBUTIONS TO ROADWORKS

2001 - 02  
\$'000

2000 - 01  
\$'000

This revenue is derived from roadworks undertaken, on commercial terms, for other public and private bodies, and contributions from both public and private bodies towards the cost of works performed on highways and main roads.

11,199	46,191
<b>11,199</b>	<b>46,191</b>

##### 14. NET PROFIT/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS AND INVENTORY

###### Profit/(Loss) on Sale

Land Acquired for Roadworks	2,343	2,769
Land and Buildings	5,072	1,223
Plant, Equipment and Vehicles (Net of \$1,000 loss on Plant)	19	1,494
Inventory	13	-
	<b>7,447</b>	<b>5,486</b>

###### Gross Proceeds from Disposal of Assets

Land Acquired for Roadworks	4,556	4,256
Land and Buildings	6,900	2,146
Plant, Equipment and Vehicles	43	3,741
Inventory	41	-
	<b>11,540</b>	<b>10,143</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 15. GRANTS FROM OTHER BODIES

2001 - 02	2000 - 01
\$'000	\$'000

Grant from Local Government Authority - City of Geraldton:

Transfer of City of Geraldton's equity (at estimated cost) in land purchases  
for Spine Road and North-South Road, Geraldton, to Main Roads.

486	-
<b>486</b>	<b>-</b>

#### 16. OTHER REVENUE FROM ORDINARY ACTIVITIES

##### Rents

Properties Acquired for Roadworks

2,449	2,521
-------	-------

Employee Accommodation in Rural Areas

490	458
-----	-----

<b>2,939</b>	<b>2,979</b>
--------------	--------------

##### Other

Contributions for Minor Works and Services

424	1,106
-----	-------

Other

759	878
-----	-----

<b>1,183</b>	<b>1,984</b>
--------------	--------------

<b>4,122</b>	<b>4,963</b>
--------------	--------------

Contributions for Minor Works and Services includes the recovery of expenditure from the Commonwealth Department of Transport and Regional Services under service delivery arrangements with the Shires of Christmas Island and Cocos (Keeling) Island. The amounts expended or set aside for expenditure during 2001-02 are summarised below:

\$

Expenditure brought forward from 2000-01 to be recouped in 2001-02

23,005
--------

Expenditure during 2001-02

55,472
--------

78,477
--------

Amount received during 2001-02

94,405
--------

**Amount carried forward for expenditure in 2002-03**

<b>15,928</b>
---------------



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

17. REVENUES FROM GOVERNMENT	2001 - 02 \$'000	2000 - 01 \$'000
<b>Motor Vehicle Licence Fees</b>		
Motor vehicle licence fees for cars and light vehicles are raised under the <i>Road Traffic Act 1974</i> , and fees for heavy vehicles are raised under the <i>Road Transport Reform (Heavy Vehicles Registration) Act 1997</i> . In 2001-02 the total Motor vehicle licence fees raised was \$254.672 million. This total includes an output appropriation of \$157.489 million, which is incorporated in the Statement of Financial Performance. The balance of \$97.183 million is a capital appropriation and is allocated to Contributed Equity in the Statement of Financial Position. In 2000-01 Motor Vehicle Licence Fees revenue included both output and capital appropriations. (See additional notes (i) and (ii) below)	157,489	236,017
<b>Untied Funds</b>		
Untied funds are appropriations from the Consolidated Fund. In 2001-02 the total Consolidated Fund appropriation was \$364.210 million. This total includes an output appropriation of \$221.347 million, which is incorporated in the Statement of Financial Performance. The balance of \$142.863 million is a capital appropriation and is allocated to Contributed Equity in the Statement of Financial Position. The output appropriation includes a \$103.327 million cash component and a \$118.020 million non-cash component. The 2000-01 Consolidated Fund revenue included output and capital appropriations. (See additional notes (i) and (ii) below)	221,347	264,555
<b>Motor Vehicle Permit Fees</b>		
Revenue derived under the <i>Road Traffic Act 1974</i> also includes permit fees for vehicles that are oversize for special purpose or which carry oversize loads or extra load.	1,820	1,833
<b>Resources Received Free of Charge</b>		
This revenue comprises the value of resources received free of charge from other government agencies. The value is obtained from estimates provided by the agencies.		
Department of Land Administration	724	108
	<b>381,380</b>	<b>502,513</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

- (i) **Output appropriations** are accrual amounts as from 1 July 2001, reflecting the full price paid for outputs purchased by the Government. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year. [Refer also Note 20 & 1\(b\).](#)
- (ii) **Capital appropriations** were revenue in 2001 (year ended 30 June 2001). From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position. [Refer also Note 1\(c\).](#)

#### 18. CASH RESOURCES

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Cash Assets</b>		
Cash at Bank	56,943	2,583
Cash on Hand	15	15
	<b>56,958</b>	<b>2,598</b>
<b>Restricted Cash Assets</b>		
Contractors Deposits	1,078	1,070
	<b>1,078</b>	<b>1,070</b>
<b>Total Cash Assets</b>	<b>58,036</b>	<b>3,668</b>

Contractors Deposits is a Trust Account holding contractors' retentions pending satisfactory completion of works.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 19. RECEIVABLES

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Current</b>		
Trade Debtors	2,855	3,193
Less: Provision for Doubtful Debts	(458)	(468)
	<b>2,397</b>	<b>2,725</b>
Trade Debtors (Work in Progress)	2,119	7,918
Accrued Income	166	645
GST refund due from Australian Taxation Office	4,983	6,897
Total Current	<b>9,665</b>	<b>18,185</b>
<a href="#">Refer also Note 39</a> - Financial Instruments.		

#### 20. AMOUNTS RECEIVABLE FOR OUTPUTS

Current	6,155	-
Non-current	111,865	-
	<b>118,020</b>	<b>-</b>

This asset represents the non-cash component of output appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. [Refer also Note 17\(i\)](#) and [1\(b\)](#).

#### 21. INVENTORIES

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Inventories</b>		
Construction and Maintenance Materials (at cost)	11,462	9,833
General Stores (at cost)	137	191
	<b>11,599</b>	<b>10,024</b>
Less: Provision for diminution in the value of Inventories	(693)	(798)
	<b>10,906</b>	<b>9,226</b>

[Refer also Note 1\(o\)](#).



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 22. PROPERTY HELD FOR RESALE

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Current</b>		
At Valuation	<u>1,959</u>	<u>3,686</u>
<b>Non-Current</b>		
At Cost	<u>14,595</u>	<u>15,070</u>

Property Held for Resale (Current) is valued at 30 June each year by Main Roads officers at the lower of cost and net realisable value. The Non-Current property is held at cost.

[Refer also to Note 1\(i\).](#)

A reconciliation of the carrying amount of Property Held for Resale at the beginning and end of the current financial year is set out below.

	Current	Non-Current	Total
	\$'000	\$'000	\$'000
Carrying amount 1 July 2001	3,686	15,070	18,756
Transfers to Property Held for Resale	1,623	223	1,846
Revaluation decrement	(313)	-	(313)
Grants	-	(49)	(49)
Disposals – Land Acquired for Roadworks	(1,229)	(637)	(1,866)
Disposals – Freehold Land	(958)	-	(958)
Disposals – Buildings	(819)	-	(819)
Depreciation	(31)	(12)	(43)
Carrying amount 30 June 2002	<u>1,959</u>	<u>14,595</u>	<u>16,554</u>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 23. ROAD INFRASTRUCTURE

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Roads</b>		
Earthworks at Fair Value (2000-01 at 30 June 1999 Valuation)	4,790,231	3,881,842
Accumulated Depreciation	(1,271,503)	(1,037,332)
Total Earthworks	<b>3,518,728</b>	<b>2,844,510</b>
Pavement, Drainage and Seal at Fair Value (2000-01 at 30 June 1999 Valuation)	4,421,710	3,593,022
Accumulated Depreciation	(2,295,466)	(1,871,364)
Total Pavement, Drainage and Seal	<b>2,126,244</b>	<b>1,721,658</b>
Total Roads	<b>5,644,972</b>	<b>4,566,168</b>
<b>Land Within Road Reserves</b>		
At Fair Value (2000-01 at 30 June 1999 Valuation)	5,792,345	4,403,113
Total Land Within Road Reserves	<b>5,792,345</b>	<b>4,403,113</b>
<b>Bridges</b>		
At Fair Value (2000-01 at 30 June 1999 Valuation)	1,752,732	1,562,704
Accumulated Depreciation	(391,617)	(345,585)
Total Bridges	<b>1,361,115</b>	<b>1,217,119</b>
<b>Road Furniture</b>		
At Fair Value (2000-01 at 30 June 1999 Valuation)	113,866	109,530
Accumulated Depreciation	(44,103)	(39,096)
Total Road Furniture	<b>69,763</b>	<b>70,434</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 23. ROAD INFRASTRUCTURE (CONT)

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Work In Progress</b>		
At Cost	239,312	424,580
Accumulated Depreciation	-	-
Total Work in Progress	<b>239,312</b>	<b>424,580</b>
Total Road Infrastructure	<b>13,107,507</b>	<b>10,681,414</b>

Roads, Bridges and Road Furniture are valued by Main Roads engineers, to reflect the replacement cost of the assets. The replacement cost at 30 June 2002 is based on rates determined at 30 June 2002.

Land Within Road Reserves is based on valuations provided by the Office of the Valuer General at 30 June 2002.

All revaluation increments have been adjusted against the Asset Revaluation Reserve.

