

## Part 9

### Transport

#### Introduction

The Transport portfolio delivers an accessible, reliable and safe transport system across all modes of transport, including road, rail, bus, ferry, freight, shipping, boating, cycling and active transport. It ensures an integrated transport network that facilitates economic and regional development, and focuses on long-term planning and investment in transport infrastructure for the State's future.

#### Summary of Recurrent and Asset Investment Expenditure

Agency	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Transport		
– Total Cost of Services .....	538,535	647,713
– Asset Investment Program .....	44,717	53,691
Commissioner of Main Roads		
– Total Cost of Services .....	1,574,737	1,713,561
– Asset Investment Program .....	1,633,246	2,021,148
Public Transport Authority of Western Australia		
– Total Cost of Services .....	1,875,654	1,878,650
– Asset Investment Program .....	1,380,425	2,328,111
Provision for METRONET Projects Under Development		
– Asset Investment Program .....	-	18,000
Fremantle Port Authority		
– Asset Investment Program .....	47,129	78,570

Agency	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000
Kimberley Ports Authority		
– Asset Investment Program .....	2,736	7,075
Mid West Ports Authority		
– Asset Investment Program .....	34,828	103,782
Pilbara Ports Authority		
– Asset Investment Program .....	159,857	339,366
Southern Ports Authority		
– Asset Investment Program .....	25,228	59,388

## Ministerial Responsibilities

Minister	Agency	Services
Minister for Transport; Planning; Ports	Transport	<ol style="list-style-type: none"> <li>1. Strategic Transport Policy and Integrated Planning</li> <li>2. Driver and Vehicle Services</li> <li>3. Maritime</li> <li>4. On-demand Transport</li> </ol>
	Commissioner of Main Roads	<ol style="list-style-type: none"> <li>1. Infrastructure for State Development</li> <li>2. Road Network Maintenance</li> <li>3. Road Safety</li> <li>4. Infrastructure for Community Access</li> <li>5. Road System Management</li> <li>6. Road Efficiency Improvements</li> </ol>
	Public Transport Authority of Western Australia	<ol style="list-style-type: none"> <li>1. Metropolitan and Regional Passenger Services</li> <li>2. Country Passenger Rail and Road Coach Services</li> <li>3. Regional School Bus Services</li> <li>4. Rail Corridor and Residual Freight Issues Management</li> </ol>
	METRONET Projects Under Development	n/a
	Fremantle Port Authority	n/a
	Kimberley Ports Authority	n/a
	Mid West Ports Authority	n/a
	Pilbara Ports Authority	n/a
	Southern Ports Authority	n/a



## Division 38      **Transport**

### Part 9              Transport

#### Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 82 Net amount appropriated to deliver services .....	107,123	87,505	86,557	<b>123,893</b>	102,058	75,240	54,439
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	894	896	896	<b>899</b>	901	903	903
Total appropriations provided to deliver services.....	108,017	88,401	87,453	<b>124,792</b>	102,959	76,143	55,342
<b>ADMINISTERED TRANSACTIONS</b>							
Item 83 Western Australian Coastal Shipping Commission.....	100	100	100	<b>100</b>	100	100	100
<b>CAPITAL</b>							
Item 144 Capital Appropriation <sup>(a)</sup> .....	32,763	426,020	425,904	<b>39,818</b>	41,735	41,600	21,823
<b>TOTAL APPROPRIATIONS</b> .....	140,880	514,521	513,457	<b>164,710</b>	144,794	117,843	77,265
<b>EXPENSES</b>							
Total Cost of Services .....	440,331	562,908	538,535	<b>647,713</b>	593,744	563,709	473,526
Net Cost of Services <sup>(b)</sup> .....	123,986	215,691	184,175	<b>222,286</b>	205,573	165,261	120,896
<b>CASH ASSETS</b> <sup>(c)</sup> .....	273,400	630,502	659,025	<b>588,748</b>	476,158	355,026	345,034

(a) The significant increase in Capital Appropriation in the 2021-22 Budget and 2021-22 Estimated Actual is primarily due to the establishment of the Westport Special Purpose Account in 2021-22.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Department's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(c) As at 30 June each financial year.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>COVID-19 Response</b>					
COVID-19 Information Call Centre .....	7,484	3,250	-	-	-
<b>New Initiatives</b>					
Clean Energy Car Fund .....	-	8,540	11,894	16,017	-
Climate Action					
Green Hydrogen Feasibility Study .....	-	300	-	-	-
Sectoral Emissions Reduction Strategies .....	309	1,297	858	407	-
Election Commitment - Mount Lawley Cycling Network .....	-	200	-	-	-
Inter-Regional Flight Network Expansion .....	-	1,800	900	900	450
<b>Ongoing Initiatives</b>					
Building for Tomorrow Campaign .....	3,164	-	-	-	-
Driving Access and Equity Program Extension .....	-	5,482	-	-	-
Enhanced Speed Enforcement Administration .....	-	119	-	-	-
METRONET - Program Management .....	1,429	2,556	2,869	1,881	-
National Disability Insurance Scheme Worker Screening Unit .....	197	278	284	284	284
ServiceWA - Bunbury Trial Extension .....	-	830	845	861	-
Westport					
Feasibility Studies .....	-	11,550	4,450	-	-
Future of Fremantle .....	750	1,500	250	-	-
Planning .....	-	317	326	-	-
<b>Other</b>					
2022-23 Tariffs, Fees and Charges .....	6,308	24,377	11,703	10,966	15,306
Cloud Transition Program					
Critical Cloud Transition .....	1,477	1,833	-	-	-
Digital Capability Fund - Cloud Transition .....	-	11,836	8,965	4,108	-
Government Office Accommodation .....	(31)	(27)	(18)	(10)	14
Indian Ocean Territories Service Delivery Agreement .....	258	-	-	-	-
Strategic Policy and Planning for Ports .....	-	568	-	-	-
Taxi User Subsidy Scheme (TUSS)					
Digital Capability Fund - TUSS Reform Program .....	-	407	585	1,664	1,664
Taxi User Co-Payment .....	2,000	2,000	2,000	2,000	2,000
Wheelchair Accessible Vehicle Modification Grants .....	-	375	375	375	375
Transforming Bunbury's Waterfront Stage 3 Phase 1 - Operating Cost .....	-	15	93	571	1,224

## Significant Issues Impacting the Agency

### COVID-19 Response

1. The Department continues to operate the COVID-19 information call centre on behalf of the Western Australia Police Force.

### Freight and Supply Chains

2. The Department is working with port authorities and government agencies to enhance planning and investment in port and freight infrastructure for current and future freight tasks at a whole-of-state level to unlock new economic opportunities across Western Australia.
3. The Westport Office is preparing a business case with a design of a new terminal in the Outer Harbour in Kwinana, with the new port and an integrated road and rail network to unlock economic growth and deliver local jobs and opportunities.
4. The Department is planning and implementing initiatives to improve the performance of the metropolitan freight network including enhancing the utilisation of rail for freight, and to futureproof the network in the transition to a new container port in Kwinana.
5. The Department is also partnering with agencies and industry to improve regional supply chains, including through the Western Australian Agricultural Supply Chain Improvements Program for infrastructure upgrades in the Wheatbelt, Mid West, South West, Great Southern and Goldfields-Esperance regions.

## Supporting our Regions

6. The Department is managing the Government's \$19.8 million Regional Airfare Zone Cap initiative for regional residents in partnership with five supporting airlines. This initiative will make air travel more affordable to residents of regional Western Australia and increase liveability in the regions.
7. The Department is helping to grow regional employment, tourism and business opportunities by supporting Government initiatives to expand the Inter-Regional Flight Network, including supplying larger aircraft in Karratha, Port Hedland and Broome and through establishing a new route between Geraldton and Karratha.
8. The Department is implementing the Government's Driving Access and Equity Pilot Program to assist people in the Pilbara and the Kimberley to obtain a drivers licence. Funding is to help people overcome barriers to obtaining their licence, such as geographic location, access to instructors, supervisors, vehicles and/or literacy or the financial means to participate.

## On-demand Transport

9. The On-demand Passenger Transport Levy commenced in April 2019 to recoup \$119 million for the Voluntary Taxi Plate Buyback Scheme and a further \$9.8 million paid to booking services as part of a suite of COVID-19 financial relief measures. Whilst this funding was initially budgeted to be collected by April 2023, it is now forecast to be completed by June 2022 and the levy will therefore be ended earlier than expected, leading to reduced fares.
10. A major reform of the Taxi User Subsidy Scheme (TUSS) commences in 2022-23, including the development of a digital solution to replace paper vouchers. Once in place, the new system will benefit both participants and passenger transport drivers and ensure that the scheme is easier to use, contemporary and fit for purpose. As part of this reform, the existing Wheelchair Accessible Vehicle (WAV) Modification grant will also be increased from \$15,000 per vehicle to \$20,000 per vehicle. To support wheelchair accessible services in regional Western Australia, a new Regional WAV Taxi Service Grant will provide financial support to establish wheelchair accessible taxi services in regions where there is demonstrated demand.

## Reform of the Towing Industry

11. In 2022-23, the Department will assume responsibility for the towing industry's reform following extensive consultation with the industry that was undertaken by Mines, Industry Regulation and Safety. The reform will aim to ensure protections for people involved in traffic crashes from practices including price gouging by some operators in the industry.

## Perth City Deal and Perth Greater CBD Transport Plan

12. The Perth City Deal between the Government and Commonwealth and the City of Perth will re-energise Perth, bring investment into the CBD and create jobs. Over \$150 million will be invested in transport-related initiatives to upgrade riding and walking infrastructure and bus stops and to enhance Roe Street, with the centrepiece being the new Swan River Cyclist and Pedestrian Bridge.

## Climate Change

13. The Department is supporting Government initiatives to address climate change by developing the transport sector's Emissions Reduction Strategy and encouraging the increased uptake of zero and low emission light vehicles through the Clean Energy Car Fund, and continues to partner with local governments to provide expertise and administer funding for coastal protection.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities.	2. Driver and Vehicle Services
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	An accessible and safe transport system.	3. Maritime 4. On-demand Transport

### Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Strategic Transport Policy and Integrated Planning.....	96,597	189,502	148,536	241,949	206,326	164,432	91,049
2. Driver and Vehicle Services.....	212,241	233,917	246,510	265,287	255,516	266,896	249,677
3. Maritime.....	100,987	112,056	113,843	108,344	104,228	103,645	103,852
4. On-demand Transport.....	30,506	27,433	29,646	32,133	27,674	28,736	28,948
<b>Total Cost of Services .....</b>	<b>440,331</b>	<b>562,908</b>	<b>538,535</b>	<b>647,713</b>	<b>593,744</b>	<b>563,709</b>	<b>473,526</b>



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Integrated transport systems that facilitate economic development:</b>					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port.....	18.4%	20%	21.6%	20%	
Percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth.....	91.4%	91.4%	91.4%	91.4%	
<b>Outcome: Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities:</b>					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles).....	97.3%	100%	100%	100%	
Percentage of drivers licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers) .....	99.8%	100%	99.5%	100%	
Percentage of identity credentials compliant with the required standard of biometric quality .....	99.5%	93%	99.6%	93%	
<b>Outcome: An accessible and safe transport system:</b>					
Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard .....	98.4%	95%	98.6%	95%	
Percentage of time maritime infrastructure is fit for purpose when required...	98.6%	99.9%	98.9%	99.9%	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.....	11.8	11	11.3	11.6	
Percentage of audited authorised on-demand booking services compliant with safety requirements.....	24%	60%	73.9%	60%	1

(a) Further detail in support of the key effectiveness indicators is provided in the Department's Annual Report.

**Explanation of Significant Movements**

(Notes)

1. On-demand booking service requirements were first legislated in 2019. The Department has worked with the industry on the adoption of the new safety requirements, which has led to the increased audit compliance rate in the 2021-22 Estimated Actual.

## Services and Key Efficiency Indicators

### 1. Strategic Transport Policy and Integrated Planning

This service contributes towards the provision of leadership for strategic transport management, development and protection of economic nodes and networks through the provision of a range of services, including:

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- strategic policy development which supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- policy advice and strategic transport solutions to Government;
- representation and negotiation, on behalf of the Government, at national level transport-related forums to produce positive outcomes that promote and protect Western Australian interests;
- program management and delivery of major intermodal infrastructure planning and development activities that assists in economic development;
- quality assurance and assessment of the return on investment for Government funds in transport projects; and
- monitoring industry and public demand growth to provide best practice transport channels and access which alleviates environmental impacts.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	96,597	189,502	148,536	241,949	1,2
Less Income .....	53,174	80,243	77,977	146,629	3
Net Cost of Service .....	43,423	109,259	70,559	95,320	
<b>Employees (Full-Time Equivalents) .....</b>	<b>157</b>	<b>190</b>	<b>190</b>	<b>209</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Average cost per hour for strategic policy development and integrated transport planning.....	\$124	\$143	\$163	\$160	

### Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service between the 2021-22 Budget and the 2021-22 Estimated Actual is due to the transfer of the Swan River Cyclist and Pedestrian Bridge project expenditure to Main Roads WA and carryovers associated with the Perth City Deal, Principal Shared Path Program, Westport and the Western Australian Agricultural Supply Chain Improvements (ASCI) program.
2. The increase in the Total Cost of Service and Full-Time Equivalents (FTEs) between the 2021-22 Estimated Actual and the 2022-23 Budget Target is primarily attributable to the work being undertaken for the ASCI, Strategic Policy and Planning for Ports, the Sectoral Emissions Reduction Strategy, Westport and the Kenwick Intermodal Terminal.
3. The increase in income between the 2021-22 Estimated Actual and the 2022-23 Budget Target is primarily attributable to increased grants and subsidies representing the Commonwealth contributions for the Perth City Deal, ASCI and the Kenwick Intermodal Terminal.

## 2. Driver and Vehicle Services

This service contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services for:

- setting motor vehicle standards in accordance with national and Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements for the enrolment and management of drivers licences and identity credentials, in accordance with Government legislation and national identity and security and privacy policies;
- assessing driver competency, issuing and renewing drivers licences in accordance with Commonwealth and Government requirements and driver competency standards;
- securing and maintaining a database of registered vehicles and drivers, and managing vehicle identification numbers, to support the enforcement of road traffic and other relevant laws;
- collecting revenue on behalf of Government; and
- informing and educating road users about driver licensing, vehicle registration and related requirements.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service .....	212,241	233,917	246,510	265,287	1
Less Income .....	198,597	193,377	201,716	206,073	
Net Cost of Service .....	13,644	40,540	44,794	59,214	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,008</b>	<b>1,034</b>	<b>1,033</b>	<b>1,095</b>	<b>1,2</b>
<b>Efficiency Indicators</b>					
Average cost per vehicle and driver transaction.....	\$17	\$19	\$19	\$20	
Average cost per vehicle inspection performed by vehicle examination centres .....	\$113	\$204	\$193	\$211	
Average cost per vehicle inspection delivered through authorised inspection stations .....	\$131	\$160	\$174	\$186	1,3
Average cost per driver assessment.....	\$115	\$106	\$103	\$121	2

### Explanation of Significant Movements

(Notes)

1. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual and the 2020-21 Actual is due to the Clean Energy Car Fund, an increase in the costs of authorised inspection station services (which are undertaken by external parties) and an increase in FTE costs in order to address the waiting time for booking of practical driving assessments.
2. The increase in the 2022-23 Budget Target relative to the 2021-22 Estimated Actual is due to the additional staff that are to be employed to reduce the wait time for practical driving assessment bookings.
3. The increase in the 2022-23 Budget Target compared to the 2021-22 Estimated Actual and the 2020-21 Actual reflects the increase in the costs of authorised inspection station services (which are undertaken by external parties).

### 3. Maritime

This service contributes towards the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services and a range of marine safety and regulatory and education services including:

- licensing and registration of recreational vessels, moorings, jetties, ferries, recreational skippers and marine pilots;
- regulation and administration of marine operations, including on-water compliance and marine safety education;
- planning, building and managing new and existing land and water-based facilities for use of community as well as recreational and commercial vessels owners;
- provision of coastal engineering advice and solutions for new and existing land and water-based maritime facilities;
- provision of oceanographic, cartographic and geographic information; and
- marine protection through a hazard management response team.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	100,987	112,056	113,843	108,344	
Less Income .....	60,900	67,322	68,390	66,280	
Net Cost of Service .....	40,087	44,734	45,453	42,064	
<b>Employees (Full-Time Equivalents) .....</b>	<b>240</b>	<b>248</b>	<b>242</b>	<b>247</b>	
<b>Efficiency Indicators</b>					
Average cost per day for planning, delivery, and management of a maritime asset <sup>(a)</sup> .....	\$95	\$105	\$108	\$81	1
Average cost of managing waterways, safety and compliance per registered recreational vessel <sup>(b)</sup> .....	\$155	\$151	\$142	\$183	1
Cost to maintain marine pollution response preparedness per registered vessel .....	\$36	\$33	\$37	\$48	1

(a) This new efficiency indicator replaces the former 'average cost per day per maritime infrastructure asset managed' indicator to more appropriately reflect the costs of planning, delivering and managing maritime assets.

