



MAIN ROADS
Western Australia



2001

ANNUAL REPORT 2001

WHAT WE DO



Main Roads is Western Australia's State road authority, managing a network of some 17,500 kilometres of National Highways and State Roads with a value of more than \$10 billion. To manage the road network, Main Roads works in conjunction with Local Government and its local road network in order to create an integrated and efficient transport network that supports the needs of all road users.

Outside of road construction and maintenance, Main Roads also has statewide responsibility for all regulatory road signs, traffic control signals and road markings.

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 that forms part of an integrated Western Australian transport system.

OUR OBJECTIVES



To provide:

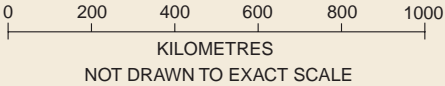
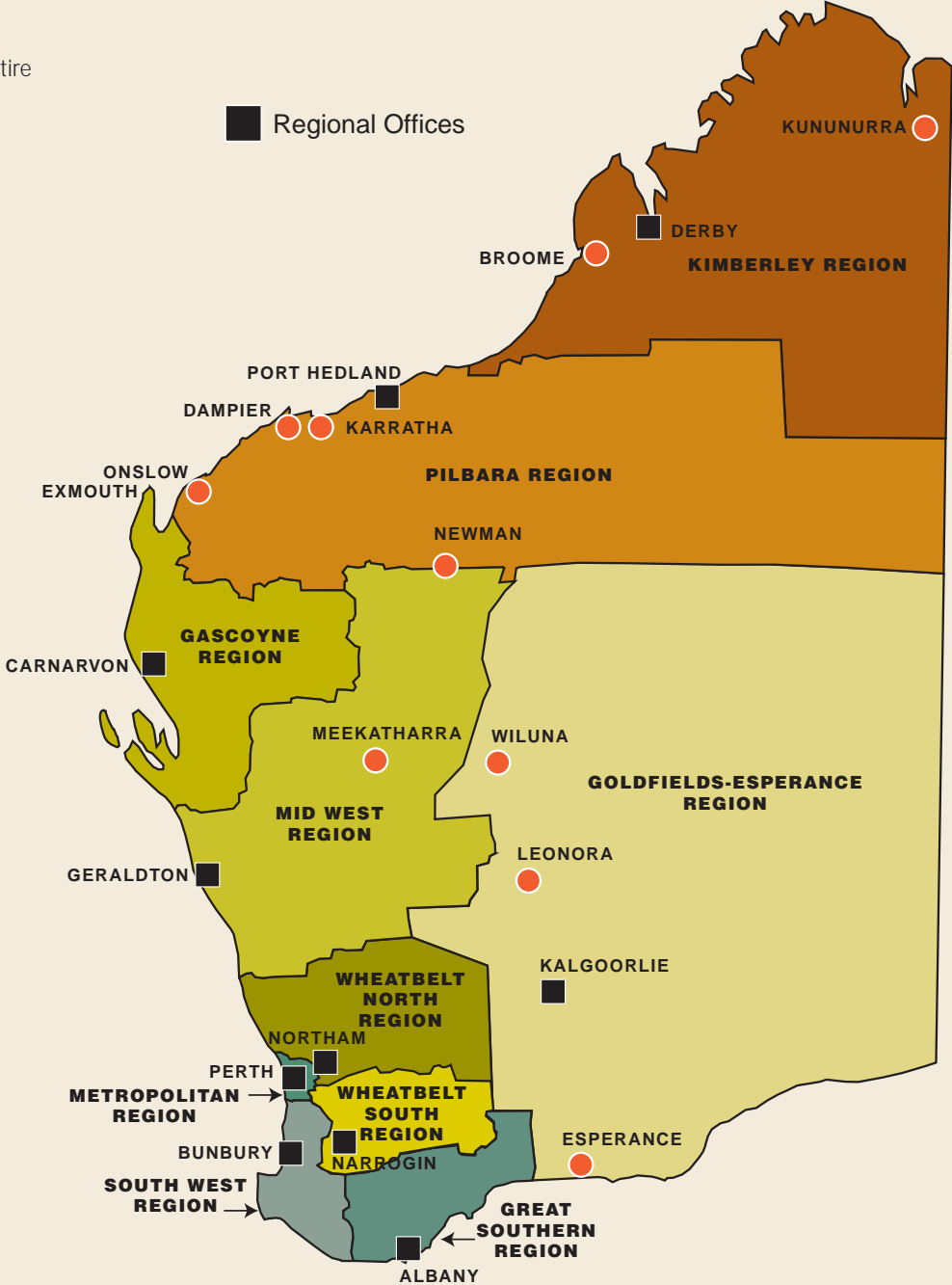
- A safe and accessible road system for all road users including public transport, pedestrians, cyclists and people with disabilities
- A balanced road investment program
- Regional development and improved service
- Time and cost savings for all road users

Main Roads provides essential transport infrastructure for urban, rural and remote communities and industry to generate social, economic and environmental benefits and ensures that ongoing public investment in road and road transport initiatives are properly planned, managed and protected.

Main Roads manages its business through a head office located in Perth and 10 regional offices that cover the entire state as shown:



■ Regional Offices



CONTENTS

	PAGE NO:		PAGE NO:
• COMMISSIONER'S OVERVIEW.....	6	• FINANCIAL HIGHLIGHTS.....	51
• FUTURE DIRECTIONS.....	8	• CORPORATE GOVERNANCE.....	55
• COMMUNITY INVOLVEMENT.....	9	• MAP OF WESTERN AUSTRALIAN STATE ROAD NETWORK.....	63
• MANAGEMENT STRUCTURE.....	12	• MAP OF WESTERN AUSTRALIAN SOUTH WEST AREA ROAD NETWORK.....	64
• MANAGEMENT ORGANISATION CHART.....	13	• MAP OF WESTERN AUSTRALIAN METROPOLITAN ROAD NETWORK.....	65
• OUR PEOPLE.....	14	• FINANCIAL STATEMENTS AND NOTES.....	66
• ASSET MANAGEMENT AND INVESTMENT PLANNING.....	19	• STATEMENT OF EXPENDITURE REQUIRED UNDER SECTION 175 ZE OF THE ELECTORAL ACT 1997.....	114
• ROAD SAFETY.....	20	• PUBLICATIONS AVAILABLE TO THE PUBLIC.....	115
• ENVIRONMENTAL MANAGEMENT.....	23	• GLOSSARY OF TERMS.....	116
• OPERATIONAL ACHIEVEMENTS AND PERFORMANCE.....	26	• HOW TO CONTACT US.....	118
• The Road Program.....	26	• APPENDIX 1: Major Road and Bridge Projects Completed and in Progress Greater than \$10 million (as at 30 June 2001).....	121
• Output Overview.....	26	• APPENDIX 2: Contracts Awarded Exceeding \$1 million.....	127
• Road Maintenance and Minor Modifications.....	28		
– Key Performance Indicators.....	29		
• Road Improvements.....	31		
– Key Performance Indicators.....	37		
• Road Construction.....	39		
– Key Performance Indicators.....	44		
• Bridge Construction.....	45		
– Key Performance Indicators.....	47		
• ROAD INDUSTRY FACT SUMMARY.....	50		

→ 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 2001. This Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.

A handwritten signature in black ink, appearing to read 'G. Martin'.

Greg Martin
COMMISSIONER OF MAIN ROADS
27 August, 2001.

→ → COMMISSIONER'S OVERVIEW



*Greg Martin
Commissioner of
Main Roads*

2000-2001 has truly been an exceptional year for Main Roads. We have completed the largest investment program in our history; commenced implementation of the new Government's road program priorities; contributed to new machinery of Government arrangements and re-organised internally to support the new Government direction and priorities and improve our service delivery.

Despite this record level of activity and change, Main Roads once again compared favourably against a suite of over 30 performance indicators used by all Australian and New Zealand road authorities. This was in addition to similar good news summarised in our own internal corporate and management performance indicators, several of which are formally reviewed by the Auditor General.

It was also a year for important decisions concerning managing our greatest operational asset, our people. Particularly recognising the fact that we have an ageing workforce and a pressing need to take stock so that we will continue to have a very solid skill base, despite the potential for many retirements ahead in the period 5-10 years from now. We have developed a forecasting model and strategies for workforce planning and development.

Main Roads has re-established a Cadetship Program for engineering students, increased recruitment of graduates, and has developed a new customised Management and Leadership Development Program for potential future leaders.

We became even closer to our customers this year through the maturing relationship with our key advisory groups and committees and through community participation in projects and policy development. Our customer relations will be further advanced in the coming year with the implementation of a new Customer Service Strategy.

With increasing community awareness and interest in social and environmental issues, we have consulted widely and embraced a new Environmental Policy Statement as well as established a Memorandum of Understanding with the Department of Environmental Protection. This will ensure our projects are assessed and managed in ways that achieve positive and sustainable environmental outcomes for the whole community.

Completion of major projects such as the Kwinana Freeway Interchanges and Extension Project, the Narrows Bridge Duplication and the Wellington Street ramps has significantly improved access into and out of Perth's central business district, enhanced safety and reduced travel times and congestion. These projects epitomise our efforts to save lives, time and money.

In addition, public transport users are now reaping the benefits of dedicated bus lanes that have been constructed as part of the Department of Transport's Causeway Bus Lanes Project. Pedestrians and cyclists are also enjoying immediate improvements in safety and access through the expansion of the Perth Bicycle Network.



COMMISSIONER'S OVERVIEW

In the rural areas, important projects such as the Busselton Bypass, sealing of the Wiluna to Mount Keith section of Goldfields Highway and further development of Ripon Hills Road are delivering real benefits to road users, surrounding communities and industries important to our economic prosperity.

Main Roads has embraced the new Government's public sector reform agenda and, consistent with the Machinery of Government Report, has introduced a four-business-stream organisation designed to be more efficient and responsive in delivering services to our many customers.

The new Department for Planning and Infrastructure has central responsibility for better land use and transport co-ordination through the consolidation of policy, land use planning and regulatory powers. Our delivery efforts will now take their cue from the planning, leadership and co-ordination provided by the Department of Planning and Infrastructure as we undertake our road network management role by delivering road network and asset management services.

Our staff have expertly managed the awarding of 993 contracts worth \$694 million this year and combined with the professional management of 235 contracts worth \$1.3 billion, we have maintained our pursuit of best practice.

Main Roads' achievements for 2000-2001 are a tribute to the efforts and dedication of all our people. Their skills have allowed Main Roads to build on the foundations laid in the last two years, and to face the future with a strong sense of purpose, unity, vigour and civic pride.

Our performance indicators describe a job being done well and indeed highly comparable to other States.

A good road network only makes sense if it is part of an integrated transport system. We played our part well last year and are well positioned to confidently look forward to the many challenges ahead.

Greg Martin
COMMISSIONER OF MAIN ROADS
27 August, 2001.

With a change of Government, new transport and road program priorities; and new machinery of government arrangements there has been no shortage of challenges. Main Roads quickly refined its corporate direction and priorities to focus on these key strategic requirements and managing new relationships with, and listening to, its many stakeholders.

Our new priorities involve:

- Immediate take up of the new Government's policies and project commitments
- Rising to a higher level of customer relations including more effective portfolio co-operation
- Thorough involvement and input from the community in decision making
- Strong support for regional WA

As a result we have:

- New working relationships within the portfolio
- Committed to regional delivery and repackaged the road program to support local suppliers
- Re-prioritised the road program to reflect changes to Government policy and project priority
- Commenced extensive public consultation and input concerning road trains and heavy haulage routes

- Re-organised into 4 service delivery streams:
 - Construction and Maintenance Services
 - Road Network Services
 - Technology and Environment
 - Major Projects
- Committed to a robust program of staff development to ensure today's valued and skilled senior staff are ably replaced in 5-10 years as we face up to the ageing profile.

We anticipate further refinement of machinery of government arrangements, particularly purchaser/provider relationships. We will continue to provide and improve our expert advice in terms of asset management input to whole of portfolio resource decision-making.

INTRODUCTION

Main Roads has a social responsibility and obligation to protect and enhance the welfare of the Western Australian community. We extensively involve the community in our business and take on-board community views about operational planning, development and our delivery roles.

Main Roads continually reviews its customer service systems to ensure these are tailored to meet growing community expectations and high business standards. Over the past year, Main Roads has produced a new Customer Service Strategy to ensure it achieves continuous improvements in all facets of customer service, and facilitate greater community involvement.

Community involvement has an important role in developing the State's Road Program under the new Government. Customer involvement has been increased through:

- A new Customer Service Strategy to effectively obtain and incorporate customer and stakeholder input. A consultant was appointed to analyse and compare Main Roads' current customer service practices against world best practice
- Commencing a review of our Customer Service Charter to ensure that it reflects contemporary community expectations and needs
- A comprehensive community perceptions survey

- An increased interest in Main Roads' activities which resulted in 2,600 recorded public enquiries for the year, a 20 per cent increase on the previous year
- Advisory Groups to assist in setting corporate and operational policy
- Providing a regional focus to ensure rural Western Australia is represented. This has included a proactive approach to disseminating information through Main Roads' 10 regional and metropolitan offices
- Information conferences to provide feedback on Main Roads' operations. For example Main Roads' participation in the Minister for Planning and Infrastructure's Road Train Summits at Perth, Katanning, Kalgoorlie and Geraldton
- On-going public consultation and information campaigns for specific projects
- Up-to-date corporate, strategic and project information available on the Main Roads website

DISABILITY SERVICES

Main Roads has reached new heights in identifying and meeting the needs of people with disabilities with the launch of a revised Disability Services Plan. The 2001 Disability Services Plan *Ensuring Access for All* heralds the start of a new chapter in Main Roads commitment to provide for people with disabilities. Achievements include fixing access issues at office buildings, road and related infrastructure, as well as incorporating disability

priorities and standards into our tendering and contracting processes.

Refurbishments at the majority of Main Roads' regional and metropolitan offices now provide electronic sliding doors and access for wheelchair users.

New technology like parallel walk phase facilities and audio-tactile devices at signalised intersections have been introduced to enhance safety for people with vision and hearing impairments.

Disability access requirements have also become mandatory in contract documents and procedures, and we have introduced a telephone typewriter service (TTY) to assist people with hearing impairments.

As well as defining Main Roads' policy in meeting the access needs of all users, the document clarifies responsibilities under the plan, provides useful advice on how to assist people with disabilities to better contribute to Main Roads' decision making processes; and contains practical information to assist project managers implement the plan in the context of specific projects. This balanced approach will be reinforced by single-point accountability for the Disability Service Plan; providing the necessary support service to promote it; and ensure equitable access for all Main Roads' customers.

The website copy of the 2001 Disability Service Plan has direct links to enable project managers and consultants

to readily access increasingly detailed technical information including standard drawings.

With the implementation of *Ensuring Access for All* we expect to:

- More adequately address the needs of people with disabilities
- Educate our staff on the need to have a balanced view in catering for all road users
- Develop and maintain focus on disability services
- Provide clear assistance to project managers when preparing design documents for future works
- Ensure our products and services can be accessed with independence and dignity
- Provide opportunities for people with disabilities to



The 2001 Disability Services Plan involved key stakeholders in policy planning.

participate in public consultation, grievance and decision-making processes

- Establish a single point of contact on disability services within Main Roads
- Meet our legislative requirements

EQUITABLE ACCESS TO SERVICES

In order to provide public access at a regional and local level, Main Roads maintains offices in 10 key locations across the State. Senior technical and administrative personnel, who maintain a close working relationship with Local Government and community groups, staff these offices.

KEEPING REGIONAL CUSTOMERS INFORMED

Main Roads has Customer Service Managers in all regional offices.

Our Customer Services Managers:

- Provide customer information and advice on road conditions and road closures
- In conjunction with Roadwise, promote road safety and safe road use practices
- Manage customer complaints and feedback
- Collect customer feedback on our products and services
- Identify and address road specific safety issues
- Liaise with individuals and specific interest groups to

ensure that community concerns are addressed during programming and delivery functions

- Promote Main Roads at a local and regional level

USING REGIONAL SUPPLIERS

Main Roads actively supports the Regional Buying Compact and ensures other incentives are applied to all contracts to promote regional development, fairness and enhance competitiveness in regions.

By agreement with Local Government, 25 per cent of Main Roads' revenue goes to fund road maintenance, construction and traffic improvement activities on Local Government roads. The local workforce, a mixture of Local Government's own resources and local plant hire contractors, usually carries out these works.

CONSULTATION WITH REGIONAL COMMUNITIES

The Term Network Contracts, which represent about 14 per cent of the annual Main Roads' budget, have been deliberately structured to incorporate incentives to encourage the involvement of Local Government and local businesses in a significant amount of the day-to-day technical and physical delivery of works.

Local communities are contacted either through public briefings, the local media or through project mail outs in order to seek their input to the network development and road programming process.

SUPPORTING LOCAL PLANNING PROCESSES

To support regional planning processes that are in place, Main Roads' endeavours to achieve agreed outcomes through consultation and negotiation with affected stakeholders including Local Government, businesses and communities.

Across the State, we directly approach affected stakeholders. This project consultation is carried out in many ways including public displays, advertising and media releases, meetings with special interest groups, and through Main Roads' Customer Service initiatives.

MAIN ROADS ON THE INTERNET

Our Website is a quick and efficient method for customers to obtain information including road safety, traffic management, road conditions and projects, as well as providing a valued feedback tool.

Recent additions to the website have included a comprehensive list of technical standards and guidelines for all suppliers. Ongoing monitoring and customer feedback will identify the amount of use and type of information of interest to our customers.

Our address is www.mainroads.wa.gov.au

Standards and Guidelines

Road & Traffic Engineering Survey & Mapping Project & Contract Practice

Environment Pavements & Structures Main Roads Standard Drawings

Last updated on August 07, 2001.

Please see our Copyright and Disclaimer page of our website for further terms and conditions relating to use of the above information.

All printed copies are uncontrolled

MANAGEMENT STRUCTURE



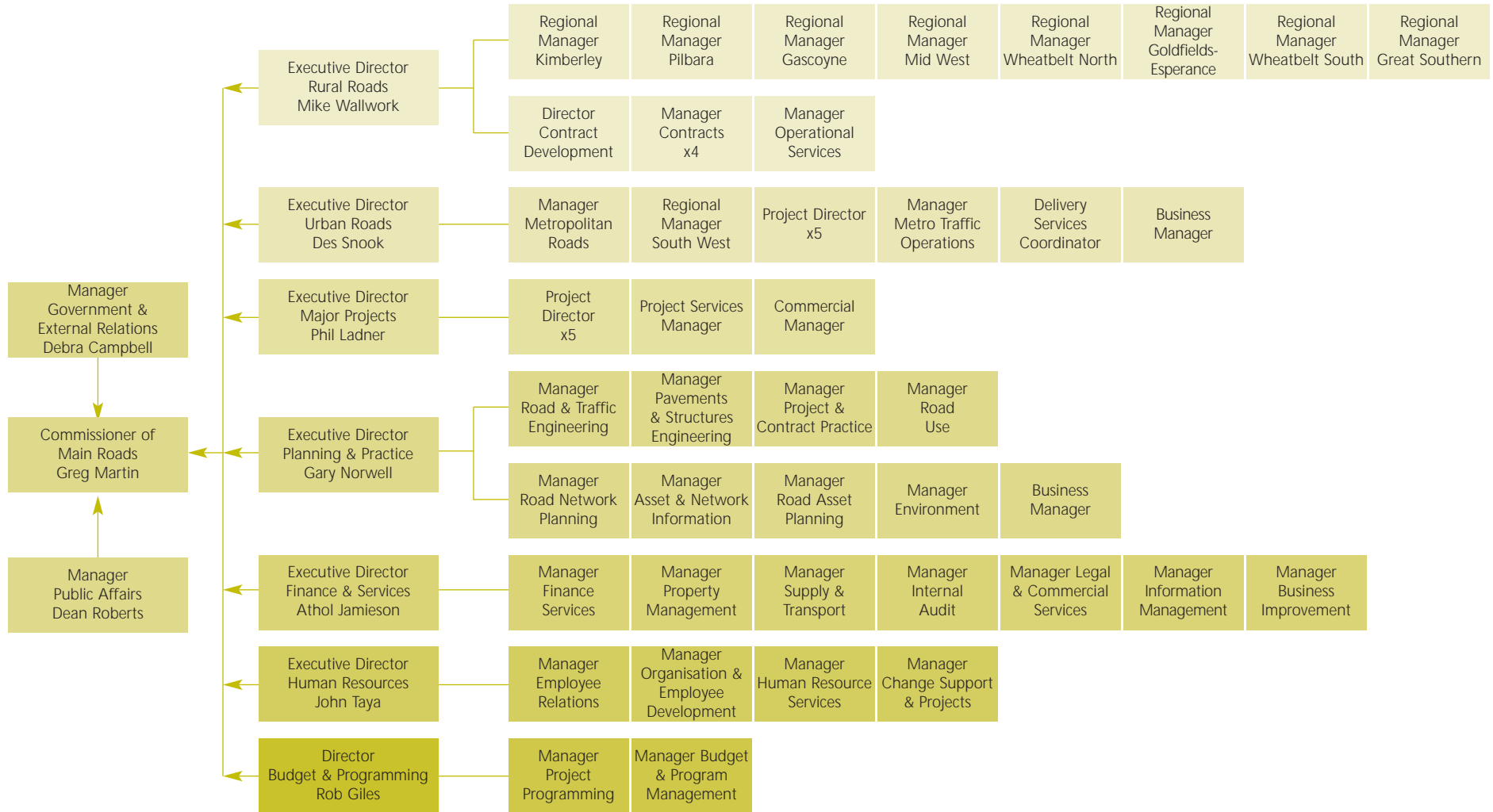
*Main Roads Corporate Executive.
(L-R) Des Snook, Rob Giles, Athol Jamieson, Gary Norwell, Debra Campbell,
John Taya, Greg Martin, Phil Ladner and Mike Wallwork.*

CORPORATE EXECUTIVE AS AT 30 JUNE 2001



MANAGEMENT STRUCTURE

MANAGEMENT ORGANISATION CHART AS AT 30 JUNE 2001



INTRODUCTION

An important focus for Main Roads over the past year has been our most important asset – our people.

Through an employee opinion poll in July 2000, Main Roads identified a number of areas for improvement that were critical to a highly motivated and skilled workforce and organisational performance. A high priority has been placed on assisting staff to develop a balance between health, lifestyle and work.

A further achievement has been the introduction of a customised leadership and management program for future managers and leaders through Curtin University.

EMPLOYEE OPINION POLL

In July 2000, 78 per cent of employees responded to an employee opinion poll. This helped identify Main Roads' employer strengths and weaknesses and assisted with the formulation of improvement plans at corporate, directorate and branch levels.

PREMIER'S AWARDS

The Dynamic Resourcing Strategy implemented over the past two years, and aimed at developing a highly skilled and flexible workforce, was recognised with a High Commendation for People Management at the 2000 Premier's Awards for Excellence in Public Sector Management.

WORKFORCE PLANNING

To ensure Main Roads has the skills needed for the future, a forecasting model has been developed. It aims to provide a strategic resourcing blueprint to assist in the timely delivery of initiatives, providing input into the recruitment, deployment and development of staff, as well as assisting the succession planning process. Specifically, organisational forecasting within Main Roads is focused on:

- Identifying potential resourcing opportunities and additional human resource requirements across the organisation, particularly in the future
- Considering the impact of external factors on the future resourcing requirements of Main Roads
- Forecasting future skill gaps in the demand and supply for key functions across the organisation
- Assisting the development of a range of strategies to ensure that these future needs are met

WORKPLACE REFORM

Main Roads registered its fourth consecutive Enterprise Agreement in May 2000. The thrust of the latest agreement is to align employment conditions and working arrangements with our new service delivery arrangements.

Through progressive agreements Main Roads has introduced a range of innovative arrangements and has ensured that its staff are rewarded for improved

organisational performance and the achievement of significant productivity gains.

STAFF NUMBERS AND SALARY RANGE

Range (\$)	Numbers of Employees		
	Total	Female	Male
0 – 33,556	75	23	52
33,557 – 38,577	93	25	68
38,578 – 43,431	94	27	67
43,432 – 47,604	93	29	64
47,605 – 55,376	97	23	74
55,377 – 64,567	145	18	127
64,568 – 72,824	98	7	91
72,825 – 83,586	82	2	80
83,587 – 94,798	46	2	44
greater than 94,798	10	0	10
Total	833	156	677

LABOUR RELATIONS

Main Roads has successfully managed this area through a process of ongoing, proactive consultation with its people, unions and associations. This has resulted in all parties resolving complex industrial issues without the need for industrial disputation and productivity loss.

PERFORMANCE AGREEMENTS

Performance agreements have been developed and implemented across Main Roads to guide, coach and develop employees and to achieve the standard of performance required. These agreements are being further developed to include competency-based training and career development plans.

REGIONAL STAFF

The Regions have been identified as a priority area for assistance with training and development. In November 2000, a Regional Development Committee was formed to identify and evaluate regional development initiatives. Initiatives to date include the introduction of



Providing opportunities for young people with the Graduate Program.

a Cross-Government Regional Development Committee, a series of Regional Development Forums, and an E-Learning Pilot Proposal (computer based training/web based training) within the business skills area.

YOUNG PEOPLE

As outlined below, Main Roads actively engages in a number of initiatives designed to assist young people in reaching their full potential.

Graduate Programs

Main Roads conducts development programs for both engineers and business graduates. Main Roads targets recent tertiary-qualified graduates who enjoy working in a team environment, are adaptable to a changing environment, are self-motivated, and show initiative. Currently there are 14 engineering graduates and 9 business graduates.