[Refer also to Note 1\(h\).](#)



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 23. ROAD INFRASTRUCTURE (CONT)

Reconciliations of the carrying amounts of road infrastructure at the beginning and end of the current financial year are set out below.

	<b>Roads</b>	<b>Land Within Road Reserves</b>	<b>Bridges</b>	<b>Road Furniture</b>	<b>Work in Progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount 1 July 2001	4,566,168	4,403,113	1,217,119	70,434	424,580	10,681,414
Additions	-	6,057	21,693	1,876	212,780	242,406
Retirements	(22,082)	(10,396)	(4,998)	(101)	(29,326)	(66,903)
Revaluation increment	893,551	1,372,068	138,346	1,683	-	2,405,648
Depreciation	(132,944)	-	(18,636)	(4,129)	-	(155,709)
Transfer from Land Acquired for Roadworks	-	324	-	-	444	768
Reclassified as Capital/(Operating)	-	-	1,125	-	(1,242)	(117)
Transfers from Work in Progress	340,279	21,179	6,466	-	(367,924)	-
Carrying amount 30 June 2002	<b>5,644,972</b>	<b>5,792,345</b>	<b>1,361,115</b>	<b>69,763</b>	<b>239,312</b>	<b>13,107,507</b>



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 24. PROPERTY, PLANT AND EQUIPMENT

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Freehold Land</b>		
At Cost	3,087	3,194
	<b>3,087</b>	<b>3,194</b>
<b>Buildings</b>		
At Cost	38,267	38,833
Accumulated Depreciation	(13,949)	(13,181)
	<b>24,318</b>	<b>25,652</b>
<b>Total Freehold Land and Buildings</b>	<b>27,405</b>	<b>28,846</b>
<b>Plant and Vehicles</b>		
At Cost	3,028	2,719
Accumulated Depreciation	(2,101)	(1,853)
	<b>927</b>	<b>866</b>
<b>Computer Hardware and Software</b>		
At Cost	17,527	16,585
Accumulated Depreciation	(14,108)	(12,671)
	<b>3,419</b>	<b>3,914</b>
<b>Equipment and Furniture</b>		
At Cost	10,054	8,839
Accumulated Depreciation	(7,831)	(7,325)
	<b>2,223</b>	<b>1,514</b>
<b>Total Plant, Vehicles, Computer Equipment and Furniture</b>	<b>6,569</b>	<b>6,294</b>
<b>Property, Plant and Equipment</b>	<b>33,974</b>	<b>35,140</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 24. PROPERTY, PLANT AND EQUIPMENT (CONT)

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current year are set out below.

	Freehold Land	Buildings	Plant & Vehicles	Computer Hardware/ Software	Furniture & Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2001	3,194	25,652	866	3,914	1,514	35,140
Transfers	-	-	(2)	-	2	-
Transfer (to)/From Property Held for Resale	(107)	(253)	-	-	-	(360)
Adjustments prior year	-	(5)	(49)	(45)	318	219
Additions	-	-	324	1,640	949	2,913
Disposals	-	(11)	2	(19)	(5)	(33)
Depreciation	-	(1,065)	(214)	(2,071)	(555)	(3,905)
Carrying amount 30 June 2002	<b>3,087</b>	<b>24,318</b>	<b>927</b>	<b>3,419</b>	<b>2,223</b>	<b>33,974</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 25. LAND ACQUIRED FOR ROADWORKS

2001 - 02  
\$'000

2000 - 01  
\$'000

Land acquired for roadworks

At Cost

76,459

76,400

**76,459**

**76,400**

[Refer also to Note 1\(g\).](#)

A reconciliation of the carrying amount of Land Acquired for Roadworks at the beginning and end of the current financial year is set out below.

Carrying amount 1 July 2001

76,400

73,778

Transfer to Property Held for Resale

(1,486)

(368)

Adjustments prior year

363

(70)

Additions

1,464

6,094

Disposals (Sales)

-

(952)

Disposals - Transferred to Land Within Road Reserves

(768)

(2,082)

Grants ([Refer Note 15](#))

486

-

Carrying amount 30 June 2002

**76,459**

**76,400**



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 26. PAYABLES

	2001 - 02	2000 - 01
	\$'000	\$'000
Trade Creditors	35,988	36,417
Major Contracts and Services	45,966	56,400
Property Acquisitions	17,747	16,212
Contractors' Retentions	1,077	1,070
Funds in Advance	3,771	2,858
Other Creditors	34	12
Performance Bond/Surety	45	-
	<b>104,628</b>	<b>112,969</b>

[Refer also Note 39](#) - Financial Instruments.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 27. INTEREST-BEARING LIABILITIES

Loan borrowings and repayments under Section 9A and 32 (1)(b) of the *Main Roads Act 1930*.

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Current</b>		
WA Treasury Corporation		
Amounts due for repayment within 12 months	6,730	6,730
	<b>6,730</b>	<b>6,730</b>
<b>Non-Current</b>		
Western Australian Treasury Corporation	218,942	215,673
	<b>218,942</b>	<b>215,673</b>
<b>Total Borrowings</b>		
Western Australian Treasury Corporation	225,672	222,403
	<b>225,672</b>	<b>222,403</b>

Main Roads has access to a \$30 million (2001: \$30 million) liquidity facility with the Western Australian Treasury Corporation. The funds are drawn as required and repaid when the cash flow permits. There was no balance outstanding against the facility at 30 June 2002 and 30 June 2001.

[Refer to Note 39](#) - Financial Instruments.

[Refer also to Note 1\(t\)](#).



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 28. PROVISION FOR EMPLOYEE ENTITLEMENTS

The aggregate employee entitlement liability recognised and included in the financial statements is as follows:

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Current Liabilities</b>		
Annual Leave	7,767	7,734
Long Service Leave	6,163	5,871
Superannuation	11,683	10,650
Redundancies	355	2,049
	<b>25,968</b>	<b>26,304</b>
<b>Non-Current Liabilities</b>		
Long Service Leave	3,217	3,297
Superannuation	55,862	56,683
	<b>59,079</b>	<b>59,980</b>
<b>Total</b>	<b>85,047</b>	<b>86,284</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 28. PROVISION FOR EMPLOYEE ENTITLEMENTS (CONT)

Details of the movements in the provision are as follows:

	Annual Leave	Long Service Leave	Superannuation	Redundancy	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Provision 30 June 2001	7,734	9,168	67,333	2,049	86,284
Entitlements 2001-02	3,918	1,766	4,797	(864)	9,617
Payments 2001-02	(3,885)	(1,554)	(4,585)	(830)	(10,854)
Provision 30 June 2002	<b>7,767</b>	<b>9,380</b>	<b>67,545</b>	<b>355</b>	<b>85,047</b>

The settlement of annual and long service leave liabilities gives rise to the payment of employee on-costs including employer superannuation contributions. The liability for such costs is included here. The associated expense is included under Superannuation Expense at [Note 8](#).

The long service leave liability is measured at the present value of expected future payments and is based on salary and wage inflation of 2.5% and a discount rate of 5.7%.

The superannuation liability has been established from data supplied by the Government Employees Superannuation Board. [Refer also Note 1\(q\)](#).

The provision for redundancy payments at 30 June 2001 was \$2.049 million. During 2001-02 \$830,000 was paid from the provision. The redundancy provision was reassessed at 30 June 2002 and \$864,000 was written back. The provision of \$355,000 at 30 June 2002 represents the estimated value of redundancies approved for payment as part of the ongoing restructuring of Main Roads.

Main Roads considers the carrying amount of employee entitlements approximates the net fair value.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 29. CONTRIBUTED EQUITY

	2001 - 02	2000 - 01
	\$'000	\$'000
Opening Balance	-	-
Capital Contributions	240,046	-
Closing Balance	<b>240,046</b>	-

From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position. [Refer also Note 1\(c\).](#)

##### 30.(a) ASSET REVALUATION RESERVE

###### Earthworks

Opening balance	-	-
Revaluation increment during the year	563,588	-
Closing balance	<b>563,588</b>	-

###### Drainage, Pavement and Seal

Opening balance	-	-
Revaluation increment during the year	329,963	-
Closing balance	<b>329,963</b>	-

###### Bridges

Opening balance	-	-
Revaluation increment during the year	138,346	-
Closing balance	<b>138,346</b>	-



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 30.(a) ASSET REVALUATION RESERVE (CONT)

	2001 - 02 \$'000	2000 - 01 \$'000
<b>Land Within Road Reserves</b>		
Opening balance	1,306,354	1,216,550
Revaluation increment during the year	1,372,068	89,804
Closing balance	<b>2,678,422</b>	<b>1,306,354</b>
<b>Road Furniture</b>		
Opening balance	7,673	7,673
Revaluation increment during the year	1,683	-
Closing balance	<b>9,356</b>	<b>7,673</b>
<b>Total Closing Balance</b>	<b>3,719,675</b>	<b>1,314,027</b>
<b>Asset Revaluation Reserve Summary</b>		
Opening balance	1,314,027	1,224,223
Revaluation increment during the year	2,405,648	89,804
Closing balance	<b>3,719,675</b>	<b>1,314,027</b>

Land transferred to the Land Within Road Reserves Infrastructure Asset during the year was transferred at cost and revalued at 30 June. The increment was credited direct to the Asset Revaluation Reserve.

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy [note 1\(m\)](#).