(b) This new efficiency indicator replaces the former 'average cost per private recreational vessel registration' to better reflect the cost of managing waterways, safety and compliance and the cost of administering recreational boat registrations.

### Explanation of Significant Movements

(Notes)

1. The Efficiency Indicators for the 2022-23 Budget Target have been revised following the amalgamation of the Department's Marine Safety and Coastal Infrastructure business units, which has resulted in a reallocation of costs across the three indicators. There has been no material change to the Total Cost of Service for this service as a result of the reallocations.

#### 4. On-demand Transport

This service contributes towards the provision of safe, accessible and sustainable personal on-demand transport services and systems through the provision of services for:

- setting and monitoring standards for on-demand transport vehicles;
- authorising on-demand booking services;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
Total Cost of Service.....	\$'000 30,506	\$'000 27,433	\$'000 29,646	\$'000 32,133	
Less Income .....	3,674	6,275	6,277	6,445	
Net Cost of Service .....	26,832	21,158	23,369	25,688	
Employees (Full-Time Equivalents) .....	54	54	56	61	
<b>Efficiency Indicators</b>					
Cost per on-demand transport authorisation.....	\$140	\$202	\$190	\$221	1

#### Explanation of Significant Movements

(Notes)

1. The increase in the 2022-23 Budget Target compared to the 2021-22 Budget and the 2021-22 Estimated Actual reflects higher costs incurred in supporting online systems and the Taxi User Subsidy Scheme reform, and a reduction in the number of authorisations undertaken (with the industry still adjusting to the new authorisation requirements).

#### Asset Investment Program

1. The Department's Asset Investment Program for 2022-23 totals \$53.7 million. Major projects are summarised below.

#### Election Commitment

##### Broome Boating Facility

2. The Department has progressed the planning and design work required before constructing a new boating facility at Broome's Entrance Point. The project will improve marine infrastructure and safety. The planned works include four sheltered boat ramp lanes, two finger jetties, expanded parking for 160 trailers and 60 cars, tour coach access and a detached breakwater. The Government has continued to provision \$36.3 million for the project over 2022-23 to 2024-25, pending confirmation of a third-party contribution for the remaining funding. Planning work is continuing during 2022-23 to seek approvals and peer review the design.

#### COVID-19 Response

##### Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure

3. The Department is responsible for providing and maintaining both medium and low-voltage electrical infrastructure within the Fremantle Fishing Boat Harbour. This infrastructure currently supplies all public areas and facilities as well as for the commercial tenancies. This project will replace the ageing electrical infrastructure, resulting in a more robust and reliable electricity supply in addition to enhanced safety provisions. Throughout 2022-23, the Department will continue stakeholder engagement and commence detailed design and early procurement activities. The majority of the construction works are scheduled to occur in off-peak periods (winter), commencing from mid-2023 with completion in 2023-24.

#### *Hillarys Boat Harbour - Jetties F, G, H and J*

4. As part of an ongoing program of metropolitan jetty replacements, the Department will replace the last original remaining floating jetties at Hillarys Boat Harbour: Jetties F, G, H and J. The existing jetties will be progressively replaced with modern floating pens of a standard similar to other recently completed jetty replacements at the harbour. In 2021-22, a design and construct contract was released to public tender.

#### *Redevelopment of Woodman Point Jetty*

5. This project involves the replacement of the deteriorated recreational jetty located at Woodman Point, which is now over 80 years old. The jetty is one of Perth's most popular recreational fishing spots and a very popular underwater diving destination. The Department will remove the old jetty deck while retaining the below-water structure to preserve the important marine biota and dive amenity. A new jetty concept has been selected at the existing site to enable continued safe recreational use for fishing, diving, swimming, walking and non-motorised vessels. Throughout 2022-23, detailed design will be undertaken, environmental and planning approvals will be sought, and construction is expected to commence. Stakeholder consultation will continue to occur to guide detailed design.

#### **Other**

#### *Albany (Emu Point) Maritime Facility - Jetty B*

6. Jetty B at the Emu Point Maritime Facility in Albany was originally constructed in 1971 and has been in service for over 50 years. The jetty currently provides berthing and mooring facilities for recreational vessels ranging from 12 to 15 metres in length. During 2022-23, the Department will undertake a \$1 million refurbishment of Jetty B to restore full access to the jetty and mooring facilities. Whilst the project was scheduled to be completed in 2021-22, it was delayed due to supply constraints impacting the construction industry.

#### *Transforming Bunbury's Waterfront Stage 3 Phase 1*

7. The Department is working closely with the South West Development Commission to deliver the next phase of Transforming Bunbury's Waterfront. Stage 3 Phase 1 comprises dredging, a new breakwater, serviced lease sites for the marine industry and upgraded public boating infrastructure in Casuarina Boat Harbour. A new breakwater in Koombana Bay will also be included, subject to the Koombana Bay Sailing Club securing finance for an adjacent marina development and finalisation of governance arrangements for the structure.
8. The Department has progressed detailed design of the dredging and breakwaters scope and procurement for detailed design of the landside development is in progress. Replacement of the boat ramp in Casuarina Boat Harbour with a new modern facility is scheduled for construction this year. Upgrades to the landside infrastructure in the southern portion of the site are scheduled for construction in 2023. State environmental approvals are in progress and are required prior to breakwater construction commencing in 2024.

#### *Onslow Community Boating Precinct*

9. Together with the Shire of Ashburton, the Department is delivering a new community boating precinct within the Onslow (Beaumont Creek) Maritime Facility. The project was largely completed in 2021-22, with remaining works to be completed in early 2022-23. The project includes a new relocated two-lane boat ramp, dredged basin, rock revetments and minor landside works, greatly improving the boat launching experience in Onslow.

#### *Maritime Facilities Program*

10. This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating requirements. Significant projects being delivered throughout 2022-23 include the completion of improvements undertaken at Two Rocks Marina and progressing Jetty 3 replacement work and amenities building and service upgrades in the southern precinct of Fremantle Fishing Boat Harbour.

#### *Navigational Aids Program*

11. The Department is responsible for managing 1,400 navigational aids throughout State waters and has an annual program to install, replace or upgrade end-of-life assets to maintain boating navigational safety. During 2022-23, 11 navigational beacons in various bays of Rottnest Island will be replaced with new steel driven beacons to continue to provide safe navigation for vessels in and around the waters of Rottnest Island.

*Information and Communication Infrastructure*

12. This program undertakes development, expansion and ongoing maintenance of information and communications infrastructure and applications for the effective and sustainable delivery of the Department's services as well as shared projects on behalf of Planning, Lands and Heritage, and other partners. The Department is transitioning to cloud computing services, including virtual servers, storage and database administration.

*Driver and Vehicle Services Reform Program*

13. This program of works is to modernise driver and vehicle services information systems by implementing new technology that increases the number of transactions customers can conduct without face-to-face attendance at licensing centres. This program also enhances licensing centre facilities to improve customer service.

*On-demand Transport Taxi User Subsidy Scheme (TUSS) Reform Program*

14. The TUSS is part of the Department's commitment to facilitating safe, accessible and efficient means of travel for those who are unable to use conventional public transport or other services. TUSS provides subsidised taxi travel to permanent residents of Western Australia with a severe, permanent disability that prevents them from using conventional public transport services. This program of works is to develop a digital solution to modernise the current paper-based TUSS system and processes. Part of a suite of reforms to the scheme, this will facilitate easier access for users as well as prompt and efficient payments to booking services and their drivers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Maritime							
Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure .....	5,900	641	611	4,169	1,085	5	-
Hillarys Boat Harbour - Jetties F, G, H, and J.....	6,800	507	500	4,760	1,533	-	-
Redevelopment of Woodman Point Jetty .....	9,690	811	630	5,200	3,679	-	-
<b>Other Works in Progress</b>							
Maritime							
Onslow Community Boating Precinct.....	13,223	9,066	8,566	4,157	-	-	-
Transforming Bunbury's Waterfront Stage 3 .....	78,100	1,335	1,335	3,820	32,220	23,625	17,100
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Maritime							
Albany Waterfront Marina.....	400	400	247	-	-	-	-
Carnarvon Fascine Entrance.....	2,500	2,500	2,438	-	-	-	-
<b>Other Completed Works</b>							
Business Information Systems - Information and Communications Infrastructure 2021-22 Program .....	7,911	7,911	7,911	-	-	-	-
Corporate - Accommodation and Refurbishment 2021-22 Program .....	1,949	1,949	1,949	-	-	-	-
Driver and Vehicle Services							
Intergovernmental Agreement on Identity Matching Services .....	572	572	572	-	-	-	-
Reform Program - 2021-22 Program .....	5,550	5,550	5,550	-	-	-	-
ServiceWA Pilot .....	1,803	1,803	21	-	-	-	-
Maritime							
Marine Oil Pollution Response Equipment 2021-22 Program.....	169	169	169	-	-	-	-
Maritime Facilities Program - 2021-22 Program .....	10,854	10,854	10,854	-	-	-	-
Navigational Aids Program - 2021-22 Program .....	1,799	1,799	1,799	-	-	-	-
Vessel and Vehicle Replacement Program 2020-21 Program.....	530	530	198	-	-	-	-
2021-22 Program.....	708	708	708	-	-	-	-
Minor Works - 2021-22 Program .....	659	659	659	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>NEW WORKS</b>							
<b>Election Commitments</b>							
Maritime - Broome Boating Facility .....	36,306	-	-	596	16,218	19,492	-
<b>COVID-19 Response</b>							
Maritime - Batavia Coast Marina - Floating Jetty/Pens .....	400	-	-	-	400	-	-
<b>Other New Works</b>							
Business Information Systems - Information and Communications Infrastructure							
2022-23 Program .....	5,825	-	-	5,825	-	-	-
2023-24 Program .....	5,825	-	-	-	5,825	-	-
2024-25 Program .....	6,525	-	-	-	-	6,525	-
2025-26 Program .....	6,525	-	-	-	-	-	6,525
Corporate - Accommodation and Refurbishment							
2022-23 Program .....	818	-	-	818	-	-	-
2023-24 Program .....	818	-	-	-	818	-	-
2024-25 Program .....	818	-	-	-	-	818	-
2025-26 Program .....	818	-	-	-	-	-	818
Driver and Vehicle Services Reform Program							
2022-23 Program .....	6,600	-	-	6,600	-	-	-
2023-24 Program .....	3,200	-	-	-	3,200	-	-
2024-25 Program .....	3,200	-	-	-	-	3,200	-
2025-26 Program .....	3,200	-	-	-	-	-	3,200
Maritime							
Albany (Emu Point) Maritime Facility - Jetty B .....	1,038	-	-	1,038	-	-	-
Marine Oil Pollution Response Equipment							
2022-23 Program .....	150	-	-	150	-	-	-
2023-24 Program .....	150	-	-	-	150	-	-
2024-25 Program .....	200	-	-	-	-	200	-
2025-26 Program .....	200	-	-	-	-	-	200
Maritime Facilities Program							
2022-23 Program .....	9,030	-	-	9,030	-	-	-
2023-24 Program .....	9,030	-	-	-	9,030	-	-
2024-25 Program .....	9,180	-	-	-	-	9,180	-
2025-26 Program .....	9,180	-	-	-	-	-	9,180
Navigational Aids Program							
2022-23 Program .....	431	-	-	431	-	-	-
2023-24 Program .....	431	-	-	-	431	-	-
2024-25 Program .....	912	-	-	-	-	912	-
2025-26 Program .....	912	-	-	-	-	-	912
Vessel and Vehicle Replacement Program							
2022-23 Program .....	590	-	-	590	-	-	-
2023-24 Program .....	837	-	-	-	837	-	-
2024-25 Program .....	860	-	-	-	-	860	-
2025-26 Program .....	580	-	-	-	-	-	580
Minor Works							
2022-23 Program .....	408	-	-	408	-	-	-
2023-24 Program .....	408	-	-	-	408	-	-
2024-25 Program .....	408	-	-	-	-	408	-
2025-26 Program .....	408	-	-	-	-	-	408
On-demand Transport - Taxi User Subsidy Scheme (TUSS) Reform Program .....							
	8,778	-	-	6,099	2,679	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>284,116</b>	<b>47,764</b>	<b>44,717</b>	<b>53,691</b>	<b>78,513</b>	<b>65,225</b>	<b>38,923</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			25,904	39,818	41,735	41,600	21,823
Drawdowns from Royalties for Regions Fund .....			1,335	4,858	32,220	23,625	17,100
Funding Included in Department of Treasury - Digital Capability Fund .....			-	6,099	2,679	-	-
Internal Funds and Balances .....			10,865	2,259	1,879	-	-
Other .....			(1,180)	-	-	-	-
Other Grants and Subsidies .....			7,793	657	-	-	-
<b>Total Funding .....</b>			<b>44,717</b>	<b>53,691</b>	<b>78,513</b>	<b>65,225</b>	<b>38,923</b>



## Financial Statements

### Income Statement

#### *Expenses*

1. Total Cost of Services is estimated to increase by \$109.2 million in the 2022-23 Budget Year compared to the 2021-22 Estimated Actual. This is mainly due to time-limited or once-off expenditures, including work to be carried out as part of the Western Australian Agricultural Supply Chain Improvements (ASCI) program, the Kenwick Intermodal Terminal, providing rebates for zero and low emission light vehicles and transitioning the Department's core ICT infrastructure to a cloud environment.

#### *Income*

2. Total Income in the 2022-23 Budget Year is projected to increase by \$71.1 million compared to the 2021-22 Estimated Actual, primarily due to an increase in grants and subsidies relating to the Commonwealth's contributions for the Perth City Deal, ASCI and the Kenwick Intermodal Terminal.
3. Total Income from Government in the 2022-23 Budget Year is projected to increase by \$48.3 million compared to the 2021-22 Estimated Actual. This is mainly due to increases in appropriation for providing rebates for zero and low emission light vehicles, transitioning ICT infrastructure to a cloud environment, increased TUSS subsidies and reform, the Inter-Regional Flight Network expansion, to maintain maritime facilities and for the on-demand transport regulation service.

### Statement of Financial Position

4. Total current assets are expected to decrease by \$70.8 million between 2021-22 Estimated Actual and 2022-23 Budget Year. This primarily reflects allocations from the Special Purpose Account (SPA) that was established in 2021-22 for enabling works associated with the Westport project.

### Statement of Cashflows

5. The \$386.1 million decrease in capital appropriation between the 2021-22 Estimated Actual and the 2022-23 Budget Year relates to the establishment of the \$400 million Westport SPA in 2021-22.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	151,327	164,376	172,915	180,341	174,386	172,154	169,244
Grants and subsidies <sup>(c)</sup> .....	118,309	183,295	151,929	178,293	142,822	129,937	109,982
Supplies and services .....	83,728	128,931	124,118	194,657	183,011	170,251	101,150
Accommodation .....	26,342	28,975	28,261	26,681	27,171	29,930	32,798
Depreciation and amortisation .....	24,973	25,398	25,880	26,368	26,418	25,455	25,642
Finance and interest costs .....	103	152	129	118	101	79	68
Other expenses .....	35,549	31,781	35,303	41,255	39,835	35,903	34,642
<b>TOTAL COST OF SERVICES .....</b>	<b>440,331</b>	<b>562,908</b>	<b>538,535</b>	<b>647,713</b>	<b>593,744</b>	<b>563,709</b>	<b>473,526</b>
<b>Income</b>							
Sale of goods and services .....	25,400	26,992	31,200	32,385	32,902	33,448	34,050
Regulatory fees and fines .....	175,551	177,271	177,254	184,973	180,673	190,686	192,066
Grants and subsidies .....	2,671	32,771	31,850	89,144	54,128	51,153	1,153
Taxation .....	88,688	83,842	87,642	90,029	92,811	94,895	96,697
Other revenue .....	24,035	26,341	26,414	28,896	27,657	28,266	28,664
<b>Total Income .....</b>	<b>316,345</b>	<b>347,217</b>	<b>354,360</b>	<b>425,427</b>	<b>388,171</b>	<b>398,448</b>	<b>352,630</b>
<b>NET COST OF SERVICES .....</b>	<b>123,986</b>	<b>215,691</b>	<b>184,175</b>	<b>222,286</b>	<b>205,573</b>	<b>165,261</b>	<b>120,896</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	108,017	88,401	87,453	124,792	102,959	76,143	55,342
Resources received free of charge .....	1,616	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund .....	30,591	36,950	36,729	37,816	47,339	47,692	30,751
Other revenues .....	62,470	65,987	77,484	87,330	70,521	75,524	72,361
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>202,694</b>	<b>193,327</b>	<b>203,655</b>	<b>251,927</b>	<b>222,808</b>	<b>201,348</b>	<b>160,443</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>78,708</b>	<b>(22,364)</b>	<b>19,480</b>	<b>29,641</b>	<b>17,235</b>	<b>36,087</b>	<b>39,547</b>