The programs:

- Provide graduates with the opportunity to develop skills and knowledge through rotations across the organisation
- Assist engineers to attain the Chartered Professional Engineer status with the Institution of Engineers, Australia

- Provide opportunities, through a managed development program, for the graduates to develop leadership, management and professional competencies

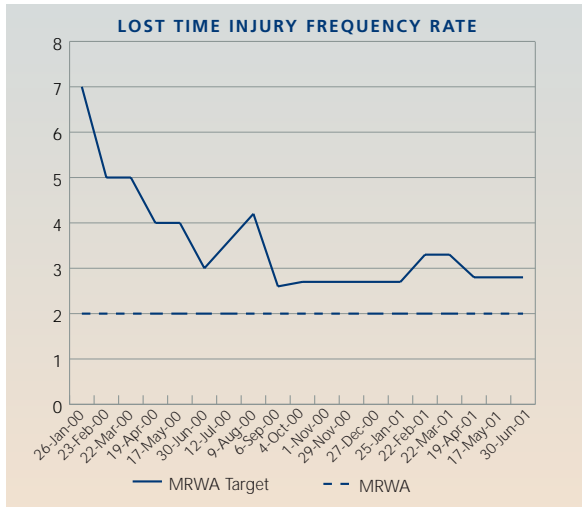
The programs include:

- A variety of different work placements across Main Roads and in a region
- A mentoring program
- Personal and professional training and development opportunities

Cadetship Program

Main Roads conducts a Cadetship Program for Engineering students, providing these students with practical work experience during their studies.

The term of the cadetship is dependent on the student's current year of study and ranges from one to four years. During this time the student attends university as a full time student but is required to work during the summer vacation period, with the option of undertaking additional work during the mid-semester break. There are 11 engineering students undertaking cadetships.



Improving our overall fitness and well-being of our people.

Vocation Employment

Main Roads provides vocational employment to engineering students during the summer vacation period as a way of further preparing young people for entry into the workforce.

Mobile Work Camps

The Mobile Work Camps Program involves over 350 young volunteers each year in the preservation of Main Roads' road reserves by litter removal across the State. Young people are educated on the importance of maintaining a healthy road reserve and at the same time receive valuable job experience and skills training as well as the opportunity to develop self-esteem and confidence. The program promotes the ability of young people to positively contribute to the community and as a result has developed an excellent reputation.

'E' Teams

Main Roads has been actively involved in the 'E' Team program co-ordinated by the Australian Quality Council. The program provides high school students with the opportunity to learn and apply the tools and principles of quality and business improvement within the work environment. The most recent 'E' Team, involving students from Belridge Senior High School, successfully contributed to the refinement of customer service procedures within the Human Resource Services Branch.

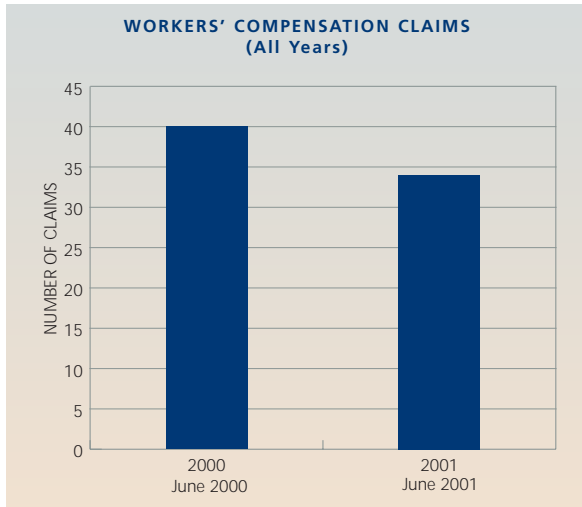
Leaders for the Future Program

The 'Leaders for the Future' initiative provides experienced staff with the opportunity to develop their personal and leadership skills through participation in the Senior Management Corporate Development Program. In February 2001, Main Roads contracted with Curtin University to establish a 'Corporate University' with the launch of a two-year, customised leadership and management development program initiated for potential corporate executive, senior management and future leaders within Main Roads. The objective is to enhance the management and leadership competencies relevant to future organisational need. The program is accredited as a graduate business qualification through Curtin University.

SAFETY AND HEALTH

Main Roads' Occupational Health and Safety performance was at best-practice levels with time lost from injuries reduced from a rate of 15 in 1997 to 3 in 2001.

Over the past year Main Roads' *Health Lifestyle Strategy* has targeted the education of employees with the aim of improving the overall fitness and well being of our people.



WORKERS' COMPENSATION

The workers' compensation risk management and safety policies had a very positive result on the number of work-related personal injuries. During the 2000-2001 financial year only 12 workers' compensation claims were registered with 5 finalised to date.

The total number of active claims registered for all years now stands at 34, a 15 per cent reduction over the previous year.

EQUAL EMPLOYMENT OPPORTUNITY (EEO) AND DIVERSITY

Last year Main Roads actively promoted 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.

This was achieved through:

- Awareness training and the induction process
- Reviewing and changing recruitment and selection processes
- Provision of grievance and contact officers
- Identifying EEO targets through planning and reporting processes



Home-based work one of the many flexible work options.

FLEXIBLE WORKING ARRANGEMENTS

Main Roads implemented a range of flexible working options including home-based work. Over the past year 7 employees participated in home-based work arrangements, including one regionally-based employee.

RECOGNITION

The Graham Farmer Freeway (GFF) project was judged the "Most Significant Advance in Transport" in Western Australia this year by the Chartered Institute of Transport (CIT). GFF Project Director John Fischer was awarded the "Most Significant Contributor to Transport 1999-2000" for his contribution to the project. John is the joint winner with Ray Purdy, Project Director with Boulderstone Clough Joint Venture, the contractor for the project.

Due entirely to the efforts of our people, Main Roads received a number of other awards including:

- Peter Vulcan Price Award from the Road Safety Research, Policing and Education Conference
- Roadwise Human Spirit Award from Roadwise and Western Australian Municipal Association
- Silver Award from the Mapping Science Institute Australia for Excellence in the 2000 Map Exhibition
- Bronze Award from IPAA WA Division for Distinguished Achievement in Accountability through Annual Reporting

- High Commendation in the Category of People Management in the Premier's Awards
- Finalist in the Category of Economic Development in the Premier's Awards
- Excellence in Civil Engineering from the Association of Consulting Engineers of Australia
- 2000 Opportunity Awards from the City of Belmont for Graham Farmer Freeway Stage 2

PUBLIC SECTOR STANDARDS AND CODE OF ETHICS

Main Roads has policies and procedures supporting public sector standards in human resource management. They are posted on Main Roads' internal information system and are available to all employees via our intranet.

All directors and managers are accountable for compliance with public sector standards and ethical codes. The Human Resources Directorate provides a monitoring and advisory role for compliance with these standards.

Main Roads' self-assessment program of compliance in April 2000 confirmed compliance with all standards. The program identified a number of opportunities for improvement. As a result policies and procedures have been revised in the areas of recruitment and selection, grievances and performance management.

BREACH OF STANDARD APPLICATIONS

	2000 – 2001	1999 – 2000
Number lodged	18	7
Breaches found	8	4
Multiple breaches	2	Nil
Applications under review	Nil	Nil
Material breaches	5	4
Non-material Breaches	3	Nil

ASSET MANAGEMENT AND INVESTMENT PLANNING

Main Roads manages road investment planning for the State road network through a formal Road Management Process (RMP) as shown below. The RMP is the overall process used by Main Roads to achieve its purpose in providing a safe, efficient road network as part of an integrated transport system. Corporate objectives and standards ensure a consistent approach is used throughout the RMP.

ASSET MANAGEMENT PLANNING

Asset management planning relies on regional plans and strategies as input. It identifies needs through a systematic review of current and future road use and infrastructure requirements. These needs are translated into a prioritised list of projects to assist investment decision-making. Available funds are then allocated for projects to be commenced within 4 years with a nominal allocation for the following 6 years based on anticipated funding.

The Road Infrastructure Programming Process received third-party certification in September 2000 with the Asset Management Planning Process receiving third-party certification in February 2001.

PROJECT MANAGEMENT

Project management is core business for the delivery of road and related infrastructure. A state-wide training program for project management practitioners was effectively delivered last year. This has ensured our expertise is maintained in an increasingly complex field.

ROAD NETWORK PLANNING

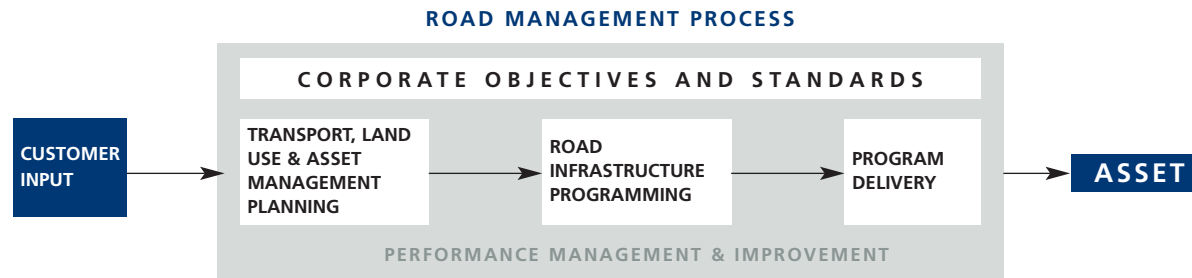
Main Roads worked closely with other agencies, Local Government and organisations to assess current and future levels of transport need.

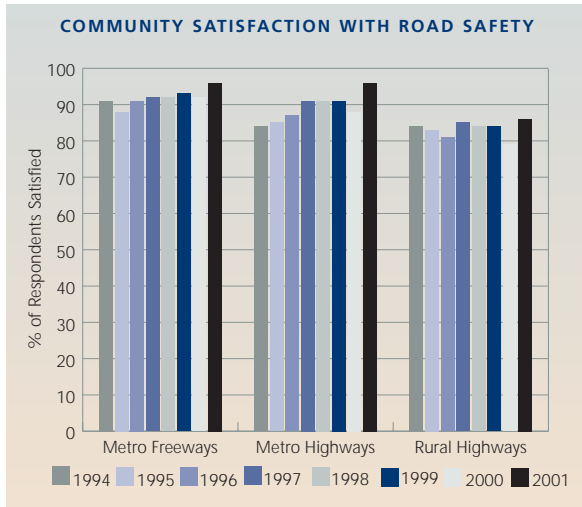
Major road network planning over the past 12 months has included:

- Work on redefining road reservation along sections of Stirling Highway
- Redefinition of road reservation on Rowley Road, Naval Base to support future freight transport needs
- Commencement of the Broome Highway planning study
- Work on the future Northampton bypass on North West Coastal Highway

- An examination of long-term road needs at Narrogin with the Narrogin road network study
- Commencement of a review of Roads 2020 Regional Road Development Strategies
- Commencement of the metropolitan north-west corridor study

The community was again asked about their perceptions of our planning efforts in the 2001 Community Perceptions Survey. In the case of the provision of roads in their area (including rural areas), there has been a pleasing increase in the already high level of satisfaction. There has been a very significant improvement in the level of satisfaction with Main Roads' approach to planning for new roads compared to previous years.





State Black Spot Program a priority.

The 2001 Community Perceptions Survey shows that the vast majority of Western Australians express a high level of satisfaction with road safety on metropolitan freeways and highways. This upward trend reflects the extensive amount of metropolitan road works completed last year.

The perceived level of road safety on rural highways has rebounded after a dip in 2000. Ongoing programs of new construction, passing lanes and tactile edge-lines have generated this high level of satisfaction.

The increased attention being given to road safety through Community Awareness Programs, Black Spot Programs, Speed Management Programs including the 50 km/h speed limit on local roads later this year, is expected to both improve road safety and the community's perception and awareness of road safety.

ROAD SAFETY TRAINING

During the year considerable attention to training was given to safety awareness and skilling. This involved Main Roads staff and external groups including stakeholders from Local Government and private industry.

In line with Main Roads' commitment to promote the use of road safety audits, the following training achievements are noted:

- Training Courses – three-day Road Safety Audit Practitioners Seminars were held at Carnarvon,

Broome, Kalgoorlie and Perth. Around 100 people from Local Government, private industry and Main Roads participated. Other training included:

- Traffic signal operation and analysis
- Introductory traffic management and road safety
- Monthly road safety forums with the University of Western Australia

New training modules and programs are being developed for implementation in 2001/02.

ROAD SAFETY REPRESENTATION AND MEMBERSHIP

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

BLACK SPOT PROGRAMS

State and Federal Black Spot Programs provide funding – \$24 million over 5 years (Federal) and \$52 million over 4 years (State) – for road improvements at hazardous locations. Main Roads manages both programs to ensure that funding is equitably allocated to areas of greatest need. The State allocation to the program will attract a \$13 million contribution over the 4 years from Local Government.

Main Roads assists Local Government to assess and prioritise their roads for Black Spot action. Community input into the nomination of Black Spot projects is also encouraged.

This year more than 270 road improvements were completed under the Federal and State Black Spot programs. As part of the Government's ongoing commitment to fix Black Spots, in June 2001 the Government announced a further allocation of \$2 million per annum to the State Black Spot Program.



Working with other authorities on operational issues.

DRIVER-FATIGUE

To combat fatigue on Western Australia's roads changes have been made to the *Local Government Act 1995* to allow for designated 24-hour rest areas on rural highways.

Main Roads has developed guidelines to enable suitable sites to be selected on National and State highways and Main Roads.

Main Roads continues to support the successful RoadWise "Driver Reviver" and "free coffee for driver" initiatives.

RAILWAY CROSSINGS

Significant progress has been made on the \$11.7 million Railway Crossings Improvement Program, which is targeting upgrades of signal equipment at 114 rural crossings over 5 years, ending in 2003-2004. The work involves replacing out-dated equipment, much of which was originally installed in the 1960's and 1970's, with new and improved hardware and technology.

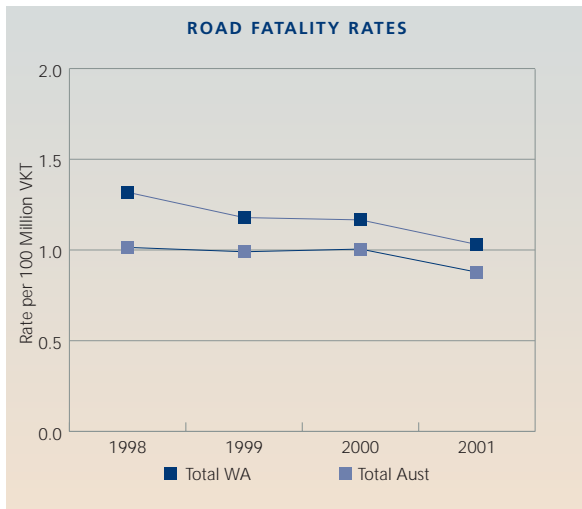
Another contract, for \$2.35 million, is in progress to install boom barriers and new 'train predictor' warning systems at 14 crossings on the double track line between Midvale and Toodyay. The new system predicts the time it will take for a train to arrive at the crossing based on its detected speed, and commences activating

the flashing lights so that they operate for a constant duration before the train reaches the crossing. Under this system drivers will not face the extra delays involved when a slower moving train is approaching the crossing, compared to a faster train such as the Avon Link service.

Main Roads is negotiating with the new private owners of the State's rail freight business for the ongoing maintenance and improvement of railway crossings.

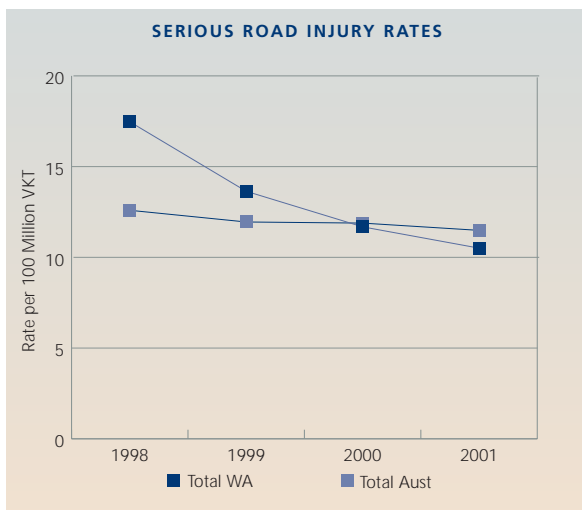
Main Roads is also participating at a national level in a project to identify best practice solutions to reducing the collision risks at unsignalised (passive) level crossings. The project will establish a comprehensive picture of safety at passive crossings throughout Australia and will involve collecting and collating information policies, guidelines and initiatives from across Australia and New Zealand.

The key issues proposed for consideration include determining the effectiveness of improving the visibility of trains through lighting and investigating current State practice for safety requirements at passive crossings including signs, markings, delineation and sight distances.



ROAD FATALITY/SERIOUS ROAD INJURY RATES

As displayed here, there has been a decrease in both the Western Australian road fatality rate and Western Australian serious road injury rate from 2000 to 2001. The decrease in the Western Australian road fatality rate was comparable to the decrease in the Australia-wide road fatality rate. However, a sharper rate of decrease was experienced in the Western Australian serious road injury rate compared to the national trend.



Environmental management 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 the adoption of an Environmental Policy Statement reflecting the long-term commitment Main Roads has to managing the State road network without compromising environmental values.

Also, a Memorandum of Understanding between Main Roads and the Department of Environmental Protection was developed signifying a united approach to environmental management.



Some of the participants on Mobile Work Camps.

WATERWAYS

Main Roads' waterway experts have continued to provide hydrological and strategic flood advice to other branches and directorates as well as to external agencies. Following the major flood events of last year, our waterway engineers provided critical design support for flood repair and waterway crossing works throughout the State including:

- Waterways Design of 11 major crossings in the Kimberleys including the Ord River
- Innovative design of scour protection works to the Dalyup and Lort Rivers
- Design of reinstatement works of Lyndon King Bridge approaches on North West Coastal Highway (resulting in savings of \$400,000)
- Hydrological expertise for the Aboriginal and Torres Strait Islander Commission (ATSIC) on Kiwirrkurra Aboriginal Community in the Gibson Desert
- Hydrological workshops in conjunction with Ag West and the Landcare Group at Newdegate.

MOBILE WORK CAMPS

Mobile Work Camps, developed by Main Roads and supported by the Department of Environmental Protection and the Australian Defence Force, continued to clean-up hundreds of kilometres of road reservation in country areas of Western Australia using young volunteers.

The camps include programs that protect the environment through litter clean-ups and recycling, promote road safety and provide young Western Australians with the opportunity to improve their lives and the roadside amenity through volunteer work. Over the last year, 1,582 tonnes of rubbish were collected from more than 4,500 kilometres of road reserve. Of the rubbish collected 343 tonnes were recycled and diverted from landfill.

Drink containers have been found to be one of the most prevalent items discarded on the roadside. Last year, the Mobile Work Camps collected 932,325 aluminium cans, 745,860 steel cans and 870,170 plastic bottles.

ROADSIDE LANDSCAPE AND CONSERVATION

In line with Main Roads' policy to protect and enhance the environmental value of road reserves, a system for determining the quality of roadside vegetation has been developed using a digital video record.

The video record is collected and assessed annually, providing information on changes in roadside vegetation which can be used in ongoing management.

During the past year, Main Roads completed an inventory of all wetlands of conservation significance located within existing and proposed road reserves on the Swan Coastal Plain and identified those wetlands



likely to be impacted upon by road developments over the next 10 years.

The management of this impact is likely to involve a combination of wetland replacement including wetland construction and purchase of threatened wetlands, enhancement of degraded wetlands, and avoidance of impact through modified road design. A major wetland construction project associated with the Roe Highway extension was undertaken in collaboration with the City of Canning.

NOISE

In response to the emerging issue of traffic noise and its impact on people, we have embarked on a program of noise measurement across the metropolitan road network. This program is in its final year and information gathered, along with community and other stakeholder input, will be used to prepare a noise management strategy for the network.

AIR QUALITY

Main Roads and the Department of Environmental Protection are establishing an air quality impact assessment protocol for all road proposals consistent with the goals of the Perth Air Quality Management Plan. We will continue to be involved with the working groups responsible for implementing this management plan.

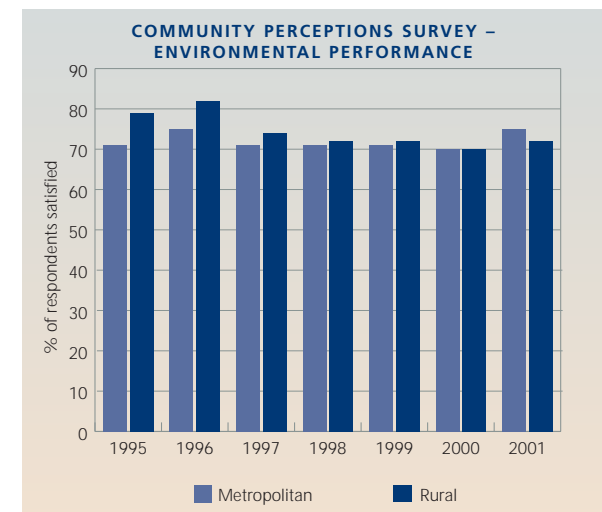


Preserving the environment on the Welshpool-Orrong Road wetland project.

ABORIGINAL HERITAGE

Revised policies and processes for Aboriginal heritage assessments have been developed as a result of a major review in this area. We now provide improved processes for consultation and approvals for road development proposals.

As shown below, community perception surveys of environmental performance show a slight increase in the level of satisfaction for both urban and rural roads in 2001. This improvement is a likely reflection of continued attention to environmental management in combination with more emphasis on consultation with local communities.



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 7,800 kilograms this year.

The energy management program targets improved energy efficiency and reduction of greenhouse gas emissions without detriment to Main Roads' operations or performance. This is being achieved by raising awareness of the environmental issues associated with using excessive quantities of energy and by presenting consumption information to users against best practice benchmarks.

THE ROAD PROGRAM

The total Western Australian road network is 173,970 kilometres in length of which Main Roads Western Australia is directly responsible for 17,673 kilometres or approximately 10 per cent. This comprises National Highways, State Highways and Main Roads. The other 156,297 kilometres is made up of local roads, those in National Parks and forests and privately maintained roads.

The role of Main Roads is to ensure that the ongoing public investment in road and road transport initiatives is properly planned, managed and protected. Our aim is to provide road-users with a road system that delivers safety, access, reduced congestion and time savings as well as social, environmental and economic benefits that our community can enjoy while efficiently allowing for the movement of people and goods.

In line with changing community expectations, Main Roads' focus has moved in recent years from the role of direct builder and maintainer of roads to one of effective and responsive operational planning and management of the road asset and road network while promoting opportunities for community consultation and involvement.

This new approach is reflected in the way that Main Roads' Road Program is developed and takes into account a number of specific factors including:

- The maintenance and preservation requirements of the \$10 billion road asset
- Road infrastructure needs and priorities across the State
- Government policy commitments
- The cost of road pavement repairs due to flooding or other unforeseen events
- Available revenue

In 2000-2001 Main Roads' total expenditure was \$755 million which included State funds provided for local roads.

The State Road Funds to Local Government Agreement 2000-2001 to 2004-2005, sets the basis of the State's contribution towards local government roadworks.

The Agreement was initially established in 1995 and was subsequently renewed for a further 5 year period commencing in the 2000-2001 financial year.

The Agreement is based on local government receiving one quarter of 85 per cent of the allocation from the Consolidated Fund provided to the Commissioner of Main Roads and one quarter of the revenue from Vehicle Licence Fees. It guarantees a minimum annual allocation in dollar terms to local government roads and provides for a review of the funding distribution for the 2002-2003 financial year in consultation with local government.

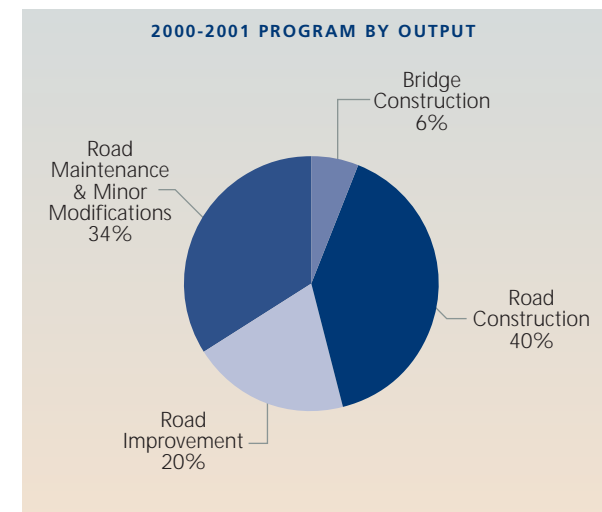
OUTPUT OVERVIEW

The Government of Western Australia introduced Output-Based Management in 1996-97, with outputs defined as the discrete goods and services including policy advice produced by agencies for external users.

The outputs for 2000-2001 were:

- Road Maintenance and Minor Modifications
- Road Improvements
- Road Construction
- Bridge Construction

The proportions that each of these outputs represent for the 2000-2001 program are shown below.



Main Roads has used quality, quantity, timeliness and cost to measure its performance in delivering these outputs. This detail is provided in the pages to follow.

Delivery of Road Projects on Time and Within Budget

During 2000-01, 12 major projects (each with a total value exceeding \$5 million) were completed, with a total expenditure over the life of the projects of \$324.1 million. Project time and budget performance summaries are described below:

Project Delivery	Number of Projects	Total Expenditure \$ M	% of Projects Weighted by Project Cost
Completed within Budget or within 5% over Budget	10	300.2	93%
Completed on schedule or within 10% over planned duration	7	234.6	72%

Note: Eyre Highway-Caiguna West project was delivered 12 months ahead of schedule utilising funding from other deferred works. Port Gregory Kalbarri-Mid West Region had works deferred to enable environmental clearance on a 1.2 kilometre section impacting on an A class reserve.

The table includes some projects that still have costs to be incurred to address outstanding issues. However, construction works were completed and the projects open to traffic during 2000-01. These costs will not materially affect the above results in terms of completion within budget.

Government Desired Outcome

Main Roads' 4 outputs are aimed at achieving the following government-desired outcome:

Provide a safe, efficient road network as part of an integrated Western Australian transport system.

Specific achievements against this outcome are described in the following pages.



OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

ROAD MAINTENANCE AND MINOR MODIFICATIONS

Main Roads is responsible for the maintenance of 4,648 kilometres of National Highways, 13,025 kilometres of State Freeways, Highways and Main Roads, and contributes to the maintenance of 125,963 kilometres of local roads and 29,290 kilometres of roads in National Parks and forests.