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 30.(b) ACCUMULATED SURPLUS

	2001 - 02	2000 - 01
	\$'000	\$'000
Opening Balance 1 July	9,107,390	8,910,426
Change in Net Assets	(50,942)	196,964
Closing Balance 30 June	<b>9,056,448</b>	<b>9,107,390</b>

#### 31. RECONCILIATION OF CASH

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash Assets	56,958	2,598
Restricted Cash Assets	1,078	1,070
	<b>58,036</b>	<b>3,668</b>



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 32. RECONCILIATION OF NET COST OF SERVICES TO NET CASH FLOWS USED IN OPERATING ACTIVITIES:

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Net Cost of Services</b>	<b>(432,322)</b>	<b>(305,549)</b>
<b>Non Cash Items</b>		
Depreciation Infrastructure	155,709	115,619
Depreciation - Other Non-Current Assets	2,718	1,643
Revaluation of Land	313	85
Grants to Other Bodies	50	408
Resources Received Free of Charge	724	109
Transfer of Land to Roads	-	2,082
Grants Received from Other Bodies	(486)	-
Provision for Bad Debts	(10)	263
Provision for diminution in the value of Inventories	(105)	(202)
Non-Current Assets Reclassified (to)/from Operating	(466)	968
(Gain)/Loss on Disposal of Non Current Assets		
Land Acquired for Roadworks	(2,343)	(2,769)
In-Service Land and Buildings	(5,072)	(1,223)
Property Plant and Equipment	(32)	(1,494)
Infrastructure Assets Replaced/Retired	66,903	27,808
	<b>217,903</b>	<b>143,297</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 32. RECONCILIATION OF NET COST OF SERVICES

##### TO NET CASH FLOWS USED IN OPERATING ACTIVITIES (CONT):

	2001 - 02	2000 - 01
	\$'000	\$'000
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	8,269	(6,453)
Increase in Inventory	(1,603)	(584)
Increase/(Decrease) in Payables	(20,047)	11,997
Decrease in Employee Entitlements	(1,238)	(1,518)
	<b>(14,619)</b>	<b>3,442</b>
<b>Net Cash Used in Operating Activities</b>	<b>(229,038)</b>	<b>(158,810)</b>

#### 33. OPERATING LEASE COMMITMENTS

##### (a) Payables

As at reporting date the amounts payable under non-cancellable operating leases are as follows:

Not later than 1 year	1,994	1,736
Later than 1 year but not later than 5 years	1,575	1,613
	<b>3,569</b>	<b>3,349</b>

##### (b) Receivables

As at reporting date the amounts receivable under non-cancellable operating leases are as follows:

Not later than 1 year	2,770	2,693
Later than 1 year but not later than 5 years	212	236
Later than 5 years	3	8
	<b>2,985</b>	<b>2,937</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 34. EXPENDITURE COMMITMENTS

Expenditure commitments represent the unpaid value of signed major contracts. The majority are long-term contracts awarded to the private sector for periods up to 10 years for the purpose of providing asset management, maintenance and rehabilitation services on roads, bridges and traffic control infrastructure.

	2001 - 02	2000 - 01
	\$'000	\$'000
Not later than 1 year	206,862	313,275
Later than 1 year but not later than 5 years	355,545	472,547
Later than 5 years	222,027	412,102
Commitments in respect of signed major contracts	<b>784,434</b>	<b>1,197,924</b>

##### 35. CONTINGENT LIABILITIES

Contractor Claims in Dispute	22,113	6,383
Resumption Claims in Dispute	50,264	63,200
Claims arising from construction of the Graham Farmer Freeway and Northbridge Tunnel	250	2,349
Bank Guarantee	230	-
	<b>72,857</b>	<b>71,932</b>

These amounts exclude claims or parts thereof that Main Roads expects to pay and which have been included as accruals in the Financial Statements.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 36. CONTROLLED ENTITIES

Main Roads controls the following entities. The financial years of the controlled entities are the same as that of the parent entity.

Name of controlled Entity	Note	Place of incorporation / formation	Book value of Main Roads Investment		% of equity held		Contribution to Surplus	
			2002 \$	2001 \$	2002 %	2001 %	2002 \$'000	2001 \$'000
Tarolinta Pty Ltd	(a)	Western Australia	11	11	100	100	-	-
The Aberdeen Hotel Unit Trust	(b)	Western Australia	10	10	100	100	-	-

- (a) Tarolinta Pty Ltd was incorporated on 15 June 1995 as a shelf company owned by Clayton Utz, Barristers & Solicitors. The company consented to act as Trustee of the Aberdeen Unit Trust on 4 January 1996. The shares in Tarolinta Pty Ltd are held in Trust for the Commissioner of Main Roads. Tarolinta Pty Ltd did not trade during the year ended 30 June 2002 and as at that date had net assets of \$11.
- (b) The Aberdeen Hotel Unit Trust ("the Trust") was settled on 4 January 1996. The Trust was formed to operate the Aberdeen Hotel that Main Roads acquired to enable access for construction of the Graham Farmer Freeway tunnel. The Trust ceased to operate on 11 February 1998. From that date Northbridge Enterprises Pty Ltd leased the property in the hotel and adjacent properties to the east and west from Main Roads. Northbridge Enterprises Pty Ltd has operated the business of the hotel from 12 February 1998. The lease expires in June 2003.

Consolidated financial statements have not been prepared as the net assets of controlled entities are immaterial to the results and financial position of Main Roads.



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 37. EVENTS OCCURRING AFTER REPORTING DATE

There were no events occurring after reporting date that have any financial effect on the results reported in these financial statements.

### 38. EXPLANATORY STATEMENT

Section 42 of the *Financial Administration and Audit Act 1985* requires Statutory Authorities to prepare annual estimates. Treasurer's Instruction 945 requires an explanation of significant variations between:

- the estimates and the actual results; and
- the actual results and those of the preceding year.



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 38. EXPLANATORY STATEMENT (CONT)

#### (a) Variation Between Estimates and Actual Results for 2001-02:

	Estimates \$'000	Actuals \$'000	Variance \$'000
<b>Expenses (including Capital and Operating Expenditure)</b>			
Supplies and Services	549,669	406,289	(143,380)
Grants and Subsidies	75,481	91,829	16,348
Depreciation - Infrastructure Assets	114,700	155,709	41,009
Borrowing Costs	19,346	15,401	(3,945)
Superannuation Expense	11,200	9,402	(1,798)
Infrastructure Assets Retired/Replaced	0	66,903	66,903
<b>Revenues</b>			
Commonwealth Grants	106,835	96,097	(10,738)
Natural Disaster Funds	-	6,571	6,571
Contributions to Roadworks	16,645	11,199	(5,446)
Net Profit on Disposal of Non-Current Assets	4,200	7,448	3,248
Grants from Other Bodies	19,500	486	(19,014)



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 38. EXPLANATORY STATEMENT (CONT)

The major components of these variances are:

##### **Supplies And Services**

The decrease is due to a number of projects including the Sawyers Valley to The Lakes project on the Great Eastern Highway and Roe Highway Stage 6 not proceeding as quickly as expected, and the transfer of responsibility from Main Roads to the Department for Planning and Infrastructure for various projects such as the land acquisition for the Northern Suburbs Transit System project (Currumbine to Butler).

##### **Grants and Subsidies**

The State Road Funds to Local Governments Advisory Committee has been actively monitoring the expenditure performance of Local Governments, and this has resulted in the completion during 2001-02 of works delayed from previous years.

##### **Depreciation - Infrastructure Assets**

The depreciation expense for the year was higher than the estimate for two reasons. Firstly, the estimate did not take account of the road asset revaluation. Earthworks and pavements were revalued in 2001-02 by approximately 17.5%. This was the first revaluation since 1999. Secondly, the estimate was understated compared to the actual depreciation charge for prior years on which the estimate was based.

##### **Borrowing Costs**

Borrowing requirements for 2001-02 were estimated at \$69.15 million. However, only \$10 million was required during the year as a result of delays in delivering roadwork projects. This resulted in lower than estimated borrowing costs.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 38. EXPLANATORY STATEMENT (CONT)

##### **Superannuation Expense**

The decrease in the superannuation expense is attributed to a decrease in the Superannuation and Family Benefits Act pension expense. The liability and resulting expense for the year is based on an actuarial valuation supplied by the Government Employees Superannuation Board. This reduction in the expense was not anticipated.

##### **Infrastructure Assets Retired/Replaced**

The Statement of Financial Performance included in the Budget Papers is presented in a different format to the Annual Financial Statements in that the infrastructure assets expected to be retired or replaced during the year are not reported in the Budget Papers as a separate line item. Instead, the retirements are offset against the expenditure to be capitalised and reported as a net amount.

##### **Commonwealth Grants**

The decrease in the level of grants received from the Commonwealth is due to delays in the delivery of projects on the National Highway. Grant funds are recouped from the Commonwealth on the basis of expenditure incurred.

##### **Natural Disaster Funds**

Estimates are not prepared for Natural Disaster Funds given the unpredictable nature of incidences attracting funding under the Natural Disaster Relief Arrangements.

##### **Contributions to Roadworks**

Fewer works were carried out on behalf of third parties than anticipated.

##### **Net Profit on Disposal of Non-Current Assets**

This increase is due to the proceeds from the sale of the Welshpool Office complex to LandCorp. The sale of this asset was originally included in the 2000-01 budget however was delayed and completed in 2001-02.