(a) Full audited financial statements are published in the Department's Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 1,459, 1,521 and 1,612 respectively.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Year	2023-24 Outyear	2024-25 Outyear	2025-26 Outyear
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Active Traffic Management.....	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Aviation (Public Air Route) Subsidies .....	463	3,530	3,554	746	500	500	500
Bicycle Boulevards (Safe Active Streets Program).....	2,491	4,200	4,200	-	-	-	-
Clean Energy Car Fund - Purchase Rebates...	-	-	-	7,963	11,462	15,575	-
Coastal Projects and Zone Management.....	2,227	6,825	6,790	3,057	2,057	2,557	1,637
Community Police .....	3,838	1,300	2,500	2,100	2,100	2,100	2,100
Country Age Pension Fuel Card Scheme .....	26,580	27,553	27,553	27,612	27,563	27,563	27,563
Driving Access and Equity for Learner Drivers ...	-	4,700	2,378	5,300	-	-	-
Fare Subsidies (Pensioners).....	881	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Container Rail Subsidy .....	5,570	8,334	8,334	8,569	8,709	8,956	8,956
Inter-Regional Flight Network Expansion.....	-	-	-	1,800	900	900	450
Kenwick Intermodal Terminal Development.....	-	-	-	10,000	-	-	-
Local Projects Local Jobs.....	97	-	-	-	-	-	-
Marine Communications .....	694	670	670	730	745	670	670
Multi-purpose Taxi - Vehicle Modification Grant....	240	450	450	720	720	720	720
National Partnership Agreement for Recreational Fishing and Camping Facilities ...	-	795	795	795	-	-	-
National Transport Reforms .....	330	336	336	345	354	354	354
On-demand Transport Industry COVID-19 Relief Measures .....	5,544	-	-	-	-	-	-
Other Grants and Subsidies .....	187	277	224	361	296	282	282
Perth City Deal CBD Transport Plan.....	-	41,218	14,935	19,715	2,350	-	-
Port of Wyndham .....	2,446	-	659	-	-	-	-
Public Transport Authority CAT Bus Services .....	15,178	18,434	17,474	18,372	16,374	15,292	15,292
Purple CAT Service .....	-	1,917	1,917	2,883	2,941	3,000	3,000
Recreational Boat Facilities .....	1,516	3,097	3,595	1,500	1,500	1,500	1,500
Regional Airfare Zone Cap for Regional Residents.....	-	-	-	6,245	6,235	6,221	-
Regional Airport Development Scheme.....	633	3,932	3,932	1,935	1,935	1,935	1,935
Regional Aviation Support - COVID-19 Economic Response .....	857	-	-	-	-	-	-
Student Fare Concessions .....	973	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User Co-Payment.....	3,137	1,959	1,959	1,959	1,959	1,959	1,959
TUSS.....	10,344	8,826	10,826	10,826	10,826	10,826	10,826
Tunnel Monitoring System.....	-	4,200	3,298	4,320	982	200	200
Western Australian Bicycle Network (including Principal Shared Path Program) .....	31,833	35,662	29,720	24,860	33,484	23,747	26,958
Westport Fremantle Port Authority - Feasibility Studies....	-	-	-	9,000	3,500	-	-
Future of Fremantle .....	-	-	750	1,500	250	-	-
<b>TOTAL .....</b>	<b>118,309</b>	<b>183,295</b>	<b>151,929</b>	<b>178,293</b>	<b>142,822</b>	<b>129,937</b>	<b>109,982</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	99,662	45,369	84,047	79,259	57,276	55,923	57,396
Restricted cash .....	170,917	581,791	571,497	505,498	414,411	294,154	282,124
Holding Account receivables .....	-	3,900	-	-	-	-	-
Receivables .....	10,759	10,579	10,759	10,759	10,759	10,759	10,759
Other .....	6,707	4,762	6,707	6,707	6,707	6,707	6,707
Assets held for sale .....	21,180	-	21,180	21,180	21,180	21,180	21,180
<b>Total current assets .....</b>	<b>309,225</b>	<b>646,401</b>	<b>694,190</b>	<b>623,403</b>	<b>510,333</b>	<b>388,723</b>	<b>378,166</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	301,057	317,681	321,577	342,678	363,906	385,241	406,769
Property, plant and equipment .....	436,234	480,708	438,756	467,679	521,485	562,633	577,909
Intangibles .....	47,130	36,471	46,218	45,305	44,392	43,479	42,566
Restricted cash .....	2,821	3,342	3,481	3,991	4,471	4,949	5,514
<b>Total non-current assets .....</b>	<b>787,242</b>	<b>838,202</b>	<b>810,032</b>	<b>859,653</b>	<b>934,254</b>	<b>996,302</b>	<b>1,032,758</b>
<b>TOTAL ASSETS .....</b>	<b>1,096,467</b>	<b>1,484,603</b>	<b>1,504,222</b>	<b>1,483,056</b>	<b>1,444,587</b>	<b>1,385,025</b>	<b>1,410,924</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	27,494	29,017	27,850	28,206	28,562	28,918	29,274
Payables .....	14,257	21,960	14,257	14,257	14,257	14,257	14,257
Borrowings and leases .....	2,455	11,640	11,631	2,130	2,221	2,155	2,206
Other .....	3,750	4,902	3,750	750	750	750	750
<b>Total current liabilities .....</b>	<b>47,956</b>	<b>67,519</b>	<b>57,488</b>	<b>45,343</b>	<b>45,790</b>	<b>46,080</b>	<b>46,487</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	6,885	6,782	6,885	6,885	6,885	6,885	6,885
Borrowings and leases .....	3,655	4,535	6,258	4,252	2,503	1,619	1,141
<b>Total non-current liabilities .....</b>	<b>10,540</b>	<b>11,317</b>	<b>13,143</b>	<b>11,137</b>	<b>9,388</b>	<b>8,504</b>	<b>8,026</b>
<b>TOTAL LIABILITIES .....</b>	<b>58,496</b>	<b>78,836</b>	<b>70,631</b>	<b>56,480</b>	<b>55,178</b>	<b>54,584</b>	<b>54,513</b>
<b>EQUITY</b>							
Contributed equity .....	567,677	996,455	943,817	907,161	852,759	757,704	744,127
Accumulated surplus/(deficit) .....	465,240	405,350	484,720	514,361	531,596	567,683	607,230
Reserves .....	5,054	3,962	5,054	5,054	5,054	5,054	5,054
<b>Total equity .....</b>	<b>1,037,971</b>	<b>1,405,767</b>	<b>1,433,591</b>	<b>1,426,576</b>	<b>1,389,409</b>	<b>1,330,441</b>	<b>1,356,411</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,096,467</b>	<b>1,484,603</b>	<b>1,504,222</b>	<b>1,483,056</b>	<b>1,444,587</b>	<b>1,385,025</b>	<b>1,410,924</b>

(a) Full audited financial statements are published in the Department's Annual Report.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	83,698	67,861	66,933	103,691	81,731	54,808	33,814
Capital appropriation .....	32,763	426,020	425,904	39,818	41,735	41,600	21,823
Royalties for Regions Fund:							
Regional Community Services Fund .....	30,591	36,950	36,729	37,816	47,339	47,692	30,751
Regional Infrastructure and Headworks Fund .....	-	1,038	1,335	4,858	32,220	23,625	17,100
Receipts paid into Consolidated Account .....	-	-	(11,931)	(60)	(307)	(280)	-
Other.....	63,616	66,039	77,484	93,429	73,200	75,524	70,553
<b>Net cash provided by Government .....</b>	<b>210,668</b>	<b>597,908</b>	<b>596,454</b>	<b>279,552</b>	<b>275,918</b>	<b>242,969</b>	<b>174,041</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(148,177)	(164,020)	(172,559)	(179,985)	(174,030)	(171,798)	(168,888)
Grants and subsidies.....	(126,874)	(183,295)	(151,929)	(178,293)	(142,822)	(129,937)	(109,982)
Supplies and services .....	(80,962)	(125,323)	(120,392)	(190,956)	(179,239)	(166,639)	(97,388)
Accommodation .....	(27,044)	(28,975)	(28,261)	(26,681)	(27,171)	(29,930)	(32,798)
GST payments .....	(28,429)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)
Finance and interest costs.....	-	(152)	(129)	(118)	(101)	(79)	(68)
Other payments.....	(34,972)	(33,400)	(37,040)	(42,967)	(41,618)	(37,526)	(36,415)
<b>Receipts <sup>(b)</sup></b>							
Regulatory fees and fines.....	175,249	177,271	177,254	183,273	180,673	190,686	192,066
Grants and subsidies.....	2,749	32,771	31,850	89,144	54,128	51,153	1,153
Sale of goods and services.....	25,122	26,940	31,200	32,385	32,902	33,448	35,858
Taxation.....	87,792	83,842	87,642	90,029	92,811	94,895	96,697
GST receipts .....	26,503	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts .....	24,811	26,341	26,327	27,575	27,590	28,139	28,664
<b>Net cash from operating activities .....</b>	<b>(104,232)</b>	<b>(188,000)</b>	<b>(156,037)</b>	<b>(196,594)</b>	<b>(176,877)</b>	<b>(137,588)</b>	<b>(91,101)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(31,784)	(48,217)	(44,717)	(53,691)	(78,513)	(65,225)	(38,923)
Proceeds from sale of non-current assets.....	16	-	9,231	60	307	280	-
<b>Net cash from investing activities.....</b>	<b>(31,768)</b>	<b>(48,217)</b>	<b>(35,486)</b>	<b>(53,631)</b>	<b>(78,206)</b>	<b>(64,945)</b>	<b>(38,923)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(2,607)	(2,364)	(2,866)	(12,233)	(2,696)	(1,568)	(1,509)
Other payments.....	-	-	-	(55,800)	(123,200)	(150,000)	(52,500)
Proceeds from borrowings.....	-	9,460	9,460	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>(2,607)</b>	<b>7,096</b>	<b>6,594</b>	<b>(68,033)</b>	<b>(125,896)</b>	<b>(151,568)</b>	<b>(54,009)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>72,061</b>	<b>368,787</b>	<b>411,525</b>	<b>(38,706)</b>	<b>(105,061)</b>	<b>(111,132)</b>	<b>(9,992)</b>
Cash assets at the beginning of the reporting period .....	201,399	261,715	273,400	659,025	588,748	476,158	355,026
Net cash transferred to/from other agencies ....	(60)	-	(25,900)	(31,571)	(7,529)	(10,000)	-
<b>Cash assets at the end of the reporting period .....</b>	<b>273,400</b>	<b>630,502</b>	<b>659,025</b>	<b>588,748</b>	<b>476,158</b>	<b>355,026</b>	<b>345,034</b>

(a) Full audited financial statements are published in the Department's Annual Report.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

## NET APPROPRIATION DETERMINATION

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Regulatory Fees and Fines</b>							
Boat Registration Fees .....	21,194	21,491	21,491	23,495	24,911	26,397	27,969
Jetty Licences and Coastal Facility Fees .....	13,326	11,770	11,770	12,007	12,191	12,299	12,351
Motor Drivers Licence Fees .....	77,406	74,390	74,390	78,318	81,401	87,741	85,310
Motor Vehicle Recording Fee .....	54,703	58,358	58,341	57,370	49,304	50,642	52,017
On-demand Transport Fees .....	3,599	6,211	6,211	6,383	6,888	7,473	8,128
Other Driver and Vehicle Services Fees .....	2,877	3,659	3,659	4,189	4,436	4,561	4,688
Other Marine Safety Fees .....	2,144	1,391	1,392	1,511	1,542	1,573	1,603
<b>Grants and Subsidies</b>							
Grants and Contributions Received .....	30,197	62,622	65,208	124,698	78,418	83,357	33,357
<b>Sale of Goods and Services</b>							
Commissions .....	27,715	26,940	29,178	29,265	30,514	31,801	31,319
Motor Vehicle Inspection Fees .....	25,122	29,230	31,200	32,385	32,902	33,448	35,858
Sale of Goods and Services .....	122	380	577	630	655	680	706
<b>Taxation</b>							
Motor Vehicle Plate Fees .....	24,127	16,421	20,221	19,793	20,115	20,439	20,766
Motor Vehicle Transfer Fees .....	11,601	11,322	11,322	11,768	11,951	12,131	12,309
Perth Parking Levy .....	52,064	56,099	56,099	58,468	60,745	62,325	63,622
<b>GST Receipts</b>							
GST Input Credits .....	17,415	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales .....	9,088	7,881	7,881	7,881	7,881	7,881	7,881
<b>Other Receipts</b>							
Interest Revenue .....	65	296	296	296	296	296	296
Other Revenue .....	10,284	9,957	9,942	11,079	10,764	10,970	11,138
Rents and Leases .....	14,967	16,720	16,720	17,137	17,473	17,822	18,179
Service Delivery Agreement .....	7,826	5,947	13,431	7,511	4,296	4,296	4,296
Special Purpose Account .....	-	-	309	19,532	12,502	5,594	1,079
<b>TOTAL .....</b>	<b>405,842</b>	<b>439,910</b>	<b>458,463</b>	<b>542,541</b>	<b>488,010</b>	<b>500,551</b>	<b>451,697</b>

## DETAILS OF ADMINISTERED TRANSACTIONS

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Motor Vehicle Licence Fees .....	1,047,950	1,090,188	1,119,501	1,169,227	1,229,193	1,290,519	1,354,904
On-demand Transport Levy .....	42,139	39,000	38,034	-	-	-	-
<b>Fines</b>							
Final Demand Fees .....	2,448	2,256	2,757	2,757	2,757	2,757	2,757
Other Fines .....	22,811	23,028	23,028	23,028	23,028	23,028	23,028
Plate and Transfer Infringements .....	8,285	8,586	8,085	8,303	8,318	8,335	8,354
Speed and Red Light Fines .....	83,385	76,468	82,468	79,605	79,605	79,605	79,605
<b>Other</b>							
Appropriation .....	100	100	100	100	100	100	100
Off-road Vehicle Fees .....	104	103	103	138	185	278	278
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>1,207,222</b>	<b>1,239,729</b>	<b>1,274,076</b>	<b>1,283,158</b>	<b>1,343,186</b>	<b>1,404,622</b>	<b>1,469,026</b>
<b>EXPENSES</b>							
<b>Statutory Authorities</b>							
Western Australian Coastal Shipping Commission .....	100	100	100	100	100	100	100
<b>Other</b>							
All Other Expenses .....	2,670	-	-	-	-	-	-
Payments to Consolidated Account .....	1,633,374	1,163,058	1,191,405	1,203,315	1,263,296	1,324,639	1,389,043
Payments to Off-road Vehicle Trust Account .....	104	103	103	138	185	278	278
Payments to Road Trauma Trust Account .....	83,385	76,468	82,468	79,605	79,605	79,605	79,605
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>1,719,633</b>	<b>1,239,729</b>	<b>1,274,076</b>	<b>1,283,158</b>	<b>1,343,186</b>	<b>1,404,622</b>	<b>1,469,026</b>

# Division 39 Commissioner of Main Roads

## Part 9 Transport

### Appropriations, Expenses and Cash Assets

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 84 Net amount appropriated to deliver services .....	368,402	404,042	414,846	<b>444,704</b>	436,886	469,134	458,106
<b>Amount Authorised by Other Statutes</b>							
- Road Traffic (Administration) Act 2008.....	699,729	806,660	835,973	<b>771,717</b>	796,679	894,110	1,046,314
- Salaries and Allowances Act 1975.....	425	426	426	<b>427</b>	428	429	429
Total appropriations provided to deliver services.....	1,068,556	1,211,128	1,251,245	<b>1,216,848</b>	1,233,993	1,363,673	1,504,849
<b>CAPITAL</b>							
Item 145 Capital Appropriation.....	72,400	107,923	138,987	<b>78,053</b>	107,518	222,405	140,201
Road Traffic (Administration) Act 2008.....	357,757	291,028	291,028	<b>405,010</b>	440,014	403,909	316,090
<b>TOTAL APPROPRIATIONS .....</b>	<b>1,498,713</b>	<b>1,610,079</b>	<b>1,681,260</b>	<b>1,699,911</b>	<b>1,781,525</b>	<b>1,989,987</b>	<b>1,961,140</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,374,559	1,376,722	1,574,737	<b>1,713,561</b>	1,725,922	1,815,783	1,657,329
Net Cost of Services <sup>(a)(b)</sup> .....	(1,091,691)	311,434	362,381	<b>268,967</b>	(58,781)	441,617	664,390
<b>CASH ASSETS <sup>(c)</sup> .....</b>	<b>377,092</b>	<b>512,187</b>	<b>467,777</b>	<b>334,846</b>	<b>246,877</b>	<b>249,821</b>	<b>360,832</b>

- (a) Represents Total Cost of Services (expenses) less retained revenues applied to Main Roads' services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As the Net Cost of Services includes all sources of non-Government receipts, the value of both road assets transferred in and Commonwealth funding is included as an offset to the Total Cost of Services. This can result in a negative Net Cost of Services in some years.
- (c) As at 30 June each financial year.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Main Roads' Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>New Initiatives</b>					
2023 Total Solar Eclipse - Traffic Management and Rest Area Upgrades .....	-	7,886	-	-	-
Broome Cape-Leveque Road Upgrades - Recurrent to Capital .....	(11,598)	(5,000)	-	-	-
Mid West and Great Southern Secondary Freight Network Program .....	1,500	18,000	16,500	-	-
Outback Way <sup>(a)</sup> .....	-	75,000	75,000	70,000	70,000
Regional Road Maintenance In-House Delivery Model .....	(855)	(18,858)	(11,789)	(19,914)	(15,884)
Tanami Road Alice Springs to Halls Creek Corridor Upgrade <sup>(b)</sup> .....	-	5,000	65,000	90,000	105,000
<b>Ongoing Initiatives</b>					
Bidyadanga Internal Roads - Capital to Recurrent .....	-	4,099	-	-	-
Depreciation Update .....	52,999	149,800	113,891	130,909	87,325
Moonamang Road Upgrade .....	-	2,000	-	-	-
Motor Vehicle Licence Fee Revenue Update .....	-	4,924	5,041	4,707	5,270
National Land Transport Network Maintenance Update .....	5,490	5,490	5,490	5,490	5,490
Operational Expenditure - Capital to Recurrent .....	125,503	-	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Update .....	1,200	5,600	-	-	-
<b>Other</b>					
Parallel Walks .....	(2,942)	(1,942)	-	-	-

(a) Part of the Western Australia section of Outback Way between Laverton and Western Australia/Northern Territory border remains unsealed. An additional \$500 million (joint State and Commonwealth funded) to seal the balance of the Great Central Road over the next seven years is allocated in the 2022-23 Budget.