The table summarises Main Roads' achievements against the targets published in the 2000-01 State Budget Papers

Measure	Target	Actual	Comments (a)
Quantity: Lane Kilometres of network treated	38,536	37,273	Target output was over stated in error for 2000/01.
Cost: \$ per Lane Kilometre	\$3,659	\$4,278	The higher unit rate resulted from an incorrect target being originally established, additional expenditure to repair damage caused by flooding funded by Natural Disaster Relief funding arrangements, the inclusion of the Causeway bus facilities project as a minor modification and costs associated with changes to the delivery process.
Quality:			
% of sealed National and State roads meeting roughness standard	97%	97.5%	
User Satisfaction Index	64.0	65.5	
Timeliness: The percentage of road maintenance and minor modifications completed within the agreed 12 month timeframe (b).			
	90%	93%	

(a) Comments only provided where there are noteworthy differences

(b) Main Roads objective is to achieve 100 percent, 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

Term Network Contracts (TNC)

During 2000-01 the final 4 Term Network Contracts were awarded to provide long-term (10 year) road maintenance and rehabilitation services on the National Highway and State road system.

Collectively, the State's 8 TNC's for maintenance are valued at \$1 billion over 10 years.

Traffic Control Infrastructure Contract (TCIC)

A state-wide 10 year contract that was established in 1999 to provide for traffic control infrastructure maintenance and improvement services, has consistently exceeded operational targets, as shown here.



Term Network Contracts – maintaining the State's road asset.

Key Performance Indicator	Target	Actual
Availability – the % of time each asset is operational (for traffic control signals)	99.5%	99.9%
Reliability – the average number of failures per asset per month (for traffic control signals)	0.5	0.4
Response time – the average time taken from notification of fault to arrival on-site	4.8 h	3.2 h
Repair time – the average time taken to fix a fault from arrival on-site	7.5 h	4.0 h

Approximately \$10 million of traffic control infrastructure improvements, typically installing new traffic signals or modifying existing signals, have been undertaken under this contract.

AUDITED KEY PERFORMANCE INDICATORS: ROAD MAINTENANCE AND MINOR MODIFICATIONS

Efficiency

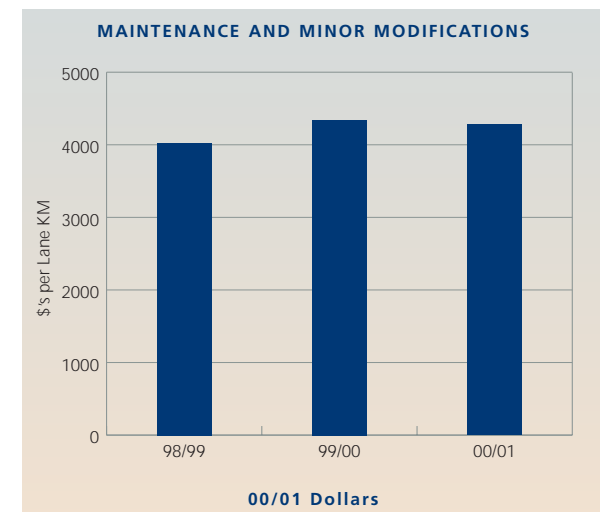
Maintenance and Minor Modifications

Maintenance and Minor Modifications Indicator relates to works undertaken to preserve the existing road asset

to specified standards. Maintenance costs refer to State and National Roads.

This indicator represents the financial efficiency of road and roadside maintenance works by showing the cost per lane kilometre to maintain acceptable travel conditions on Urban and Rural National and State Roads.

Main Roads now delivers maintenance works through Term Network Contracts (TNCs). TNCs also include provision for minor modifications for projects up to the value of \$1.5 million.

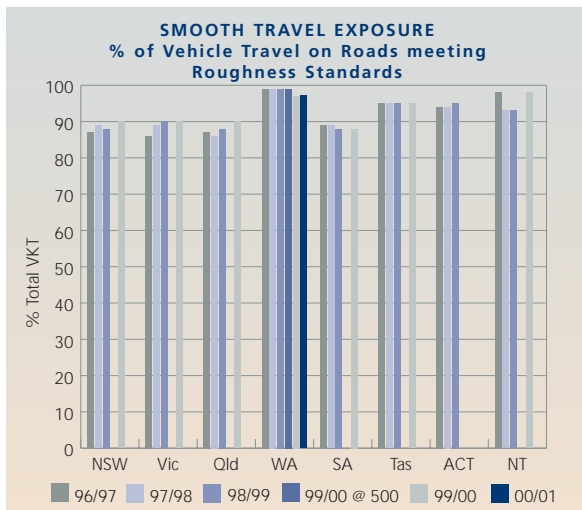


Effectiveness

Smooth Travel Exposure

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 in 1999-2000). However, this very specific indicator must be read in conjunction with the Road Standards indicator (see page 37).

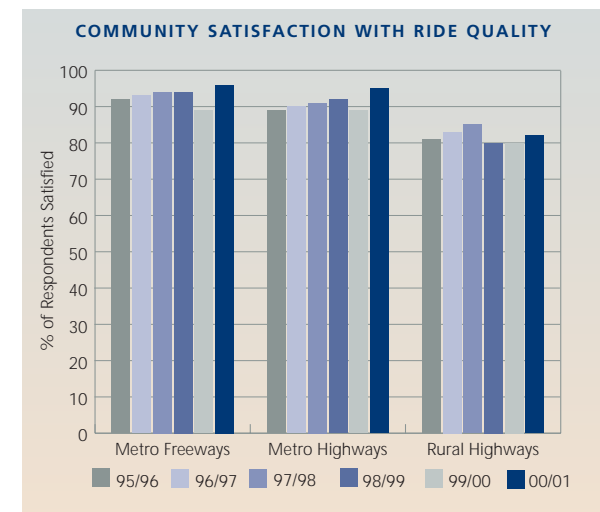
While 2000-2001 figures are not yet available for other States, prior years' figures have been included to allow historical comparisons.

It should be noted that as from 1999-2000 the method for collecting roughness has changed from 500 metre to 100 metre intervals. The figures in 1999-2000 show both the 500 metre and 100 metre roughness readings for comparative purposes.

Community Perceptions of Ride Quality

Physical measurements of the road network are further supported by results from the annual Community Perceptions Survey. Our customers were asked their

opinion of the condition or ride quality of the road network under Main Roads' control. This indicator complements the Smooth Travel Exposure indicator 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 the Smooth Travel Exposure indicator and shows the standard set is acceptable and meets community standards. These results represent all respondents who gave a "just OK" or "better" rating, and are based on a random sample of 1,152 people (252 persons in the metro area and 900 persons in rural areas). This gives an outcome within +/- 3 per cent of the actual figures at the 95 per cent level of confidence.



OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

ROAD IMPROVEMENTS

Road improvements such as reconstruction, widening, median treatments and the construction of passing lanes, increase the performance of the existing road network and facilitate safety and efficiency by maintaining and improving the capacity of the existing network.

The table summarises Main Roads' achievements against the targets published in the 2000-01 State Budget Papers.

Measure	Target	Actual	Comments (a)
Quantity: Lane Kilometres	800	1254	Significant improvement works not delivered in 1999/00 were carried forward into 2000/01. These works were not included in the target.
Number of other improvements	120	136	An additional 16 other improvement works were approved and undertaken during the year. Includes State Blackspot Programs.
Cost: \$ Per lane kilometre	\$95,000	\$92,583	
\$ Per Improvement	\$189,780	\$211,235	Larger more expensive State Blackspot projects were undertaken.
Quality: % of network meeting operational standard			
Seal Width	80.25%	81.6%	
Shoulder Width	63.5%	66.6%	
Design Speed	79.25%	78.6%	
Timeliness: The percentage of road improvements completed within the agreed 12 month timeframe or as specified for individual major projects (b).	90%	84%	Although the target was not met, an additional 46.5% of the works were delivered compared to the original budget. This additional workload resulted from work being carried forward from the previous year due to Cyclone Steve and flooding in the Wheatbelt and Great Southern Regions.

(a) Comments only provided where there are noteworthy differences

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

The following are examples of improvements undertaken during the year:

IMPROVEMENTS IN RURAL AREAS:

Aboriginal Road Plant Organisation

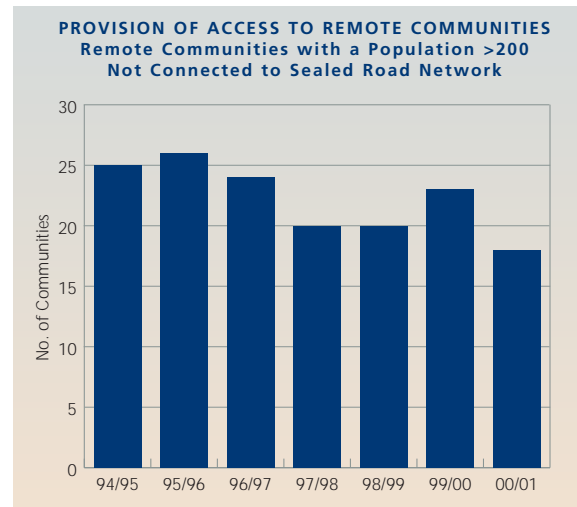
A pilot project to establish an Aboriginal road plant organisation in the Dampier Peninsula north of Broome commenced in 1997.

With the collaboration of eight Aboriginal communities within the Kullarri Region and funding from Main Roads and Aboriginal and Torres Strait Islander Commission (ATSIC), the Kullarri Network Association (KNA) was established with its primary role to maintain and improve access roads to remote Aboriginal communities that are not serviced by local roads maintained by local government.

This exciting initiative will continue to be sponsored by Main Roads with a continued project management overview and funding role being played to ensure the ongoing viability and sustainability of this initiative.

Remote Community Access

In 2001 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 18, comprising 15 remote Aboriginal communities and 3 remote towns/mining centres. This is a decrease of 5 from the previous year.



The total length of unsealed access roads to these communities is 1,953 kilometres. This represents a reduction from the year 2000 due to sealing works in the Pilbara and changes in the number of remote communities in the population category. In addition, substantial increases in the sealing of remote community internal townsite roads has been completed in 2000-2001 (Bardi, Bidyadanga and Kalumburu).

For the next dry season (in 2002), improvement works including sealing of some sections is planned for the main access road (Cape Leveque Road) to remote communities on the Dampier Peninsula north of Broome.

Brookton Highway

Increased freight movements and tourist traffic, particularly fly/drive visitors not familiar with local driving conditions, has precipitated an ongoing program of improvement works on the highway. During 2000-01, the final 10 kilometre section between Karragullen and Brookton was reconstructed and widened at a cost of \$4.5 million and a five-kilometre section at Gorge Rock was widened to improve overtaking opportunities.

Perth-Bunbury Highway-Clifton Section

The project involved a 6.7 kilometre extension of the dual carriageway on Old Coast Road between Bunbury and Mandurah and the construction of two additional overtaking lanes to the north of this extension. Works began in May 2000 and were completed on schedule in December 2000, within budget at a total project cost of \$2.4 million.

The extension of the dual carriageway at Clifton completes the dual carriageway between Bunbury and the southern end of the future alignment of the Peel Deviation. The works address safety issues and traffic demands on the major transport route between the South West Region and the Perth metropolitan area.

South Western Highway – Pinjarra to Waroona

The project involved the upgrading of the 23 kilometre section of the South Western Highway between Pinjarra and Waroona. The project included road widening and reconstruction, intersection improvements and the construction of four overtaking lanes. Works began in February 2000 and were completed on schedule in April 2001 and within the budget of \$10 million.

The works were required to address safety issues and traffic demands on what is a major transport route between the South West Region and the Perth metropolitan area. The improvement to the highway has resulted in reduced travel times and a much higher level of safety for motorists. The project is expected to deliver



Causeway Bus Transfer Station

lower transport costs for industry and enhanced tourism opportunities for the South West Region.

Other rural improvements include:

- Various treatments and upgrades on Albany Highway, Albany and Williams; York-Merredin Road, Quairading; Midlands Road, Carnamah and Derby Highway, Derby. All have improved safety and access and reduced traffic congestion and noise
- Construction of passing lanes on North West Coastal Highway, north of Kalbarri and on Albany Highway between Mount Barker and Millbrook to improve safety and reduce driver frustration
- Final 6 kilometres of widening of Albany Highway between Albany and Mount Barker improving safety and access for cattle transportation and log hauling
- Reconstruction of 15 kilometres of Brand Highway between Muchea and Gingin improving safety and travel quality on what is an important freight and tourist route
- Widening and resealing of 78 kilometres of Eyre Highway, west of Caiguna providing safer overtaking opportunities
- Floodway and intersection works on Great Northern Highway between Broome and Derby improving road serviceability during the wet season
- Widening of 3 kilometres of South Coast Highway east of Albany, assisting the grain and tourism industries

- Completion of the Mooliabeenie Road section of the Agricultural Lime Roads Project, providing a higher-level of service and reducing freight costs for farmers

IMPROVEMENTS IN THE METROPOLITAN AREA Causeway Bus Lanes and Bus Transfer Station

This project was part of the Department of Transport's Central Perth Access Project with Main Roads contracted to deliver the works on behalf of Transport. The project involved the creation of two dedicated bus lanes on the Causeway, the realignment of Causeway east and west access roads and the construction of a bus transfer station at Causeway east.

The project commenced in July 2000 and the new bus lanes were opened in March 2001. Project completion was delayed because of the discovery of unknown underground services (electrical cables, various mains) and unsuitable material where the new road was to be constructed. There were also changes made to the project's scope in order to gain additional public benefits. For example, the expansion joints for the two Causeway bridges were replaced to extend their life span; design changes were also made to the bus transfer station to improve bus access and pedestrian safety. The project's initial budget of \$5.4 million was increased to \$9.5 million to allow for these factors.

A project of this size and location, at a major city linkage, inevitably results in traffic delays during construction. Traffic delays were kept to a minimum by delaying the project's commencement until the new Graham Farmer Freeway was available as an alternative route into the city and by restricting on-road works during peak hours.

The project has successfully met its aims to:

- Provide public transport passengers with improved journey times and priority over private cars
- Improve the service to, and the safety of, public transport passengers by eliminating the need for pedestrians to cross several roads to transfer between bus services at the eastern end of the Causeway



Main Roads Traffic Control Centre.

- Eliminate a major Perth accident Black Spot – the roundabout at the western end of the Causeway has been realigned into a teardrop shape, and traffic signals installed on all roads entering the roundabout, to improve safety

Wanneroo Road Improvement – Pinjar Road to Breakwater Drive

The project involved the construction of two sections of dual carriageway between Hall Road and Nowergup Road (5 kilometres) and between Trian Road and Taronga Place (3.5 kilometres). This part of Wanneroo Road was a renowned accident Black Spot. The project commenced in August 2000 and the roadworks component was completed in March 2001, 4 weeks ahead of schedule. Landscaping will be completed in July 2001 and the total project cost is on budget at \$9.2 million.

Wanneroo Road adjoins a National Park and natural bushlands. During construction the existing natural vegetation was retained where possible. Areas that were cleared for construction purposes have been revegetated with local native plants to restore the natural environment. New fencing was also installed to prevent unauthorised vehicles from entering the National Park.

The dual carriageway sections now provide safer overtaking opportunities for motorists and are expected to reduce driver-frustration and risk-taking. The new section of road will be monitored to assess the effectiveness of the project.

Other urban improvements include:

- Completion of Canning Highway widening between Douglas Avenue and South Terrace to provide improved median access, vehicle turning opportunities and improved safety for all road users
- Commencement of the \$14 million upgrade of Great Eastern Highway between Roe Highway and Scott Street to improve all-round safety and traffic flow

TRAFFIC MANAGEMENT

Intelligent Transport Systems & Traffic Operations Centre

Intelligent Transport Systems (ITS) make use of computer and communications technology to assist in traffic management.

ITS offers opportunities to minimise travel times, reduce crashes, improve public transport information and integration and reduce pollution

Over the last 12 months, Main Roads has further developed ITS by:

- Relocating its Traffic Operations Centre from Welshpool to a purpose-built facility that also houses the control centre for the Graham Farmer Freeway
- Expanding SCATS (the Sydney Coordinated Adaptive Traffic System) signal linking system so that all signals in the State are now connected. Through SCATS, the Traffic Operations Centre can adjust signal phasing in critical peak traffic times to help clear congestion on the network

- Expanding the Traffic Operations Centre's close working relationship with the Police Service by assisting with escorts including critical ambulance runs, (i.e. organ donor runs), and by synchronising traffic signal plans for special sporting or public events, freeing police resources that would otherwise be directing traffic
- Getting real-time traffic information relayed to the public via direct contact with the media and the Internet



New flags for WA's School Traffic Wardens

Improved Signing and Road Marking

- 'Stop' signs at 157 intersections have been replaced with 'Give Way' signs as a result of the previous year's review into improved signing
- Since 1997, all 800 Western Australian schools have had 40 km/h speed zones installed with appropriate speed limit signage. In response to community comment, Main Roads has been trialing painted 40 km/h speed limits on the road pavement. Initial trial results show a 15 km/h speed reduction at the trial sites. There will be further evaluation of trial results
- New fluorescent, yellow-green background signs have been installed at 30 zebra pedestrian crossings within the Perth metropolitan area. These highly visible signs provide added warning to motorists of an approaching pedestrian crossing and improve visibility of the crossing at night
- New parallel walk signals were installed at a number of Perth city intersections. They apply to traffic signals where pedestrians cross at the same time as vehicles also using the intersection and are so named because pedestrians walk parallel to the traffic flow. The system is designed to reduce waiting periods for both pedestrians and motorists
- Flags used by school traffic wardens throughout the State have been changed to incorporate the 'Stop' sign symbol within a fluorescent yellow border to increase visibility

Implementation of 50 km/h Speed Limit for Built-Up Areas

Main Roads supports the implementation of a 50 km/h speed limit for built-up areas as an important safety measure to reduce road death and injury, and is working closely with other agencies and Local Government to ensure the changes are implemented effectively.

Traffic Management at Roadworks

Between 1990 and 2000, there were 182 injuries recorded at roadworks sites in Western Australia with nine of these involving fatalities.

As part of ongoing measures to improve this situation, Main Roads has:

- Updated the Main Roads *Traffic Management for Roadworks Code of Practice* to provide clear traffic management guidance
- Arranged and provided training on the Code for road workers
- Required persons involved in traffic management to have appropriate qualifications
- Commenced a process to ensure all parties involved in traffic management are aware of their obligations
- Conducted a newspaper and radio campaign to improve public awareness of the need for motorists to slow down at roadworks

OPERATIONAL ACHIEVEMENTS AND PERFORMANCE



Powis Street Overpass

Cycling

In November 2000, Main Roads endorsed a Policy for Cycling Infrastructure.

This policy clearly defines our approach to the planning, design and construction of cycling facilities and provides clear guidance on how to maintain them.

Perth Bicycle Network

Main Roads completed three major Perth Bicycle Network projects this year – the Powis Street overpass (\$1.7 million), the Nash Street overpass (\$0.7 million) and the Principal Shared Path from Claremont Station to Swanbourne Station (\$0.9 million).

HERO Program

HERO (Highway Emergency Response Operation) officers patrol the freeways providing roadside assistance to stranded motorists and traffic control assistance to police and others in emergencies. The aim is to minimise disruptions caused by breakdowns and crashes.

In the first 11 months of the trial, HERO assisted 1,600 road users with 95 per cent of customers rating the service highly.



HERO officers help 1,600 road users.



Advertisement used to improve public awareness of the need to slow down at roadworks.

OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

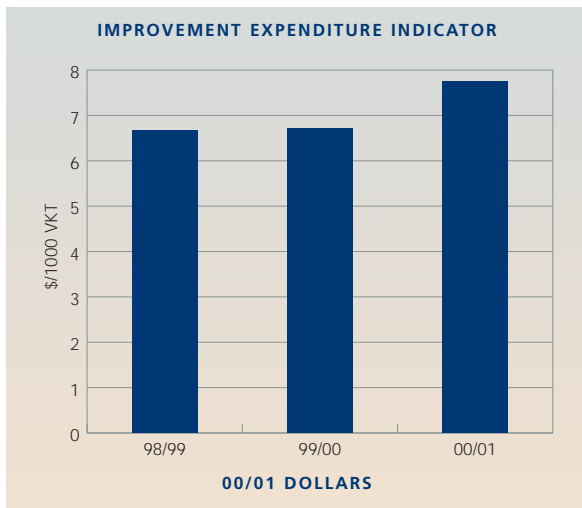
AUDITED KEY PERFORMANCE INDICATORS: ROAD IMPROVEMENTS

Efficiency

Improvement Expenditure

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 vehicle kilometres travelled (VKT) on Western Australian roads (output). Continuing increases in traffic volumes in recent years represent the major contributing factor resulting in a need to improve the existing network.



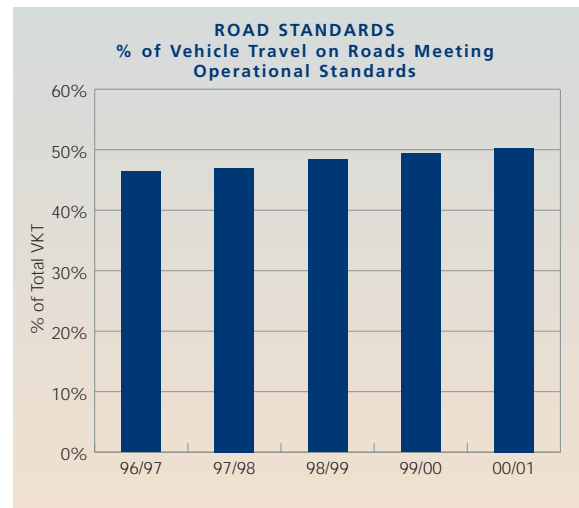
This indicator must be read in conjunction with other performance indicators such as Road Standards.

A substantial amount of improvement works (1999-2000) were deferred to the 2000-01 financial year because of the urgent repairs needed to the network as a result of "Cyclone Steve" and the January 2000 flood damage in the Wheatbelt South and Great Southern Regions. For this reason, it is difficult to compare current improvement costs per 1000 VKT with past costs.

Effectiveness

Road Standards

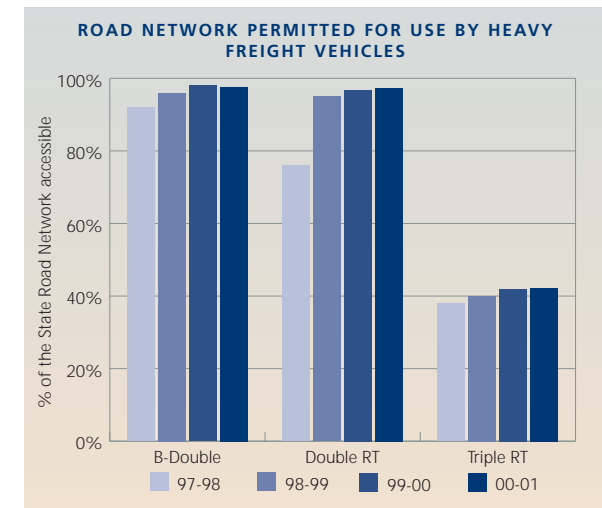
Road Standards is a demand related measure of the effectiveness of improvement expenditure. It shows the extent to which vehicles travel on roads which conform



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.

Road Network Permitted for Use by Heavy Freight Vehicles

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 AUSTRROADS Class 9; these include B-doubles (Class 10), double road trains (Class 11) and triple road trains (Class 12).

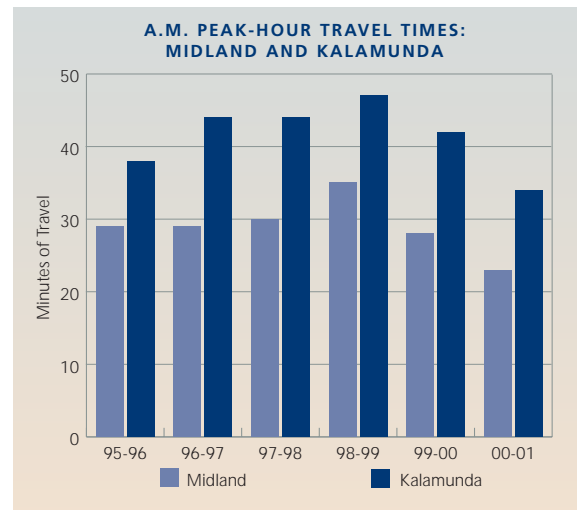


OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

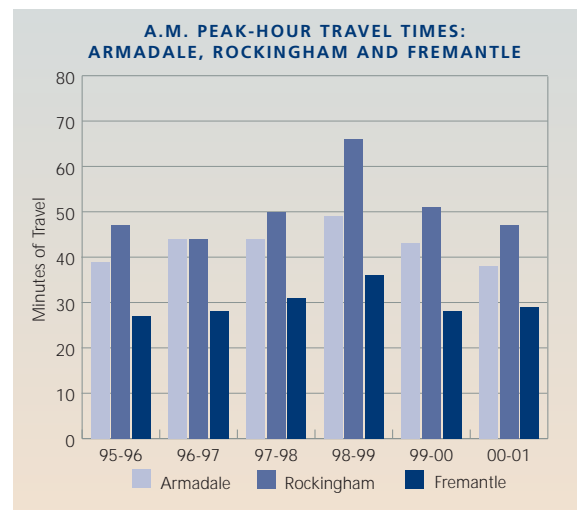
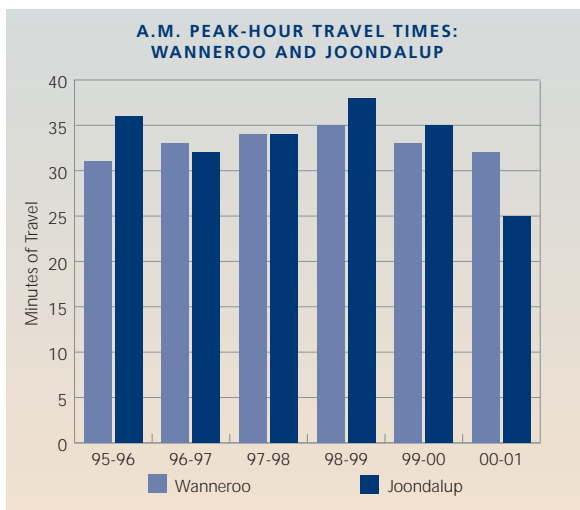
Because of the relatively high efficiency of these vehicles, the proportion of roads accessible to them is an important factor in the overall efficiency of freight transport in this State. The accompanying chart shows the extent to which the Western Australian National and State road network is accessible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

The slight decline in the percentage of the network available to Class 10 vehicles was due to the reclassification of a local government road to a state road – a road that was not suitable to carry class 10 vehicles.