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 38. EXPLANATORY STATEMENT (CONT)

#### Grants from Other Bodies

The monies for the Northern Suburbs Transit System project (Currumbine to Butler) was originally to be paid to Main Roads for the acquisition of land on behalf of the Perth Urban Rail Development Office for the total transport corridor from Burns Beach Road to Romeo Road. Responsibility for the land acquisition was subsequently transferred to the Department for Planning and Infrastructure.

#### (b) Variation Between Actual Results for 2001-02 and 2000-01:

	2001-02 \$'000	2000-01 \$'000	Variance \$'000
<b>Operating Expenses</b>			
Employee Expenses	26,311	19,180	7,131
Supplies and Services	189,658	178,998	10,660
Grants and Subsidies	91,829	88,848	2,981
Depreciation - Infrastructure Assets	155,709	115,619	40,090
Depreciation - Other Non-Current Assets	2,718	1,643	1,075
Superannuation Expense	9,402	11,077	(1,675)
Infrastructure Assets Retired/Replaced	66,903	27,808	39,095
<b>Operating Revenue</b>			
Commonwealth Grants	96,097	75,117	20,980
Natural Disaster Funds	6,571	21,327	(14,756)
Contributions to Roadworks	11,199	46,191	(34,992)
Net Profit on Disposal of Non-Current Assets	7,448	5,486	1,962
<b>Revenues from Government</b>			
Output Appropriations	380,656	502,405	(121,749)



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 38. EXPLANATORY STATEMENT (CONT)

The major components of these variances are:

##### **Employee Expenses**

Whilst the total cost of salaries, wages and allowances is similar to last year, the amount applied to capital expenditure has decreased due to a reduction in expenditure on capital projects.

##### **Supplies and Services**

The variance relates to an increase in expenditure on recurrent type projects.

##### **Grants and Subsidies**

The increase is attributable to a growth in expenditure on State Black Spot projects.

##### **Depreciation - Infrastructure Assets**

The depreciation expense for the year was higher than the estimate for two reasons. Firstly, earthworks and pavements were revalued in 2001-02 by approximately 17.5%. This was the first revaluation since 1999. Secondly, the roughness counts showed a longer remaining life for rural pavements in 2000-01, resulting in a lower depreciation charge in that year.

##### **Depreciation – Other Non-Current Assets**

Whilst the total cost of depreciation on other Non-Current Assets is similar to last year, the amount applied to capital expenditure has decreased due to a reduction in expenditure on capital projects and therefore more depreciation has been expensed.

##### **Superannuation Expense**

The decrease in the superannuation expense is attributed to a decrease in the Superannuation and Family Benefits Act pension expense. The liability and resulting expense for the year is based on an actuarial valuation supplied by the Government Employees Superannuation Board.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 38. EXPLANATORY STATEMENT (CONT)

##### **Infrastructure Assets Retired/Replaced**

The increase in assets replaced is primarily due to land no longer required for road purposes and structures retired from work in progress.

##### **Commonwealth Grants**

The increase in revenue relates to an increase of Roads of National Importance funding from the Department of Transport and Regional Services for the Roe Hwy extension project.

##### **Natural Disaster Funds**

The variance relates to fewer incidences of natural disasters affecting roads during 2001-02, and hence a reduction in amounts recouped from the Fire and Emergency Services Authority under Natural Disaster Relief Arrangements for amounts expended on restoring state and local roads to pre-flood condition.

##### **Contributions to Roadworks**

The reduction relates to fewer large-scale works undertaken on behalf of third parties during 2001-02.

##### **Net Profit on Disposal of Non-Current Assets**

The increase relates to the sale of the Pilbara Street Welshpool Depot to LandCorp during 2001-02.

##### **Output Appropriations**

Output appropriations are lower in 2001-02 because appropriations for capital outputs are recognised as equity contributions in 2001-02 ([refer Note 1\(c\)](#)). These appropriations were reported as revenue in previous reporting periods. If the 2001-02 capital appropriation of \$240.046 million had continued to be reported as revenue in 2001-02, the "Change in Net Assets" would have been an increase of \$189.104 million.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 39. FINANCIAL INSTRUMENTS

##### (a) Hedging

Main Roads has not entered into any financial transactions for the purpose of hedging its exposure to commodity prices, foreign currencies or interest rates.

##### (b) Interest Rate Risk

Main Roads exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of market interest rates, and the effective average interest rates on financial assets and liabilities, is set out in the following table:

30 June 2002	Floating interest rate \$'000	Fixed Interest Rate Maturing in:			Non-Interest Bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More Than 5 years \$'000		
<b>Financial Assets:</b>						
Cash Assets	1,078	-	-	-	56,958	58,036
Receivables	-	-	-	-	9,665	9,665
	<b>1,078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,623</b>	<b>67,701</b>
<b>Financial Liabilities:</b>						
Payables	-	-	-	-	104,628	104,628
Interest Bearing Liabilities	-	6,730	143,570	75,372	-	225,672
Employee Entitlements	-	-	-	-	85,047	85,047
	<b>-</b>	<b>6,730</b>	<b>143,570</b>	<b>75,372</b>	<b>189,675</b>	<b>415,347</b>
Average interest rate	4.90%	5.51%	7.41%	6.31%		
<b>30 June 2001</b>						
<b>Financial Assets</b>	1,070	-	-	-	21,067	22,137
<b>Financial Liabilities</b>	-	(6,730)	(161,103)	(54,570)	(199,253)	(421,656)
	<b>1,070</b>	<b>(6,730)</b>	<b>(161,103)</b>	<b>(54,570)</b>	<b>(178,186)</b>	<b>(399,519)</b>
Average interest rate	5.97%	5.74%	7.77%	6.19%		



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 39. FINANCIAL INSTRUMENTS (CONT)

##### (c) Credit Risk

The credit risk on financial assets recognised in the Statement of Financial Position is the carrying amount, net of provisions for doubtful debts.

Main Roads minimises its exposure to credit risk through a policy that requires either payment in advance or a suitable guarantee. The security arrangements do not apply to Local Government, Commonwealth Government agencies or State Government entities.

##### (d) Fair Value

The carrying amounts and estimated fair values of financial instruments held at 30 June are as follows:

	2002		2001	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>				
Cash Assets	58,036	58,036	3,668	3,668
Receivables	9,665	9,665	18,185	18,185
<b>Financial Liabilities</b>				
Payables	104,628	104,628	112,969	112,969
Interest Bearing Liabilities	225,672	232,882	222,403	231,034
Employee Entitlements	85,047	85,047	86,284	86,284



## FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

### 39. FINANCIAL INSTRUMENTS (CONT)

The following methods were used to estimate the fair value of each class of financial instrument:

#### **Cash, Receivables and Payables**

The carrying amounts approximate fair value because of the short-term nature of these financial instruments.

#### **Interest Bearing Liabilities**

The fair value of borrowings is the estimated net market value supplied by the Western Australian Treasury Corporation.

#### **Employee Entitlements**

Current risk adjusted market rates.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 40. REMUNERATION OF ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

For the purposes of this disclosure Senior Officers have been defined as members of the Corporate Executive.

	2001 - 02	2000 - 01
	\$'000	\$'000
The total fees, salaries, superannuation and other benefits received or due and receivable for the financial year, by members of the Accountable Authority, from Main Roads or any related body.	210	195
The total fees, salaries, superannuation and other benefits received or due and receivable for the financial year, by Senior Officers other than members of the Accountable Authority, from Main Roads or any related body.	851	1,012

The number of members of the Accountable Authority whose total fees, salaries, superannuation and other benefits received or due and receivable for the financial year, falls within the following bands:

	2001 - 02	2000 - 01
\$190,001 - \$200,000	-	1
\$210,001 - \$220,000	1	-

The number of Senior Officers other than members of the Accountable Authority whose total fees, salaries, superannuation and other benefits received or due and receivable for the financial year, falls within the following bands:

\$100,001 - \$110,000	-	1
\$110,001 - \$120,000	-	1
\$120,001 - \$130,000	1	4
\$130,001 - \$140,000	3*	1
\$140,001 - \$150,000	-	-
\$150,001 - \$160,000	1*	1*
\$160,001 - \$170,000	-	-
\$170,001 - \$180,000	1*	-

\* Includes cash payments for accrued leave entitlements in lieu of taking annual or long service leave.