(b) The 311 km unsealed section in Western Australia is a local road under the care and control of the Shire of Halls Creek. The 2022-23 Budget provides \$500 million (joint State and Commonwealth funded) to seal the route within Western Australia.

## Significant Issues Impacting the Agency

1. Consistent with supply constraints across the industry, Main Roads' construction costs have escalated due to the challenges of global supply chain shortages. These challenges include access to skilled labour, with other global factors further influencing the price and availability of materials (e.g. steel and bitumen). Progress is being made on establishing a sustainable pipeline of infrastructure investments by adjusting the program of works to manage these supply and cost pressures. Main Roads has consulted with the civil construction industry and refined its pipeline of works to build confidence within the construction sector, encourage its growth, and create permanent jobs.
2. Main Roads continues to ensure social outcomes are achieved through the delivery of its services, which in turn has a positive economic impact and supports the implementation of the Government's Aboriginal Empowerment Strategy 2021-2029 and commitments under the Closing the Gap Agreement. Significant progress has been made to increase the number of Aboriginal employment and business opportunities across the civil construction industry. In 2020-21, \$80 million was spent with Aboriginal businesses and over 400,000 hours worked by Aboriginal people. Over the next five years, and aligned to the Aboriginal Procurement Policy, targets have been set by Government to award \$700 million of contracts to Aboriginal businesses, as well as having 3.5 million work hours completed by Aboriginal workers on State transport infrastructure programs. Main Roads continues to work with industry to identify ways to ensure that a sustainable and long-term industry is realised, creating a skilled and diverse workforce and enabling Aboriginal businesses to support an ongoing program of works.
3. Main Roads is continuing the accelerated delivery of the Regional Road Safety Program to reduce the number of people killed and seriously injured on regional highways and roads as a result of single vehicle 'run off road' crashes. A further \$175 million has been allocated in 2023-24, bringing expenditure for the program over 2022-23 to 2023-24 to \$352.5 million. These allocations allow the program to continue rolling out the sealing of shoulders and installation of audible warning lines, treatments proven to reduce single vehicle 'run off road' crashes.



4. Congestion has a significant impact on the State's productivity, safety, health and environment. It affects all road users, including private vehicles, buses, pedestrians/cyclists and the movement of freight. Through the Road Network Operations Centre, performance data is used to improve planning and real time operations, supporting informed decision making. Through initiatives such as Smart Freeways, deployment of new technology, smarter operations and targeted works, the focus remains on reducing the impact of congestion by optimising the use of existing assets and improving use of the transport network as a whole.
5. Main Roads continues to monitor developments with emerging future vehicles and technology to understand the possibilities and implications on the road network and the broader integrated land transport system. Work is ongoing to understand the potential impacts for urban and transport planners and when the impact of these technologies will likely reach critical mass.
6. Main Roads will be progressively bringing road maintenance delivery in-house as current contracts conclude, with the majority of this work expected to be completed by March 2024. This will see up to 660 permanent jobs created within Main Roads, with some 490 of these positions to be located across regional Western Australia. The change will enable Main Roads to offer more regional training and employment opportunities, with the creation of four new depots to be established in Manjimup, Esperance, Karratha and Broome.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between Main Roads' services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Facilitate economic and regional development.	1. Infrastructure for State Development
	A well-maintained road network.	2. Road Network Maintenance
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	A safe road environment.	3. Road Safety
	Improved community access and roadside amenity.	4. Infrastructure for Community Access
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Reliable and efficient movement of people and goods.	5. Road System Management 6. Road Efficiency Improvements

**Total Cost of Services - Reconciliation to Service Summary Table**

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Total Cost of Services .....</b>	1,374,559	1,376,722	1,574,737	1,713,561	1,725,922	1,815,783	1,657,329
<i>Add:</i>							
Road Infrastructure Capital Works <sup>(a)</sup> .....	1,309,497	1,587,689	1,633,246	2,021,148	2,012,986	1,667,457	1,392,845
<i>Less:</i>							
Local Government Network Expenditure							
Disaster Recovery on Local Government							
Roads <sup>(b)</sup> .....	(27,261)	-	-	-	-	-	-
State Road Funds to Local Government							
Agreement .....	(183,920)	(263,715)	(259,604)	(233,845)	(245,839)	(258,104)	(270,981)
Non-cash Expenditure							
Road Infrastructure Depreciation <sup>(c)</sup> .....	(415,742)	(443,291)	(454,095)	(487,193)	(509,361)	(528,909)	(535,481)
Road Transfers and Retirements <sup>(d)</sup> .....	(47,670)	(11,404)	(52,814)	(111,047)	(73,069)	(70,550)	(20,409)
<b>Adjusted Total Cost of Services.....</b>	2,009,463	2,246,001	2,441,470	2,902,624	2,910,639	2,625,677	2,223,303

(a) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which is not reflected in the Income Statement in accordance with AASB 1055: *Budgetary Reporting*.

(b) Natural Disaster Expenditure on Local Government Roads occurring after 2019-20 will now be recouped by local governments directly from Fire and Emergency Services. The 2020-21 figure reflects the finalisation of claims prior to the change.

(c) Road Infrastructure Depreciation includes amortisation of intangibles.

(d) Road Transfers and Retirements reflect retired non-current fixed assets expense and expenditure related to non-current fixed assets transferred to local authorities, both of which are non-cash transactions.

**Service Summary**

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Infrastructure for State Development .....	338,090	251,312	413,650	523,127	620,038	712,462	440,035
2. Road Network Maintenance <sup>(a)</sup> .....	406,762	451,178	504,327	453,704	465,683	386,509	353,321
3. Road Safety <sup>(b)</sup> .....	397,647	452,586	404,680	368,828	288,715	123,050	122,950
4. Infrastructure for Community Access .....	113,216	205,166	142,003	218,518	231,794	201,458	117,349
5. Road System Management .....	165,846	157,426	162,927	172,161	165,526	146,072	146,209
6. Road Efficiency Improvements <sup>(c)</sup> .....	587,902	728,333	813,883	1,166,286	1,138,883	1,056,126	1,043,439
<b>Total Cost of Services .....</b>	2,009,463	2,246,001	2,441,470	2,902,624	2,910,639	2,625,677	2,223,303

(a) Variations in Road Network Maintenance expenditure is primarily due to natural disaster repairs on the State network, third party funded works and bridge works.

(b) The increase in Road Safety expenditure over 2020-21 to 2023-24 primarily reflects additional Commonwealth and State funding for the Regional Road Safety Program.

(c) The increase in Road Efficiency Improvements in the 2022-23 Budget Year and outyears is mainly due to the construction of the Bunbury Outer Ring Road and Great Eastern Highway Bypass.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Facilitate economic and regional development:</b>					
Return on construction expenditure.....	3.2	2.78	2.7	2.6	
<b>Outcome: A well-maintained road network:</b>					
Smooth travel exposure .....	98%	n/a	n/a	97%	1
Community satisfaction with road maintenance .....	89%	90%	90%	90%	
Preventative maintenance indicator.....	87%	85%	87%	85%	
<b>Outcome: A safe road environment:</b>					
Community satisfaction with road safety.....	93%	90%	90%	90%	
Blackspot location indicator.....	7.22	7.18	7.22	7.03	
<b>Outcome: Improved community access and roadside amenity:</b>					
Percentage of the year that 100% of the Main Roads' State road network is available.....	84%	95%	90%	95%	2
Community satisfaction with cycleways and pedestrian facilities.....	89%	90%	90%	90%	
<b>Outcome: Reliable and efficient movement of people and goods:</b>					
Community satisfaction .....	92%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles:					
B-Doubles 27.5m .....	98%	97%	98%	97%	
Double road trains 27.5m .....	98%	97%	98%	97%	
Double road trains 36.5m .....	82%	80%	82%	80%	
Triple road trains 53.5m.....	45%	45%	45%	45%	
Network configuration					
Roads .....	93%	92%	93%	93%	
Bridges					
Strength.....	94%	94%	94%	94%	
Width.....	96%	96%	96%	96%	

(a) Further detail in support of the key effectiveness indicators is provided in Main Roads' Annual Report.

**Explanation of Significant Movements**

(Notes)

1. This indicator is based on the percentage of travel undertaken on the State road network meeting specific roughness criteria. In 2011, it was agreed to only capture data used for this reporting on a biennial basis.
2. The 2021-22 Estimated Actual of 90% is below the 2021-22 Budget figure of 95% primarily due to the result of flooding in the Kimberley region, and severe weather and associated flooding across the South Coastal region.

## Services and Key Efficiency Indicators

### 1. Infrastructure for State Development

The objective of this service is to expand the road network in accordance with Government transport and land use strategies that will facilitate the economic and regional development of the State. These works are mostly aimed at increasing the capacity of the road network through the addition of new links, which include town bypasses.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	338,090	251,312	413,650	523,127	1
Less Income .....	281,622	186,028	226,749	271,722	
Net Cost of Service .....	56,468	65,284	186,901	251,405	
<b>Employees (Full-Time Equivalents) .....</b>	<b>136</b>	<b>140</b>	<b>137</b>	<b>138</b>	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time.....	83%	90%	90%	90%	
Percentage of projects completed on budget.....	100%	90%	90%	90%	

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly due to METRONET road-related works and the Tonkin Highway Extension.

### 2. Road Network Maintenance

The objective of this service is to maintain the existing road and bridge network by maximising asset life and minimising whole of life costs. Works include routine maintenance (crack patching, patching of potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (repairs to pavements, culverts and bridge decks, sealing and re-sealing of road surfaces and replacing line markings), rehabilitation works where the primary reason for the works is due to pavement failure and managing and administering various Integrated Service Arrangements.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	406,762	451,178	504,327	453,704	1
Less Income .....	88,394	76,598	124,514	118,127	
Net Cost of Service .....	318,368	374,580	379,813	335,577	
<b>Employees (Full-Time Equivalents) .....</b>	<b>169</b>	<b>176</b>	<b>170</b>	<b>307</b>	2
<b>Efficiency Indicators</b>					
Average cost of road network maintenance per lane kilometre of network ....	\$8,121	\$7,900	\$8,700	\$8,600	

### Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly due to the Western Australia Natural Disaster Relief and Recovery Arrangements no longer being administered by Main Roads.
2. The increase in Full-Time Equivalents is due to returning road maintenance staff in-house to Main Roads.

### 3. Road Safety

The objective of this service is to reduce the road fatality rate to be the lowest in Australia, minimise road factors contributing to road trauma and reduce the serious crash injury rate. Works undertaken have safety as the foremost factor and include the State and national Black Spot programs and various projects that improve safety on the existing road network including passing lanes.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	397,647	452,586	404,680	368,828	
Less Income .....	291,906	272,835	275,154	232,348	
Net Cost of Service .....	105,741	179,751	129,526	136,480	
<b>Employees (Full-Time Equivalents) .....</b>	<b>60</b>	<b>62</b>	<b>60</b>	<b>61</b>	
<b>Efficiency Indicators</b>					
Percentage of projects completed on budget.....	95%	90%	90%	90%	1
Percentage of projects completed on time .....	64%	90%	85%	90%	

#### Explanation of Significant Movements

(Notes)

1. The reduction in percentage of projects completed on time between the 2021-22 Budget and the 2021-22 Estimated Actual is mainly due to inclement weather conditions and COVID-19.

### 4. Infrastructure for Community Access

The objective of this service is to provide infrastructure that will improve personal mobility and community access, including increasing the quality of access where appropriate, providing levels of access commensurate with community expectations and meeting minimal levels of appropriate access. Works include providing access to remote communities, pedestrian facilities, cyclist facilities, vulnerable road users' facilities, road user amenities, public transport integration and improvements such as new bridges to address flood closures.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	113,216	205,166	142,003	218,518	1
Less Income .....	68,925	182,636	110,779	138,313	1
Net Cost of Service .....	44,291	22,530	31,224	80,205	
<b>Employees (Full-Time Equivalents) .....</b>	<b>33</b>	<b>35</b>	<b>33</b>	<b>34</b>	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time.....	100%	90%	75%	90%	2
Percentage of projects completed on budget.....	100%	90%	90%	90%	

#### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service and Income between the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly due to Outback Way and METRONET road-related works.
2. The reduction in percentage of projects completed on time between the 2021-22 Budget and the 2021-22 Estimated Actual is mainly due to inclement weather conditions and the COVID-19 pandemic.

## 5. Road System Management

The objective of this service is to optimise real time management of the network, provide traveller information and support delivery of projects. Works include activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones, street lighting, intelligent transport systems, traffic signals and road advisory services to the community.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	165,846	157,426	162,927	172,161	
Less Income .....	3,077	2,250	2,381	2,250	
Net Cost of Service .....	162,769	155,176	160,546	169,911	
Employees (Full-Time Equivalents) .....	662	687	665	674	
<b>Efficiency Indicators</b>					
Average cost of network management per million vehicle kilometres travelled .....	\$6,821	\$5,450	\$7,200	\$6,800	1

### Explanation of Significant Movements

(Notes)

1. The increase from the 2021-22 Budget to the 2021-22 Estimated Actual is due to the Traffic Control System Upgrade project not included in the Budget estimate and the Transport Data Surveys project expenditure being higher than originally budgeted due to an increase in program scope.

## 6. Road Efficiency Improvements

The objective of this service is to improve the efficiency, capacity and utilisation of the existing road network. Improvements include providing a road of improved standard through geometric improvements, road widening, bridge strengthening and intersection improvements including roundabouts and interchanges.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	587,902	728,333	813,883	1,166,286	1
Less Income .....	377,220	560,304	390,414	830,762	1
Net Cost of Service .....	210,682	168,029	423,469	335,524	
Employees (Full-Time Equivalents) .....	110	115	111	112	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time .....	72%	90%	85%	90%	2
Percentage of projects completed on budget .....	97%	90%	95%	90%	

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service and Income between the 2021-22 Estimated Actual and the 2022-23 Budget Target is mainly due to construction of the Bunbury Outer Ring Road.
2. The reduction in percentage of projects completed on time between the 2021-22 Budget and the 2021-22 Estimated Actual is mainly due to inclement weather conditions and the COVID-19 pandemic.

## Asset Investment Program

1. Investment to ensure the strategic preservation and expansion of the State's largest asset, the road network, is crucial to meet the needs of the community, industry and stakeholders. Main Roads continues to collaborate with Transport portfolio partners to deliver multi-modal transport solutions that improve safety and efficiency, create new jobs and support the growth of the Western Australian economy.
2. Main Roads is forecast to spend \$2 billion in 2022-23, and significant road infrastructure works include:

### Albany Highway - Albany Ring Road

3. The final section of the Albany Ring Road project, between South Coast Highway and Princess Royal Drive, is underway. Upon its completion in 2024, this will complete an 11 km free flowing route between Albany Highway and Port facilities on Princess Royal Drive. The project will improve freight efficiency, reduce interactions between heavy vehicles and local traffic, and alleviate congestion on existing roads.
4. The Albany Ring Road is the biggest infrastructure project ever undertaken in the Great Southern Region and its construction provides major economic benefits to the local community. In addition, 24% of the construction workforce identify as Aboriginal, significantly exceeding the target set for the project.

### Bunbury Outer Ring Road

5. The Bunbury Outer Ring Road project will provide a 27 km highway between Forrest Highway near Australind, and Bussell Highway near Stratham. Connections will be provided to other key regional and local roads including Raymond Road, South Western Highway, Willinge Drive and Centenary Road.
6. The completion of the Bunbury Outer Ring Road will provide an alternative route around Bunbury, separating local and regional traffic and thus improve safety and reduce congestion on other roads. This will strengthen Greater Bunbury's position as a regional industrial hub and tourist destination for the South West region.