Peak Hour Travel Times



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 has been a statistically significant improvement in morning peak-hour travel times from 1999-2000 to 2000-2001 over the Joondalup, Midland, Kalamunda and Armadale routes. The improvement in morning peak-hour travel times over these four routes is consistent with the completion of projects in Main Roads' major road building program. In particular, the completion of the Graham Farmer Freeway has had a significant impact in reducing morning peak-hour travel times, most noticeably along the Joondalup route where significant reductions in travel times were recorded along the Mitchell Freeway between the Hutton Street and Charles Street on ramps.



For the Rockingham route, there was an overall slight improvement in the morning peak-hour travel time. This slight improvement resulted from the averaging of significant increases in travel times recorded prior to the completion of the Narrows Bridge Duplication project and Kwinana Freeway flyovers and significant decreases in travel times recorded subsequent to the completion of these projects. Similarly, the slight increase in morning peak-hour travel times for the Fremantle route was a result of the averaging of travel times recorded before and after the completion of the Narrows Bridge Duplication project.

OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

ROAD CONSTRUCTION

Overall, the construction of new roads and associated facilities plays an integral role in the development of an integrated transport system that aims to improve transport efficiency and support economic growth within Western Australia.

New road construction projects completed over the last year have assisted with:

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

The table summarises Main Roads' achievements against the targets published in the 2000-01 State Budget Papers.

Measure	Target	Actual	Comments (a)
Quantity: Lane Kilometres	1,245	658	Target output was overstated in error. In addition, some road construction projects were delayed in their delivery.
Cost: \$ per Lane Kilometre	\$280,000	\$427,137	The Kwinana Freeway extension and works on the Freeway associated with rail and bus projects were brought forward from the 2001-02 program by the previous Government, following publication of the Budget Papers. The cost of building freeways is significantly higher than other roads and is the reason for the higher cost per lane kilometre.
Quality: Where as constructed audit meets design standard based on Austroads guidelines and Australian Standard	100%	100%	Generally 100% unless a more appropriate balance between competing community needs has been found and independently verified.
Timeliness: The percentage of road construction completed within the agreed 12 month timeframe or as specified for individual major projects. (b)	90%	92%	

(a) Comments only provided where there are noteworthy differences

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

The following are examples of road construction projects undertaken during the year.

ROAD CONSTRUCTION IN RURAL AREAS

Northam Bypass

A design and construct contract for the \$40 million Commonwealth-funded Northam Bypass project was awarded in January 2001 and is expected to be completed in June 2002.

The bypass is a 14.9 kilometre realignment of Great Eastern Highway and will remove heavy trucks from the town's local road network and shopping precinct.

This will:

- Improve road safety by removing through-traffic from the Northam townsite
- Reduce risks to the public associated with transport of dangerous materials
- Reduce traffic noise for Northam residents, especially at night
- Reduce freight and transport costs

Goldfields Highway – Mount Keith to Wiluna Section

Construction of a sealed road between Mount Keith and Wiluna, predominantly on a new alignment, was completed and opened to traffic in December 1999 and was given its final seal coat in January 2001.

The 82 kilometre section was constructed under a design and construct contract and is providing safer travelling conditions and increased reliability of travel for tourists, the resource industry and local communities.

Dawesville Deviation

The project involved the construction of a 4.5 kilometre dual carriageway from the existing dual carriageway at Port Bouvard Bridge (over Dawesville Channel) south to Tims Thicket Road. Work on the project began in July 2000 and roadworks were completed in May 2001. Landscaping and construction of a screen fence to improve residential amenity and reduce traffic noise will be completed later in 2001.

Community consultation played an important part in finalising the detailed design for the Dawesville Deviation with several changes to the scope of the project being made to meet community and stakeholders' expectations. As a consequence of these scope changes, and increased land settlement costs, the project cost increased from its budget of \$10.3 million to \$12.9 million.

The Dawesville Deviation has:

- Increased safety for motorists by eliminating a stretch of Old Coast Road that had poor visibility and several four-way intersections
- Reduced the level of traffic congestion previously experienced and increased traffic efficiency

- Catered for predicted future traffic demand which is presently growing at 7 per cent per annum
- Improved access to the growing residential developments south of Mandurah, such as Florida and Melros

Busselton Bypass

The project involved construction of a new 10.7 kilometre road to bypass the town of Busselton and reconstruction a 5 kilometre section of the existing Bussell Highway on the eastern approach to the town as a dual carriageway. It began in December 1999, and was completed 4 months ahead of schedule in December 2000 (in time for the holiday season) and on its budget of \$25 million.

Environmental measures incorporated into the project included installing a fauna underpass, fencing to exclude kangaroos from the road, rehabilitating wetland areas, and revegetating the road reserve.

The Busselton Bypass now forms an important part of the regional road network for the South West and has provided the following benefits:

- Removed through-traffic, particularly large trucks, from the Busselton townsite thereby improving safety and quality of life for residents
- Improved access for tourists travelling to the Dunsborough, Yallingup, Margaret River and Augusta areas

- Provided higher levels of safety and efficiency for local, regional and tourist vehicles on the upgraded section of the Bussell Highway

ROAD CONSTRUCTION ON LOCAL ROADS

Ripon Hills Road

A further 80 kilometres of pavement construction and seal was completed bringing the total length of sealed road to 107 kilometres with the remaining 25 kilometres to be sealed by August 2001. This section of road and the Marble Bar Road provide access to the local pastoral industry and also to mining developments and Aboriginal communities in the eastern Pilbara. Construction and sealing the remaining unsealed sections will significantly improve road safety, reduce



Expanding the State's roads to meet community needs.

operating costs and increase the viability of mining ventures in the area.

Madigan Road (Karratha Western Access)

Construction of a new sealed road between North West Coastal Highway and Dampier Highway was completed in March 2001. The new 6 kilometre road will remove through traffic, and in particular, heavy freight traffic, from the section of Dampier Highway that passes through the Karratha townsite and provides a more direct route to the Dampier Port and Burrup Peninsula.

Other road construction projects in rural areas have included:

- Upgrading the Marble Bar Road with another 11 kilometres constructed to seal, improving access to pastoral and mining developments and Aboriginal communities while enhancing safety and reducing maintenance costs
- Continuation of planning and pre-construction activities associated with the Geraldton Southern Transport Corridor. The project will encourage tourism, business growth and job opportunities by enhancing the city foreshore and central business district amenity
- Further planning and pre-construction activity associated with the remaining section of Indian Ocean Drive between Lancelin and Cervantes. The project will be a fillip to coastal tourism by completing the coastal route from Perth to Dongara

- Further works on the Mount Magnet-Leinster Road. So far, 142 kilometres of the 305 kilometre route has been sealed at a cost of \$28 million to improve safety for the mining and tourism industries
- Commencement of work on sealing the Carnarvon-Mullewa Road. Involving the Shires of Carnarvon and Upper Gascoyne, the project will provide significant social and economic benefits by providing all-weather access between Carnarvon and Gascoyne Junction

ROAD CONSTRUCTION IN THE METROPOLITAN AREA

Kwinana Freeway Interchanges and Extension

The \$166 million Kwinana Freeway Interchanges and Extension project was officially opened on 23 June 2001 by the Premier of Western Australian, Hon Dr Geoff Gallop, MLA. The works were completed on budget and some 5 months ahead of the original project schedule.

The project included constructing flyovers to replace traffic signals at 6 intersections on Kwinana Freeway, extending the freeway 12 kilometres to Safety Bay Road and upgrading 6.5 kilometres of Safety Bay Road to Ennis Avenue. The freeway now provides uninterrupted traffic flows between Perth and Rockingham and will benefit road users by:

- Significantly reducing travel times during peak times
- Removing regional traffic from local roads
- Reducing congestion
- Reducing fuel consumption and vehicle emissions
- Improving safety for all road users

Access for pedestrians and cyclists has also been enhanced by constructing a dual-use path and providing grade-separated facilities at the new interchanges.

Environmental practices implemented during the project included drainage designed to protect wetlands in the area; stormwater treatment to remove nutrients and sediments; and improving the Peel Main Drain in



Kwinana Freeway extensions official opening.

selected areas by creating embayments planted with local wetland species, shrubs and other wetland plants provide refuge for local fauna, especially waterbirds. Wildlife crossings have also been installed at several locations including Safety Bay Road where the freeway divides the existing lake system.

Roe Highway

Albany Highway has been re-aligned between Harris Street and Royal Street in Kenwick and provides the needed infrastructure to allow for the extension of Roe Highway from Welshpool. The project commenced in February 1999 and is scheduled for completion in August 2001.

Under the project, 8 bridges have been constructed; the Kenwick flyover has been raised; new railway tracks and a future railway tunnel provided; and 1.6 kilometres of dual carriageway built. A dual-use path between Beckenham and Kenwick railway stations has also been installed that forms part of the Perth Bicycle Network.

The completion of the project will provide the following benefits:

- Enable the extension of the Roe Highway from Welshpool Road to the Kenwick Link
- Improve traffic flow on Albany Highway by eliminating the level crossing with the Kewdale to Kwinana freight railway

- Allow for the future cartage of double-stacked containers on the freight railway
- Increase the amenity of the area for residents, cyclists and pedestrians with the relocation of power lines underground, landscaping and the construction of shared-use paths

Construction of Roe Highway between Welshpool Road and Nicholson Road was awarded as a design and construct contract in May 2001 and is expected to be completed by late 2003. This extension will include a connection to the existing Kenwick Link.

Commonwealth funding of \$76 million for the extension of Roe Highway through to Kwinana Freeway was announced in January 2001. It is anticipated that a contract will be awarded to build Roe Highway between Nicholson Road and South Street in 2002 with construction expected to be completed by early 2004. Project planning on the section from South Street to Kwinana Freeway is in progress.

Reid Highway Extension – Carine Section

The project involves the construction of a 2.7 kilometre extension of Reid Highway from the Mitchell Freeway to Marmion Avenue. The need for the Reid Highway was identified in the 1950s and the land reserved in 1963 to minimise the impact on existing residential areas when constructed.



Adding final touches to Reid Highway.



New dual-use path at the southern end of Big Carine Swamp.

Construction of the highway extension started in October 2000 with a budget of \$16 million and an estimated completion date of July 2001. The project is expected to be fully completed in August 2001 (landscaping will be carried out during July and August 2001) with an estimated final cost of \$18 million. The additional costs have resulted from the need to relocate unidentified services (power, gas, telephones and water) and to address various issues of community concern, in particular the impact of the highway extension on neighbouring residents and on traffic volumes on local roads.

The construction of Reid Highway has provoked strong reaction from the community, both for and against the project. It has been a challenge for Main Roads to continue to provide its professional service in the face of a strong campaign from opponents to the project. The broader community, however, continues to support the project.

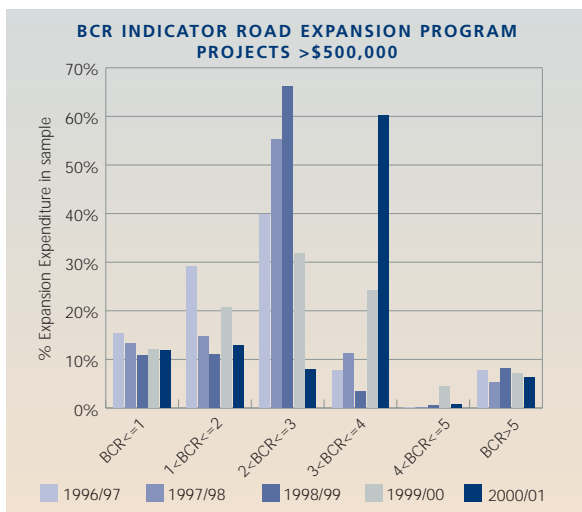
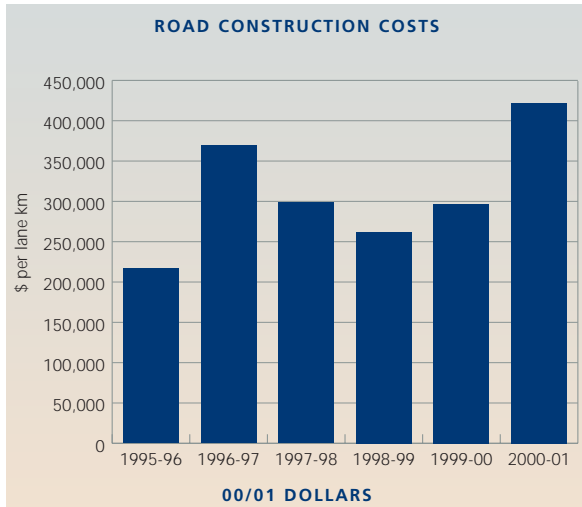
The environmental integrity of Big Carine Swamp and surrounding wetlands was given a high priority in the project development. A two-level filtration system has been designed to remove pollutants from water draining into the area from the highway and some local roads. This drainage system will not only maintain, but also improve, the existing water quality of Big Carine Swamp.

When complete, the Reid Highway extension will provide an important road network link for commuter, business and recreational traffic between the northern and eastern suburbs. The highway will reduce congestion and enhance road safety by redirecting high volumes of traffic from less suitable local roads.

Other metropolitan road construction projects have included:

- Commencement of Stage One of the Kwinana Freeway Transitway project. The \$34 million in works will provide two dedicated bus lanes down the centre of Kwinana Freeway from Judd Street, South Perth, to Manning Road, Como, allowing for a fast, efficient commuter service
- Planning commencement for Tonkin Highway extension between Mills Road West and Mundijong. The South West metropolitan corridor is rapidly expanding and this project will improve community amenity and road safety by concentrating heavy vehicles on Tonkin Highway and major regional roads and away from residential streets

OPERATIONAL ACHIEVEMENTS AND PERFORMANCE



AUDITED KEY PERFORMANCE INDICATORS: ROAD CONSTRUCTION

Efficiency

Road Construction Costs

Road Construction Costs shows the cost per lane kilometre of constructing new roads. It should be noted that the method of calculation changed in 1998-1999. The figures since 1998-1999 are actual costs plus overheads. Prior years' figures are based on tendered contract price plus an allowance for contract management and associated on-costs.

Average Road Construction Costs per lane kilometre increased by 42 per cent compared to last year resulting from the construction of the Kwinana Freeway Interchanges and Extension, Kwinana Freeway Bus Transit Way, Roe Highway (Stage 3), Reid Highway and Great Eastern Highway Northam Bypass projects. The increased cost per lane kilometre was expected due to the complexity, location, quality required and other special conditions affecting construction of this type. These conditions include the construction of detours, significant removal of existing infrastructure, construction of dual-use paths and overpasses.

Freeway class construction of the magnitude associated with the Kwinana Freeway Interchanges and Extension has not occurred in recent years, making cost per lane kilometre comparisons between these years negatively biased. This project makes up approximately 42 per cent of total expenditure and 17 per cent of total lane kilometre. Exclusion of the Kwinana Freeway Interchanges and Extension project, results in revised cost per lane kilometre of approximately \$330,000. Main Roads considers this a good result given the complex nature of other works conducted this year.

Effectiveness

Return on Construction Expenditure

New road and bridge construction works add to the capacity of the road network. Return on Construction Expenditure is based on Benefit Cost Ratio (BCR) estimates of a data set of projects undertaken each year. It indicates the extent to which road and bridge construction expenditure will deliver future economic benefits to the community.

Return on Construction Expenditure represents the distribution of BCRs for all expansion projects over \$500,000 and actual expenditure in 2000-01 greater than \$20,000. The graph expresses the total dollar value of projects with BCRs within each range as a percentage of the total for evaluated works.

OPERATIONAL ACHIEVEMENTS AND PERFORMANCE

BRIDGE CONSTRUCTION

Western Australia's National Highway and Main Road network contains 899 bridges and tunnels with a replacement cost of \$1.13 billion. Bridges are a critical element of the road network and need to be managed to ensure that they have the capacity to enable the State to maximise the efficiency of road transport.

New bridge construction works undertaken during the year have made significant improvements to the efficiency, safety and reliability of access on the State's road network.

The table summarises Main Roads' achievements against the targets published in the 2000-01 State Budget Papers

Measure	Target	Actual	Comments (a)
Quantity: Square metres of bridge deck	8,938	10,529	The project to complete the interchanges on the Kwinana Freeway was brought forward from 2001-02.
Cost: per square metre	\$3,569	\$4,110	The higher unit rate resulted from bringing forward the Kwinana Freeway Interchanges project and delays in delivery of two major projects, (Narrows Bridge Duplication and Wellington Street Ramps). These delays resulted in a larger proportion of these high cost projects being constructed than was originally targeted. In addition several bridges in the Pilbara Region had high unit rates associated with construction in isolated areas.
Quality: % of bridges meeting required standards			
Strength;	84.0%	88.9%	
Width;	90.5%	93.0%	
Timeliness: The percentage of bridge construction completed within the agreed 12 month timeframe or as specified for individual major projects (b).	90%	52%	Two major projects caused the variation. The Narrows Bridge and Wellington Street Ramps were delivered late due to contractors either finding the task more complex than originally thought or not resourcing or managing the contract adequately. Excluding these two projects, 91 per cent of all other bridge works were delivered on time.

(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 following are examples of bridge construction projects undertaken during the year:

BRIDGE CONSTRUCTION IN RURAL AREAS

Pedestrian Walkways in the Kimberley

Existing bridges at three locations on Great Northern Highway at Willare between Broome and Derby and Fitzroy Crossing were widened to permit construction of pedestrian walkways at a cost of \$900,000.

The walkways provide improved pedestrian safety for local communities crossing the Fitzroy River, and improve access to commercial developments and tourist attractions.

Gascoyne River Bridge Replacement

Completion of pre-construction activity associated with the planned replacement of the Gascoyne River Bridge will greatly enhance safety and transport efficiency by replacing the existing single-lane bridge with a dual-lane structure.

North West Coastal Highway

Three bridges were constructed to replace floodways at Hilux, Lulu and Unnamed Creeks between Karratha and Roebourne. The new bridges will significantly reduce road closures between the communities of Karratha, Roebourne, Point Samson and Wickham.

BRIDGE CONSTRUCTION IN THE METROPOLITAN AREA

Narrows Bridge Duplication

The \$49 million duplication project was officially opened in May 2001. The project provides 5 traffic lanes and a dedicated bus lane in each direction as well as new pedestrian and cyclist facilities. The project will deliver improved travel times, particularly for public transport users, reduces traffic congestion and improves road safety through reduced merging and lane changing.

The project provided a challenging task for the project team and the contractor with road user and site safety and public convenience given a high priority.



The duplicated Narrows Bridge.

Wellington Street Ramps

The Wellington Street on and off-ramps providing access to and from the Mitchell Freeway were completed in January 2001. The \$11 million project provides direct access to the city and West Perth, offering an alternative to the current indirect access via local roads such as James, Fitzgerald, Roe and Sutherland Streets. The ramps will improve peak hour access to and from the central business district by providing an additional link between the city and the freeway system.

Guildford Road Bridge

This project involved timber repairs and restoration and the construction of a new concrete overlay for the Guildford Road Bridge across the Swan River. The existing guardrail was also upgraded to provide added safety for all road users including pedestrians. The project started in April 2001 and was completed on time and budget (\$0.8 million) in July 2001.

The bridge carries 30,000 vehicles per day. The works were organised so that one traffic lane was always kept open to minimise traffic delays. The works have extended the useful life of this road bridge which has heritage value within the Guildford area.

**AUDITED KEY PERFORMANCE INDICATORS:
BRIDGE CONSTRUCTION**

Efficiency

Bridge Construction Costs per Square Metre of Bridge Deck

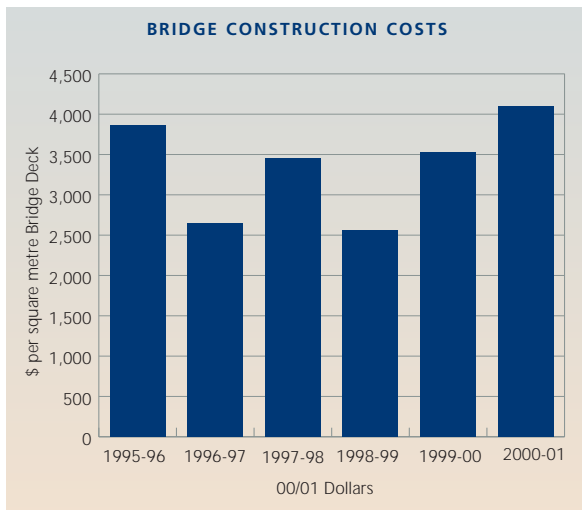
Bridge Construction Costs shows the cost per square metre of constructing new bridges. It should be noted that the method of calculation changed in 1998-99. Figures from 1998-99 are actual costs plus overheads. Prior years' figures are based on tendered contract prices plus an allowance for contract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

Bridge Construction Costs increased significantly during 1999-2000 due to the construction of the Narrows Bridge Duplication, Lord Street Grade Separation and the Wellington Street Ramps. Continuation of the Narrows Bridge Duplication and the Wellington Street Ramps during 2000-2001 has resulted in the cost per square metre remaining relatively high.

In addition, the construction of several isolated bridges in the Pilbara region contributed to the higher unit rates as a result of the cost of mobilising goods and services and the risks to the contractor in these isolated areas.

Effectiveness:

Refer to Return on Construction Expenditure under Road Construction. This single indicator relates to the total road program and includes both roads and bridges.



KEY PERFORMANCE INDICATORS STATEMENT OF CERTIFICATION

I hereby certify that the Key Performance Indicators contained in this section are based on proper records and fairly represent the performance of the Commission of Main Roads for the year ended 30 June 2001.



Greg Martin
Commissioner of Main Roads
Accountable Authority
27 August 2001.



AUDITOR GENERAL

To the Parliament of Western Australia

COMMISSIONER OF MAIN ROADS

PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2001

Scope

I have audited the key effectiveness and efficiency performance indicators of the Commissioner of Main Roads for the year ended June 30, 2001 under the provisions of the Financial Administration and Audit Act 1985. The indicators are set out in the Operational Achievements and Performance section of the annual report and are identified as "Audited Key Performance Indicators".

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, 2001.

A handwritten signature in black ink, appearing to read "D D R Pearson".

D D R Pearson
Auditor General
October 24, 2001

ROAD INDUSTRY FACT SUMMARY

ROAD INDUSTRY FACT SUMMARY

	WA	Aust	WA (%)	
Area (Square km)	2,525,500	7,682,300	32.87	
Population	1,883,860	19,157,037	9.83	
Licensed drivers and riders	1,224,174	13,111,128	9.34	
Vehicles on register including motor cycles	1,325,442	12,204,225	10.86	
Annual Kilometres travelled by vehicles (billions)	18.27	180.78	10.11	
Road length excluding forestry roads (kilometres)	146,981	805,835	18.24	
Fatalities	213	1,817	11.72	
Fatalities/100 million vehicle kilometres travelled	1.17	1.01		
Fatalities/100,000 persons	11.31	9.48		
Fatalities/10,000 vehicles	1.61	1.49		
Serious injuries	2,133	21,489*	9.93	
Serious injuries/100 million vehicle kilometre travelled	11.67	11.89		
Serious injuries/100,000 persons	113.22	112.17		
Serious injuries/10,000 vehicles	16.09	17.61		
Road Classification (as at 30 June 2001)	Sealed (km)	Unsealed (km)	Total (km)	Sealed %
National Highways	4,648	0	4,648	100
State Highways	6,000	167	6,167	97
Main Roads	5,701	1,158	6,859	83
Sub-Total	16,349	1,325	17,674	93
Local Roads regularly maintained	31,589	89,989	121,578	26
Local Roads not regularly maintained	118	4,266	4,384	3
Sub-Total	31,707	94,255	125,962	25
Forest Roads	58	26,931	26,989	0
National Park Roads	52	2,248	2,300	2
Privately maintained Roads	110	935	1,045	11
Sub-Total	220	30,114	30,334	1
Total WA Road Network	48,276	125,694	173,970	28

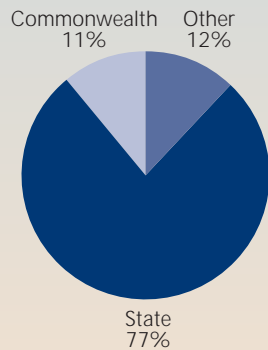
* MRWA Estimates

Sources

Population	Australian Demographic Statistics (30 June 2000)
Licensed drivers	Motor Registry – Australian Bureau of Statistics Year Book 2001 (30 June 2000)
Road length	Australian Bureau of Statistics Year Book 2001 (30 June 2000)
Fatalities	Australian Transport Safety Bureau Dec Qtr 2000 (2000)
Serious Injuries	Road Casualty Report as at Dec 2000 for each state, except NSW which was estimated
Vehicles on Register	Survey of Motor Vehicle Use – include Motor Cycles (31 Oct 2000)
Annual Kms Travelled	Survey of Motor Vehicle Uses (31 Oct 2000)

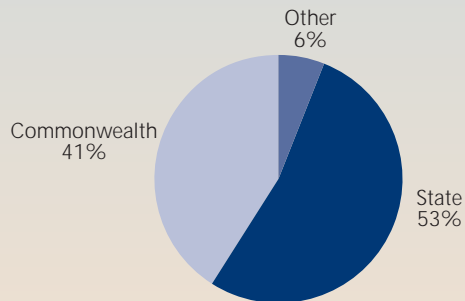
FINANCIAL HIGHLIGHTS

FUNDING 2000-01



FUNDING

FUNDING 1991-92



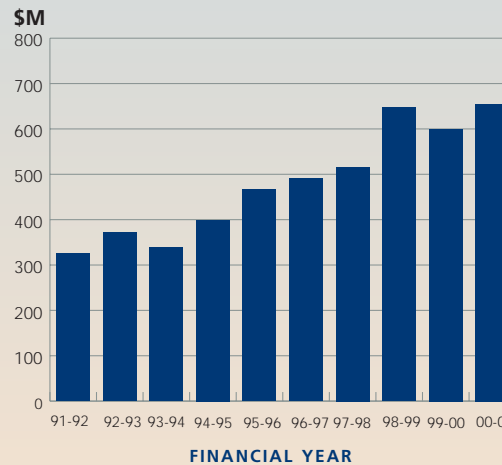
Total funding received during the year (shown in the Statement of Financial Performance) amounted to \$655.6 million.