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

##### 41. AMOUNTS WRITTEN OFF AND LOSSES

- (a) Amounts written off under the authority of the Accountable Authority in accordance with Section 45 of the *Financial Administration and Audit Act 1985*:

	2001 - 02	2000 - 01
	\$'000	\$'000
Bad Debts - Damage to Roads, Bridges & Road Furniture	18	18
Bad Debts - Roadworks for Sundry Debtors	5	-
Bad Debts - Rents	8	6
Fixed Assets stocktake discrepancies	34	-
Stores and road construction/maintenance materials stocktake discrepancies	105	9
Thefts of Property and Equipment	1	1

- (b) Amounts written off under the authority of the Minister in accordance with Section 45 of the *Financial Administration and Audit Act 1985*:

Obsolete traffic signal lanterns	-	112
	-	<b>112</b>

- (c) Changes to the provision for doubtful debts have been made in the Financial Statements, which have not yet received write off approval:

The increase/(decrease) in the Provision for Doubtful Debts including all known debts at 30 June.	(10)	263
	<b>(10)</b>	<b>263</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 42. OUTPUT SCHEDULE OF EXPENSES AND REVENUES

	Bridge Construction \$'000		Road Construction \$'000		Road Improvement \$'000		Road Maintenance and Minor Modifications \$'000		Roadworks Capitalised/Asset Valuation Decrement \$'000		Total \$'000	
	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01
<b>COST OF SERVICES</b>												
<b>Expenses from Ordinary Activities:</b>												
Employee Expenses	1,766	2,305	19,783	19,984	12,427	12,624	16,880	16,900	(24,545)	(32,633)	26,311	19,180
Supplies and Services	18,568	40,321	171,653	241,818	67,036	102,053	149,033	182,050	(216,632)	(387,244)	189,658	178,998
Grants and Subsidies	-	-	-	-	-	-	91,829	88,848	-	-	91,829	88,848
Depreciation - Infrastructure	-	-	-	-	-	-	155,709	115,619	-	-	155,709	115,619
Depreciation - Other Non-Current Assets	148	247	1,513	1,613	755	817	1,531	1,407	(1,229)	(2,440)	2,718	1,644
Borrowing Costs	-	-	-	-	-	-	15,401	15,375	-	-	15,401	15,375
Superannuation Expense	-	-	-	-	-	-	9,402	11,076	-	-	9,402	11,076
Redundancy Costs	-	-	-	-	-	-	-	-	-	-	-	-
Loss on Sale of Assets	-	-	-	-	-	-	1	-	-	-	1	-
Revaluation Decrement of												
Property for Resale	-	-	-	-	-	-	313	85	-	-	313	85
Infrastructure Assets Replaced/Retired	-	-	-	-	-	-	66,903	27,808	-	-	66,903	27,808
<b>Total Cost of Services</b>	<b>20,482</b>	<b>42,873</b>	<b>192,949</b>	<b>263,415</b>	<b>80,218</b>	<b>115,494</b>	<b>507,002</b>	<b>459,168</b>	<b>(242,406)</b>	<b>(422,317)</b>	<b>558,245</b>	<b>458,633</b>



## FINANCIAL STATEMENTS AND NOTES

### COMMISSIONER OF MAIN ROADS

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

#### 42. OUTPUT SCHEDULE OF EXPENSES AND REVENUES (CONT)

	Bridge Construction \$'000		Road Construction \$'000		Road Improvement \$'000		Road Maintenance and Minor Modifications \$'000		Roadworks Capitalised/Asset Valuation Decrement \$'000		Total \$'000	
	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01	2001-02	2000-01
<b>Revenue from Ordinary Activities:</b>												
Commonwealth Grants	3,214	-	50,188	14,284	16,625	24,959	26,070	35,874	-	-	96,097	75,117
Natural Disaster Funds	-	-	-	-	-	-	6,571	21,327	-	-	6,571	21,327
Contributions to Roadworks	715	87	3,701	40,994	2,726	2,525	4,057	2,585	-	-	11,199	46,191
Net Profit on Disposal of Non-Current Assets	191	290	1,796	1,894	747	959	4,714	2,343	-	-	7,448	5,486
Other Income	118	263	1,110	1,713	462	867	2,918	2,120	-	-	4,608	4,963
<b>Total Revenues from Ordinary Activities</b>	<b>4,238</b>	<b>640</b>	<b>56,795</b>	<b>58,885</b>	<b>20,560</b>	<b>29,310</b>	<b>44,330</b>	<b>64,249</b>	<b>-</b>	<b>-</b>	<b>125,923</b>	<b>153,084</b>
<b>NET COST OF SERVICES</b>	16,244	42,233	136,154	204,530	59,658	86,184	462,672	394,919	(242,406)	(422,317)	432,322	305,549
<b>REVENUES FROM GOVERNMENT</b>												
Appropriations	-	-	-	-	-	-	380,656	285,385	-	-	380,656	285,385
Capital Contribution	16,738	20,037	157,716	130,770	65,592	66,213	-	-	(240,046)	-	-	217,020
Resources received free of Charge	-	-	-	-	-	-	724	108	-	-	724	108
<b>Total Revenues from Government</b>	<b>16,738</b>	<b>20,037</b>	<b>157,716</b>	<b>130,770</b>	<b>65,592</b>	<b>66,213</b>	<b>381,380</b>	<b>285,493</b>	<b>(240,046)</b>	<b>-</b>	<b>381,380</b>	<b>502,513</b>
<b>CHANGE IN NET ASSETS</b>	<b>494</b>	<b>(22,196)</b>	<b>21,562</b>	<b>(73,760)</b>	<b>5,934</b>	<b>(19,971)</b>	<b>(81,292)</b>	<b>(109,426)</b>	<b>2,360</b>	<b>422,317</b>	<b>(50,942)</b>	<b>196,964</b>



## STATEMENT OF EXPENDITURE Required Under Section 175 ZE of the *Electoral Act 1997*

	2001 - 02 \$'000
<b>Advertising Agencies</b>  Adcraft Promotional Pty Ltd, Boulos Consulting, Britel Enterprises Pty Ltd, Brown James & Associates, Corporate Theatre Productions Pty Ltd, DTZ Australia (WA) Pty Ltd, DTZ Australia-Advertising, Editorial & Publishing Consultants Pty Ltd, Essential Projects, Hocking & Co Pty Ltd, Marketforce Productions, Media Decisions WA, Media Monitors (WA) Pty Ltd	415
<b>Market Research Organisations</b>  Colmar Brunton, AC Neilson	20
<b>Media Advertising Organisations</b>  Albany Advertiser, Australian Business Directory, Avon Valley Advocate, Boab Babbler, Broome Advertiser, Bunbury Chamber of Commerce, Carnarvon Community News, Derby Tourist Bureau, Golden Post, Kalgoorlie-Boulder Chamber of Commerce & Industry, The Kimberley Echo, North West Radio Pty Ltd, North West Telegraph, Northern Guardian, Port Hedland Chamber of Commerce, Radio West Broadcasters Pty Ltd, Rural Press Regional Media WA Pty Ltd, Sports Media Enterprises, The West Australian, The Weekend Examiner, Westcoast Media Pty Ltd, Western Australian Local Government Association, The Wheel, The York Chronicle, CWS Corporate Communications, The Creative Express, 21CC Broadcast Productions, AA Media Services, Impact Communications, Carolyn Walker Public Relations	250
<b>Total Expenditure</b>	<b>685</b>



## PUBLICATIONS AVAILABLE TO THE PUBLIC

*Average Weekday Traffic Flows		Materials Testing Manual (full set)	\$308.00
Perth Metropolitan Area:		*(Individual test methods are available on MRWA Internet home page)	Free
1 July 1992 - 30 June 1999	\$27.50	Metropolitan Functional Road Hierarchy. 1999	\$27.50
*#Annual Report (latest). Electronic only.	Free	Regional Digest (latest)	Free
*Customer Service Charter	Free	SLK Books (for all areas throughout State)	POA
Design of Flood Crossings. 1990	\$27.50	*Strategic Plan 2002 - 2005. Electronic only.	Free
Distance Book. Ed 8. 1999	\$11.00	Suppliers Guide: electric wheelchairs and scooters. 2001	Free
<b>ENGINEERING ROAD NOTES:</b>		*Traffic Management for Roadworks - Code of Practice 2000. Electronic only.	Free
- No. 1 Bitumen Absorption by Sealing Aggregate. 1975	Free	Traffic Patterns - Rural Permanent Count Sites 1997 - 1998. 1999	\$27.50
- No. 2 The Effect of Power Kerosene on Bitumen. 1975	Free	*Utility providers code of practice for Western Australia 2000	Free
- No. 3 Surface 'Blistering' and Soil 'Fluffing'. 1975	Free	Vital Link: a history of Main Roads Western Australia 1926 - 1996, by Leigh Edmonds	POA
- No. 5 Interim Guide to Prediction of Pavement Moisture for Strength of Granular Base course and Sub-Base Materials. 1989	Free	Guidelines for Local Area Traffic Management. 1990	\$88.00
- No. 6 Guide to the Design of Bridge Approach Embankments Subject to inundation. 1984	Free		
- No. 7 Bitumen Scrap Rubber Seals. 1985	Free		
- No. 8 Statistically Based Quality Control for density in road construction. 1987	Free		
- No. 9 Procedure for Thickness Design of Flexible Pavements. 1988	Free		
Flood Estimation Procedures for Western Australia (Technical Report No. 50T). 1987	\$27.50	*Also available full text on Main Roads Internet home page <a href="http://www.mainroads.wa.gov.au">http://www.mainroads.wa.gov.au</a>	
Freedom of Information, Information Statement Revised. 1995	Free	# Audio version available on Main Roads Internet home page	
Guide to the Management of Roadside Advertising. 1998	\$55.00	All prices quoted are GST-inclusive.	
*A Guide to Roadside amenities and rest areas on highways in Western Australia	Free		
Guidelines for assessing level of service for cycling. Rev. Nov 1998	Free		