### Great Northern Highway - Marble Bar Road Upgrade

7. The Marble Bar Road Upgrade project will upgrade nearly 100 km of Marble Bar Road between the McPhee and Roy Hill mines in the Pilbara, facilitating mine development and increasing the volume of exportable commodities. The existing unsealed section of Marble Bar Road is not capable of undertaking the required haulage task due to deficiencies in the pavement, road closure periods due to rain and flooding events, road safety issues, and road geometry constraints.
8. The upgrading of Marble Bar Road will provide opportunities for further mine construction together with mining-based employment and Aboriginal business opportunities. The project will also improve access to the town of Nullagine, improving its long-term outlook.

### Mitchell Freeway Hester Avenue to Romeo Road - Extension

9. This 5.6 km extension of the Mitchell Freeway will provide two traffic lanes in each direction, new interchanges at Butler Boulevard and Lukin Drive, an upgrade of the Hester Avenue interchange and the construction of a rail tunnel under the freeway northbound lanes for the METRONET Yanchep Rail Extension project. The project also includes the construction of Romeo Road from Marmion Avenue to Wanneroo Road and associated tie-ins.
10. The project will improve connectivity and support the expansion of Perth's fast growing outer northern suburbs of Yanchep, Butler, Alkimos and Eglinton. It will provide access to the new METRONET rail station at Alkimos, reduce congestion for the residents of Perth's northern suburbs, and accommodate housing and commercial opportunities in the high-growth northern corridor.

### **Stephenson Avenue**

11. The Stephenson Avenue project will provide a new connection from Cedric Street to Scarborough Beach Road, including a new grade-separated interchange on Mitchell Freeway with a southbound on-ramp incorporating Smart Freeways technology. New local road links to Ellen Stirling Boulevard will also be provided.
12. The project will assist in the development of Stirling, with the new transport infrastructure opening up land for development and facilitating the growth of the Stirling hub into a strategic metropolitan centre. Regional and local connectivity will be enhanced through the provision of improved cycling and pedestrian facilities.

### **Queen Victoria Street - Swan River Crossings (Fremantle Road and Rail Bridge)**

13. The Swan River Crossings project will see the removal of the existing Fremantle Traffic Bridge and the construction of a new traffic bridge together with a new rail bridge for the Perth to Fremantle passenger rail line. The current rail bridge will be retained for freight movements. Pedestrian and cyclist facilities across the river will be provided, connecting into the existing path network.
14. The project will improve safety for road and river users, increase freight efficiency, and provide improved pedestrian and cycling facilities. By providing a new dedicated passenger rail bridge, shared use with freight trains will no longer be required, improving operational flexibility and efficiency.

### **Tonkin Highway Corridor Upgrades - Tonkin Highway Gap; Grade Separations at Hale, Welshpool and Kelvin Roads; and Stage 3 Extension**

15. The Tonkin Highway Gap project addresses a bottleneck where Tonkin Highway currently reduces from three lanes to two lanes in Bayswater and Redcliffe, significantly impacting travel times and safety. The project includes the construction of new bridges over the Swan River, Dunstone Road, Guildford Road and Railway Parade. Improvements will also be made to access and connectivity for road users, pedestrians and cyclists within the area.
16. The Tonkin Highway Corridor Upgrade includes the grade separation of the intersections at Hale Road, Welshpool Road and Kelvin Road, and widening this section of highway from four to six lanes. This will improve safety and reduce delays along this section of the corridor, which currently experiences significant congestion. Addressing this will support industrial development in the Maddington-Kenwick area.
17. Tonkin Highway Extension Stage 3 will see the highway extended a further 14 km, from Thomas Road to South Western Highway near Mundijong. Connections will also be provided at Orton Road, Bishop Road and Mundijong Road. The completion of the Tonkin Highway Corridor will support long-term transport and infrastructure planning, facilitating development along Perth's eastern road corridor.

### **Regional Road Safety Program**

18. Single vehicle lane departure crashes on the rural high-speed State roads are the largest contributor to death and serious injury in regional Western Australia. Main Roads has developed a methodology to improve safety by modifying carriageways on the rural high-speed network. The approach seals currently unsealed shoulders, and includes the application of audible warning lines to alert drivers should they veer out of their lane. Together, these measures are proven to significantly improve road safety.



	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
Albany Highway - Albany Ring Road .....	175,000	110,290	58,892	56,657	8,053	-	-
Bunbury Outer Ring Road .....	1,252,000	325,013	182,490	280,000	280,168	280,000	86,000
Coolgardie - Esperance Highway - Coolgardie-Esperance Highway Widening, Overlay and Reconstruction (Emu Rocks) .....	52,000	36,805	26,080	15,195	-	-	-
Karratha to Tom Price - Manuwarra Red Dog Highway .....	380,000	113,216	10,249	47,500	100,000	119,284	-
Leach Highway							
Fifth Avenue Rossmoyne .....	5,000	2,000	2,000	3,000	-	-	-
Leach Highway - Carrington Street to Stirling Highway .....	76,000	74,427	16,827	1,573	-	-	-
Old Coast Road - Mandurah Estuary Bridge Duplication .....	110,000	3,000	3,000	15,000	80,000	12,000	-
Regional Road Safety Program - Regional Black Spot Program .....	14,799	4,933	4,933	4,933	4,933	-	-
Reid Highway - Reid Highway - Altone Road to West Swan Road - Construction of Dual Carriageway .....	70,000	65,313	-	4,687	-	-	-
Roe Highway - Roe Highway and Kalamunda Road - Grade Separated Interchange .....	86,000	82,746	20,000	3,254	-	-	-
Wanneroo Road - Wanneroo Road and Ocean Reef Road Grade Separation .....	73,400	72,542	1,613	638	110	110	-
<b>COVID-19 Response</b>							
Department of Transport - Principal Shared Path Causeway Cyclist and Pedestrian Bridge .....	100,000	21,000	19,712	29,442	29,558	20,000	-
Great Eastern Highway - Great Eastern Highway - Eastlink - Planning .....	20,000	13,640	10,132	4,000	1,611	749	-
Kwinana Beach Road (Patterson Road to CBH Group Terminal) - Pavement Reconstruction .....	5,000	4,000	3,644	1,000	-	-	-
Stock Road - Stock Road Bridge Replacement .....	7,000	500	368	6,500	-	-	-
<b>Other Works in Progress</b>							
Albany Highway - Kelmscott to Williams Pavement Rehabilitation and Hotham River Bridge Replacement .....	25,000	9,070	5,245	12,500	3,430	-	-
Brand Highway - Muchea to Gingin Pavement Rehabilitation and Widening .....	25,000	8,180	6,514	8,000	8,820	-	-
Bridges Renewal Program - Bridge Renewal Program Round 5 - Commonwealth .....	8,938	6,938	6,561	2,000	-	-	-
Broome Cape-Leveque and Community Access Roads Upgrades .....	16,598	11,598	11,598	5,000	-	-	-
Bussell Highway - Bussell Highway Duplication Stage 1 and Stage 2 .....	85,000	35,346	12,401	30,000	19,654	-	-
METRONET - Caledonian Avenue Level Crossing Closure .....	15,000	1,900	1,800	3,700	6,400	3,000	-
Department of Transport - Principal Shared Path Program .....	136,966	63,756	30,300	22,710	11,900	19,300	19,300
Freight Vehicle Productivity Improvements Program .....	50,000	11,000	10,650	10,000	10,000	10,000	9,000
Gibb River Road - Derby - Gibb River - Wyndham Improve Formation and Gravel .....	131,874	93,106	8,785	10,621	10,049	10,049	8,049
Goldfields Highway - Wiluna to Meekatharra Construct and Seal Priority Sections .....	20,000	5,095	4,856	5,000	5,000	4,905	-
Graham Farmer Freeway - Orrong Road Expressway - Graham Farmer Freeway to Leach Highway Planning ...	20,000	1,650	836	4,000	5,000	5,000	4,350
Great Eastern Highway							
Coates Gully Bridges Walgoolan to Southern Cross .....	40,500	24,486	24,486	16,014	-	-	-
Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari .....	250,000	1,786	500	29,214	14,000	14,000	70,000
Great Eastern Highway - Old Northam Road Upgrade ...	14,375	13,754	12,519	621	-	-	-
Great Northern Highway							
Apple Street Intersection Upgrade .....	14,000	9,896	7,957	4,104	-	-	-
Bindoon Bypass - Construct New Alignment .....	275,000	46,594	9,914	15,000	15,000	50,000	70,000
Marble Bar Road Upgrade .....	120,000	8,000	8,000	60,000	52,000	-	-
Newman to Katherine Corridor - Broome to Kununurra Upgrade Stage 1 .....	25,800	4,480	3,119	16,320	5,000	-	-
Port Hedland Airport Deviation .....	76,000	9,421	6,786	39,000	27,579	-	-
Heavy Vehicle Safety and Productivity Program - Commonwealth .....	14,406	8,000	7,991	6,406	-	-	-
Indian Ocean Drive - Indian Ocean Drive - Jurien Bay to Brand Highway .....	55,000	1,000	1,000	15,000	15,000	2,000	12,000
Leach Highway - Leach Highway and Welshpool Road Grade Separated Interchange .....	136,000	92,314	74,535	35,000	8,686	-	-
Mitchell Freeway							
Hester Avenue to Romeo Road - Extension .....	232,000	56,327	14,763	99,000	66,000	10,673	-
Stephenson Avenue .....	138,567	18,172	17,000	51,202	50,000	19,193	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Northern Australia Roads and Beef Roads Programs -							
Great Northern Highway - Ord River .....	98,140	47,550	7,000	26,342	24,248	-	-
Perth Airport Precinct - Northern Access .....	170,000	1,000	1,000	1,000	5,000	15,000	74,000
Pinjarra Heavy Haulage Deviation - Pinjarra Heavy							
Haulage Deviation - Stage 1 and Stage 2 .....	250,000	2,410	1,412	5,000	5,000	30,000	120,000
Queen Victoria Street - Swan River Crossings (Fremantle							
Road and Rail Bridge) - Construct New Bridge .....	280,000	35,582	23,932	60,000	120,000	59,418	-
Rail Crossing Program - Rail Crossing Program .....	30,000	10,000	8,825	5,000	5,000	5,000	5,000
Regional Road Safety Program - Road Safety Program ...	707,500	355,000	187,405	177,500	175,000	-	-
Reid Highway							
Altone Road and Daviot Road/Drumpellier Drive Grade							
Separations .....	225,000	6,000	6,000	2,000	20,000	90,000	90,000
Erindale Road - Project Development for Grade							
Separation .....	2,500	1,613	1,247	887	-	-	-
West Swan and Reid Highway Interchange .....	175,000	2,171	2,000	-	-	4,829	18,000
Reseal Program - Capitalisation of Reseal Program .....	853,519	554,655	78,286	74,716	74,716	74,716	74,716
Road Safety Commission							
LED School Zone Lights .....	71,929	53,929	2,611	5,000	5,000	4,000	4,000
Metropolitan Intersections Crash Program .....	101,396	59,796	2,141	9,300	12,300	10,000	10,000
Regional Road Safety Improvements .....	224,600	184,600	-	-	-	20,000	20,000
Roe Highway - Great Eastern Highway Bypass including							
Abernethy Road .....	320,000	26,558	9,462	70,000	80,000	80,000	18,442
Safer Roads and Bridges Program - Safer Roads and							
Bridges Program .....	514,215	351,887	40,408	40,582	40,582	40,582	40,582
Smart Freeways							
Hodges Drive to Hepburn Avenue Widening							
Southbound .....	76,000	35,045	27,593	40,955	-	-	-
Transforming Freeways - Mitchell Freeway Corridor .....	140,000	32,781	29,934	40,000	21,219	-	-
Thomas Road							
Kwinana Freeway to Nicholson Road Upgrade .....	38,000	13,636	7,579	24,364	-	-	-
METRONET - Byford Rail Extension - Thomas Road							
Bridge .....	69,000	46,218	45,868	13,782	9,000	-	-
Thomas and Anketell Roads Freight Upgrade - Stages 1							
and 2 Planning .....	5,000	1,400	643	1,000	2,600	-	-
Thomas Road and Nicholson Road Oakford .....	28,000	18,500	14,939	6,500	3,000	-	-
Tonkin Highway Corridor Upgrades - Tonkin Highway							
Gap; Grade Separations at Hale, Welshpool and Kelvin							
Roads; and Stage 3 Extension .....	1,641,000	229,952	87,201	188,000	293,142	335,000	355,000
Wheatbelt Timber Bridge Replacement .....	14,000	9,000	8,493	5,000	-	-	-
<b>COMPLETED WORKS</b>							
<b>Election Commitments</b>							
Armadale Road - Armadale Road and North Lake Road							
Flyover Bridge .....	259,000	259,000	26,034	-	-	-	-
Bob Hawke Pedestrian Crossing .....	600	600	600	-	-	-	-
South Western Highway - South Coast Highway -							
Upgrade between Albany and Jerramungup .....	30,000	30,000	1,555	-	-	-	-
<b>COVID-19 Response</b>							
Albany Highway - Olga Road - Albany Highway and							
Kelvin Road Intersection Upgrade .....	6,000	6,000	5,830	-	-	-	-
Great Northern Highway - Bidyadanga Internal Roads .....	1,901	1,901	1,000	-	-	-	-
Intersection Upgrades - Intersection Upgrades - Main and							
Royal Streets .....	3,000	3,000	2,840	-	-	-	-
Metropolitan Amenity Walls .....	10,000	10,000	9,627	-	-	-	-
Mitchell Freeway - Mitchell Freeway (Hepburn Avenue to							
Warwick Road) - Amenity Wall and Principal Shared							
Path .....	6,000	6,000	6,000	-	-	-	-
<b>Other Completed Works</b>							
Buildings and Equipment - 2021-22 Program .....	33,424	33,424	33,424	-	-	-	-
Burrup Road - Perdaman Project .....	25,000	25,000	25,000	-	-	-	-
Capitalised Operational Costs - 2021-22 Program .....	85,668	85,668	85,668	-	-	-	-
Exmouth Roads Package - Minilya to Exmouth .....	14,000	14,000	8,893	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor							
Works) - 2021-22 Program .....	152,041	152,041	152,041	-	-	-	-
Regional Road Safety Program - Regional State Road							
Safety Improvement Program .....	120,000	120,000	18,545	-	-	-	-
Road Safety Commission - Rural Intersection Advanced							
Warning Signs .....	1,211	1,211	894	-	-	-	-
Wanneroo Road - Morley Drive Intersection Upgrade .....	20,000	20,000	13,260	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>NEW WORKS</b>							
Buildings and Equipment							
2022-23 Program .....	41,036	-	-	41,036	-	-	-
2023-24 Program .....	28,435	-	-	-	28,435	-	-
2024-25 Program .....	39,262	-	-	-	-	39,262	-
2025-26 Program .....	21,660	-	-	-	-	-	21,660
Capitalised Operational Costs							
2022-23 Program .....	88,088	-	-	88,088	-	-	-
2023-24 Program .....	88,969	-	-	-	88,969	-	-
2024-25 Program .....	90,062	-	-	-	-	90,062	-
2025-26 Program .....	90,062	-	-	-	-	-	90,062
Chidlow-York Road and Forrest Street Intersection							
Upgrade .....	10,000	-	-	800	2,400	6,800	-
East Perth Power Station Footbridge .....	34,965	-	-	5,465	7,000	22,500	-
Forrest Highway - Forrest Highway (Vittoria Road) - New Intersection and Road Connection .....	20,000	-	-	5,000	10,000	5,000	-
Great Eastern Highway - Covalent Lithium Mine Access Road Construct, Seal and Widen to Moorine Rocks .....	120,000	-	-	65,000	55,000	-	-
Great Northern Highway							
Nellie Springs to Sally Downs Well and Arthur Creek .....	60,000	-	-	5,000	5,000	10,000	15,000
Newman to Port Hedland Overtaking Lanes .....	50,000	-	-	-	-	2,000	10,000
Leach Highway - Stock Road Grade Separation (Planning and Project Development) .....	10,000	-	-	5,000	5,000	-	-
Minor Works (includes Black Spot and Urgent Minor Works)							
2022-23 Program .....	21,040	-	-	21,040	-	-	-
2023-24 Program .....	19,824	-	-	-	19,824	-	-
2024-25 Program .....	23,425	-	-	-	-	23,425	-
2025-26 Program .....	26,684	-	-	-	-	-	26,684
Nicholson Road and Garden Street Grade Separation Planning and Construction .....	80,000	-	-	9,500	40,500	30,000	-
Thomas Road Southwestern Highway to Tonkin Highway Dual Carriageway .....	290,000	-	-	3,500	4,500	52,000	100,000
Tonkin Highway Corridor Upgrades - North Ellenbrook Interchange .....	100,000	-	-	-	-	1,000	1,000
Toodyay Road - Toodyay Road Upgrade - Dryandra to Toodyay .....	80,000	-	-	1,000	4,000	20,000	20,000
Wanneroo Road - Wanneroo Road Duplication - Dunstan Road to Romeo Road .....	25,200	-	-	-	8,600	16,600	-
<b>Total Cost of Asset Investment Program .....</b>	<b>12,613,579</b>	<b>4,318,422</b>	<b>1,633,246</b>	<b>2,021,148</b>	<b>2,012,986</b>	<b>1,667,457</b>	<b>1,392,845</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			430,015	483,063	547,532	626,314	456,291
Commonwealth Grants .....			912,205	1,206,498	1,119,740	841,791	723,885
Drawdowns from Royalties for Regions Fund .....			61,092	63,121	64,273	20,280	47,300
Internal Funds and Balances .....			53,891	41,458	110,965	106,651	111,230
Other .....			151,847	192,708	133,176	38,421	20,139
Other Grants and Subsidies .....			24,196	34,300	37,300	34,000	34,000
<b>Total Funding .....</b>			<b>1,633,246</b>	<b>2,021,148</b>	<b>2,012,986</b>	<b>1,667,457</b>	<b>1,392,845</b>

## **Financial Statements**

### **Income Statement**

#### *Expenses*

1. The movement in employee benefits reflects returning road maintenance staff in-house to Main Roads.
2. The movement in grants and subsidies is mainly due to METRONET road-related works.
3. The movement in other expenses reflects the value of retired non-current fixed assets and road transfers.