Sources of funds were:

	2000-01 \$M	1999-00 \$M
State	502.4	496.0
Commonwealth	75.1	74.1
Other Revenue	78.1	29.9
	655.6	600.0

The level of funding received confirms the State Government's continuing support to improving the road

COMPARISON OF FUNDING WITH PREVIOUS YEARS



network as part of an integrated transport system and maintaining the performance of its \$10 billion road assets.

STATE SOURCES

Revenue from State sources has increased from \$170.9 million in 1991-1992 to \$502.4 million in 2000-2001. Over the past three years, the total level of State funding has remained relatively unchanged but the mix has changed with a growing reliance on borrowings.

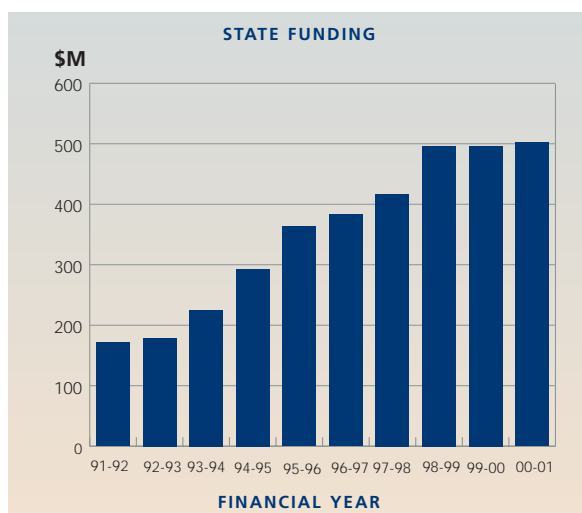
Until 30 June 2000, the State Government continued providing funding for the replacement fuel levy through the Transport Trust Fund. From July 2000, this levy was replaced by the Goods and Services Tax. Funding is therefore now provided directly from the Consolidated Fund.

Motor vehicle licence fees were collected by the Department of Transport under the *Road Traffic Act 1974* and credited to the Main Roads Trust Fund.

FINANCIAL HIGHLIGHTS

Sources of State funds:

	2000-01 \$M	1999-00 \$M
Transport Trust Fund (Replacement Fuel Levy)	-	242.5
Motor Vehicle Licence Fees	236.0	224.6
Consolidated Fund	264.6	22.3
Supplementary Funds	-	5.0
Motor Vehicle Permit Fees	1.8	1.6
	502.4	496.0



COMMONWEALTH GRANTS

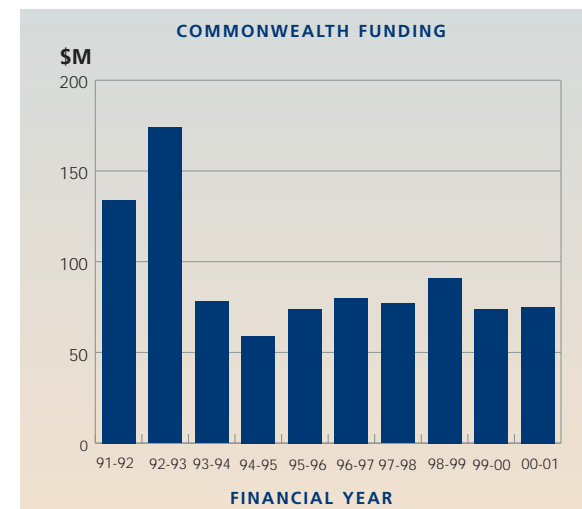
The level of funding provided by the Commonwealth Government in monetary terms remains at similar levels to previous years. However, as a percentage of the total funding for Western Australian roads, revenue from the Commonwealth has decreased from 41.2 per cent in 1991-1992 to 11.5 per cent in 2000-2001. The major proportion of Commonwealth funding is directed towards improving and maintaining 4,648 kilometres of National Highways in Western Australia.

The National Highway system comprises the Perth to Darwin and the Perth to Adelaide links.

Commonwealth funds are also provided for Black Spot programs, the objective being to reduce the social and economic costs of road trauma.

Funding from the Commonwealth was:

	2000-01 \$M	1999-00 \$M
Australian Land Development Act 1988		
– National Highways	69.6	69.0
– Black Spot Program	4.5	4.2
	74.1	73.2
Interstate Road Transport Act 1985	1.0	0.9
	75.1	74.1



OTHER REVENUE

Total other revenue received amounted to \$78.1 million.

The Fire and Emergency Services Authority, under the Natural Disaster Relief Arrangements, provided \$21.3 million towards the restoration of roads damaged by cyclones and through unseasonal and abnormal rainfall. This amount included \$14.2 million paid to Local Government and represents a minimum 75 per cent of costs incurred by them in restoring local roads. The balance of \$7.1 million was spent on restoration of State roads damaged by flooding.

Other contributions to roadworks of \$46.2 million related to work undertaken on behalf of external parties or for contributions received for jointly funded projects.

FINANCIAL HIGHLIGHTS

Profit on sale of assets of \$5.5 million resulted from the sale of land no longer required for roadworks and from major plant sales following closure of day labour plant operations.

Rents received from properties held until required for roadworks and from staff housing in remote areas amounted to \$3.0 million.

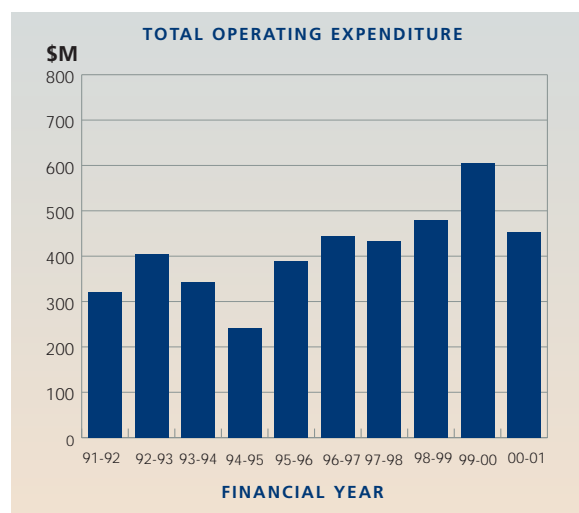
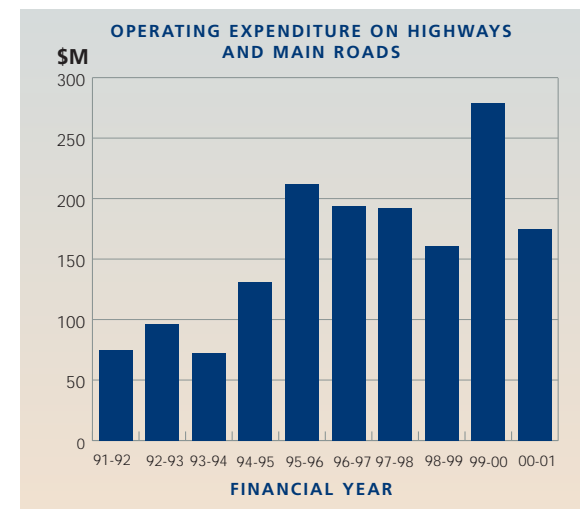
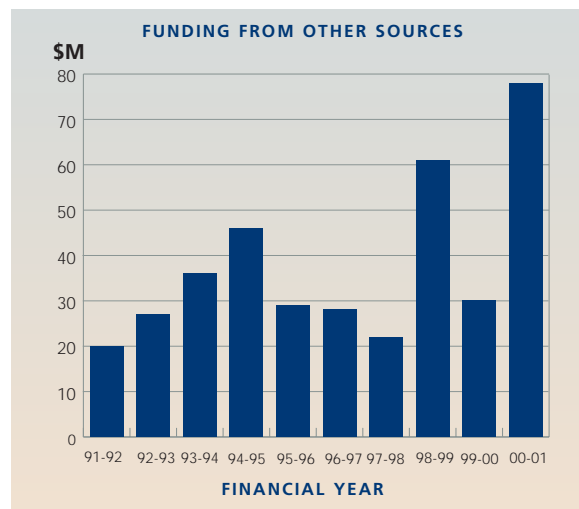
Sources of other revenue were:

	2000-01 \$M	1999-00 \$M
Natural Disaster Funds	21.3	8.1
Contributions to Roadworks by Third Parties	46.2	13.6
Grants from Other Bodies	0.1	0.2
Profit on Sale of Assets	5.5	-
Other Income (rents and miscellaneous)	5.0	8.0
	78.1	29.9

EXPENDITURE

Operating Expenditure

Operating expenditure for the year was \$458.6 million compared with \$606.5 million in 1999-2000. This included \$174.9 million spent on preservation of highways and main roads, \$145.5 million on grants and expenditure on local and other roads, \$115.6 million on



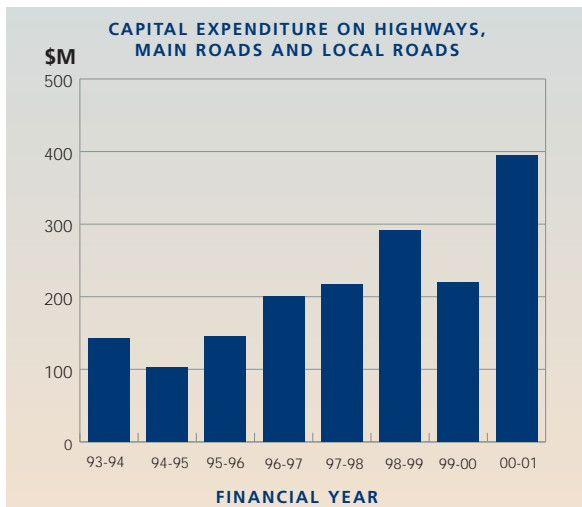
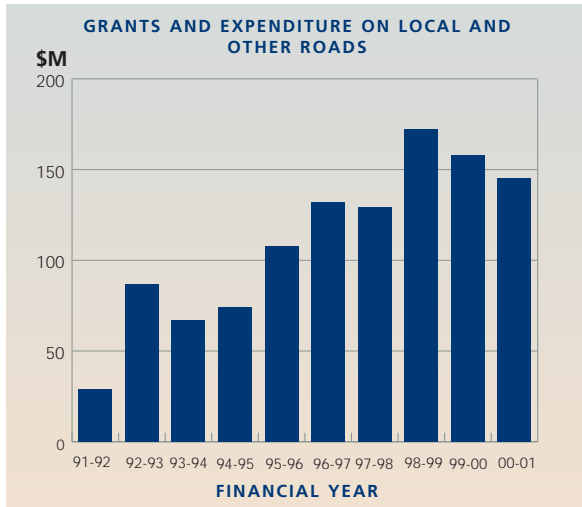
infrastructure depreciation, \$0.4 million on grants to other bodies, \$15.4 million on borrowing costs and \$6.8 million on past service superannuation costs.

The above view of expenditure is different from that shown in the Statement of Financial Performance (see page 68) because for the first time this year the Statement of Financial Performance is presented in a Cost of Services format. The Cost of Services format presents a resource view of expenditure.

Expenditure on Local and Other Roads

Main Roads works in close partnership with Local Government to provide well managed roads for the

FINANCIAL HIGHLIGHTS



Note: 1993-1994 was the first year expenditure on road infrastructure was capitalised.

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 Road Program on page 25.

Capital Expenditure

This comprises expenditure of \$394.5 million on construction and improvement of our road infrastructure and \$3.6 million on other capital expenditure.

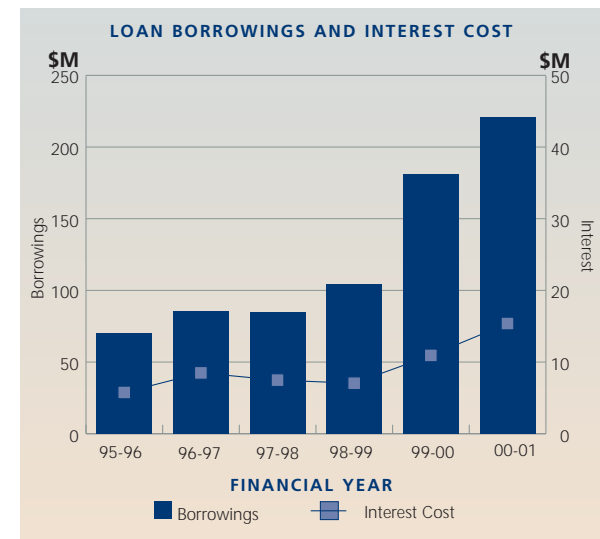
Borrowing Costs and Debt Repayments

The State Government has provided loan approvals to enable early community benefits from significant infrastructure projects to be realised.

Cumulative borrowings amounted to \$222.4 million, having increased during the year by \$41.5 million to fund *TransformWA* projects.

Interest cost on these borrowings during the year was \$15.4 million (1999-2000 was \$10.9 million).

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



Details and explanation of the sources of revenue and categories of expenditure are provided in the Statement of Financial Performance and the accompanying notes.

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*. He is entitled to the same terms and conditions as contained in the *Public Service Award 1992*. The Contract of employment applies in conjunction with, and is subject to the relevant provisions of the *Public Sector Management Act 1994*, the *Workplace Agreement Act 1993* and the *Minimum Conditions of Employment Act 1993*.

MINISTERIAL DIRECTIVES

There were no directives issued by either the previous Minister for Transport or the Minister for Planning and Infrastructure during the year.

COMPLIANCE WITH RELEVANT LAWS

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

Enabling Legislation

The Main Roads Act 1930 establishes the Office of Commissioner of Main Roads and provides the powers necessary for the discharge of the functions of the office. 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.

Legislation Administered

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

State Legislation

In the performance of these functions, the following relevant written laws are complied with:

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.

The following written laws also impact on activities undertaken:

Constitution Act 1889 and Constitution Acts Amendments Act 1899, Appropriation (Consolidated Fund) Act and Interpretation Act 1984.

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.

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 EXECUTIVE

The members of the Corporate Executive and their responsibilities are shown on pages 12 and 13. Main Roads' Corporate Executive meets 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 risk management. In addition,

two special meetings of the corporate executive were convened.

The Corporate Executive acts on stakeholder feedback through changes to policy, priorities, strategies and business plans.

The Extended Corporate Executive comprises the normal Corporate Executive plus the Regional Managers as the regional representatives of the Commissioner. These meetings are held quarterly.

CORPORATE EXECUTIVE COMMITTEES

There are 6 Corporate Executive committees:

- Dynamic Resourcing Committee
- Corporate Development Committee
- Workforce Management Committee
- Business Development Committee
- Audit Committee
- Occupational Health and Safety Committee

ADVISORY GROUPS

Main Roads seeks regular input on issues and policy development from a variety of stakeholder groups as follows:

- Main Roads – Western Australian Municipal Association (WAMA) Liaison Committee
- State Road Funds to Local Government Advisory Committee

- Heavy Vehicle Advisory Group
- WA Road Construction and Maintenance Industry Advisory Group

ETHICS

A Code of Conduct supported by a number of human resource policies applies to all staff and a declaration of no interest was given by individual members of the Corporate Executive as to any pecuniary interest in any third-party dealings.

ORGANISATION PERFORMANCE REPORTING

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

DIRECTIONS AND PRIORITIES

Main Roads has a strategic plan that is available to the public with performance against the plan regularly reviewed and reported. Our *Directions and Priorities 2000-2003* was effectively implemented during 2000-2001.

Directions and Priorities 2000-2003 will be comprehensively reviewed early in 2001-2002.

Complementing this is a 10-year Works Program and detailed business planning and reporting processes across the agency, a 5-year Strategic Information Plan, a 3-year Strategic Audit program and property management plans.

KEEPING STAFF INFORMED

All staff participate in formal monthly organisation-wide briefing arrangements on matters of urgency, importance or interest.

CORPORATE GOVERNANCE HEALTH CHECK

During the year, we sought independent expert input to good corporate governance and we undertook a self-assessment of governance practices using a checklist based on a combination of those used by the Australian National Audit Office and the International Federation of Accountants. The results of the self-assessment were very good and have been used to identify some areas for improvement next year.

AUSTROADS

Main Roads is a member of Austroads. This allows us to compare our performance with the Australian industry at large across a comprehensive suite of indicators.

DELEGATION OF AUTHORITY

A comprehensive Delegation of Authority manual is available on-line to all staff to provide clear and concise authority.

RISK MANAGEMENT

Main Roads has developed a Risk Management Plan and an annual review process that was implemented this year.

INSURABLE RISKS

Insurance cover is in place through 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.

INTERNAL CONTROLS

All core business processes are third party certified.

Procedures designed to safeguard the assets and interests of Main Roads and to ensure that the integrity of reporting have been established and deployed.

The Accounting Manual is available on-line to all staff.

The Corporate Executive monitors the operational and financial performance of the business at its meetings.

Executive Directors routinely monitor performance within their areas and report personally every quarter to the Commissioner.

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

These documents are available on-line to all staff using either our intranet or via the web to the Department of Justice.

GOODS AND SERVICES TAX

Changes were successfully implemented to ensure that Main Roads was fully GST-ready on 1 July 2000 and a subsequent audit review of GST savings was completed.

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

All core business processes are third party certified.

Work progressed during the year with the certification to AS/NZS ISO 9001:1994, to ensure that the Main Roads Management System delivers efficient and effective planning, controls and improvement in the road management process. This resulted in the scope of certification being extended on the previous year and in 2000-2001 included:

- 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

Main Roads intends to convert certification to the new AS/NZS ISO 9001:2000 standard during 2001-2002.

INFORMATION MANAGEMENT

A 5-year Strategic Information Management Plan is in place.

An Internet Management Plan has been prepared to provide direction for the next three years on this important communication tool. Key features of this plan include:

- Improved service to the public
- Improved operational efficiency through collaboration and knowledge sharing
- Maintain currency of technology and measure performance
- Provide increased public access to information and
- Provide more E-business opportunities

A Disaster Recovery Plan for the Library and Records functions has also been completed and work has commenced on the development of a Corporate Records Keeping Plan in line with the new *State Records Act 2000*.

COMMUNITY PERCEPTIONS SURVEYS

Community Perceptions Surveys are carried out annually to assess how the community perceives Main Roads' performance. This year, to reflect our commitment to

customer service and community involvement, participants have been asked to identify areas of focus for the next few years. The information provided by the survey will be used to make changes to procedures and methods of operation to ensure continuous business improvement and increased effectiveness and customer-satisfaction with the road system.

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 115). This statement provides guidance on how to obtain information from Main Roads under the Freedom of Information (FOI) legislation. Most information is available without a formal FOI request.

Our Freedom of Information Co-ordinator can be contacted at our Head Office at East Perth on telephone number 9323 4268.

FOI applications received decreased and complaints to the Ombudsman increased as shown below:

	2000-01	1999-2000
FOI Applications Received	27	42
Complaints to the Ombudsman	7	4
Complaints Upheld	0	0

CONTRACTS

Contracting

Main Roads awarded 993 contracts valued at \$694 million during 2000-2001. This represents a 12 per cent reduction in the number of contracts and a 4 per cent increase in the value of contracts awarded over 1999-2000. This was due to the award of the second half of the high-value, term contracts during the year. The outlook for next year is a further reduction in the number and value of contracts.

There has been continued industry consultation in the development of Main Roads' contracting strategies, policies and processes. Currently, reviews of our pre-qualification system for works and of the technical services pre-qualification system are well advanced. Main Roads will continue to maintain a pre-qualification system for works although the system will be significantly enhanced to better meet Main Roads' current contracting needs. In June 2001 the technical services pre-qualification system was terminated. At this stage, it is unclear whether Main Roads will implement a replacement scheme for this system. To enhance staff skill levels, Main Roads has provided targeted training to contracting personnel to ensure the right skills are applied in this increasingly complex business.

Operational reviews of all term contracts namely, Term Network Contracts (TNCs), Term Consultancy Contracts (TCC), Term Consultancy Infrastructure Contracts (TCIC)

and Term Asset Contracts (TACs) are planned over the next 12 months. At present operational reviews have been completed on two term network contracts with one draft report completed. The intention of these reviews is to routinely assess the performance of the contractors and Main Roads.

CAMS – Government Contracting Information Bulletin Board

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.

Buy Local Policy

During the year Main Roads implemented the Governments' Buy Local Policy. The decentralisation of Main Roads procurement function across ten regions, together with the application of the regional preferences available to local suppliers under this policy has ensured a high local content.

Enhancements to Main Roads' systems that will enable all local content to be quantified in contracts will not be finalised until July 2001. Main Roads is confident that the 70 per cent local purchasing target established in the Buy Local Policy will be exceeded.

Given Main Roads regional distribution and the general availability in regional Western Australia of many of the works and services required for procurement, Main Roads has been able to provide feedback to the State Supply Commission over the past year. The State Supply Commission administers this policy and all feedback provided will further enhance the operation of the Buy Local Policy when it is reviewed in the second half of 2001.

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 and Employment as Priority Access Employers. This registration is a prerequisite for businesses tendering for most large State Government (including Main Roads) contracts.

To ensure that our suppliers are all aware of this policy Main Roads has been very proactive, writing to all of our prequalified contractors and other contractors who have carried out works for Main Roads over the past two years. In addition, details of these businesses were also provided to the Department of Training and Employment who contacted each business to further encourage registration.

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 changed during the year with the resignation of Mr Steve Jones, Director Asset Management (Western Australia Police Service). Mr Jones was replaced by Mr Stephen Harvey, Director Facilities and Services (Education Department of Western Australia), who together with Mr Alex Taylor, Director Service Procurement (Ministry of Justice) 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 procedures 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 Road Construction and Maintenance Industry Advisory Group, provides for a customer-focused, fair, structured and very responsive approach to reviewing grievances lodged by our contractors and suppliers.

During the year, 18 grievances were lodged with Main Roads, equating to 1.8 per cent of all contracts awarded. We successfully resolved 16 of these grievances ourselves. The State Supply Commission investigated and cleared the remaining two.

Contract Administration System upgrade

A major upgrade of the Contract Administration System was completed and implemented in February 2001. The upgraded system enables improved monitoring of contracts and better management reporting. The changes have slowed regional access and this is being examined.

Supply Managers Forum

Main Roads' Manager Supply and Transport Branch meets regularly with the supply managers of other government agencies and with officers from the Department of Contract and Management Services to network and share initiatives and jointly address issues.

State Tenders Committee

The Executive Director Finance and Services is a member of this committee which meets weekly at the State Supply Commission.

Light Vehicle Fleet

The light vehicle fleet was reduced by 30 vehicles and further reductions have been identified that will be recognised in the first quarter of 2001-02. These reductions are part of a review that has to date reduced the fleet some 21 per cent from

453 to 357 vehicles and modified its composition to minimise costs.

Where practical Main Roads is procuring LPG vehicles. Because half of our fleet is located in regional Western Australia, the availability of LPG has restricted the use of LPG vehicles. Notwithstanding this, 33 per cent of the 6 cylinder vehicles procured this year have been either dedicated LPG, or LPG and petrol dual fuel vehicles. This proportion is expected to increase as the availability of LPG in rural Western Australia improves.

Customer Focus

See pages 9 to 11 for a report on our customer-focus activities.

Ethical Standards and Performance

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 has been complied with, is available on page 18.

Particulars of any Interest in Contracts

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

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
- 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

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
- Australian Transport Safety Bureau: An annual Black Spot program is developed through the State Consultative Panel for Federal Black Spot funding, which is then submitted to the Bureau 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 Productivity and Labour Relations: 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
- Ministry of 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

EVALUATIONS

Main Roads, in its endeavours to improve performance and work practices and minimise operational costs has conducted the following evaluations:

- Review of Financial Management System
 - Vehicle Fleet Size and Composition
 - Legislation Requirements
 - Property Compensation Process and Outcomes (2)
 - Review of Contract Administration System
 - Corporate Risk Management
 - Corporate Governance Approach
 - GST Savings from Contractors
 - Operational Audits
 - Budgeting and Forecasting
 - Management Reporting
 - Closure of Plant and Mechanical
 - Category 1 Contracts
 - Term Network Contracts 7 and 5
 - Category 2 Contract and Project Management
 - Facility Management – Outsourcing of Main Roads Management of Acquired Properties Function
 - Heritage Councils Database to Determine Main Roads Responsibilities
 - ‘Direct Dial In’ Telephone Answering
 - Quality Vehicle Travel Logs
 - Main Roads Act to ensure no conflicts with National Competition Policy
- Project and Process Continuous Improvement
 - Feedback from stakeholders or resulting action (eg Consultation Advisory Group)
 - Third Party Certification
 - Community Perceptions Survey
 - Customer Service Strategy
 - Integrity of the data in Program of Works
 - Audit of road inventory data updates in ROMIS
 - Progress towards ISO 14001 including reviewing and establishing legal and other obligations register, environmental aspects and impacts register and environmental risk assessment
 - Review of Pre-qualification System for Contractors and Consultants
 - Evaluation of Traffic Forecasting for Graham Farmer Freeway and associated roads
 - Audit Compliance of Project and Contract Managers for Category 2 projects
 - Evaluation of specifications for pavement moduli (9 test sections) and spray seal design (20 trial sites)
 - Commenced review of Roads 2020 process
 - Review and launch of Main Roads Disability Services Plan
 - Works Contractor Prequalification
 - Technical Services Prequalification
 - Technical Specification Improvement Process
 - Project Management Electronic Management System
- Term Asset Contract Structures
 - Review of Depots and Plant
 - Review of Management of Materials Laboratories State-wide
 - Training and Development of our Staff
 - Business Planning
 - Resource Management
 - Review of Regional Materials Services in Main Roads
 - Traffic Services
 - TNC Minor Improvements Works
 - Correspondence
 - Skill Matrices
 - Insurance clauses and provisions in contracts

ROAD NETWORK MAPS



ROAD NETWORK MAPS



→→ FINANCIAL STATEMENTS AND NOTES

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

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 2001 and the financial position as at 30 June 2001.