## GLOSSARY OF TERMS

Alignment	The location/placement of a road in relation to the surrounding environment.	Drainage	The removal of water by flow from the ground or from its surface.
Bitumen	A viscous liquid or a solid impure mixture, consisting essentially of hydrocarbons and their derivatives, which is used for road surfacing. It possesses waterproofing and adhesive qualities.	Dual-Use Paths	Paths provided for use by both pedestrians and cyclists.
Bypass	An alternative route that enables through-traffic to avoid urban areas.	Enterprise Agreement	An agreement between the employer and the employee that details working conditions and is registered with the Industrial Relations Commission (both Western Australia and Australia).
Carriageway	The portion of a road or bridge devoted particularly to the use of vehicles, inclusive of shoulders and auxiliary lanes.	Floodway	A longitudinal section of road designed at, or just above, ground level specially constructed to allow the passage of floodwater across it without damage.
Category-One Projects	Design and construct projects significant in scope and cost, generally greater than \$20 million. The Major Projects Directorate manages these projects.	Freeway	A divided highway for through-traffic with no access for traffic between interchanges and with grade separation at all intersections.
Category-Two Projects	Projects where the design is prepared initially and construction then advertised as a separate contract. They are generally less than \$20 million and may be managed by the Construction and Maintenance Services and Major Projects Directorates.	Highway	Highways provide connections between capital cities. They are also principal routes between a city and the major producing regions of the State. Highways also service major transport terminals or significant commercial and industrial centres.
Category-Three Projects	Projects delivered through term-network contracts and managed by the Construction and Maintenance Services Directorate.	Main Road	A principal road in the road system.
Corporate Governance	The way we balance compliance against risk-taking as we direct, control and are held accountable for the business performance of Main Roads.	Maintenance	The work carried out on an existing road and appurtenances to maintain its efficiency or quality.
Culvert	One or more adjacent pipes or enclosed channels for conveying a stream below formation level and carrying water under a roadway.	Median	A strip of road that separates carriageways for traffic in opposite directions.
		Outcome	The effects, impacts, results on, or consequences for, the community or target clients of the goods and services (outputs) produced.
		Output	Goods or services, including policy advice, produced for external users.



## GLOSSARY OF TERMS (CONT)

Overlay	The addition of one or more courses of pavement material to an existing road surface, generally to increase strength, and/or to improve ride quality.	Seal	A thin surface layer of sprayed bitumen.
Overtaking/Passing	An auxiliary lane provided for slower vehicles to allow them to be overtaken.	SLK	Straight line kilometre.
Pavement	That portion of a carriageway placed above the levelled surface or earth or rock for the support of, and to form a running surface for, vehicular traffic.	Stakeholders	Individual or group with a direct interest in Main Roads' outputs.
PI - Performance Indicator	A simple measure that allows objective comparisons to be made. An example is road maintenance costs per kilometre in a region. This can be compared to other regions and monitored over time.	Strategy	This is how a broad objective will be approached. An example is Main Roads' Contracting Strategy. It specifies the mix of contract types that will deliver the best outcome for the community.
Primerseal	An application of sprayed bituminous binder with a fine aggregate cover to a prepared base as a preliminary treatment to a more permanent bituminous surface.	Sustainability	The long-term balance of social, environmental and economic factors into an organisation's activities and decision-making and investment processes.
Principal Shared Path	Paths which are adjacent to freeways, major highways and rail corridors. These paths cater for pedestrians, including those in wheelchairs, and cyclists.	Technical Services	Professional services, other than construction and maintenance works, required to maintain and improve the State Road Network.
Realignment	A change in the geometric form of the original centre-line of a carriageway with respect to the vertical and horizontal axes.	Term Contracts	A contract to deliver a set of given services for a defined period. Examples include the ten-year Term Network Contracts to maintain sections of the road network and the three-year Term Consultancy Contracts to provide road and structures technical services.
Reconstruction	Rebuilding of a road. Reconstruction is normally undertaken when a pavement has reached the end of its economic life and where the alignment, or formation height, or width is substandard.	Workplace Agreement	An agreement under the terms of Section 170MD of the <i>Workplace Relations Act 1996 (Cth)</i> or under the terms of Section 41 of the <i>Industrial Relations Act 1979 (WA)</i> .
Reseal	A sprayed seal applied to an existing sealed surface.		
Risk Management	Procedures to ensure that all risks are considered, evaluated and pre-emptive action taken as necessary.		



## HOW TO CONTACT US

PLEASE VISIT OUR WEBSITE  
[WWW.MAINROADS.WA.GOV.AU](http://WWW.MAINROADS.WA.GOV.AU)

Our website contains a great deal of information on our activities and road-related issues including up-to-date traffic and road-condition reports as well as real-time traffic information delivered directly by cameras situated on various busy roads throughout the metropolitan area.





## HOW TO CONTACT US (CONT)

### Feedback and Complaints

Please contact the relevant Main Roads Office. If you are still not satisfied with the service offered please contact Main Roads' Customer Advocate.

Tel: (08) 9323 4111

Email: [dac@mainroads.wa.gov.au](mailto:dac@mainroads.wa.gov.au)

Fax: (08) 9323 4430

### Customer Enquiries

Call (08) 9323 4111

8am to 5pm weekdays

### Media Enquiries

Manager Public Affairs

Tel: (08) 9323 4638

Mobile: 0419 907 230

Fax: (08) 9221 0044

Email:

[dean.roberts@mainroads.wa.gov.au](mailto:dean.roberts@mainroads.wa.gov.au)

### Emergencies/Traffic Faults

Please report all missing or damaged signs, traffic signal faults, street light problems, potholes or traffic accidents on freecall 1800 800 009 (24 hours)

### Road Condition Report

Latest information on road and traffic conditions throughout the State is available on freecall 1800 013 314 (24 hours)

### Traffic Issues

Traffic Operations Centre

Tel: (08) 9428 2222

Fax: (08) 9428 2220

TTY: (08) 9428 2230

Email:

[roadtraff@mainroads.wa.gov.au](mailto:roadtraff@mainroads.wa.gov.au)

### Head Office

When calling on general business, our address is:

Don Aitken Centre

Waterloo Crescent

EAST PERTH WA 6004

Tel: (08) 9323 4111

Fax: (08) 9323 4430

TTY: (08) 9311 8430

Email: [dac@mainroads.wa.gov.au](mailto:dac@mainroads.wa.gov.au)

When writing, our postal address is:

PO Box 6202

EAST PERTH WA 6892

### Heavy Vehicle Operations

For information on extra width or heavy load permits:

2 Adams Drive

WELSHPOOL WA 6106

Tel: (08) 9311 8450

Fax your application to:

Fax: (08) 9311 8455

Pay by Bankcard, Master Card or Visa.

For emergencies after hours, contact the Heavy Vehicles Operations Manager on:

Tel: (08) 9311 8450

### Pavements Engineering

JJG Punch Laboratory

50 Pilbara Street

WELSHPOOL WA 6106

Tel: (08) 9350 1444

Fax: (08) 9451 1400

### Gascoyne Region

470 Robinson Street

PO Box 480

CARNARVON WA 6701

Tel: (08) 9941 0777

Fax: (08) 9941 0701

### Goldfields-Esperance Region

Lower Hannan Street

PO Box 99

KALGOORLIE WA 6433

Tel: (08) 9080 1400

Fax: (08) 9080 1452

### Great Southern Region

Chester Pass Road

PO Box 503

ALBANY WA 6331

Tel: (08) 9892 0555

Fax: (08) 9841 8213

### Kimberley Region

Wodehouse Street

PMB 959

DERBY WA 6728

Tel: (08) 9158 4333

Fax: (08) 9158 4334

### Messmate Way

PO Box 138

KUNUNURRA WA 6743

Tel: (08) 9168 1755

Fax: (08) 9168 1995

### Metropolitan Region

2 Adams Drive

WELSHPOOL WA 6106

Tel: (08) 9311 8333

Fax: (08) 9311 8383

### Mid West Region

Eastward Road

PO Box 165

GERALDTON WA 6531

Tel: (08) 9956 1200

Fax: (08) 9956 1240

### Pilbara Region

Brand Street

PO Box 2256

SOUTH HEDLAND

WA 6722

Tel: (08) 9172 8877

Fax: (08) 9140 1076

### South West Region

Robertson Drive

PO Box 5010

BUNBURY WA 6231

Tel: (08) 9725 5677

Fax: (08) 9725 4013

### Wheatbelt North Region

Peel Terrace

PO Box 333

NORTHAM WA 6401

Tel: (08) 9622 4777

Fax: (08) 9622 3940

### Wheatbelt South Region

Mokine Road

PO Box 194

NARROGIN WA 6312

Tel: (08) 9881 0566

Fax: (08) 9881 0503

### Library Services

For information from our library, contact our Librarian on:

Tel: (08) 9323 4181

Fax: (08) 9323 4430



## APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS (AS AT 30 JUNE 2002)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT			VARIANCE \$'000	EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000		
ALBANY HIGHWAY	BEDFORDALE HILL	CONSTRUCT DUAL CARRIAGEWAY	2002-03	200		29,760	29,639	121	
ALBANY HIGHWAY	OATS SREET-LEACH HIGHWAY	CONSTRUCT	2005-06 +	13,230		16,737	16,732	5	
BROOKTON HIGHWAY	CORRIGIN-HYDEN	WIDEN EXISTING SINGLE LANE SEAL	2005-06 +	26,807		31,900	23,280	8,620	PROJECT SCOPE AND COST ESTIMATES REVISED TO INCLUDE ADDITIONAL WORKS EAST OF HYDEN AND TO ACCOUNT FOR CHANGED REALIGNMENTS DUE TO ENVIRONMENTAL ISSUES.
BROOKTON HIGHWAY	KARRAGULLEN-BROOKTON	RECONSTRUCT AND WIDEN	2005-06 +	5,151		25,941	25,991	-50	
BROOME CAPE LEVEQUE ROAD		VARIOUS IMPROVEMENTS	2005-06 +	9,727		10,110	10,110		
BUSSELL HIGHWAY	BUSSELTON BYPASS	CONSTRUCT	2002-03	635		19,581	19,413	168	
BUSSELL HIGHWAY	VASSE-MARGARET RIVER	WIDEN	2005-06 +	25,690		26,154	14,518	11,636	PROJECT SCOPE AND COST ESTIMATES REVISED DURING PRELIMINARY DESIGN PHASE.
CARNARVON-MULLEWA ROAD	NORTH WEST COASTAL HIGHWAY-GASCOYNE JUNCTION	CONSTRUCT AND SEAL	2005-06 +	18,694		22,694	21,798	896	
CAVES ROAD	BUSSELTON BYPASS-DUNSBOROUGH	CONSTRUCT	2005-06 +	21,430		21,623	21,600	23	
CERVANTES-GREEN HEAD ROAD	LANCELIN-CERVANTES	DESIGN AND CONSTRUCT	2005-06	30,074		31,507	31,968	-461	
CHIDLOW-YORK ROAD	CHIDLOW-YORK	RECONSTRUCT AND PRIMERSEAL	2005-06 +	6,877		11,668	11,668		
CITY ACCESS ROADS		CONSTRUCT AND SEAL	2002-03	5		16,932	21,793	-4,861	THE BUS LANE WIDENING AT THE NARROWS INTERCHANGE HAS BEEN CANCELLED.
DAMPIER ROAD		EXTEND DUAL CARRIAGEWAY AND CONSTRUCT PASSING LANES	2005-06 +	11,500		11,570	11,630	-60	
EAST-WEST HEAVY HAULAGE ROADS	STAGE 1	CONSTRUCT	2005-06 +	4,987		25,366	25,432	-66	
EYRE HIGHWAY	CAIGUNA WEST SECTION	WIDEN	2001-02		10,853		10,876	-23	



## APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS (AS AT 30 JUNE 2002) CONTINUED

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT		PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000			
FREMANTLE-ROCKINGHAM HIGHWAY	JERVOIS BAY INFRASTRUCTURE	CONSTRUCT	2005-06 +	23,660		32,080	32,080		
FREMANTLE-ROCKINGHAM HIGHWAY	ROCKINGHAM-WATTLEUP	CONSTRUCT BUS WAY LINKAGE	2005-06 +	34,400		38,931	28,931	10,000	FULL EXTENT OF WORKS HAS NOW BEEN INCLUDED.
GERALDTON-MOUNT MAGNET ROAD	BRINGO-MULLEWA	WIDEN AND PRIMERSEAL	2005-06 +	6,250		10,277	11,277	-1,000	
GERALDTON-MOUNT MAGNET ROAD	GERALDTON SOUTHERN TRANSPORT CORRIDOR	CONSTRUCT AND SEAL	2005-06	76,702		86,317	46,009	40,308	ESTIMATES REVISED TO INCLUDE THE CONTRIBUTION FROM THE WESTERN AUSTRALIAN GOVERNMENT RAILWAYS COMMISSION.
GIBB RIVER ROAD	DERBY-GIBB RIVER-WYNDHAM	IMPROVE FORMATION AND GRAVEL	2005-06 +	20,500		26,802	26,802		
GOLDFIELDS HIGHWAY	MOUNT KEITH-WILUNA	DESIGN AND CONSTRUCT	2002-03	57		27,176	27,176		
GOLDFIELDS HIGHWAY	WILUNA-MEEKATHARRA	CONSTRUCT AND SEAL	2005-06 +	68,000		68,734	67,671	1,063	
GRAHAM FARMER FREEWAY	MITCHELL FREEWAY TO GREAT EASTERN HIGHWAY	CONSTRUCT	2002-03	3,410		388,907	385,099	3,808	
GREAT CENTRAL ROAD	LAVERTON-DOCKER RIVER	IMPROVE FORMATION AND GRAVEL	2005-06 +	20,941		25,126	24,865	261	
GREAT EASTERN HIGHWAY	GREAT EASTERN HIGHWAY / ROE HIGHWAY	CONSTRUCT INTERCHANGE	2005-06 +	20,500		22,200	11,950	10,250	MORE DETAILED INVESTIGATIONS AND DESIGN REVEALED GREATER SCOPE OF WORKS AND COST THAN INITIALLY ENVISAGED.
GREAT EASTERN HIGHWAY	NORTHAM BYPASS	DESIGN AND CONSTRUCT	2002-03	1,660		46,190	42,280	3,910	
GREAT EASTERN HIGHWAY	ORRONG ROAD / GREAT EASTERN HIGHWAY BYPASS	CONSTRUCT	2005-06 +	52,500		55,814	55,814		
GREAT EASTERN HIGHWAY	ROE HIGHWAY-SCOTT STREET	WIDEN AND SEAL	2002-03	180		14,480	13,448	1,032	
GREAT EASTERN HIGHWAY	SAWYERS VALLEY-THE LAKES	RECONSTRUCT	2004-05	33,450		34,733	42,582	-7,849	THE FINANCIAL MANAGEMENT SYSTEM AND PROJECT CHARTER HAVE NOW BEEN ALIGNED.
GREAT NORTHERN HIGHWAY	BOW RIVER BRIDGE	REPLACE SINGLE LANE BRIDGE AND APPROACHES	2005-06 +	18,087		18,271	19,194	-923	
GREAT NORTHERN HIGHWAY	BOW RIVER SECTION	RECONSTRUCT	2005-06 +	10,449		10,833	12,384	-1,551	
GREAT NORTHERN HIGHWAY	ORD RIVER BRIDGE	CONSTRUCT BRIDGE AND APPROACHES	2003-04	10,305		10,970	17,000	-6,030	COST ESTIMATE REFINED FOLLOWING DETAILED DESIGN.



## APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS (AS AT 30 JUNE 2002) CONTINUED

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT			VARIANCE \$'000	EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000		
GREAT NORTHERN HIGHWAY	SWAN VALLEY BYPASS	CONSTRUCT	2005-06 +	150,000		151,154	151,161	-7	
GREAT NORTHERN HIGHWAY	UPPER PANTON/ROSES YARD AND FLETCHERS	CONSTRUCT BRIDGES	2005-06 +	11,557		11,651	14,500	-2,849	SCOPE OF WORK AND ESTIMATE REVISED FOLLOWING FURTHER INVESTIGATION.
GREY ROAD	PORT GREGORY-KALBARRI	CONSTRUCT AND SEAL	2001-02		15,552		15,562	-10	
KARRATHA-TOM PRICE	STAGE 1	CONSTRUCT AND SEAL	2003-04	18,870		23,200	23,339	-139	
KARRATHA-TOM PRICE	STAGE 2	CONSTRUCT AND SEAL	2005-06 +	79,938		80,120		80,120	
KWINANA FREEWAY	INTERCHANGES AND EXTENSION TO SAFETY BAY ROAD	DESIGN AND CONSTRUCT	2002-03	3,719		160,264	162,535	-2,271	
KWINANA FREEWAY	JUDD STREET-SOUTH STREET	DESIGN AND CONSTRUCT BUS TRANSITWAY	2005-06 +	70,455		105,402	104,086	1,316	
KWINANA FREEWAY	NARROWS BRIDGE DUPLICATION	DESIGN AND CONSTRUCT	2001-02		50,144		48,840	1,304	
KWINANA FREEWAY	SAFETY BAY ROAD-FREMANTLE ROAD, MANDURAH	CONSTRUCT	2005-06 +	165,000		166,734	161,774	4,960	
LORD STREET	LORD STREET BRIDGE	GRADE SEPARATION	2001-02		16,840		16,875	-35	
MARBLE BAR	RIPON HILLS-SHAW RIVER	CONSTRUCT AND PRIMERSEAL	2005-06 +	22,130		49,835	49,472	363	
MINERAL SANDS PROJECT	BEENUP AND JANGARDUP ROUTES	CONSTRUCT AND SEAL	2005-06 +	110		60,556	68,504	-7,948	
MITCHELL FREEWAY	LOFTUS STREET BRIDGE	CONSTRUCT BRIDGE	2002-03	500		21,770	21,802	-32	
MITCHELL FREEWAY	OCEAN REEF ROAD-HODGES DRIVE	CONSTRUCT	2001-02		20,632		20,646	-14	
MOWEN ROAD	ROSA BROOK ROAD-NANNUP	CONSTRUCT AND SEAL	2005-06 +	10,450		12,066	12,000	66	
MOUNT MAGNET-SANDSTONE-AGNEW	YOUANMI TURNOFF-AGNEW	DESIGN, CONSTRUCT AND SEAL	2005-06	27,481		67,094	67,694	-600	
MUIRS ROAD	NYAMUP-STRACHAN	RECONSTRUCT	2005-06 +	12,641		13,182	12,940	242	
MUIRS ROAD	STRACHAN-REGIONAL BOUNDARY	WIDEN AND RECONSTRUCT	2005-06 +	19,170		19,192	19,192		
NARROGIN-KONDININ ROAD	WICKEPIN-KULIN	RECONSTRUCT	2005-06 +	7,400		10,608	11,624	-1,016	
NORTH WEST COASTAL HIGHWAY	GASCOYNE RIVER	RECONSTRUCT BRIDGE	2002-03	2,181		10,277	10,949	-672	



## APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS (AS AT 30 JUNE 2002) CONTINUED

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT			VARIANCE \$'000	EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000		
NORTH WEST COASTAL HIGHWAY	MINILYA-BARRADALE	WIDEN AND SEAL	2005-06 +	23,980		24,158	24,158		
NORTH WEST COASTAL HIGHWAY	UTAKARRA ROAD-GREEN STREET	CONSTRUCT DUAL CARRIAGEWAY	2005-06 +	17,000		18,655	18,655		
NORTHAM-CRANBROOK ROAD	NARROGIN LINK ROAD	CONSTRUCT	2005-06 +	5,655		14,279	14,279		
OLD COAST ROAD	AUSTRALIND-EATON	CONSTRUCT AND SEAL SECOND CARRIAGEWAY INCLUDING BRIDGE	2005-06 +	14,100		14,107	12,707	1,400	
ORD FARM ROADS	WYNDHAM-EAST KIMBERLEY SHIRE	CONSTRUCT	2005-06 +	25,036		38,544	38,544		
PERTH BICYCLE PLAN	STAGE 1	VARIOUS SAFETY AND NETWORK IMPROVEMENTS	2002-03	2,427		15,403	15,335	68	
PERTH BICYCLE PLAN	STAGE 2	VARIOUS SAFETY AND NETWORK IMPROVEMENTS	2005-06 +	18,202		18,231		18,231	
PERTH-BUNBURY HIGHWAY	BUNBURY OUTER RING ROAD	CONSTRUCT AND SEAL SINGLE CARRIAGEWAY INCLUDING BRIDGES	2005-06 +	40,381		41,029	39,117	1,912	
PERTH-BUNBURY HIGHWAY	BUNBURY PORT ACCESS	CONSTRUCT AND SEAL INCLUDING BRIDGES	2005-06 +	39,350		39,442	39,367	75	
PERTH-BUNBURY HIGHWAY	DAWESVILLE DEVIATION	CONSTRUCT DUAL CARRIAGEWAY	2002-03	65		14,894	14,970	-76	
PERTH-BUNBURY HIGHWAY	PEEL DEVIATION	CONSTRUCT DUAL CARRIAGEWAY INCLUDING BRIDGES	2005-06 +	69,551		70,392	70,892	-500	
QUEEN VICTORIA STREET	FREMANTLE TRAFFIC BRIDGE	RECONFIGURE NAVIGATION SPAN	2005-06 +	13,092		13,217		13,217	
REID HIGHWAY	BEECHBORO ROAD-ROE HIGHWAY	CONSTRUCT SECOND CARRIAGEWAY	2005-06 +	35,220		60,139	60,099	40	
REID HIGHWAY	MARMION AVENUE-ERINDALE ROAD	CONSTRUCT	2002-03	288		18,658	17,757	901	
REID HIGHWAY	MIRRABOOKA AVENUE-BEECHBORO ROAD	CONSTRUCT INTERCHANGE	2005-06 +	11,550		11,770	20,220	-8,450	ESTIMATES REVISED DOWN TO REFLECT COST OF RECENT INTERCHANGE CONSTRUCTION ON KWINANA FREEWAY.
RIPON HILLS ROAD		CONSTRUCT AND SEAL	2002-03	1,605		64,179	63,165	1,014	



## APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS (AS AT 30 JUNE 2002) CONTINUED

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT			VARIANCE \$'000	EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000		
ROE HIGHWAY	ALBANY HIGHWAY CROSSING	CONSTRUCT	2002-03	791		38,502	36,893	1,609	
ROE HIGHWAY	NICHOLSON ROAD-SOUTH STREET	CONSTRUCT	2004-05	38,852		40,660	99,000	-58,340	PRECEDING YEAR'S ESTIMATE INCLUDED STAGE 7 WORKS FROM SOUTH STREET TO KWINANA FREEWAY.
ROE HIGHWAY	SOUTH STRET-KWINANA FREEWAY	CONSTRUCT	2005-06 +	58,004		58,005		58,005	
ROE HIGHWAY	WELSHPOOL ROAD-NICHOLSON ROAD	CONSTRUCT	2003-04	31,248		83,085	89,000	-5,915	
ROE HIGHWAY	WIMBLEDON-RUPERT CONNECTION	CONSTRUCT	2002-03	199		30,773	30,090	683	
SERVETUS STREET		CONSTRUCT	2001-02		28,619		28,630	-11	
SOUTH WESTERN HIGHWAY	ARMADALE-BYFORD	EXTEND DUAL CARRIAGEWAY	2005-06 +	12,000		12,333	12,333		
SOUTH WESTERN HIGHWAY	PINJARRA-WAROONA	RECONSTRUCT, WIDEN AND SEAL INCLUDING OVERTAKING LANES	2002-03	1,004		11,064	10,917	147	
TANAMI ROAD	HALLS CREEK SHIRE	IMPROVE FORMATION AND DRAINAGE	2005-06 +	10,000		10,073	10,073		
TONKIN HIGHWAY	ALBANY HIGHWAY-MUNDIJONG	DESIGN AND CONSTRUCT	2005-06 +	185,976		201,477	207,999	-6,522	
VARIOUS LOCAL ROADS	GRAIN LOGISTICS ROADS	IMPROVEMENTS	2005-06 +	14,489		19,693	19,693		
VARIOUS LOCAL ROADS	RAILWAY CROSSINGS	IMPROVEMENTS	2005-06 +	24,957		31,983	29,643	2,340	
VARIOUS URBAN	BUS PRIORITY MEASURES	CIRCLE BUS ROUTE AND SYSTEM 21 BUS PRORITY MEASURES	2005-06 +	31,167		34,548	32,999	1,549	
VARIOUS URBAN	PERTH ACCESS PLAN	VARIOUS IMPROVEMENTS	2005-06 +	6,711		24,449	25,608	-1,159	
VARIOUS URBAN HIGHWAYS	BROOKTON-ALBANY-SOUTH WESTERN	CONSTRUCT NEW LINK	2005-06 +	138,000		138,005	138,005		
WANNEROO ROAD	PINJAR ROAD-YANCHEP BEACH ROAD	CONSTRUCT SECOND CARRIAGEWAY	2005-06 +	11,624		21,219	21,020	199	
WUBIN-MULLEWA ROAD	PERENJORI-MULLEWA	WIDEN, PRIMERSEAL AND SEAL	2005-06 +	20,050		20,051	20,085	-34	
YORK-MERREDIN		WIDEN	2005-06 +	14,265		16,646		16,646	



## APPENDIX 2: CONTRACTS AWARDED EXCEEDING \$1 MILLION

Contract Number	Contract Description	Contractor	Award Value
0001/00	Design and construct Mount Magnet to Leinster Road, Youanmi to Agnew section	Henry Walker Eltin Contracting Pty Ltd	40 063 946
1841/00	Reconstruct North West Coastal Highway (Gascoyne River Bridge to Blowholes Road turn-off) and Reconstruct Gascoyne River Bridge and approaches	Highway Construction Pty Ltd	11 598 494
0467/00	Road, bridge and underpass construction, Eddystone Avenue	Transfield Construction (WA)	7 287 691
0153/01	Road construction Marble Bar Road, SLK 290.51 to SLK 300.30 and SLK 327.78 to SLK 338.58	Brierty Contractors	5 762 725
1862/00	Road and bridge reconstruction, South Western Highway, Parry Beach section	Brierty Contractors	5 023 131
2290/00	Road reconstruction and realignment, Great Northern Highway, Bindoon Hill North section, SLK 67.5 to SLK 71.4	Ertech Pty Ltd	3 977 776
2211/00	Road construction Coolgardie - Esperance Highway	Brierty Contractors	3 633 802
0023/01	Construct a principal shared path, East Parade to Caledonian Avenue and Loftus Street to Coghlan Road	Advanteering Civil Engineers	3 401 237
0340/01	Reconstruction and overlay Great Northern Highway SLK 2394 to SLK 2400 and SLK 2402 to SLK 2410	Brierty Contractors	3 247 217
0348/00	Reconstruction, Victoria Highway. SLK 47.6 to 52.4 and SLK 71.2 to 74.0	JJ McDonald & Sons Engineering Pty Ltd	2 894 347
2246/00	Floodway improvements, Great Northern Highway, Halls Creek to Victoria highway	Brierty Contractors	2 477 263
1750/00	Provision of pavement condition data collection services in Western Australia	ARRB Transport Research (WA)	2 475 825
1750/00	Provision of pavement condition data collection services in Western Australia	Tonkin & Taylor International Ltd	2 139 283
1757/00	Construction of 1.2 kilometres of realignment of the Great Northern Highway through the Dalwallinu Townsite, widening and reconstruction of existing alignment for the approaches at either end of the realignment. Allowance for turning pockets and slip lanes at main intersections and new railway level crossing	Georgiou Group Pty Ltd	1 917 636
2283/00	Road widening, overlay and overtaking lanes, South Western Highway, Wokalup to Bengier section, SLK 15.3 to SLK 119.96	Pavement Technology Ltd	1 849 473
0185/02	Provision of facilities management services for Main Roads	SSL Spotless Facilities Management	1 701 000
0270/01	Landscape maintenance work on Great Eastern Highway, near Burswood Hotel/Shepperton Road intersection and Heirisson Island	Australian Turf Industries Pty Ltd	1 628 000
2225/00	Road and bridge construction, Shenton Park Busway, Stubbs Terrace to Railway Road at Aberdare Road	Bocol Constructions Pty Ltd	1 451 029
0205/01	Bituminous surfacing, various roads, Mid West Region	RNR Contracting Pty Ltd	1 422 914
0133/01	Provision of skid-resistance data collection and processing services in WA	ARRB Transport Research (WA)	1 241 588