#### *Income*

4. The major component of grants and subsidies income is contributions for works projects by the Commonwealth. Differences in income year versus construction year is mainly due to the timing of milestone payments.
5. The movement in sales of goods and services is mainly due to the capital reflow of Marble Bar Road Upgrade and Tonkin Highway Gap Widening - Guildford Road to Great Eastern Highway.
6. The movement in other revenue is mainly due to the transfer of a local road (Northlake Road) to the State in 2023-24.

### **Statement of Financial Position**

7. Cash assets in the 2021-22 Estimated Actual is higher than the 2021-22 Budget mainly due to the timing of receipts from the Commonwealth.
8. Restricted cash includes funds for METRONET road-related works, previously received GST equalisation payments and specific funding received in advance for maintenance works from third parties (mostly mining companies).

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	78,398	71,548	71,548	90,510	116,144	135,689	161,554
Grants and subsidies <sup>(c)</sup> .....	356,794	307,089	353,961	449,318	396,396	425,342	284,345
Supplies and services .....	420,817	506,181	605,098	537,714	592,705	616,607	616,316
Accommodation .....	17,808	19,327	19,327	19,652	19,928	20,158	20,455
Depreciation and amortisation .....	415,742	443,291	454,095	487,193	509,361	528,909	535,481
Finance and interest costs .....	282	277	289	301	268	287	296
Other expenses .....	84,718	29,009	70,419	128,873	91,120	88,791	38,882
<b>TOTAL COST OF SERVICES .....</b>	<b>1,374,559</b>	<b>1,376,722</b>	<b>1,574,737</b>	<b>1,713,561</b>	<b>1,725,922</b>	<b>1,815,783</b>	<b>1,657,329</b>
<b>Income</b>							
Sale of goods and services .....	46,672	49,812	102,971	76,388	99,260	24,236	23,556
Grants and subsidies .....	965,825	966,151	1,060,060	1,344,061	1,394,295	1,201,383	956,457
Other revenue .....	1,453,753	49,325	49,325	24,145	291,148	148,547	12,926
<b>Total Income .....</b>	<b>2,466,250</b>	<b>1,065,288</b>	<b>1,212,356</b>	<b>1,444,594</b>	<b>1,784,703</b>	<b>1,374,166</b>	<b>992,939</b>
<b>NET COST OF SERVICES .....</b>	<b>(1,091,691)</b>	<b>311,434</b>	<b>362,381</b>	<b>268,967</b>	<b>(58,781)</b>	<b>441,617</b>	<b>664,390</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	1,068,556	1,211,128	1,251,245	1,216,848	1,233,993	1,363,673	1,504,849
Resources received free of charge .....	-	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund .....	20,483	14,102	14,320	25,175	24,875	25,744	14,325
Regional Infrastructure and Headworks Fund .....	3,780	14,055	14,055	1,000	13,000	18,000	21,000
Other revenues .....	141,024	237,428	219,130	163,594	99,294	54,936	59,786
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>1,233,843</b>	<b>1,479,413</b>	<b>1,501,450</b>	<b>1,409,317</b>	<b>1,373,862</b>	<b>1,465,053</b>	<b>1,602,660</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>2,325,534</b>	<b>1,167,979</b>	<b>1,139,069</b>	<b>1,140,350</b>	<b>1,432,643</b>	<b>1,023,436</b>	<b>938,270</b>

(a) Full audited financial statements are published in Main Roads' Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 1,170, 1,176 and 1,326 respectively.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual <sup>(a)</sup> \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Bridges Renewal Program .....	-	2,797	-	-	-	-	-
Building for Tomorrow .....	-	-	950	-	-	-	-
Department of Transport Cycling Grants .....	5,340	5,340	5,340	5,340	5,340	5,340	5,340
Election Commitments .....	-	34,692	34,692	25,750	2,500	-	-
Heavy Vehicle Safety and Productivity Program .....	-	5,531	-	-	-	-	-
Local Road Grants and Subsidies .....	147,752	143,846	170,303	160,012	163,968	171,949	180,639
METRONET Related Works .....	80,911	93,841	120,458	209,185	186,152	139,673	77,986
Other .....	1,206	663	663	380	380	380	380
Principal Shared Paths .....	8,067	5,768	5,768	30,905	12,556	20,000	20,000
Road Assets Transferred .....	78,928	-	1,176	4,106	-	-	-
Stephenson Avenue Extension .....	6,407	13,311	13,311	-	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network <sup>(b)</sup> .....	27,261	-	-	-	-	-	-
Wheatbelt Secondary Freight Routes .....	922	1,300	1,300	13,640	25,500	88,000	-
<b>TOTAL .....</b>	<b>356,794</b>	<b>307,089</b>	<b>353,961</b>	<b>449,318</b>	<b>396,396</b>	<b>425,342</b>	<b>284,345</b>

(a) Based on preliminary report data for 2021-22. Some aggregates may be adjusted for annual report information finalised after agency Budget Statements were prepared.

(b) Western Australia Natural Disaster Relief and Recovery Arrangements is no longer administered by Main Roads.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	190,564	361,598	281,667	223,250	142,491	99,705	89,791
Restricted cash .....	186,528	150,589	186,110	111,596	104,386	150,116	271,041
Receivables .....	106,564	95,513	105,858	105,152	105,446	105,740	106,034
Other.....	247,726	60,770	247,726	247,726	247,726	247,726	247,726
Assets held for sale.....	7,869	4,717	7,869	7,869	7,869	7,869	7,869
Total current assets .....	739,251	673,187	829,230	695,593	607,918	611,156	722,461
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	3,511,303	3,879,023	3,889,827	4,297,245	4,727,581	5,177,465	5,633,921
Property, plant and equipment.....	49,927,971	51,759,489	52,269,002	54,980,783	57,966,929	60,242,755	61,991,995
Receivables .....	66	189	66	66	66	66	66
Intangibles .....	13,670	12,635	14,039	14,125	14,200	14,461	14,660
Other.....	12,836	7,460	12,836	12,836	12,836	12,836	12,836
Total non-current assets .....	53,465,846	55,658,796	56,185,770	59,305,055	62,721,612	65,447,583	67,653,478
<b>TOTAL ASSETS .....</b>	<b>54,205,097</b>	<b>56,331,983</b>	<b>57,015,000</b>	<b>60,000,648</b>	<b>63,329,530</b>	<b>66,058,739</b>	<b>68,375,939</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	38,775	44,025	40,615	46,515	46,515	46,515	46,515
Payables .....	12,223	11,236	13,276	14,329	15,382	16,435	17,488
Borrowings and leases .....	2,575	2,645	3,328	3,152	3,203	3,219	3,092
Other.....	641,791	450,792	643,626	645,461	647,296	649,131	650,966
Total current liabilities .....	695,364	508,698	700,845	709,457	712,396	715,300	718,061
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	5,735	5,625	5,895	8,352	10,533	12,472	15,576
Borrowings and leases .....	6,319	6,231	6,973	5,248	4,705	3,936	3,408
Other.....	94	52	94	94	94	94	94
Total non-current liabilities .....	12,148	11,908	12,962	13,694	15,332	16,502	19,078
<b>TOTAL LIABILITIES.....</b>	<b>707,512</b>	<b>520,606</b>	<b>713,807</b>	<b>723,151</b>	<b>727,728</b>	<b>731,802</b>	<b>737,139</b>
<b>EQUITY</b>							
Contributed equity .....	6,175,564	6,649,350	6,692,571	7,269,826	7,886,660	8,518,254	8,981,845
Accumulated surplus/(deficit).....	18,035,060	19,342,230	19,174,129	20,314,479	21,747,122	22,770,558	23,708,828
Reserves.....	29,286,961	29,819,803	30,434,493	31,693,192	32,968,020	34,038,125	34,948,127
Other.....	-	(6)	-	-	-	-	-
Total equity .....	53,497,585	55,811,377	56,301,193	59,277,497	62,601,802	65,326,937	67,638,800
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>54,205,097</b>	<b>56,331,983</b>	<b>57,015,000</b>	<b>60,000,648</b>	<b>63,329,530</b>	<b>66,058,739</b>	<b>68,375,939</b>

(a) Full audited financial statements are published in Main Roads' Annual Report.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	700,154	843,408	872,721	809,430	803,657	913,789	1,048,393
Capital appropriation .....	430,157	398,951	430,015	483,063	547,532	626,314	456,291
Royalties for Regions Fund:							
Regional Community Services Fund .....	24,663	14,102	14,320	25,175	24,875	25,744	14,325
Regional Infrastructure and Headworks Fund .....	24,924	73,147	75,147	64,121	77,273	38,280	68,300
Other.....	119,035	238,320	220,022	164,486	103,186	54,828	59,678
<b>Net cash provided by Government .....</b>	<b>1,298,933</b>	<b>1,567,928</b>	<b>1,612,225</b>	<b>1,546,275</b>	<b>1,556,523</b>	<b>1,658,955</b>	<b>1,646,987</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(70,231)	(69,548)	(69,548)	(82,153)	(113,963)	(133,750)	(158,450)
Grants and subsidies.....	(282,373)	(307,089)	(352,785)	(445,212)	(400,396)	(425,342)	(284,345)
Supplies and services .....	(360,460)	(526,409)	(625,326)	(552,332)	(585,301)	(609,203)	(608,912)
Accommodation .....	(18,324)	(23,327)	(23,327)	(23,652)	(23,983)	(24,213)	(24,510)
GST payments .....	(99,583)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)
Finance and interest costs.....	-	(277)	(289)	(301)	(268)	(287)	(296)
Other payments.....	(51,850)	(15,389)	(15,389)	(15,610)	(15,802)	(15,992)	(16,224)
<b>Receipts</b>							
Grants and subsidies.....	832,181	966,151	1,060,060	1,344,061	1,394,295	1,201,383	956,457
Sale of goods and services.....	35,853	47,181	100,340	73,757	96,629	21,605	20,925
GST receipts .....	89,778	146,808	146,808	146,808	146,808	146,808	146,808
Other receipts .....	15,571	15,607	15,607	15,607	15,607	15,607	15,607
<b>Net cash from operating activities .....</b>	<b>90,562</b>	<b>86,654</b>	<b>89,097</b>	<b>313,919</b>	<b>366,572</b>	<b>29,562</b>	<b>(99,994)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,311,217)	(1,587,689)	(1,633,246)	(2,021,148)	(2,012,986)	(1,667,457)	(1,392,845)
Other payments.....	-	(17,504)	-	(500)	(2,500)	(25,000)	(40,000)
Proceeds from sale of non-current assets.....	1,720	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(1,309,497)</b>	<b>(1,605,193)</b>	<b>(1,633,246)</b>	<b>(2,021,648)</b>	<b>(2,015,486)</b>	<b>(1,692,457)</b>	<b>(1,432,845)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(3,010)	(2,790)	(3,291)	(3,048)	(3,107)	(3,116)	(3,137)
<b>Net cash from financing activities.....</b>	<b>(3,010)</b>	<b>(2,790)</b>	<b>(3,291)</b>	<b>(3,048)</b>	<b>(3,107)</b>	<b>(3,116)</b>	<b>(3,137)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>76,988</b>	<b>46,599</b>	<b>64,785</b>	<b>(164,502)</b>	<b>(95,498)</b>	<b>(7,056)</b>	<b>111,011</b>
Cash assets at the beginning of the reporting period .....	305,414	465,588	377,092	467,777	334,846	246,877	249,821
Net cash transferred to/from other agencies ....	(5,310)	-	25,900	31,571	7,529	10,000	-
<b>Cash assets at the end of the reporting period .....</b>	<b>377,092</b>	<b>512,187</b>	<b>467,777</b>	<b>334,846</b>	<b>246,877</b>	<b>249,821</b>	<b>360,832</b>

(a) Full audited financial statements are published in Main Roads' Annual Report.



**DETAILS OF ADMINISTERED TRANSACTIONS**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Permits - Oversize Vehicles and Loads .....	9,538	7,500	7,500	7,500	7,500	7,500	7,500
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>9,538</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Receipts Paid into the Consolidated Account .....	9,538	7,500	7,500	7,500	7,500	7,500	7,500
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>9,538</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>

**Division 40      Public Transport Authority of  
Western Australia**

**Part 9              Transport**

**Appropriations, Expenses and Cash Assets**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	359	360	360	361	362	362	362
Total appropriations provided to deliver services.....	359	360	360	361	362	362	362
<b>CAPITAL</b>							
Item 146 Capital Appropriation.....	457,234	591,261	690,744	1,542,968	1,869,852	1,038,679	315,551
Item 147 Capital Appropriation METRONET Projects Under Development.....	150,862	66,637	15,000	20,000	67,000	144,250	258,550
<b>TOTAL APPROPRIATIONS .....</b>	<b>608,455</b>	<b>658,258</b>	<b>706,104</b>	<b>1,563,329</b>	<b>1,937,214</b>	<b>1,183,291</b>	<b>574,463</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,733,256	1,907,810	1,875,654	1,878,650	1,926,145	1,880,353	1,942,540
Net Cost of Services <sup>(a)</sup> .....	1,552,323	1,654,760	1,622,761	1,638,687	1,649,113	1,585,458	1,646,919
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>654,527</b>	<b>306,223</b>	<b>358,667</b>	<b>245,802</b>	<b>82,579</b>	<b>73,891</b>	<b>73,754</b>

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the Authority's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

**Spending Changes**

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Authority's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Election Commitments</b>					
METRONET - Mandurah Multi-Storey Carpark .....	140	240	240	240	240
<b>Ongoing Initiative</b>					
METRONET - Rail Network Growth.....	-	6,370	7,235	7,435	7,509
METRONET - Update to Operating Costs .....	(11,836)	(22,977)	(19,821)	(4,270)	225
<b>Other</b>					
Caledonian Avenue Level Crossing Closure.....	1,032	50	-	-	-
Climate Action - Strategy to Transition the Transperth Bus Fleet to Electric Vehicles .....	-	199	197	-	-
Cost and Funding Updates.....	(7,364)	9,868	8,372	18,370	24,974
Digital Capability Fund - Asset Management Improvement Program.....	127	193	303	335	416
Externally Funded Services and Works .....	16,242	2,145	1,014	800	800
Late Night Train Services .....	49	98	98	99	99
METRONET - Maintenance and Activation of Public Spaces.....	-	-	-	3,000	1,000
METRONET - Replacement Services for Armadale Rail Line Shutdown .....	-	16,667	40,000	3,333	-
Perth City Deal - Bus Stops Accessibility Upgrades.....	2,525	775	-	-	-
Public Transport Services for the 2021 AFL Grand Final .....	1,305	-	-	-	-
Revised Interest Expenses.....	(1,442)	(1,870)	3,980	5,675	9,029
RiskCover Insurance Premiums .....	1,830	919	1,120	1,193	2,126