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.



Greg Martin
Commissioner of Main Roads
27 August 2001



Athol Jamieson
Principal Accounting Officer
27 August 2001

AUDITOR GENERAL'S REPORT



AUDITOR GENERAL

To the Parliament of Western Australia

COMMISSIONER OF MAIN ROADS FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2001

Scope

I have audited the accounts and financial statements of the Commissioner of Main Roads for the year ended June 30, 2001 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, other mandatory professional reporting requirements and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Commissioner's financial position, the results of its operations 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, other mandatory professional reporting requirements and the Treasurer's Instructions, the financial position of the Commissioner at June 30, 2001 and the results of its operations and its cash flows for the year then ended.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R Pearson
Auditor General
October 24, 2001

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Cost of Services			
Expenses from Ordinary Activities			
Salaries, Wages and Allowances	14	51,813	58,009
Supplies and Services	15	566,242	509,830
Grants and Subsidies	16	88,848	94,845
Depreciation - Infrastructure Assets	17	115,619	131,308
Depreciation - Other Non-Current Assets	18	4,083	7,852
Borrowing Costs	10	15,375	10,930
Superannuation Expense	19	11,077	8,602
Redundancy Costs	20	-	3,686
Net Loss on Disposal of Non-Current Assets	21	-	1,371
Revaluation decrement of Land Held for Resale	5	85	460
Asset valuation decrement	13(b)	-	107,475
		853,142	934,368
Roadworks expenditure capitalised and transferred to infrastructure	6	(394,509)	(220,413)
Total Cost of Services	22	458,633	713,955
Revenues from Ordinary Activities			
Commonwealth Grants	23	75,117	74,130
Natural Disaster Funds	24	21,327	8,136
Contributions to Roadworks	25	46,191	13,604
Net Profit on Disposal of Non-Current Assets	21	5,486	-
Other Revenue from Ordinary Activities	26	4,963	7,943
Total Revenues from Ordinary Activities		153,084	103,813
Net Cost of Services		305,549	610,142

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Revenues from Government			
Appropriations	27 (a)	502,405	496,043
Resources received free of charge	27 (b)	108	203
Total Revenues from Government		502,513	496,246
CHANGE IN NET ASSETS			
Asset valuation increment recognised direct in equity	13 (c)	196,964	(113,896)
	13 (a)	89,804	87,946
TOTAL CHANGE IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		286,768	(25,950)

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 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Current Assets			
Cash Assets	2	2,598	15,109
Restricted Cash Assets	2	1,070	897
Receivables	3	18,185	12,408
Prepayments		284	239
Inventories	4	9,226	8,468
Land Held for Resale	5	3,686	5,151
Total Current Assets		35,049	42,272
Non-Current Assets			
Road Infrastructure	6	10,681,414	10,312,720
Property, Plant and Equipment	7	35,140	36,701
Land Acquired for Roadworks	8	76,400	73,778
Land Held for Resale	5	15,070	15,812
Receivables	3	–	3,226
Total Non-Current Assets		10,808,024	10,442,237
TOTAL ASSETS		10,843,073	10,484,509

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS STATEMENT OF FINANCIAL POSITION AS AT JUNE 30 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Current Liabilities			
Payables	9	112,969	80,763
Interest-Bearing Liabilities	10	6,730	6,724
Provision for Employee Entitlements	11	26,304	28,304
Total Current Liabilities		146,003	115,791
Non-Current Liabilities			
Interest-Bearing Liabilities	10	215,673	174,226
Provision for Employee Entitlements	11	59,980	59,499
Other Liabilities	12	–	344
Total Non-Current Liabilities		275,653	234,069
TOTAL LIABILITIES		421,656	349,860
NET ASSETS		10,421,417	10,134,649
Equity			
Asset Revaluation Reserve	13 (a)	1,314,027	1,224,223
Accumulated Surplus	13 (c)	9,107,390	8,910,426
TOTAL EQUITY		10,421,417	10,134,649

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 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Cash Flows from Government			
Recurrent Appropriations		285,370	256,042
Capital Appropriations		217,020	241,878
Net Cash Provided by Government		502,390	497,920
Utilised as follows:			
Cash Flows from Operating Activities			
Payments			
Payments to Contractors, Suppliers and Employees		(681,804)	(670,480)
Borrowing Costs		(15,403)	(10,636)
GST Payments on Purchases		(53,320)	-
Receipts			
Commonwealth Grants		75,117	74,470
Natural Disaster Funds		21,327	8,136
Other Contributions to Roadworks		45,294	9,011
Rent Received		2,770	2,499
Other Income		2,582	9,500
GST Receipts on Sales		4,710	-
GST Receipts from Taxation Authority		41,735	-
Net Cash Used in Operating Activities	29	(556,992)	(577,500)

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2001

	Note	2000 - 2001 \$'000	1999 - 2000 \$'000
Cash Flows from Investing Activities			
Purchase of Non-Current Assets			
Land and Buildings In-Service		(454)	(359)
Plant, Equipment and Vehicles		(3,021)	(2,111)
Land Acquired for Roadworks		(6,094)	(5,840)
Proceeds from Sale of Non-Current Assets			
Land		6,518	6,272
Land and Buildings In-Service		2,054	1,892
Plant, Equipment and Vehicles		3,491	11,109
Net Cash Provided by Investing Activities		2,494	10,963
Cash Flows from Financing Activities			
Proceeds from Borrowings		46,500	86,000
Repayment of Borrowings		(6,730)	(9,559)
Net Cash Provided by Financing Activities		39,770	76,441
Net Increase/(Decrease) in Cash Held		(12,338)	7,824
Cash Assets at Beginning of Financial Year		16,006	8,182
Cash Assets at End of Financial Year	2	3,668	16,006

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

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

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 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 fulfil 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) 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(d)(i).

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

(c) 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 9.

(d) Valuation of Road Infrastructure

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

- (i) *Land Within Road Reserves* is valued using valuations provided by the Valuer General's Office at 30 June 1999. 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 2001 is based on rates determined at 30 June 1999.

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

- (iii) *Bridges* are valued at replacement cost based on bridge type and geographic location within the State. The replacement cost at 30 June 2001 is based on rates determined at 30 June 1999.
- (iv) *Road Furniture* is valued at replacement cost based on asset type. The replacement cost at 30 June 2001 is based on rates determined at 30 June 1999.
- (v) *Work in Progress* is recognised at cost.
- (e) Land Held for Resale**
Land 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.
- (f) Property, Plant and Equipment**
Land and buildings, plant, vehicles, furniture, equipment and computer hardware and software, are brought to account at cost.
- (g) 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.

(h) 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 the following basis using rates that are reviewed annually.

- (i) The useful lives of assets which are depreciated on a straight line basis are:

Road Infrastructure

Earthworks	100 years
Pavement, Drainage and Seals (Metropolitan Asphalt Roads)	40 years
Bridges	60 to 100 years
Road Furniture	15 to 50 years

Buildings

25 to 40 years

Furniture and Equipment

Computer Hardware and Software	3 to 13 years
Equipment and Furniture	5 to 13 years

Plant and Vehicles

0 to 7 years

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

- (ii) Assets that are not depreciated on a straight line basis are:

Road Infrastructure

Road pavement, drainage and seals for roads other than metropolitan asphalt roads are depreciated over their useful lives, with a maximum life of fifty years to reflect obsolescence factors. The useful life is based on changes in the road condition between reporting periods. The change in road condition is calculated on road roughness counts, which are a reliable overall measure of pavement condition.

Road infrastructure work in progress is not depreciated.

(i) 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.

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

(j) 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 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 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 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 Government Employees Superannuation Board.

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 Government Employees Superannuation Board.

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 Government Employees Superannuation Board'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.

(k) 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).

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

(l) Comparative Figures

Where changes required by legislation or changes in presentation have occurred during the year, the previous years comparatives have been adjusted to reflect the changes. To this end, the Statement of Financial Performance has been prepared on a "Cost of Service" basis for the first time in 2000-2001 and this has required changes to previous year actuals to reflect the new format.

(m) 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.

(n) Borrowing Costs

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

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

2. CASH RESOURCES

	2000 – 01 \$'000	1999 – 00 \$'000
Cash Assets		
Cash at Bank	2,583	15,094
Cash on Hand	15	15
	2,598	15,109
Restricted Cash Assets		
Contractors Deposits	1,070	897
	1,070	897

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

3. RECEIVABLES

Current

Trade Debtors	3,193	5,423
Less: Provision for Doubtful Debts	(468)	(205)
	2,725	5,218
Trade Debtors (Work in Progress)	7,918	7,096
Accrued Income	645	64
GST refund due from Australian Taxation Office	6,897	30
Total Current	18,185	12,408

Non-Current

Receivables	–	3,226
Total Non-Current	–	3,226

Refer also Note 38 – Financial Instruments.

Expenditure totalling \$16,330 is to be recovered from the Commonwealth Department of Transport and Regional Services under service delivery arrangements with the Shires of Christmas Island and Cocos (Keeling) Island.

Approved expenditure during the year amounted to \$115,781 and funds received during 2000-2001 totalled \$20,990.

Funds received in advance and carried over from 1999-2000 amounted to \$78,461.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

4. INVENTORIES

	2000 – 01 \$'000	1999 – 00 \$'000
Inventories not Held for Resale		
Construction and Maintenance Materials (at cost)	9,833	9,002
General Stores (at cost)	191	466
	10,024	9,468
Less: Provision for diminution in the value of Inventories	(798)	(1,000)
	9,226	8,468

Refer also Note 1(g).

5. LAND HELD FOR RESALE

Current

At Valuation	3,686	5,151
--------------	--------------	--------------

Non-Current

At Valuation	15,070	15,812
--------------	---------------	---------------

Land held for resale is valued at 30 June each year by Main Roads officers at the lower of cost and net realisable value. Refer also to Note 1(e).

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

6. ROAD INFRASTRUCTURE

	2000 – 01 \$'000	1999 – 00 \$'000
Roads		
Earthworks at Valuation	3,881,842	3,874,793
Accumulated Depreciation	(1,037,332)	(1,004,139)
Total Earthworks	2,844,510	2,870,654
Pavement, Drainage and Seal at Valuation	3,593,022	3,570,905
Accumulated Depreciation	(1,871,364)	(1,822,719)
Total Pavement, Drainage and Seal	1,721,658	1,748,186
Total Roads	4,566,168	4,618,840
Land Within Road Reserves		
At Valuation (June 1999)	4,403,113	4,273,878
Total Land Within Road Reserves	4,403,113	4,273,878
Bridges		
At Valuation	1,562,704	1,456,998
Accumulated Depreciation	(345,585)	(328,623)
Total Bridges	1,217,119	1,128,375
Road Furniture		
At Valuation	109,530	100,179
Accumulated Depreciation	(39,096)	(35,802)
Total Road Furniture	70,434	64,377

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

6. ROAD INFRASTRUCTURE (continued)

	2000 – 01 \$'000	1999 – 00 \$'000
Work In Progress		
At Cost	424,580	227,250
Accumulated Depreciation	–	–
Total Work in Progress	424,580	227,250
Total Road Infrastructure	10,681,414	10,312,720

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 2001 is based on rates determined at 30 June 1999.

Land Within Road Reserves is based on valuations provided by the Office of the Valuer General at 30 June 1999.

Increments have been adjusted against the Asset Revaluation Reserve.

Refer also to Note 1(d).

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

	Roads \$'000	Land Within Road Reserves \$'000	Bridges \$'000	Road Furniture \$'000	Work in Progress \$'000	Total \$'000
2000 – 2001 Year						
Carrying amount 1 July	4,618,840	4,273,878	1,128,375	64,377	227,250	10,312,720
Additions	42,692	39,431	105,705	9,351	197,330	394,509
Revaluation increment	–	89,804	–	–	–	89,804
Depreciation	(95,364)	–	(16,961)	(3,294)	–	(115,619)
Carrying amount 30 June	4,566,168	4,403,113	1,217,119	70,434	424,580	10,681,414

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

6. ROAD INFRASTRUCTURE (continued)

	Roads	Land Within Road Reserves	Bridges	Road Furniture	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1999 – 2000 Year						
Carrying amount 1 July	4,729,449	4,177,372	837,752	54,334	445,676	10,244,583
Grant to Local Government	(1,110)	–	(99)	–	–	(1,209)
Additions	103,079	8,559	313,607	13,363	(218,195)	220,413
Transfer to Land Assets	–	–	–	–	(231)	(231)
Revaluation increment/(decrement)	(100,664)	87,947	(6,811)	–	–	(19,528)
Depreciation	(111,914)	–	(16,074)	(3,320)	–	(131,308)
Carrying amount 30 June	4,618,840	4,273,878	1,128,375	64,377	227,250	10,312,720

7. PROPERTY, PLANT AND EQUIPMENT

	2000 – 01 \$'000	1999 – 00 \$'000
Freehold Land		
At Cost	3,194	3,089
	3,194	3,089
Buildings		
At Cost	38,833	35,823
Accumulated Depreciation	(13,181)	(11,156)
	25,652	24,667
Total Freehold Land and Buildings	28,846	27,756

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

7. PROPERTY, PLANT AND EQUIPMENT (continued)

	2000 – 01 \$'000	1999 – 00 \$'000
Plant and Vehicles		
At Cost	2,719	17,140
Accumulated Depreciation	(1,853)	(12,152)
	866	4,988
Computer Hardware and Software		
At Cost	16,585	15,709
Accumulated Depreciation	(12,671)	(12,916)
	3,914	2,793
Equipment and Furniture		
At Cost	8,839	7,198
Accumulated Depreciation	(7,325)	(6,034)
	1,514	1,164
Total Plant, Vehicles, Computer Equipment and Furniture	6,294	8,945
Property, Plant and Equipment	35,140	36,701

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

7. PROPERTY, PLANT AND EQUIPMENT (continued)

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

	Freehold Land \$'000	Buildings \$'000	Plant & Vehicles \$'000	Computer Hardware/ Software \$'000	Furniture & Equipment \$'000	Total \$'000
2000 – 2001 Year						
Carrying amount 1 July	3,089	24,667	4,988	2,793	1,164	36,701
Transfers	–	143	(868)	–	725	–
Transfer (to)/from Land Held for Resale	347	2,142	–	–	–	2,489
Adjustments prior year	–	5	(647)	–	49	(593)
Additions	95	358	119	2,732	270	3,574
Disposals	(337)	(507)	(2,047)	7	(64)	(2,948)
Depreciation	–	(1,156)	(679)	(1,618)	(630)	(4,083)
Carrying amount 30 June	3,194	25,652	866	3,914	1,514	35,140
1999 – 2000 Year						
Carrying amount 1 July	4,225	28,347	12,801	3,489	1,634	50,496
Revalue Land Held for Resale	–	(33)	–	–	–	(33)
Transfer (to)/from Land Held for Resale	(650)	(2,710)	–	–	–	(3,360)
Adjustments prior year	147	222	2,560	(49)	(41)	2,839
Additions	46	313	161	1,727	223	2,470
Disposals	(679)	(355)	(6,817)	1	(9)	(7,859)
Depreciation	–	(1,117)	(3,717)	(2,375)	(643)	(7,852)
Carrying amount 30 June	3,089	24,667	4,988	2,793	1,164	36,701

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

8. LAND ACQUIRED FOR ROADWORKS

	2000 – 01 \$'000	1999 – 00 \$'000
Land Acquired for Roadworks		
At Cost	76,400	73,778
	76,400	73,778

Refer also to Note 1(b).

Reconciliations of the carrying amounts of Land Acquired for Roadworks at the beginning and end of the current and previous financial year are set out below.

Carrying amount 1 July	73,778	72,132
Revaluation decrement	(85)	(428)
Transfer to/from Land Held for Resale	(283)	14,021
Adjustments prior year	(70)	(70)
Additions	6,094	5,840
Disposals (Sales)	(952)	(16,973)
Disposals – Transferred to Land Within Road Reserves	(2,082)	(706)
Disposals – Grants	–	(38)
Carrying amount 30 June	76,400	73,778

9. PAYABLES

Trade Creditors	36,417	35,443
Major Contracts and Services	56,400	32,346
Property Acquisitions	16,212	10,636
Contractors' Retentions	1,070	897
Funds in Advance	2,858	1,427
Other Creditors	12	14
	112,969	80,763

Refer also Note 38 – Financial Instruments.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

10. INTEREST-BEARING LIABILITIES

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

	2000 – 01 \$'000	1999 – 00 \$'000
Current		
Western Australia Treasury Corporation		
Amounts due for repayment within 12 months	6,730	6,724
	6,730	6,724
Non-Current		
Western Australian Treasury Corporation	215,673	174,226
	215,673	174,226
Total Borrowings		
Western Australian Treasury Corporation	222,403	180,950
	222,403	180,950
Average Interest Rate During the Year	7.05%	7.49%

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

10. INTEREST-BEARING LIABILITIES (continued)

	2000 – 01 \$'000	1999 – 00 \$'000
Borrowing Costs During the Year		
Western Australian Treasury Corporation	15,375	10,704
Treasury Department	–	226
	15,375	10,930

Main Roads had access to a \$30 million liquidity facility with Western Australian Treasury Corporation in 1999-2000 and 2000-2001. The funds were drawn as required and repaid when the cash flow permitted. There was no balance outstanding against the facility at 30 June 2000 and 30 June 2001.

Refer to Note 38 – Financial Instruments.

Refer also to Note 1(n).

11. PROVISION FOR EMPLOYEE ENTITLEMENTS

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

Current Liabilities

Annual Leave	7,734	8,494
Long Service Leave	5,871	6,782
Superannuation	10,650	9,000
Redundancies	2,049	4,028
	26,304	28,304

Non-Current Liabilities

Long Service Leave	3,297	2,907
Superannuation	56,683	56,592
	59,980	59,499
	86,284	87,803

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

11. PROVISION FOR EMPLOYEE BENEFITS (continued)

Details of the movements in the provision are as follows:

	Annual Leave	Long Service Leave	Superannuation	Redundancy
	\$'000	\$'000	\$'000	\$'000
Provision 30 June 2000	8,494	9,689	65,592	4,028
Entitlements 2000-2001	3,856	1,833	6,818	–
Payments 2000-2001	(4,617)	(2,354)	(5,076)	(1,979)
Provision 30 June 2001	7,733	9,168	67,334	2,049

The superannuation liability has been established from data supplied by the Government Employees Superannuation Board. Refer also Note 1(j).

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

The redundancy provision of \$2.049 million represents the estimated value of redundancies likely to be paid (as at 30 June 2001) as part of the ongoing restructuring of Main Roads.

12. OTHER LIABILITIES

Land owned by Main Roads in the East Perth Urban Renewal Project area was sold to the East Perth Redevelopment Authority on 30 June 2000 with payment to be made over three years, commencing in 2000-2001. The debt was discounted in accordance with accounting standards at the cost of borrowing from the Western Australian Treasury Corporation. The interest revenue component of this debt was taken up as Deferred Income and disclosed as a Non-Current Liability.

The debt was settled during 2000-2001 at a discounted price and the deferred income recognised as revenue. Refer also to Note 21 – Net Profit/(Loss) on Disposal of Non-Current Assets.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

13 (a) ASSET REVALUATION RESERVE

	2000 – 01 \$'000	1999 – 00 \$'000
Land within Road Reserves		
Opening balance	1,216,550	1,128,604
Revaluation increment during the year	89,804	87,946
Closing balance	1,306,354	1,216,550
Road Furniture		
Opening balance	7,673	7,673
Revaluation increment/(decrement) during the year	–	–
Closing balance	7,673	7,673
Total Closing Balance	1,314,027	1,224,223

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.

13 (b) REVALUATION DECREMENT OF INFRASTRUCTURE ASSETS

Pavement, Drainage and Seal

Revaluation decrement	–	(100,665)
-----------------------	---	-----------

Bridges

Revaluation decrement	–	(6,810)
-----------------------	---	---------

	–	(107,475)
--	---	------------------

The decrement in the written down value of roads and bridges in 1999-2000 was recognised as an expense as no credit existed in the Asset Revaluation Reserve for these classes of asset.

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

13 (c) ACCUMULATED SURPLUS

	2000 – 01 \$'000	1999 – 00 \$'000
Opening Balance 1 July	8,910,426	9,024,322
Change in Net Assets	196,964	(113,896)
Closing Balance 30 June	9,107,390	8,910,426

14. SALARIES WAGES AND ALLOWANCES

Wages and Salaries	42,322	45,986
Annual Leave	3,856	5,238
Long Service Leave	1,443	1,283
Other Related Expenses	4,192	5,502
	51,813	58,009

15. SUPPLIES AND SERVICES

Contracts for Supplies and Services	497,785	428,267
Materials	5,743	11,856
Payments to Local Authorities for work on Highways & Main Roads	10,430	12,222
Land Acquisition	16,841	23,548
Plant Hire Charges	10,795	15,236
Payroll Tax/Fringe Benefits Tax	3,679	4,271
Postage, Stationery and Reprographics	767	919
Telecommunications	3,245	2,800
Building Maintenance and Equipment	1,892	1,081
Electricity and Gas	1,996	2,256
Contributions	6,137	2,136
Legal Costs	1,191	873
Advertising	1,007	1,226
Rates and Taxes	781	972
Insurance	1,386	1,783
Other	2,567	384
	566,242	509,830

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

16. GRANTS AND SUBSIDIES

	2000 – 01 \$'000	1999 – 00 \$'000
Grants and Subsidies to Local Government	88,440	79,025
Grants to other Entities		
– Western Australian Government Railways Commission	–	15,782
– Aboriginal Land Trust	–	38
– Ministry for Planning	408	–
	88,848	94,845

17. DEPRECIATION OF INFRASTRUCTURE ASSETS

Infrastructure Assets

Roads – Earthworks	40,249	38,859
Roads – Pavement, Drainage & Seal	55,115	73,055
Bridges and Major Culverts	16,961	16,074
Road Furniture	3,294	3,320
	115,619	131,308

Depreciation policies are explained in Note 1(h).

18. DEPRECIATION – OTHER NON-CURRENT ASSETS

Buildings In-Service	1,156	1,117
Plant and Vehicles	679	3,717
Computer Hardware and Software	1,618	2,375
Other Equipment and Furniture	630	643
	4,083	7,852

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

19. SUPERANNUATION EXPENSE

	2000 – 01 \$'000	1999 – 00 \$'000
Pre-transfer service – Gold State Superannuation Scheme	1,421	1,694
Superannuation and Family Benefits Act Pension Scheme	5,398	2,356
Contributory Scheme – Gold State Superannuation Scheme	2,888	3,371
Non Contributory – West State Superannuation Scheme	1,370	1,181
	11,077	8,602

20. REDUNDANCY EXPENSE

The provision for redundancy payments was increased by \$3.686 million at 30 June 2000 to cover approved redundancy applications. There has been no adjustment to the provision during 2000-2001 as the remaining balance is expected to be adequate to meet existing requirements.

21. NET PROFIT/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

Profit/(Loss) on Sale

Land Acquired for Roadworks	2,769	(7,379)
Land and Buildings	1,223	2,107
Plant, Equipment and Vehicles	1,494	3,901
	5,486	(1,371)

Gross Proceeds from Disposal of Assets

Land Acquired for Roadworks	4,256	10,012
Land and Buildings	2,146	3,184
Plant, Equipment and Vehicles	3,741	11,439
	10,143	24,635

Land owned by Main Roads in the East Perth Urban Renewal Project area, which had a carrying value of \$15.2 million, was transferred to the East Perth Redevelopment Authority (EPRA) on 30 June 2000.

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

21. NET PROFIT/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS (continued)

The market value of the land on a lot basis (after demolition of the improvements/buildings to enable the construction of the Graham Farmer Freeway) in 1999-2000 was \$14.8 million. However, the actual proceeds of the land were determined on a valuation by the Valuer General on an "englobo" basis, using EPRA's assessment of project feasibility costs. The valuation of Main Roads land on this basis, as advised by EPRA was \$3.8 million. The estimated debt of \$3.8 million due from EPRA was payable over three years, commencing in 2000-2001.

A loss of \$11.8 million was expensed to the statement of financial performance as a loss on sale of assets.

During 2000-2001, the sale price of the land was confirmed at \$3.853 million and EPRA settled the debt at a discounted price of \$3.528 million. The discount of \$0.325 million has been recognised as an expense.

22. TOTAL COST OF SERVICES

An alternative view of the total cost of services, based on the 1999-2000 presentation, is as follows:

	2000 – 01	1999 – 00
	\$'000	\$'000
Expenditure on Highways and Main Roads	569,372	499,446
Grants and Expenditure on Local Government and Other Roads	145,465	158,613
Depreciation – Infrastructure Assets	115,619	131,308
Grants to Other Bodies	408	17,028
Borrowing Costs	15,375	10,930
Past Service Superannuation	6,818	4,051
Redundancy Costs	–	3,686
Loss on Disposal of Non-Current Assets	–	1,371
Revaluation decrement of Land Held for Resale	85	460
Asset valuation decrement	–	107,475
	853,142	934,368
Less: Roadworks expenditure capitalised and transferred to infrastructure	(394,509)	(220,413)
Total Cost of Services	458,633	713,955

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

23. REVENUE FROM COMMONWEALTH GRANTS

	2000 – 01 \$'000	1999 – 00 \$'000
Australian Land Transport Development Act 1988	74,062	73,263
Grants are received from the Australian Land Transport Development Trust Fund. The Fund receives a calculated share of net customs and excise duty on motor spirit and diesel fuel collected by the Federal Government.		
Interstate Road Transport Act 1985	1,055	867
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.		
	75,117	74,130

24. NATURAL DISASTER FUNDS

Represents a recoup of funds from the Fire and Emergency Services Authority under natural disasters relief arrangements for amounts expended on Local Government roads to restore the roads to pre-flood damage condition.

	21,327	8,136
	21,327	8,136

25. CONTRIBUTIONS TO ROADWORKS

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.

	46,191	13,604
	46,191	13,604

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

26. OTHER REVENUE FROM ORDINARY ACTIVITIES

	2000 – 01 \$'000	1999 – 00 \$'000
Rents		
Properties Acquired for Roadworks	2,521	1,984
Employee Accommodation in Rural Areas	458	510
	2,979	2,494
Other		
Contributions for Minor Works and Services	1,106	4,478
Other	878	971
	1,984	5,449
	4,963	7,943

27. REVENUES FROM GOVERNMENT

(a) Appropriations

Motor Vehicle Licence Fees

Motor vehicle licence fees for cars and light vehicles are raised under the *Road Traffic Act*, and fees for heavy vehicles are raised under the *Road Transport Reform (Heavy Vehicles Registration) Act*.

236,017	224,602
---------	---------

Untied Funds

In 1999-2000 Transport Trust Fund represented funds received from fuel franchise fees. Since the High Court ruled against the State Governments levying State-based franchise fees on 5 August 1997, the Federal Government collected the fees on behalf of the States. The fees collected by the Federal Government in 1999-2000 were appropriated to the Main Roads Trust Fund from the Consolidated Fund. The fuel franchise fees arrangements ceased with the introduction of GST.

264,555	264,860
---------	---------

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

27. REVENUES FROM GOVERNMENT (continued)

	2000 – 01 \$'000	1999 – 00 \$'000
Supplementary State Funds		
Represents a reimbursement from the Consolidated Fund for the purchase of land associated with the extension of the Mitchell Freeway from LandCorp.	–	5,000
Motor Vehicle Permit Fees		
Revenue derived under the <i>Road Traffic Act</i> also includes permit fees for vehicles that are oversize for special purpose or which carry oversize loads or extra load.	1,833	1,581
	502,405	496,043
(b) Resources Received Free of Charge		
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	108	203
	108	203
28. REMUNERATION OF AUDITORS		
The total fees due to be paid to the Auditor General for auditing the financial statements are as follows:		
Fees for Audit	96	105
	96	105

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

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

	2000 – 01 \$'000	1999 – 00 \$'000
Net Cost of Services	(305,549)	(610,142)
Non Cash Items		
Depreciation Infrastructure	115,619	131,308
Depreciation – other non-current assets	4,083	7,852
Revaluation of Land	85	460
Grants to Other Bodies	408	1,247
Resources Received Free of Charge	109	203
Transfer of Land to Roads	2,082	937
Provision for Bad Debts	263	(100)
Provision for diminution in the value of Inventories	(202)	(500)
Provision for Redundancy Costs	–	3,685
Non-Current Assets Reclassified (to)/from Operating	968	(2,765)
(Gain)/Loss on Disposal of Non-Current Assets		
Land Acquired for Roadworks	(2,769)	7,379
In-Service Land and Buildings	(1,223)	(2,107)
Property Plant and Equipment	(1,494)	(3,901)
Asset valuation decrement	–	107,745
Roadworks expenditure capitalised and transferred to infrastructure	(394,509)	(220,413)
	(276,580)	30,760
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	407	(1,582)
(Increase)/Decrease in Inventory	(584)	2,612
Increase in Payables	33,692	7,397
Decrease in Employee Entitlements	(1,518)	(6,545)
Net GST Receipts	41,735	–
Change in GST in Receivables/Payables	(48,595)	–
	25,137	1,882
Net Cash Used in Operating Activities	(556,992)	(577,500)

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

30. 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:

	2000 – 01 \$'000	1999 – 00 \$'000
Cash Resources	2,598	15,109
Restricted Cash Resources	1,070	897
	3,668	16,006

31. 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*:

Bad Debts – Damage to Roads, Bridges & Road Furniture	18	86
Bad Debts – Roadworks for Sundry Debtors	–	20
Bad Debts – Rents	6	29
Fixed Assets stocktake discrepancies	–	6
Stores and road construction/maintenance materials stocktake discrepancies	9	85
Thefts of Property and Equipment	1	26
	34	252

(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	–
	112	–

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

31. AMOUNTS WRITTEN OFF AND LOSSES (continued)

(c) Provision increases have been made in the Financial Statements for the following losses, which have not yet received write off approval:

	2000 – 01 \$'000	1999 – 00 \$'000
The increase/(decrease) in the Provision for Doubtful Debts including all known debts at 30 June	263	(100)
	263	(100)

32. OPERATING LEASE COMMITMENTS

As at reporting date the amounts payable under non-cancellable operating leases are as follows:

Not later than 1 year	1,736	2,108
Later than 1 year but not later than 5 years	1,613	784
	3,349	2,892

33. 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.

Not later than 1 year	313,275	258,524
Later than 1 year but not later than 5 years	472,547	254,000
Later than 5 years	412,102	236,493
Commitments in respect of signed major contracts	1,197,924	749,017

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

34. CONTINGENT LIABILITIES

Contractor Claims in Dispute	6,383	17,440
Resumption Claims in Dispute	63,200	42,405
Claims arising from construction of the Graham Farmer Freeway and Northbridge Tunnel	2,349	100
	71,932	59,945

These amounts exclude claims or parts thereof that Main Roads expects to pay and which have been included as accruals in the Financial Statements.

35. REMUNERATION OF ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

For the purposes of this disclosure Senior Officers have been defined as members of the Corporate Executive.

	2000 – 01 \$'000	1999 – 00 \$'000
The total fees, salaries and other benefits received or due and receivable for the financial year, by members of the Accountable Authority, from the statutory authority or any related body.	181	176
The total fees, salaries and other benefits received or due and receivable for the financial year, by Senior Officers other than members of the Accountable Authority, from the statutory authority or any related body.	916	1,268
The number of members of the Accountable Authority whose total fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:	2000 – 01	1999 – 00
\$170,001 – \$180,000	–	1
\$180,001 – \$190,000	1	–

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

35. REMUNERATION OF ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS (continued)

The number of Senior Officers other than members of the Accountable Authority whose total fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:

	2000 – 01	1999 – 00
\$ 60,001 – \$ 70,000	–	1
\$ 90,001 – \$100,000	1	1
\$100,001 – \$110,000	2	2
\$110,001 – \$120,000	3	2
\$120,001 – \$130,000	1	1
\$130,001 – \$140,000	1	–
\$150,001 – \$160,000	–	1
\$180,001 – \$190,000	–	1 (i)
\$190,001 – \$200,000	–	1 (i)

i) Includes accumulated leave and other termination payments paid under a redundancy.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

36. RETIREMENT BENEFITS

	2000 – 01 \$'000	1999 – 00 \$'000
In respect of members of the Accountable Authority, the following amounts were paid or became payable for the financial year:		
Contributions to Gold State Superannuation Scheme and West State Superannuation Scheme	14	13
Contributions to other superannuation funds	–	–
	14	13
In respect of Senior Officers other than members of the Accountable Authority, the following amounts were paid or became payable for the financial year:		
Contributions to Gold State Superannuation Scheme and West State Superannuation Scheme	96	93
Redundancy Payments	0	188

No Senior Officers are members of the Superannuation and Family Benefits Act Scheme.

37. EVENTS OCCURRING AFTER REPORTING DATE

There were no events occurring after reporting date.

38. 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.

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

38. FINANCIAL INSTRUMENTS (continued)

(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 weighted interest rates on financial assets and liabilities, is set out in the following table:

30 June 2001	Fixed Interest Rate Maturing in:				Non-Interest Bearing \$'000	Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More Than 5 years \$'000		
Financial Assets:						
Cash and Deposits	1,070	-	-	-	2,598	3,668
Receivables	-	-	-	-	18,469	18,469
	1,070	-	-	-	21,067	22,137
Financial Liabilities:						
Payables	-	-	-	-	112,969	112,969
Loan Borrowings	-	6,730	161,103	54,570	-	222,403
Employee Entitlements	-	-	-	-	86,284	86,284
Deferred Income	-	-	-	-	-	-
	-	6,730	161,103	54,570	199,253	421,656
Average interest rate	5.97%	5.74%	7.77%	6.19%		
30 June 2000						
Financial Assets	897	-	-	-	30,743	31,640
Financial Liabilities	-	(6,723)	(112,892)	(61,335)	(168,910)	(349,860)
	897	(6,723)	(112,892)	(61,335)	(138,167)	(318,220)
Average interest rate	4.99%	6.56%	8.23%	6.86%		

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

38. FINANCIAL INSTRUMENTS (continued)

The portfolio of loans comprises a range of short and long dated stock lines each with fixed interest cost and term to maturity. Of the total debt, 30 per cent is held in stock lines with monthly maturities out to six months and 70 per cent is held in stock lines with quarterly maturities out to ten years. The structure of the portfolio delivers a degree of interest rate stability.

(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:

	2001		2000	
	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000
Financial Assets:				
Cash and Deposits	3,668	3,668	16,006	16,006
Receivables	18,185	18,185	15,634	15,634
Financial Liabilities:				
Payables	112,969	112,969	80,763	80,763
Long-term Borrowings	222,403	231,034	180,950	190,881
Employee Entitlements	86,284	86,284	87,803	87,803
Deferred Income	-	-	344	344

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

38. FINANCIAL INSTRUMENTS (continued)

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.
Long-term Borrowings	The fair value of long-term debt is the estimated net market value supplied by the Western Australian Treasury Corporation.
Employee Entitlements	Current risk adjusted market rates.
Deferred Income	Present Value of future income discounted at a rate provided by Western Australian Treasury Corporation.

39. 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	
			2001	2000	2001	2000	2001	2000
			\$	\$	%	%	\$'000	\$'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 2001 and as at that date had net assets of \$11.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

39. CONTROLLED ENTITIES (continued)

(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 Northbridge project. 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. The results of the Trust for the year ended 30 June 2001 are as follows:

	2000 – 01 \$'000	1999 – 00 \$'000
Operating Revenue	–	–
Other Revenue	–	–
	–	–
Operating Profit/(Loss) before Income Tax	–	–
Income Tax attributable to Operating Profit	–	–
Net Profit/(Loss) after Income Tax	–	–
Distribution – Commissioner of Main Roads	–	–
Retained accumulated Losses at the beginning of the financial year	–	–
Accumulated Profit/(Loss) at the end of the financial year	–	–

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 2001

40. 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.

(a) Variation Between Estimates and Actual Results For 2000-2001:

	Estimates \$'000	Actuals \$'000	Variance \$'000
Expenses			
Highways and Main Roads	549,435	506,157	(43,278)
Local Government and Other Roads	111,022	129,864	18,842
Depreciation Infrastructure	90,500	115,619	25,119
Entity/Operational	72,215	79,223	7,008
Borrowing Costs	18,986	15,375	(3,611)
Past Service Superannuation	4,458	6,818	2,360
Redundancy Payments	3,000	-	(3,000)
Revenues			
Commonwealth Grants	70,545	75,117	4,572
Natural Disaster Funds	-	21,327	21,327
Contributions to Roadworks	27,828	46,191	18,363
Net Profit on Disposal of Non-Current Assets	10,248	5,486	(4,762)
Appropriations from Government	516,088	502,405	(13,683)
Roadworks Expenditure Capitalised	432,000	394,509	(37,491)

The major components of these variances are:

Highways and Main Roads

The variance results from roadworks projects which have been deferred to 2001-2002.

Local Government and Other Roads

The estimates did not include the full carry-over of projects not completed from the 1999-2000 program or significant additional works associated with flood damage. The total amount of the variance has been offset by a further carry-over into the 2001-2002 program.

40. EXPLANATORY STATEMENT (continued)

Depreciation – Infrastructure Assets

The amount provided for depreciation in the estimates is consistent with the amount included in the Budget Papers, which were prepared in February/March 2000 and did not reflect the reassessment of measurement techniques reported in the Annual Report for 2000.

Entity/Operational

The higher costs are due to the retention of the mainframe computer system because of delays in delivery of the new integrated road information system and the inclusion of asset depreciation costs and plant operation costs originally budgeted under roadworks.

Borrowing Costs

Borrowing requirements for 2000-2001 were estimated at \$129.1 million. However, only \$46.5 million was required during the year as a result of delays in delivering roadwork projects. This resulted in lower than estimated borrowing costs.

Past Service Superannuation

Past Service Superannuation entitlements are established from data supplied by the Government Employees Superannuation Board, and the Superannuation and Family Benefits Act pension scheme entitlement increased above the CPI movement for the year.

Redundancy Payments

The amount estimated for redundancy payments in 2000-2001 was taken up as a provision in 1999-2000. Therefore, payments during the year decreased the provision instead of being shown as expenditure.

Commonwealth Grants

Commonwealth funding was increased to cover the costs of flood damage on National Highways.

Natural Disaster Funds

The variance relates to a recoup of funds from the Fire and Emergency Services Authority under natural disaster relief arrangements for amounts expended on state and local roads to restore the roads to pre-flood condition.

Contributions to Roadworks

The variance is attributed to contributions from the Department of Transport for the completion of rail projects associated with works on the Kwinana Freeway, which had been scheduled for completion in 2001-2002.

→→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

40. EXPLANATORY STATEMENT (continued)

Net Profit on Disposal of Non-Current Assets

The variance is due to a shortfall in revenue from the sale of land in the East Perth Urban Renewal Project area to the East Perth Redevelopment Authority, and a temporary hold on the sale of the Welshpool Depot. Refer also Note 21.

Appropriations from Government

The variance relates to a shortfall in motor vehicle licence fee collections. The estimates for 2000-2001 were based on a projected outturn for 1999-2000 that was not achieved, together with a lower than projected growth in the number of vehicles on register.

Roadworks Expenditure Capitalised

The expenditure on highways and main roads included capital expenditure, which is then capitalised. The decrease in expenditure included construction projects that will now be completed in 2001-2002 therefore decreasing the amount capitalised.

(b) Variation Between Actual Results for 2000-2001 and 1999-2000:

	2000 – 01	1999 – 00	Variance
	\$'000	\$'000	\$'000
Operating Expenses			
Salaries, Wages and Allowances	51,813	58,009	(6,196)
Supplies and Services	566,242	509,830	56,412
Grants and Subsidies	88,848	94,845	(5,997)
Depreciation Infrastructure	115,619	131,308	(15,689)
Depreciation – Other Non-Current Assets	4,083	7,852	(3,769)
Borrowing Costs	15,375	10,930	4,445
Superannuation Expense	11,077	8,602	2,475
Net Loss on Disposal of Non-Current Assets	–	1,371	(1,371)
Operating Revenue			
Natural Disaster Funds	21,327	8,136	13,191
Contributions to Roadworks	46,191	13,604	32,587
Net Profit on Disposal of Non-Current Assets	5,486	–	5,486

40. EXPLANATORY STATEMENT (continued)

The major components of these variances are:

Salaries, Wages and Allowances

The reduction is due to a reduction in the wages workforce. Main Roads has evolved from a direct deliverer of roads and associated services to the manager of the network and of the contracts awarded for the maintenance and construction.

Supplies and Services

The increase in expenditure is a continuation of the allocation of additional resources to meet both the demand for increased capacity on existing roads and the provision of key new links in the network, and the need for increased expenditure on preservation of the network.

Grants and Subsidies

Direct payments to local government for works on local roads increased by \$9.4 million in 2000-2001 due to the carryover of unspent funds from 1999-2000. The overall reduction in grants and subsidies in 2000-2001 was because other grants were \$15.4 million lower than 1999-2000. The other grants in 1999-2000 were inflated because of the transfer of infrastructure assets, valued at \$15.8 million, to the Western Australian Government Railways Commission (refer to Note 16).

Depreciation Infrastructure Assets

The reduction in depreciation is a reflection of the increased expenditure on the preservation of highways and main roads. This has extended the estimated useful life of the road pavement, resulting in a lower annual depreciation charge.

Depreciation – Other Non-Current Assets

The lower depreciation charge is a result of the disposal of the road plant asset. The sale of the asset was necessary since Main Roads is no longer a direct deliverer of road construction and road maintenance.

Borrowing Costs

The increase in borrowing costs is due to the drawdown of \$132 million in loans over the last two years to fund *TransformWA* projects.

40. EXPLANATORY STATEMENT (continued)

Superannuation Expense

The increase in the superannuation expense is attributed to an increase in the Superannuation and Family Benefits Act pension scheme entitlement since 30 June 2000. The liability has been established from data supplied by the Government Employees Superannuation Board.

Net Loss on Disposal of Non-Current Assets

Refer Note 21 for details.

Natural Disaster Funds

The variance relates to funds 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 increase in revenue represents south-west metropolitan rail projects completed in conjunction with works on Roe Highway, Kenwick and the extension of Kwinana Freeway to Safety Bay Road.

Net Profit on Disposal of Non-Current Assets

Refer Note 21 for details.

FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

41. OUTPUT SCHEDULE OF EXPENSES AND REVENUES

	Bridge Construction		Road Construction		Road Improvement		Road Maintenance and Minor Modifications		Roadworks Capitalised/Asset Valuation Decrement		Total	
	\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00
COST OF SERVICES												
Expenses from Ordinary Activities:												
Salaries, Wages and Allowances	2,305	3,551	19,984	22,753	12,624	11,701	16,900	20,004	-	-	51,813	58,009
Supplies and Services	40,321	54,124	241,819	234,501	102,052	77,862	182,050	143,343	-	-	566,242	509,830
Grants and Subsidies	158	339	17,415	33,163	26,701	20,910	44,574	40,433	-	-	88,848	94,845
Depreciation – Infrastructure	-	-	-	-	-	-	115,619	131,308	-	-	115,619	131,308
Depreciation – Other Non-Current Assets	246	687	1,613	3,441	817	1,309	1,407	2,415	-	-	4,083	7,852
Borrowing Costs	1,420	1,382	9,264	6,917	4,691	2,631	-	-	-	-	15,375	10,930
Superannuation Expense	670	754	4,375	3,770	2,216	1,434	3,816	2,644	-	-	11,077	8,602
Redundancy Costs	-	324	-	1,615	-	614	-	1,133	-	-	-	3,686
Loss on Sale of Assets	-	119	-	601	-	229	-	422	-	-	-	1,371
Revaluation Decrement of Land Held for Resale	5	39	34	202	17	77	29	142	-	-	85	460
Asset valuation decrement	-	-	-	-	-	-	-	-	-	107,475	-	107,475
	45,125	61,139	294,504	306,963	149,118	116,767	364,395	341,844	-	107,475	853,142	934,368
Roadworks expenditure capitalised and transferred to infrastructure	-	-	-	-	-	-	-	-	(394,509)	(220,413)	(394,509)	(220,413)
Total Cost of Services	45,125	61,319	294,504	306,963	149,118	116,767	364,395	341,844	(394,509)	(112,938)	458,633	713,955

→ FINANCIAL STATEMENTS AND NOTES

COMMISSIONER OF MAIN ROADS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2001

41. OUTPUT SCHEDULE OF EXPENSES AND REVENUES (continued)

	Bridge Construction		Road Construction		Road Improvement		Road Maintenance and Minor Modifications		Roadworks Capitalised/Asset Valuation Decrement		Total	
	\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00
Revenue from Ordinary Activities:												
Commonwealth Grants	–	2,390	14,284	23,046	24,959	16,715	35,874	31,979	–	–	75,117	74,130
Natural Disaster Funds	–	–	–	–	–	–	21,327	8,136	–	–	21,327	8,136
Contributions to Roadworks	87	442	40,994	10,818	2,525	395	2,585	1,949	–	–	46,191	13,604
Net Profit on Disposal of Non-Current Assets	290	–	1,894	–	959	–	2,343	–	–	–	5,486	–
Other Income	263	589	1,713	2,949	867	1,121	2,120	3,284	–	–	4,963	7,943
Total Revenues from Ordinary Activities	640	3,421	58,885	36,813	29,310	18,231	64,249	45,347	–	–	153,084	103,813
NET COST OF SERVICES	44,485	57,898	235,619	270,150	119,808	98,536	300,146	296,497	(394,509)	(112,938)	305,549	610,142
REVENUES FROM GOVERNMENT												
Appropriations	20,037	30,578	130,770	153,072	66,213	58,228	285,385	254,165	–	–	502,405	496,043
Resources received free of Charge	–	–	–	–	–	–	108	203	–	–	108	203
Total Revenues from Government	20,037	30,578	130,770	153,072	66,213	58,228	285,493	254,368	–	–	502,513	496,246
CHANGE IN NET ASSETS	(24,448)	(27,320)	(104,849)	(117,078)	(53,595)	(40,308)	(14,653)	(42,129)	394,509	112,938	196,964	(113,896)

	2000-2001 \$'000
Advertising Agencies – Class Total	529
Adlink JLS, ART Publishing, Britel Enterprises, Brown James and Associates, DTZ Australia (WA) Pty Ltd, Hocking & Co. Pty Ltd, Marketforce Productions, McDonald Publications, Perth Advertising Services Pty Ltd, Price Advertising	
Market Research Organisations – Class Total	24
Colmar Brunton, Patterson Market Research	
Polling Organisations – Class Total	Nil
Direct Mail Organisations – Class Total	Nil
Media Advertising Organisations – Class Total	435
Ashburton Directory, Action, CWS Corporate Communications, The Creative Express, The Carnarvon Classifieds and Community News, Digital Business Directory, Essential Projects, Impact Media, Impact Communications, The Kimberley Echo, McDaniel Associates, Media Monitors (WA) Pty Ltd, Media Decisions WA, Midwest Times, MRG International, Narrikup District Progress Association, North West Radio Pty Ltd, Northern Guardian, North West Telegraph, Radio West Broadcasters Pty Ltd, AA Media Services, Voice News, The West Australian, Carolyn Walker Public Relations, 21CC Broadcast Productions, Westcoast Media Pty Ltd, The Wheel, The York Chronicle, York & Districts Community Matters	
Total expenditure	988

→ PUBLICATIONS AVAILABLE TO THE PUBLIC

*Average Weekday Traffic Flows Perth Metropolitan Area: 1 July 1992 – 30 June 1999	\$27.50	Flood Estimation Procedures for Western Australia (Technical Report No. 50T) ·1987	\$27.50	*Utility providers code of practice for Western Australia ·2000	Free
*Annual Report (latest)	Free	Freedom of Information, Information Statement.Revised ·1995	Free	Vital Link : a history of Main Roads Western Australia 1926 – 1996, by Leigh Edmonds	POA
Customer Service Charter · 1997	Free	Guide to the Management of Roadside Advertising ·1998	\$55.00	Western Australian road travel times 1999	Free
Design of Flood Crossings · 1990	\$27.50	*A Guide to roadside amenities and rest areas on highways in Western Australia	Free	*Also available full text on Main Roads Internet home page http://www.mrwa.wa.gov.au	
Directions and priorities 2000-2003. (strategic plan)	Free	Guidelines for assessing level of service for cycling. Rev Nov. 1998	Free	GST inclusive.	
Distance Book. Ed 8 1999 ·	\$11.00	Guidelines for Local Area Traffic Management ·1990	\$88.00		
ENGINEERING ROAD NOTES:		Guidelines for Managing Truck Movements in Urban Areas ·1998	\$11.00		
– No. 1 Bitumen Absorption by Sealing Aggregate · 1975	Free	Materials Testing Manual (full set)	\$308.00		
– No. 2 The Effect of Power Kerosene on Bitumen ·1975	Free	*(Individual test methods are available on MRWA Internet home page)	Free		
– No. 3 Surface “ Blistering ” and Soil “ Fluffing ” ·1975	Free	Metropolitan Functional Road Hierarchy ·1999	\$27.50		
– No. 5 Interim Guide to Prediction of Pavement Moisture for Strength of Granular Basecourse and Sub-Base Materials · 1989	Free	* Multi-combination vehicle permit application process ·1996	Free		
– No. 6 Guide to the Design of Bridge Approach Embankments Subject to Inundation ·1984	Free	Regional Digest (latest)	Free		
– No. 7 Bitumen Scrap Rubber Seals ·1985	Free	SLK Books (for all areas throughout state)	POA		
– No. 8 Statistically Based Quality Control for Density in Road Construction ·1987	Free	Suppliers guide: electric wheelchairs and scooters. 2001	Free		
– No. 9 Procedure for Thickness Design of Flexible Pavements ·1988	Free	*Traffic Management for Roadworks-Code of Practice. 2000 (only available in electronic form)	Free		
		*Traffic Patterns- Rural Permanent Count Sites 1997 – 1998 – 1999	\$27.50		

→ GLOSSARY OF TERMS

Alignment	The location/placement of a road in relation to the surrounding environment.	Category Three Projects	Projects delivered through term-network contracts and managed by the Urban or Rural Roads Directorates.	Freeway	A divided highway for through-traffic with no access for traffic between interchanges and with grade separation at all intersections.
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.	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.	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.
Bypass	An alternative route that enables through-traffic to avoid urban areas.	Culvert	One or more adjacent pipes or enclosed channels for conveying a stream below formation level and carrying water under a roadway.	Main Road	A principal road in the road system.
Carriageway	The portion of a road or bridge devoted particularly to the use of vehicles, inclusive of shoulders and auxiliary lanes.	Customers	Users of Main Roads' outputs.	Maintenance	The work carried out on an existing road and appurtenances to maintain its efficiency or quality.
Category One Projects	Design and construct projects significant in scope and cost, generally greater than \$20 million. These projects are managed by the Major Projects Directorate.	Drainage	The removal of water by flow from the ground or from its surface.	Median	A strip of road that separates carriageways for traffic in opposite directions.
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 Urban Roads, Rural Roads and Major Projects Directorates.	Dual-Use Paths	Paths provided for use by pedestrians and cyclists.	Outcome	The effects, impacts, results on, or consequences for, the community or target clients of the goods and services (outputs) produced.
		Enterprise Agreement	An agreement between the employer and the employee that details working conditions and is registered with the Workplace Agreements Commission (WA).	Output	Goods or services, including policy advice, produced for external users.
		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.		