## Significant Issues Impacting the Agency

1. The METRONET program is transforming Perth's public transport network with the new Forrestfield-Airport Link opening in 2022 and the recent completion of the Denny Avenue Level Crossing Removal and Mandurah Station Multi-Storey Car Park.
2. In 2022-23, work will commence on the new Midland Station, joining the Morley-Ellenbrook Line, Thornlie-Cockburn Link, Yanchep Rail Extension, Bayswater Station and Lakelands Station projects in construction. To accommodate the commencement of additional works on the Byford Rail Extension and Victoria Park-Canning Level Crossing Removal projects, the Armadale Line will be closed between Victoria Park and Armadale Stations for 18 months. Community consultation is underway to determine the best suite of replacement bus services to be provided during the closure.
3. Procurement and planning activities continue for the remaining METRONET projects, with the Greenwood Station Multi-Storey Car Park and Train Control and Signalling projects both expected to achieve contract award in 2023. The Authority will also commence construction of the new Stirling Bus Interchange, progress detailed planning for the upgrade of the Canning Bridge Bus Interchange and begin detailed planning on the Morrison Road Level Crossing Removal.
4. The urban rail network is currently serviced by 330 railcars. The Authority's budget includes funding for an additional 246 railcars: 102 for the METRONET expansion and an additional 144 new railcars to replace the A-Series fleet. The Authority has worked closely with the manufacturer to maximise local content, creating local jobs and strengthening the local economy. With the Railcar Manufacturing and Assembly Facility completed, construction of the maintenance facility will commence, while the first C-Series train is expected to roll onto the network for testing later this year.
5. With a fleet of over 1,800 Transperth and Transregional buses, the Authority needs to ensure that buses are safe, efficient, and reliable. The Authority does this by staying abreast of new technologies, maintaining rigorous maintenance standards and through a rolling bus replacement program. The bus body and interior are manufactured in Perth and continue to support jobs for approximately 160 workers per annum throughout the supply chain.
6. Public transport is an environmentally sustainable and responsible mass transit system. To further contribute to the Government's goal of net zero greenhouse gas emissions by 2050, the Authority has installed solar panels at bus and train stations throughout the network and commenced an evaluation of the trial of the Electric CAT buses in Joondalup. These results will inform the development of the Authority's strategy to transition its bus fleet. In addition, the Authority will be trialling the provision of electric vehicle charging infrastructure at selected train stations.
7. The COVID-19 pandemic impacted patronage on public transport systems worldwide. Whilst the Authority's daily patronage dropped sharply in March 2020, recovery from the initial reduction in patronage caused by the pandemic has been the fastest of any public transport provider in Australia, with patronage levels stabilising at around 85% of pre-COVID-19 levels. With the new two-zone fare cap and significant enhancements to the public transport network as METRONET projects are commissioned, it is expected that patronage will recover to pre-pandemic levels in the coming years.
8. Safe access to the Authority's many stations and bus ports is critical. The Authority directly employs more than 2,300 staff who ensure that appropriate systems, processes and communications are in place to safely assist and guide patrons. Further measures are in place to meet specific needs of the very large crowds that result from special events such as football games and concerts.
9. The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. Despite experiencing a decline in inter-regional patronage as a result of the COVID-19 pandemic, more than 320,000 trips are expected to have been made on Transwa services in 2021-22 and improvements towards pre-COVID-19 levels are expected in 2023-24. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the service. This investment in our regional communities includes the purchase of a new Australind railcar fleet and safety improvements along the rail stations in regional Western Australia.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Agency's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Accessible, reliable and safe public transport system.	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long-term functionality of the rail corridor and railway infrastructure.	4. Rail Corridor and Residual Freight Issues Management

### Service Summary

Expense	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
1. Metropolitan and Regional Passenger Services.....	1,327,938	1,498,846	1,468,450	1,483,521	1,540,887	1,511,582	1,594,075
2. Country Passenger Rail and Road Coach Services.....	53,556	53,777	53,774	54,801	56,834	57,531	57,976
3. Regional School Bus Services.....	129,715	130,624	131,165	131,072	133,839	137,059	139,310
4. Rail Corridor and Residual Freight Issues Management.....	222,047	224,563	222,265	209,256	194,585	174,181	151,179
<b>Total Cost of Services .....</b>	<b>1,733,256</b>	<b>1,907,810</b>	<b>1,875,654</b>	<b>1,878,650</b>	<b>1,926,145</b>	<b>1,880,353</b>	<b>1,942,540</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Accessible, reliable and safe public transport system:</b>					
Use of public transport - Passengers per service kilometre:					
Metropolitan bus services .....	0.84	0.96	0.92	0.91	1
Metropolitan train services .....	2.03	2.49	2.35	4.38	1,2
Metropolitan ferry services .....	10.17	10.62	10.94	10.96	
Intra-town regional bus services .....	0.661	0.675	0.675	0.675	
Country passenger rail services .....	0.149	0.172	0.149	0.163	3
Country passenger road coach services .....	0.046	0.059	0.045	0.050	3
Inter-town country bus services .....	0.012	0.013	0.013	0.013	
Accessible public transport - The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service .....	86%	85%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services arriving within four minutes of scheduled time (first and last timing points - Six minutes for interim points) <sup>(b)</sup> .....	82%	85%	80%	87%	4
Train arriving within four minutes of scheduled time .....	95%	95%	95%	95%	
Ferries arriving within four minutes of scheduled time <sup>(b)</sup> .....	97%	96%	95%	98%	4
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time .....	47%	80%	27%	80%	5
Australind arriving within 10 minutes of scheduled time .....	80%	90%	72%	90%	5
MerredinLink arriving within 10 minutes of scheduled time .....	71%	90%	64%	90%	5
AvonLink arriving within 10 minutes of scheduled time .....	96%	90%	85%	90%	
Road coaches arriving within 10 minutes of scheduled time .....	97%	95%	98%	95%	
Satisfaction with school bus availability at arrival/departure time .....	100%	99%	100%	100%	
Level of overall customer satisfaction - Customer satisfaction index:					
Metropolitan bus services .....	94%	90%	94%	92%	
Metropolitan train services .....	94%	92%	94%	92%	
Metropolitan ferry services .....	100%	99%	100%	99%	
Country passenger rail and road coach services .....	89%	92%	90%	90%	
Customer perception of safety - Independent external surveys:					
Train station - Daytime .....	98%	96%	98%	96%	
On-board train - Daytime .....	98%	97%	98%	97%	
Train station - Night-time .....	77%	70%	77%	70%	6
On-board train - Night-time .....	78%	76%	78%	76%	
Bus station - Daytime .....	98%	98%	98%	98%	
On-board bus - Daytime .....	99%	99%	99%	99%	
Bus station - Night-time .....	82%	75%	82%	78%	
On-board bus - Night-time .....	86%	82%	86%	84%	
Level of notifiable safety occurrences - Notifiable occurrences:					
Category A occurrences per million passenger boardings .....	0.83	0.41	0.53	0.40	
Category A occurrences per million train kilometres .....	1.64	0.93	1.78	1.70	2
Category B occurrences per million passenger boardings .....	45.47	25.87	36.73	24.00	7
Category B occurrences per million train kilometres .....	89.20	59.24	122.85	104.00	2
Regional school bus services: notifiable occurrences (accidents) reported each school year .....	14	19	19	19	
Return on construction expenditure .....	1.5	1.6	1.8	1.7	
<b>Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:</b>					
Number of lease breaches .....	nil	nil	nil	nil	

(a) Further detail in support of the key effectiveness indicators is provided in the Authority's Annual Report.

(b) Prior years to 2021-22, service reliability for Transperth Bus Operation was four minutes for interim points and for Transperth Ferry Operations was within three minutes of scheduled time.

## Explanation of Significant Movements

(Notes)

1. The 2021-22 Estimated Actual is lower compared to the 2021-22 Budget due to the impacts of the COVID-19 pandemic continuing to suppress patronage and the previously announced and adjusted delivery of the Forrestfield-Airport Link.
2. The 2022-23 Budget Target is based on a new definition, aligning service kilometre measurement to the requirements of the Office of the National Rail Safety Regulator. The 2022-23 Budget Target measures kilometres per train, whereas in prior years kilometres per train set were measured.
3. The 2021-22 Estimated Actual is lower compared to the 2021-22 Budget due to the impact of the COVID-19 pandemic and associated regional travel restrictions. The increase in the 2022-23 Budget Target is based on improved patronage as demand for regional travel is expected to increase.
4. The 2022-23 Budget Target is based on a new definition to improve passenger outcomes and measurement accuracy. For prior years to 2021-22, service reliability for Transperth Bus Operation was four minutes for interim points and for Transperth Ferry Operations was within three minutes of scheduled time.
5. The 2021-22 Estimated Actual is lower than the 2021-22 Budget for the service reliability of the Prospector, MerredinLink and Australind services (which travel on the leased freight network) due to a number of delays associated with crossings and track-related issues as a result of maintenance work undertaken by Arc Infrastructure. The 2022-23 Budget Target is based on the assumption that minimal delays will be experienced.
6. The 2021-22 Estimated Actual is higher than the 2021-22 Budget due to the Authority recognising the importance of adopting a safe system approach to travel safety at all times.
7. The variance between the 2021-22 Estimated Actual compared to the 2021-22 Budget is as a result of the impacts of the COVID 19 pandemic continuing to suppress patronage.

## Services and Key Efficiency Indicators

### 1. Metropolitan and Regional Passenger Services

Provision of customer-focused, safe and cost-effective passenger transport to the metropolitan area and regional towns.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,327,938	1,498,846	1,468,450	1,483,521	1
Less Income .....	152,075	216,896	220,620	198,005	2
Net Cost of Service .....	1,175,863	1,281,950	1,247,830	1,285,516	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,686</b>	<b>1,923</b>	<b>1,748</b>	<b>1,902</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost per passenger kilometre:					
Transperth bus operations.....	\$1.71	\$1.50	\$1.57	\$1.63	4
Transperth train operations.....	\$0.98	\$0.78	\$0.81	\$0.88	
Transperth ferry operations .....	\$2.54	\$1.81	\$1.76	\$1.77	
Average cost per 1,000 place kilometres - Intra-town regional bus services .....	\$82.11	\$86.43	\$86.55	\$85.58	

## Explanation of Significant Movements

(Notes)

1. The Total Cost of Service for the 2022-23 Budget Target is forecast to increase by \$15.1 million (1.1%) from the 2021-22 Estimated Actual largely due to increased depreciation expense (\$70.1 million), revisions to forecast cost parameters (\$31.7 million) and increased interest expenses (\$7.8 million). This is offset by a decrease in annual METRONET operating costs (\$79.3 million), a reduction in external works undertaken for third parties (\$13.6 million) and a reduction in the Perth City Deal - Bus Stops Accessibility Upgrades (\$1.8 million) relative to 2021-22.
2. Income in the 2022-23 Budget Target is forecast to decrease by \$22.6 million (10.3%) from the 2021-22 Estimated Actual. This reduction is attributed mainly to one-off receipt of on-passed National Partnership on COVID-19 Response revenue in 2021-22 (\$13.1 million), the Kewdale White Oil Pipeline payment being brought forward to 2021-22 (\$6.1 million) and a reduction in external works undertaken for third parties (\$5.2 million). This is expected to be offset by an increase in Transperth fare revenue (\$3.4 million).
3. The 2022-23 Budget Target is forecast to increase due to additional operational staff to support METRONET growth and delivery.
4. The 2022-23 Budget Target is forecast to increase compared to the 2021-22 Estimated Actual due to the impacts of the COVID-19 pandemic continuing to suppress patronage and the increased costs associated with the commencement of services on the Forrestfield-Airport Link.

## 2. Country Passenger Rail and Road Coach Services

Provision of customer-focused, safe and cost-effective passenger transport to regional communities.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	53,556	53,777	53,774	54,801	1
Less Income .....	8,861	10,745	9,827	10,809	2
Net Cost of Service.....	44,695	43,032	43,947	43,992	
Employees (Full-Time Equivalents) .....	150	154	164	164	
<b>Efficiency Indicators</b>					
Average cost per passenger kilometre:					
Transwa rail .....	\$0.62	\$0.54	\$0.63	\$0.65	
Transwa road coaches .....	\$0.45	\$0.35	\$0.46	\$0.46	
Average cost per 1,000 place kilometres - Inter-town country bus services....	\$15.17	\$15.69	\$16.30	\$16.30	

## Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2022-23 Budget Target is forecast to increase by \$1 million (1.9%) from the 2021-22 Estimated Actual largely due to increased annual depreciation expense (\$0.7 million).
2. Income in the 2022-23 Budget Target is forecast to increase by \$1 million (10%) from the 2021-22 Estimated Actual, which is mainly attributable to the implementation of the Route Rationalisation Strategy, which aims to enhance services to encourage greater patronage.

### 3. Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	129,715	130,624	131,165	131,072	
Less Income .....	16	nil	nil	nil	
Net Cost of Service .....	129,699	130,624	131,165	131,072	
<b>Employees (Full-Time Equivalents) .....</b>	<b>39</b>	<b>38</b>	<b>38</b>	<b>38</b>	
<b>Efficiency Indicators</b>					
Average cost per contracted kilometre - School bus services .....	\$3.90	\$3.88	\$3.93	\$3.98	

### 4. Rail Corridor and Residual Freight Issues Management

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

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	222,047	224,563	222,265	209,256	1
Less Income .....	19,981	25,409	22,446	31,149	2
Net Cost of Service .....	202,066	199,154	199,819	178,107	
<b>Employees (Full-Time Equivalents) .....</b>	<b>25</b>	<b>28</b>	<b>20</b>	<b>27</b>	
<b>Efficiency Indicators</b>					
Total cost of managing the rail freight corridor and residual freight issues.....	222,047	224,563	222,265	209,256	

### Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2022-23 Budget Target is forecast to reduce by \$13 million (5.9%) from the 2021-22 Estimated Actual largely due to decreased depreciation expense (\$16.5 million), offset by an increase in costs due to the Perth to Bunbury Faster Rail Corridor Investigation (\$2.7 million).
2. Income in the 2022-23 Budget Target is forecast to increase by \$8.7 million (38.8%) from the 2021-22 Estimated Actual largely due to a one-off receipt from Arc Infrastructure for the Kenwick Intermodal Terminal Development (\$10 million), offset by reduction in the one-off receipts from Arc Infrastructure for the Kenwick Rail Freight Facility project in 2021-22 (\$1.7 million).



## Asset Investment Program

### SmartRider System Asset Replacement and Technology Update

1. In 2022-23, an estimated \$17.2 million will be invested to introduce new ticketing systems that will also allow the use of contemporary contactless payment methods as part of the \$57.8 million SmartRider upgrade project. The project involves the replacement of SmartRider system assets and an update to the technology used by the system.

### Stirling Bus Interchange

2. Construction will continue on the \$90 million project to construct an expanded Stirling Bus Interchange over the Joondalup Line and the Mitchell Freeway at Stirling Train Station. The construction contract was awarded in December 2020 and is expected to be completed late 2023. In 2022-23, an estimated \$75 million will be expended on the project.

## METRONET

### *Bayswater Station*

3. Construction has commenced on the new Bayswater Station. In 2022-23, \$93 million will be spent to complete construction on the turnback and the southern platform to service the Forrestfield-Airport Link and the Midland Line, demolish the old station and commence construction of the northern platforms to service the Morley-Ellenbrook Line.

### *Byford Rail Extension*

4. The Armadale Line will be extended by 7.8 kilometres from Armadale Station to Byford, with a grade separated rail crossing at Armadale Road. The Byford Rail Extension will also remove seven level crossings and deliver a new elevated station at Armadale and an at-grade station at Byford. Detailed design and early construction works are expected to commence in late 2022, ahead of the 18-month shut down of the Armadale Line. Major works will commence in early 2023 with service relocations and the construction of viaduct and station structures, for a total spend in 2022-23 of \$214 million.

### *Canning Bridge Bus Interchange*

5. The Canning Bridge Bus Interchange will be relocated to an elevated platform above the freeway and train station, which will increase capacity, improve the safety of commuters and provide greater road capacity along Canning Highway. In 2022-23, \$1.4 million will be spent to complete planning for the project.

### *Forrestfield-Airport Link*

6. Three new stations will be built as part of the new Forrestfield-Airport Link: Redcliffe Station, Airport Central Station and High Wycombe Station. As part of the \$1.9 billion project, the Authority has made upgrades to Claremont Station, including associated rail turnback facilities. With the Airport Line opening in 2022, an estimated \$143.4 million will be spent in 2022-23 on post-completion works and close-out of the project.

### *Greenwood Station Multi-Storey Car Park*

7. A 700-bay multi-storey car park will be provided at Greenwood Station. In 2022-23, \$4 million will be spent on planning and procurement and the project is expected to achieve contract award in early 2023, with construction to commence thereafter.

### *High Capacity Signalling Program of Works*

8. The High Capacity Signalling Program of works will replace the existing Transperth rail network signalling system with one that allows for increased service frequencies to meet forecast rail demand forecast under long-term transport planning. The program of works includes the Radio Systems Replacement, the Public Transport Operations Control Centre and the Train Control and Signalling projects. Critical milestones expected for the program in 2022-23 include detailed design for the Radio Systems Replacement project, contract award for the Train Control and Signalling project and structure completion for the Public Transport Operations Control Centre project.

#### *Lakelands Station*

9. A new station will be provided at Lakelands on the Mandurah Line, with works to include car park and bus-rail interchange facilities. In 2022-23, \$31 million will be invested to complete the construction of the station, with entry into passenger service expected in mid-2023.

#### *Midland Station*

10. A new Midland Station will be constructed between Helena and Cale Streets. The new station will provide better integration with the town centre, with much closer connections to the Midland Gate Shopping Centre and Midland Health Campus. Forward works are expected to commence in late 2022, with main construction to follow in early 2023.

#### *Midland Station Multi-Storey Car Park*

11. A 600-bay multi-storey car park will be provided at the new Midland Station. Construction is expected to commence in early 2023, with \$9.6 million to be spent in 2022-23.

#### *Morley Ellenbrook Line*

12. Five new stations will be built at Morley, Noranda, Malaga, Whiteman Park and Ellenbrook as part of the 21-kilometre Morley-Ellenbrook Line from Bayswater Station to Ellenbrook. In 2022-23, service relocation works will be completed and the underpass at the Ellenbrook Christian College will commence. Other works include bridge and viaduct structures, track installation and construction at Morley and Noranda stations.

#### *Railcar Acquisition for METRONET and A-Series Railcar Replacement*

13. 246 new Transperth railcars will be procured to provide for METRONET Stage 1 projects (102 railcars) and to replace A-Series railcars (144 railcars). The new railcars will be six-car sets, which provide additional passenger capacity compared to those currently in operation. Following the completion of the Railcar Manufacturing and Assembly Facility, delivery of the first C-Series train for testing on the network is expected in late 2022.