→ GLOSSARY OF TERMS

Overlay	The addition of one or more courses of pavement material to an existing road surface, generally to increase strength, and/or to improve riding quality.	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.	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.
Overtaking/ Passing	An auxiliary lane provided for slower vehicles to allow them to Lane be overtaken.	Reseal	A sprayed seal applied to an existing sealed surface.	Workplace Agreement	An agreement under the terms of Section 170MD of the <i>Workplace Relations Act 1996 (Commonwealth)</i> or under the terms of Section 41 of the <i>Industrial Relations Act 1979 (WA)</i> .
Pavement	That portion of a carriageway placed above the subgrade for the support of, and to form a running surface for, vehicular traffic.	Risk Management	Procedures to ensure that all risks are considered, evaluated and pre-emptive action taken as necessary.		
PI – Performance Indicator	A simple measure that allows objective comparisons to be made. An example is road maintenance cost-per-kilometre in a region. This can be compared to other regions and monitored over time.	Seal	A thin surface layer of sprayed bitumen.		
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.	Stakeholders	Individual or groups with a direct interest in Main Roads' outputs.		
Realignment	A change in the geometric form of the original centre-line of a carriageway with respect to the vertical and horizontal axes.	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.		
		Technical Services	Professional services, other than construction and maintenance works, required to maintain and improve the State Road Network.		

→→ HOW TO CONTACT US

PLEASE VISIT OUR WEBSITE

www.mrwa.wa.gov.au

OR

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

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@mrwa.wa.gov.au

Please report all damaged signs and traffic signals on freecall 1800 800 009 (24 hours)

Latest information on road and traffic conditions throughout the State is available on freecall 1800 013 314 (24 hours)

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) 9428 2230

Email: dac@mrwa.wa.gov.au

When writing our postal address is:

PO Box 6202
EAST PERTH WA 6892



→→ HOW TO CONTACT US

CUSTOMER ADVOCATE

Tel: (08) 9323 4638

Email: dac@mrwa.wa.gov.au

Fax: (08) 9221 0044

HEAVY VEHICLE OPERATIONS

For information on extra width or heavy load permits:

28 Great Eastern Highway

RIVERVALE WA 6103

Tel: (08) 9470 0777

Fax your application to:

Fax: (08) 9472 3828 or (08) 9472 3829

Pay by Bankcard, Master Card or Visa.

For emergencies after hours, contact the Heavy Vehicles

Operations Manager on:

Tel: (08) 9454 5681

PAVEMENTS ENGINEERING

50 Pilbara Street

WELSHPOOL WA 6106

Tel: (08) 9350 1444

Fax: (08) 9451 1400

GASCOYNE REGION

390 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 6430

Tel: (08) 9080 1400

Fax: (08) 9080 1452

GREAT SOUTHERN REGION

Chester Pass Road

PO Box 503

ALBANY WA 6330

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

→→ HOW TO CONTACT US

PILBARA REGION

Brand Street
PO Box 2256
SOUTH HEDLAND WA 6722
Tel: (08) 9172 1277
Fax: (08) 9140 1076

SOUTH WEST REGION

Robertson Drive
PO Box 5010
BUNBURY WA 6230
Tel: (08) 9725 5677
Fax: (08) 9725 4013

WHEATBELT NORTH REGION

Yilgarn Avenue
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 Senior Librarian on:
Tel: (09) 9323 4181
Fax: (08) 9323 4688

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
ALBANY HIGHWAY	BEDFORDALE HILL	CONSTRUCT DUAL CARRIAGEWAY	2001-02	402		29,639	29,798	-159	
ALBANY HIGHWAY	OATS ST-LEACH HWY	CONSTRUCT	2010-11	13,225		16,732	16,729	3	
ARMADALE ROAD	CONSTRUCTION	CONSTRUCT SECOND CARRIAGEWAY	2013-14	15,000		15,006			NEW PROJECT
BROOKTON HIGHWAY	CORRIGIN – HYDEN	WIDEN EXISTING SINGLE LANE SEAL	2010-11	20,200		23,280	23,292	-12	
BROOKTON HIGHWAY	KARRAGULLEN-BROOKTON	RECONSTRUCT AND WIDEN	2009-10	5,762		25,991	21,141	4,850	PROJECT SCOPE REVISED TO INCLUDE 7KM SECTION EAST OF BROOKTON.
BROOME CAPE LEVEQUE ROAD	–	VARIOUS IMPROVEMENTS	2006-07	10,003		10,110			NEW PROJECT
BUSSELL HIGHWAY	BUSSELTON BYPASS	CONSTRUCT	2002-03	1,092		19,413	21,681	-2,268	
BUSSELL HIGHWAY	VASSE-MARGARET RIVER	WIDEN	2009-10	14,226		14,518	16,479	-1,961	
CARNARVON-MULLEWA ROAD	NORTH WEST COASTAL HWY – GASCOYNE JUNCTION	CONSTRUCT AND SEAL	2009-10	19,550		21,798	20,700	98	
CAVES ROAD	BUSSELTON BYPASS-DUNSBOROUGH	CONSTRUCT	2014-15	21,430		21,600	22,231	-631	
CERVANTES-GREEN HEAD	LANCELIN-CERVANTES	DESIGN AND CONSTRUCT	2005-06	30,819		31,968	32,368	-400	
CHIDLOW-YORK ROAD	CHIDLOW-YORK	RECONSTRUCT AND PRIMERSEAL	2009-10	6,978		11,668	12,168	-500	
CITY ACCESS ROADS	–	CONSTRUCT AND SEAL	2001-02	5,014		21,793	22,876	-1,083	
DAMPIER ROAD	–	EXTEND DUAL CARRIAGEWAY AND CONSTRUCT PASSING LANES	2009-10	11,619		11,630			NEW PROJECT
EAST-WEST HEAVY HAULAGE ROADS	STAGE 1	CONSTRUCT	2006-07	8,200		25,432	23,437	1,995	
EYRE HIGHWAY	CAIGUNA WEST SECTION	WIDEN	2001-02	700		10,876			

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
FREMANTLE-ROCKINGHAM HIGHWAY	JERVOIS BAY INFRASTRUCTURE	CONSTRUCT	2012-13	23,906		32,080	43,281	-11,201	PRECEDING YEAR'S ESTIMATE INCLUDED PROVISION FOR THE CONSTRUCTION OF THE COOGEE BEACH TO FREMANTLE EASTERN BYPASS SECTION WHICH IS NOW PROGRAMMED SEPARATELY.
FREMANTLE-ROCKINGHAM HIGHWAY	ROCKINGHAM-WATTLEUP	CONSTRUCT BUS WAY LINKAGE	2011-12	24,670		28,931	21,967	6,964	FULL EXTENT OF WORKS NOW FUNDED.
GERALDTON-MT MAGNET ROAD	BRINGO-MULLEWA	WIDEN AND PRIMERSEAL	2008-09	7,250		11,277			
GERALDTON-MT MAGNET ROAD	GERALDTON SOUTHERN TRANSPORT CORRIDOR	CONSTRUCT AND SEAL	2005-06	40,439		46,009	38,383	7,626	ESTIMATES REVISED TO INCLUDE PART CONTRIBUTION FROM THE WESTERN AUSTRALIAN GOVERNMENT RAILWAYS COMMISSION. ESTIMATES ARE ONLY PRELIMINARY AS THIS PROJECT IS IN ITS EARLY PLANNING STAGES.
GIBB RIVER ROAD	DERBY-GIBB RIVER-WYNDHAM	IMPROVE FORMATION AND GRAVEL	2011-12	21,500		26,802	18,326	8,476	FULL EXTENT OF WORKS NOW FUNDED
GOLDFIELDS HIGHWAY	MT KEITH-WILUNA	DESIGN AND CONSTRUCT	2001-02	100		27,176	27,708	-532	
GOLDFIELDS HIGHWAY	WILUNA-MEEKATHARRA	CONSTRUCT AND SEAL	2006-07	67,000		67,671	67,610	61	
GRAHAM FARMER FREEWAY	MITCHELL FWY-GEH	CONSTRUCT	2001-02	4,951		385,099	385,806	-707	
GREAT CENTRAL ROAD	LAVERTON-DOCKER RIVER	IMPROVE FORMATION AND GRAVEL	2011-12	21,138		24,865	18,750	6,115	FULL EXTENT OF WORKS NOW FUNDED.
GT EASTERN HIGHWAY	GEH/ROE HWY	CONSTRUCT INTERCHANGE	2007-08	10,250		11,950			NEW PROJECT
GT EASTERN HIGHWAY	NORTHAM BYPASS	DESIGN AND CONSTRUCT	2001-02	27,068		42,280	42,279	1	
GT EASTERN HIGHWAY	ORRONG RD/GEH BYPASS	CONSTRUCT	2015-16	52,500		55,814			
GT EASTERN HIGHWAY	ROE HWY-SCOTT ST	WIDEN AND SEAL	2001-02	800		13,448	13,628	-180	
GT EASTERN HIGHWAY	SAWYERS VALLEY – THE LAKES	RECONSTRUCT	2002-03	41,489		42,582	37,282	5,300	

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
GT NORTHERN HIGHWAY	BOW RIVER BRIDGE	REPLACE SINGLE LANE BRIDGE AND APPROACHES	2013-14	19,010		19,194			
GT NORTHERN HIGHWAY	BOW RIVER SECTION	RECONSTRUCT	2007-08	12,000		12,384	13,604	-1,220	
GT NORTHERN HIGHWAY	ELVIRE AND PALM CREEK	CONSTRUCT BRIDGES	2009-10	13,297		13,300			NEW PROJECT
GT NORTHERN HIGHWAY	ORD RIVER	CONSTRUCT BRIDGE AND APPROACHES	2006-07	16,913		17,000			NEW PROJECT
GT NORTHERN HIGHWAY	SWAN VALLEY BYPASS	CONSTRUCT	2015-16	150,117		151,161	36,555	114,606	AT THIS STAGE THE ESTIMATES ARE BASED ON CONCEPT PLANS ONLY.
GT NORTHERN HIGHWAY	UPPER PANTON/ROSES YARD AND FLETCHERS	CONSTRUCT BRIDGES	2008-09	14,452		14,500			NEW PROJECT
GREY ROAD	PORT GREGORY-KALBARRI	CONSTRUCT, SEAL AND GRAVEL	2001-02	20		15,562	14,974	588	
KARRATHA-TOM PRICE	STAGE 1	CONSTRUCT AND SEAL	2003-04	20,028		23,339			
KWINANA FREEWAY	JUDD ST-SOUTH ST	DESIGN AND CONSTRUCT BUS TRANSITWAY	2007-08	86,665		104,086	102,765	1,321	
KWINANA FREEWAY	INTERCHANGES AND EXTENSION TO SAFETY BAY RD	DESIGN AND CONSTRUCT	2001-02	8,297		162,535	159,733	2,802	
KWINANA FREEWAY	NARROWS BRIDGE DUPLICATION	DESIGN AND CONSTRUCT	2001-02	642		48,840	48,260	580	
KWINANA FREEWAY	SAFETY BAY RD-FREMANTLE RD, MANDURAH	DESIGN AND CONSTRUCT	2015-16	160,040		161,774			
LORD STREET	LORD ST BRIDGE	GRADE SEPARATION	2001-02	50		16,875	17,179	-304	
MARBLE BAR ROAD	RIPON HILLS-SHAW RIVER	CONSTRUCT AND SEAL	2005-06	24,399		49,472	51,223	-1,751	
MINERAL SANDS PROJECT	BEENUP AND JANGARDUP ROUTES	CONSTRUCT AND SEAL INCLUDING BRIDGE	2009-10	110		68,504	56,584	3,972	
MITCHELL FREEWAY	LOFTUS ST BRIDGE	CONSTRUCT BRIDGE	2001-02	1,016		21,802	21,800	2	

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
MITCHELL FREEWAY	OCEAN REEF RD-HODGES DRV	CONSTRUCT	2001-02	45	20,646	29,031	-8,385	PRECEDING YEAR'S ESTIMATE INCLUDED PROVISION FOR THE CONSTRUCTION OF THE EDDYSTONE BRIDGE WHICH IS NOW PROGRAMMED SEPARATELY.	
MOWEN ROAD	ROSA BROOK RD-NANNUP	CONSTRUCT	2007-08	10,850	12,000	12,000	0		
MT MAGNET-SANDSTONE-AGNEW	YOUANMI TURNOFF-AGNEW	DESIGN, CONSTRUCT AND SEAL	2003-04	46,645	67,694	84,624	-16,930	PROJECT ESTIMATE REVISED AS A RESULT OF LOWER THAN ANTICIPATED CONTRACT PRICES.	
MUIRS ROAD	NYAMUP-STRACHAN	RECONSTRUCT	2008-09	12,400	12,940	13,060	-120		
MUIRS ROAD	STRACHAN-REGIONAL BOUNDARY	WIDEN	2014-15	19,170	19,192				
NARROGIN-KONDININ ROAD	WICKEPIN-KULIN	RECONSTRUCT	2010-11	8,812	11,624	11,822	-198		
NORTH WEST COASTAL HIGHWAY	ASHBURTON RIVER	RECONSTRUCT AND WIDEN BRIDGE	2009-10	10,200	10,285				
NORTH WEST COASTAL HIGHWAY	GASCOYNE RIVER	RECONSTRUCT BRIDGE	2002-03	9,900	10,949				
NORTH WEST COASTAL HIGHWAY	MINILYA-BARRADALE	WIDEN AND SEAL	2015-16	23,980	24,158	12,155	12,003	FULL EXTENT OF WORKS NOW FUNDED.	
NORTH WEST COASTAL HIGHWAY	UTAKARRA RD-GREEN ST	CONSTRUCT	2015-16	17,000	18,655	19,478	-823		
NORTHAM-CRANBROOK	NARROGIN LINK RD	CONSTRUCT	2012-13	12,700	14,279				
OLD COAST ROAD	AUSTRALIND-AUSTRALIND BYPASS	CONSTRUCT AND SEAL SECOND CARRIAGEWAY INCLUDING BRIDGE	2012-13	12,700	12,707			NEW PROJECT	
ORD FARM ROADS	WYNDHAM-EAST KIMBERLEY SHIRE	CONSTRUCT	2010-11	25,059	38,544	38,544	0		
PERTH BICYCLE PLAN	STAGE 1	SAFETY AND NETWORK IMPROVEMENTS	2001-02	5,730	15,335	15,335	0		

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
PERTH-BUNBURY HIGHWAY	AUSTRALIND BYPASS-BUNBURY INNER HARBOUR	CONSTRUCT	2012-13	39,302	39,367	16,044	23,323	FULL EXTENT OF WORKS NOW FUNDED.	
PERTH-BUNBURY HIGHWAY	BUNBURY OUTER RING RD	CONSTRUCT	2011-12	38,550	39,117	26,731	12,386	FULL EXTENT OF WORKS NOW FUNDED.	
PERTH-BUNBURY HIGHWAY	DAWESVILLE DEVIATION	CONSTRUCT DUAL CARRIAGEWAY	2001-02	1,535	14,970	12,460	2,510	PROJECT SCOPE AND COST ESTIMATES REVISED.	
PERTH-BUNBURY HIGHWAY	SERPENTINE/PEEL DEVIATION	CONSTRUCT	2010-11	70,200	70,892	23,801	47,091	FULL EXTENT OF WORKS NOW FUNDED.	
PORT HEDLAND ROAD	REDBANK BRIDGE-SHORT ST	CONSTRUCT AND SEAL SECOND CARRIAGEWAY	2011-12	8,730	10,067				
REID HIGHWAY	BEECHBORO RD-ROE HWY	CONSTRUCT SECOND CARRIAGEWAY	2012-13	35,180	60,099	27,655	32,444	FULL EXTENT OF WORKS NOW FUNDED.	
REID HIGHWAY	MARMION AVE-ERINDALE RD	CONSTRUCT DUAL CARRIAGEWAY	2001-02	1,665	17,757	17,459	298		
REID HIGHWAY	MIRRABOOKA AVE-BEECHBORO RD	CONSTRUCT INTERCHANGE	2012-13	20,000	20,220				
RIPON HILLS RD	RIPON HILLS ALIGNMENT	CONSTRUCT AND SEAL	2001-02	4,301	63,165	58,735	4,430		
ROE HIGHWAY	ALBANY HWY CROSSING	CONSTRUCT	2001-02	2,882	36,893	35,769	1,124		
ROE HIGHWAY	KWINANA FWY-STOCK RD	CONSTRUCT DUAL CARRIAGEWAY	2014-15	75,100	75,469	25,335	50,134	FULL EXTENT OF WORKS NOW FUNDED.	
ROE HIGHWAY	NICHOLSON RD-SOUTH ST	CONSTRUCT	2005-06	98,418	99,000	40,353	58,647	CURRENT YEAR'S ESTIMATE INCLUDES STAGE 7 WORKS FROM SOUTH STREET TO KWINANA FREEWAY HOWEVER THESE WORKS ARE SUBJECT TO THE OUTCOME OF THE METROPOLITAN FREIGHT NETWORK REVIEW.	
ROE HIGHWAY	WELSHPOOL RD-NICHOLSON RD	CONSTRUCT	2004-05	81,235	89,000	96,160	-7,160		
ROE HIGHWAY	WIMBLEDON-RUPERT CONNECTION	CONSTRUCT	2001-02	150	30,090				

APPENDIX 1: MAJOR ROAD AND BRIDGE PROJECTS COMPLETED AND IN PROGRESS GREATER THAN \$10 MILLION (AS AT 30 JUNE 2001)

ROAD	PROJECT	DESCRIPTION OF WORKS	EXPECTED YEAR OF COMPLETION	ESTIMATED COST TO COMPLETE \$'000	TOTAL COST OF PROJECT				EXPLANATION OF MAJOR VARIANCE
					ACTUAL \$'000	CURRENT ESTIMATE \$'000	PRECEDING YEAR'S ESTIMATE \$'000	VARIANCE \$'000	
SERVETUS ST	-	CONSTRUCT	2001-02	63		28,630			
SOUTH WESTERN HIGHWAY	ARMADALE-BYFORD	EXTEND DUAL CARRIAGEWAY	2012-13	12,000		12,333			
SOUTH WESTERN HIGHWAY	DONNYBROOK-BRIDGETOWN	RECONSTRUCT AND WIDEN	2011-12	25,247		26,045	26,082	-37	
SOUTH WESTERN HIGHWAY	PINJARRA-WAROONA	RECONSTRUCT	2002-03	1,083		10,917	12,133	-1,216	
SOUTH WESTERN HIGHWAY	WAROONA - ROELANDS	RECONSTRUCT AND WIDEN	2009-10	12,390		13,619	19,516	-5,897	PROJECT SCOPE AND COST ESTIMATES REVISED.
TANAMI ROAD	HALLS CREEK SHIRE	IMPROVE FORMATION AND DRAINAGE	2006-07	10,000		10,073	10,073	0	
TONKIN HIGHWAY	ALBANY HWY-MUNDIJONG	DESIGN AND CONSTRUCT	2007-08	201,313		207,999	89,000	118,999	WORKS PREVIOUSLY FUNDED BEYOND THE TEN YEAR PROGRAM HAVE BEEN BROUGHT FORWARD TO MEET THE GOVERNMENT'S ELECTION COMMITMENTS.
VARIOUS ROADS	BROOKTON-ALBANY-SOUTH WEST	CONSTRUCT NEW SOUTHERN LINK	2015-16	138,000		138,005			
VARIOUS ROADS	CIRCLE BUS ROUTE AND SYSTEM 21 BUS PRIORITY MEASURES	IMPROVEMENTS	2010-11	32,359		32,999			
VARIOUS ROADS	PERTH ACCESS PLAN	IMPROVEMENTS	2010-11	7,950		25,608	19,065	7,543	PROJECT SCOPE REVISED TO INCLUDE ADDITIONAL WORKS ON THE CAUSEWAY.
VARIOUS LOCAL ROADS	RAILWAY CROSSINGS	IMPROVEMENTS	2010-11	24,400		29,643	23,072	6,571	FULL EXTENT OF WORKS NOW FUNDED.
VARIOUS LOCAL ROADS	GRAIN LOGISTICS ROADS	IMPROVEMENTS	2010-11	15,868		19,693	20,100	-407	
WANNEROO ROAD	-	CONSTRUCT SECOND CARRIAGEWAY	2013-14	12,561		21,020	17,960	3,060	
WUBIN-MULLEWA ROAD	PERENJORI-MULLEWA	WIDEN, PRIMERSEAL AND SEAL	2012-13	20,050		20,085			

→ APPENDIX 2: CONTRACTS AWARDED EXCEEDING \$1 MILLION

Contract Number	Contract Description	Contractor	Award Value in \$'000's
0002/99	Provision of Asset Management Services and Associated Long-Term Road Maintenance and Rehabilitation Services, Pilbara/Gascoyne	BGC Contracting Pty Ltd	136 206 807
0008/99	Provision of Asset Management, Long-Term Road Maintenance and Rehabilitation Services for Metropolitan North Region (Network 8)	Best Roads Group	105 820 000
0001/99	Provision of Asset Management Services and Associated Long-Term Road Maintenance and Rehabilitation Services, Kimberley	BGC Contracting Pty Ltd	95 052 608
0004/00	Provision of Asset Management Services and Long-Term Road Maintenance and Rehabilitation Services, Goldfield-Esperance Region	MacMahon Contractors Pty Ltd	93 652 925
0046/99	Design and construction, Roe Highway, Welshpool Road to Nicholson Road	Leighton Contractors Pty Ltd	61 999 183
0043/99	Design and construct the Northam Bypass including realignment 15.7 kilometres of Great Eastern Highway, 11 Bridges, and associated works.	Barclay Mowlem/BGC Joint Venture	38 340 005
0050/99	Design and construction of the Kwinana Freeway, Bus Transit way, between Judd Street and Manning Road	Henry Walker Eltin/Clough Joint Venture	30 482 969
0780/99	Reid Highway – Construct Carine Section Stage 1	Henry Walker Eltin Contracting Pty Ltd	12 853 014
0900/99	Construct 4.5-kilometres dual carriageway and two underpasses, Dawesville Deviation	Works Infrastructure Pty Ltd	9 351 912
0428/99	Construction of two dual carriageways on Wanneroo Road: (1) 300 metres south of Hall Road to Ocean View Tavern (2) Trian Road-Taronga	Works Infrastructure Pty Ltd	7 376 196
0036/00	Road construction, Great Eastern Highway, Scott Street to Roe Highway, SLK 17.27 to 19.46	Brierty Contractors	6 067 796
0708/99	Pavement construction and seal, Ripon Hills Road	Highway Construction Pty Ltd	5 981 027
0279/00	Pavement widening, cement stabilising and bitumen sealing, Eyre Highway-Caiguna West 250-270 SLK and 300-369.5 SLK	Pavement Technology Ltd	5 695 398

→ APPENDIX 2: CONTRACTS AWARDED EXCEEDING \$1 MILLION

Contract Number	Contract Description	Contractor	Award Value in \$'000's
0807/99	Supply and delivery of crushed aggregate and rock spalls, Great Northern Highway	Boral Resources (SA) Limited	4 821 456
0119/00	Road reconstruction, Brookton Highway, 100 – 111 SLK, Brookton Section	MacMahon Contractors Pty Ltd	4 597 973
0026/00	Road construction, Albany Highway, Kokokup Section	Ertech Pty Ltd	4 117 557
0118/00	Road reconstruction and Realignment, Eyre Highway, Caiguna East Section, 369.46 to 385.04 SLK	Brierty Contractors	3 763 644
0091/00	Bituminous reseal and associated line-marking, various roads, Gascoyne Region	Pioneer Road Services Pty Ltd	3 519 828
0698/99	Bridge construction and associated roadwork's, North West Coastal Highway and Point Samson Road	MacMahon Contractors (WA) Pty Ltd	3 486 346
0381/99	Road construction, Karratha Western Access Road (Madigan Road)	Shire of Roebourne	3 313 857
0380/99	Road construction, Marble Bar Road, North Section	Brierty Contractors	2 818 133
0043/00	Bituminous seal, cover material, supply and longitudinal line marking on various roads in the Kimberley Region	Boral Asphalt	2 648 507
0275/99	System design, supply, installation, commissioning and maintenance for the Perth Traffic Control Centre, Northbridge	MI Consulting Group (Aust) Pty Ltd	2 634 690
0104/00	Intersection upgrade, Tonkin Highway/Collier Road	Works Infrastructure Pty Ltd	2 321 078
0357/00	Road construction, Great Eastern Highway H005, Baandee Section 224.54 to 227.10SLK	Highway Construction Pty Ltd	2 055 955
0028/00	Road construction and realignment South Coast Highway Howie Section	Ertech Pty Ltd	1 916 106
0359/00	Bituminous surfacing, various roads, Mid West Region	Pioneer Road Services Pty Ltd	1 807 852
0505/00	Widening and upgrading of Brookton Highway from Gorge Rock-Lake Grace Road 226 – 231 SLK	Shire of Corrigin	1 642 710
0031/00	Pavement repairs on Great Northern Highway (SLK 1000 to SLK 1650), North West Coastal Highway (SLK 1115 to SLK 1299), Dampier Highway and Karijini Drive	Ertech Pty Ltd	1 627 393

→ APPENDIX 2: CONTRACTS AWARDED EXCEEDING \$1 MILLION

Contract Number	Contract Description	Contractor	Award Value in \$'000's
0201/00	Bridge construction and associated road works, Hilux Creek, North West Coastal Highway, Pilbara	MacMahon Contractors (WA) Pty Ltd	1 427 742
0059/00	Road construction, Mount Magnet – Sandstone Road SLK 86.8 – 91.9	Shire of Mount Magnet	1 306 468
0400/00	Major refurbishment of Bridge No. 290 on Balladong Street over the Avon River, York	Avon Bridge Construction	1 238 814
0347/00	Reconstruction of road pavement and widening of Morley Drive from Wellington Road to McGilvray Ave.	Densford Pty Ltd	1 134 509
0005/00	Period contract for supply and delivery of personal computer equipment	Stott & Hoare Business Computers	1 112 605
0302/00	Pavement repairs on Great Eastern Highway, Greenmount Hill section from Scott Street to Bilgoman Road	Pioneer Road Services Pty Ltd	1 084 868
Total:			\$663 277 931