#### *Thornlie-Cockburn Link*

14. The Thornlie-Cockburn Line will be extended to Cockburn Station on the Mandurah Line and will include the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges to be provided. In 2022-23, \$231 million will be spent and will see the commencement of construction at Ranford Road and Nicholson Road stations and the installation of retaining walls from the Glen Iris Tunnel to the Canning River.

#### *Victoria Park-Canning Level Crossing Removal*

15. Five level crossings will be removed at Mint Street, Oats Street, Welshpool Road, Hamilton Street and Wharf Street and new elevated stations will be provided at Carlisle, Oats Street, Queens Park and Cannington. Detailed design and early works will commence in 2022-23, ahead of the 18-month shut down of the Armadale Line between Victoria Park and Armadale Stations. Major works will begin thereafter with the commencement of service relocations and construction on viaduct and station structures.

#### *Yanchep Rail Extension*

16. The Joondalup Line will be extended by 14.5 kilometres from Butler to Yanchep. Three new stations will be located at Yanchep, Eglinton and Alkimos, with bus interchanges and park and ride facilities to be provided. In 2022-23, \$238 million will be spent to complete a number of bridges over the rail corridor, with station construction expected to commence at Alkimos. An additional \$100 million will be spent by the Western Australian Planning Commission.

#### **COVID-19 WA Recovery Plan - Targeted Disability Discrimination Act Station Upgrades - Cannington, Gosnells and Kelmscott Stations**

17. A total of \$2 million will be expended to complete the \$8 million project to upgrade rail stations at Cannington, Gosnells and Kelmscott to ensure they comply with the Commonwealth *Disability Discrimination Act 1992*.

**Australind Train Service - Rail Future Fund**

18. \$56.2 million will be spent to purchase a new Australind railcar fleet and upgrade the Yarloop, Cookernup and North Dandalup train stations on the Bunbury rail line. The stations upgrades include construction of high level platforms and improved disability access. In 2022-23, an estimated \$3.3 million will be expended on the railcar fleet.

**Western Australia Agricultural Supply Chain Improvements**

19. \$177.2 million will be spent on Agricultural Supply Chain Improvements to increase freight capacities along key agricultural transport routes in the Wheatbelt, Great Southern, Mid West and Goldfields-Esperance regions. In 2022-23, \$57.4 million is estimated to be spent on agricultural freight transport corridor improvements.

**Perth Train Station Forecourt Upgrades**

20. \$2.5 million will be spent to upgrade the Perth Train Station forecourt to provide safer passage for pedestrians. The upgraded design will address the functionality and safety aspects of the forecourt precinct, with the project to be completed mid-2022.

**Electronic Vehicle Recharging Infrastructure Trial at Stations**

21. \$4 million will be spent on the provision of charging infrastructure as part of an electric vehicle charging trial at selected train stations.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Rail Infrastructure Program - South West Main Line Level Crossings Safety Upgrade Opportunities .....	7,000	4,000	2,864	3,000	-	-	-
Rail Stations Program - Targeted Disability Access Station Upgrades - Cannington, Gosnells and Kelmscott Stations .....	8,000	6,000	1,124	2,000	-	-	-
<b>Other Works in Progress</b>							
Bus Infrastructure Program							
Bus Priority Projects in Progress .....	13,941	2,000	2,000	11,941	-	-	-
CAT Bus Infrastructure .....	2,100	1,140	1,140	960	-	-	-
Smartrider System Asset Replacement and Technology Update .....	57,821	31,705	13,512	17,210	8,906	-	-
Bus Replacement Program - New Bus Replacement Program in Progress .....	614,186	134,869	54,281	71,315	69,646	49,955	37,659
Common Infrastructure Program - Minor Capital Works Program .....	3,500	2,557	2,557	943	-	-	-
Freight Program							
Grain Freight Upgrades .....	22,000	5,000	5,000	7,000	7,000	3,000	-
Western Australian Agricultural Supply Chain Improvements .....	177,173	2,173	2,173	57,420	58,791	58,789	-
Major Projects - Stirling Bus Interchange .....	90,000	15,000	15,000	75,000	-	-	-
<b>METRONET</b>							
Bayswater Station (Forrestfield-Airport Link Services and Morley-Ellenbrook Line Forward Works) .....	227,160	112,334	54,950	92,986	21,840	-	-
Byford Rail Extension .....	797,008	1,403	1,403	214,400	405,831	175,374	-
Canning Bridge Bus Interchange .....	202,000	1,909	1,062	1,406	2,010	57,710	106,860
Forrestfield-Airport Link .....	1,861,000	1,717,641	209,932	143,359	-	-	-
Greenwood Station Multi-Storey Car Park .....	38,000	577	577	4,443	22,996	9,984	-
High Capacity Signalling - Program of Works .....	449,486	66,651	33,903	156,748	111,004	57,025	58,058
Lakelands Station .....	72,000	31,381	23,529	31,477	9,142	-	-
Level Crossing Removal - Victoria Park - Canning (Inner Armadale) .....	1,047,001	50,183	29,758	216,756	558,686	196,750	24,626
Level Crossing Removal Program .....	133,908	130,776	44,253	3,132	-	-	-
Mandurah Station Multi-Storey Car Park .....	32,085	28,869	8,757	3,216	-	-	-
Morley-Ellenbrook Line .....	1,123,194	207,038	150,648	313,937	331,781	270,438	-
New Midland Station .....	239,483	7,921	7,921	34,611	129,917	67,034	-
New Stations and Existing Stations Upgrades .....	82,246	43,775	12,720	10,998	11,933	12,244	3,296
Rail Line Planning .....	121,485	117,289	36,667	1,178	1,243	1,472	303
Railcar Acquisition .....	473,344	145,376	54,399	47,892	87,924	99,666	64,267
Railcar Replacement .....	749,333	262,350	71,187	77,267	79,938	10,186	45,744
Thornlie-Cockburn Link .....	880,189	444,235	224,611	231,316	157,705	46,933	-
Yanchep Rail Extension .....	607,038	272,643	117,946	238,242	96,153	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
Operational Business Support Systems Program							
Business Support Upgrades .....	65,437	31,411	10,846	26,258	5,164	1,627	977
CCTV Program.....	14,454	4,069	2,353	6,419	3,758	208	-
Parking Facilities Program - Parking Facilities Upgrades ....	6,634	2,000	2,000	2,993	1,641	-	-
Rail Infrastructure Program							
Kwinana and Mitchell Freeway Barrier Upgrades.....	57,250	9,838	9,832	16,732	30,680	-	-
Rail Infrastructure in Progress .....	494,115	259,390	100,133	137,146	62,802	27,207	7,570
Rail Infrastructure Program.....	251,651	18,251	18,251	16,185	43,632	38,974	63,825
Resilience Package.....	59,877	56,037	5,948	3,840	-	-	-
Tunnel Monitoring System.....	8,000	3,098	3,098	4,120	782	-	-
Rail Stations Program - Lifts and Escalators Upgrades and Replacements .....	7,329	402	387	3,890	3,037	-	-
Railcar Program - Rail Futures Fund (Australind Railcar Replacement).....	54,667	11,651	3,522	3,252	19,960	19,804	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Rail Stations Program - Solar Panels for 60 Bus and Rail Stations.....	1,800	1,800	400	-	-	-	-
<b>Other Completed Works</b>							
Bus Infrastructure Program							
Bus Priority Projects in Progress .....	750	750	750	-	-	-	-
CAT Bus Infrastructure.....	500	500	500	-	-	-	-
Bus Replacement Program .....	324,828	324,828	2,324	-	-	-	-
Common Infrastructure Program							
Minor Capital Works in Progress .....	12,183	12,183	3,082	-	-	-	-
Perth Station Forecourt Upgrade .....	2,500	2,500	2,500	-	-	-	-
Major Projects							
Future Urban Railcar Procurement .....	254,377	254,377	28,185	-	-	-	-
Optus Stadium Transport Project.....	354,739	354,739	118	-	-	-	-
Perth City Link.....	573,376	573,376	1,233	-	-	-	-
Operational Business Support Systems Program - Business Support Upgrades in Progress.....	49,012	49,012	951	-	-	-	-
Rail Stations Program - Lifts and Escalators Upgrades and Replacements .....	8,384	8,384	138	-	-	-	-
<b>NEW WORKS</b>							
Common Infrastructure Program - Minor Capital Works Program .....	14,000	-	-	3,500	3,500	3,500	3,500
Freight Program - Freight Rail Upgrades.....	20,000	-	-	20,000	-	-	-
METRONET - New Midland Station Multi-Storey Carpark.	35,889	-	-	9,623	26,266	-	-
Operational Business Support Systems Program							
Business Support Upgrades .....	12,946	-	-	-	-	5,946	7,000
CCTV Program.....	12,451	-	-	-	3,000	9,451	-
Parking Facilities Program - Parking Facilities Upgrades ....	6,000	-	-	-	2,000	2,000	2,000
Rail Stations Program - Electric Vehicle Recharging Infrastructure Trial .....	4,000	-	-	4,000	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>12,838,830</b>	<b>5,825,391</b>	<b>1,380,425</b>	<b>2,328,111</b>	<b>2,378,668</b>	<b>1,225,277</b>	<b>425,685</b>
<b>Loans and Other Repayments.....</b>			<b>127,436</b>	<b>133,397</b>	<b>135,157</b>	<b>136,264</b>	<b>136,264</b>
<b>Total.....</b>			<b>1,507,861</b>	<b>2,461,508</b>	<b>2,513,825</b>	<b>1,361,541</b>	<b>561,949</b>
<b>FUNDED BY</b>							
Borrowings.....			290,668	351,500	173,204	83,387	129,639
Capital Appropriation .....			433,828	769,704	1,114,339	590,300	52,051
Capital Appropriation - Other (Land Sales Proceeds) .....			1,546	6,554	8,163	11,999	-
Capital Appropriation - Sourced from Commonwealth .....			255,370	766,710	747,350	436,380	263,500
Drawdowns from Royalties for Regions Fund .....			12,039	10,251	22,098	3,000	-
Drawdowns from the Holding Account.....			106,737	152,411	64,217	27,698	37,659
Funding Included in Department of Treasury - Digital Capability Fund .....			474	2,469	2,006	1,627	977
Funding Included in Department of Treasury - Major State Infrastructure.....			118	-	-	-	-
Internal Funds and Balances.....			278,685	114,998	145,723	8,688	137
Other .....			1,616	62,417	54,768	55,789	-
Other Grants and Subsidies .....			126,780	224,494	181,957	142,673	77,986
<b>Total Funding .....</b>			<b>1,507,861</b>	<b>2,461,508</b>	<b>2,513,825</b>	<b>1,361,541</b>	<b>561,949</b>

## Financial Statements

### Income Statement

#### *Expenses*

1. The Total Cost of Services in the 2022-23 Budget Year is forecast to increase by \$3 million (0.2%) from the 2021-22 Estimated Actual. The net increase is mainly due to:
  - 1.1. increased depreciation expense (\$54.3 million);
  - 1.2. revisions to forecast cost parameters (\$32.2 million);
  - 1.3. increased interest expense (\$8.5 million); and
  - 1.4. the Perth to Bunbury Faster Rail Corridor Investigation (\$2.7 million).
2. This is offset by a decrease in expenditure due to:
  - 2.1. METRONET operating costs (\$79.3 million);
  - 2.2. a reduction in external works undertaken for third parties (\$13.9 million); and
  - 2.3. the Perth City Deal - Bus Stops Accessibility Upgrades expense (\$1.8 million).

#### *Income*

3. Total Income in the 2022-23 Budget Year is forecast to decrease by \$12.9 million (5.1%) from the 2021-22 Estimated Actual. This is due largely to one-off receipt of revenue from the on-passed National Partnership on COVID 19 Response revenue in 2021-22 (\$13.1 million).

### Statement of Financial Position

4. The total equity in the 2022-23 Budget Year is forecast to increase by \$1,346 million from the 2021-22 Estimated Actual. This comprises a projected increase in Total Assets of \$1,554.3 million and an increase in Total Liabilities of \$208.2 million.
5. The Authority's statement shows accumulated deficits across the outyears period because accrual appropriation is not being provided to fund depreciation. It has been determined that there is no need to provide the significant accrual appropriation that would be required to fund depreciation.

### Statement of Cashflows

6. Proceeds from borrowings in the 2021-22 Estimated Actual have decreased by \$238.2 million from the 2021-22 Budget, which is predominantly attributable to the deferral of capital expenditure within the outyears.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	220,572	234,102	247,558	268,513	280,861	289,127	293,809
Grants and subsidies <sup>(c)</sup> .....	548,404	577,614	533,407	556,088	574,843	547,140	551,578
Supplies and services .....	348,951	463,242	490,371	381,127	366,333	330,388	334,260
Accommodation .....	30,178	35,181	34,355	40,213	43,052	46,826	47,728
Depreciation and amortisation .....	475,597	480,726	455,212	509,050	527,646	529,080	572,847
Finance and interest costs .....	75,802	79,123	77,681	86,133	94,734	98,066	101,420
Other expenses .....	33,752	37,822	37,070	37,526	38,676	39,726	40,898
<b>TOTAL COST OF SERVICES .....</b>	<b>1,733,256</b>	<b>1,907,810</b>	<b>1,875,654</b>	<b>1,878,650</b>	<b>1,926,145</b>	<b>1,880,353</b>	<b>1,942,540</b>
<b>Income</b>							
Sale of goods and services .....	140,866	181,590	163,562	169,696	217,749	236,826	237,552
Regulatory fees and fines .....	2,870	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies .....	2,090	9,569	18,825	3,000	1,000	-	-
Other revenue .....	35,107	57,471	66,086	62,847	53,863	53,649	53,649
<b>Total Income .....</b>	<b>180,933</b>	<b>253,050</b>	<b>252,893</b>	<b>239,963</b>	<b>277,032</b>	<b>294,895</b>	<b>295,621</b>
<b>NET COST OF SERVICES .....</b>	<b>1,552,323</b>	<b>1,654,760</b>	<b>1,622,761</b>	<b>1,638,687</b>	<b>1,649,113</b>	<b>1,585,458</b>	<b>1,646,919</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	359	360	360	361	362	362	362
Resources received free of charge .....	1,298	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund .....	10	79,935	79,935	79,935	79,935	79,935	79,935
Other appropriations .....	1,031,801	984,070	963,413	1,023,476	1,014,390	959,446	977,059
Other revenues .....	120,725	227,132	258,960	322,756	273,983	225,566	105,171
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>1,154,193</b>	<b>1,291,497</b>	<b>1,302,668</b>	<b>1,426,528</b>	<b>1,368,670</b>	<b>1,265,309</b>	<b>1,162,527</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>(398,130)</b>	<b>(363,263)</b>	<b>(320,093)</b>	<b>(212,159)</b>	<b>(280,443)</b>	<b>(320,149)</b>	<b>(484,392)</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 1,900, 1,970 and 2,131 respectively.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Country Passenger Services - Inter-town</b>							
Country Bus Services .....	802	829	829	829	841	841	841
Intra-town Regional Bus Services .....	16,894	17,625	16,418	17,188	18,242	17,083	17,273
Local Government .....	3,050	-	300	-	-	-	-
<b>METRONET</b>							
Community Assets Program .....	2,700	16,275	4,300	9,000	1,500	1,500	-
Office Expenses .....	526	2,264	2,264	1,746	985	985	985
<b>Metropolitan Services</b>							
Bus Operators .....	400,111	412,942	387,747	405,936	430,826	403,460	407,943
Ferry Services .....	1,842	1,302	1,216	1,273	1,351	1,265	1,279
<b>Regional School Bus Services</b>							
Conveyance Allowance .....	1,652	2,068	1,693	1,718	1,757	1,796	1,837
School Bus Services .....	120,827	124,309	118,640	118,398	119,341	120,210	121,420
<b>TOTAL .....</b>	<b>548,404</b>	<b>577,614</b>	<b>533,407</b>	<b>556,088</b>	<b>574,843</b>	<b>547,140</b>	<b>551,578</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	215,006	147,964	111,183	67,058	64,064	62,544	62,544
Restricted cash .....	437,959	156,878	245,922	177,182	16,953	9,785	9,648
Holding Account receivables .....	86,696	35,165	22,171	43,370	45,973	57,945	57,945
Receivables .....	41,543	23,228	41,543	41,543	41,543	41,543	41,543
Other.....	38,521	39,060	38,521	38,521	38,521	38,521	38,521
Total current assets .....	819,725	402,295	459,340	367,674	207,054	210,338	210,201
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	397,574	362,408	355,362	181,752	114,932	75,262	37,603
Property, plant and equipment.....	10,257,657	11,319,020	11,183,888	12,997,447	14,847,004	15,537,413	15,386,119
Intangibles .....	12,914	9,731	12,625	18,592	20,742	31,255	35,387
Restricted cash .....	1,562	1,381	1,562	1,562	1,562	1,562	1,562
Total non-current assets .....	10,669,707	11,692,540	11,553,437	13,199,353	14,984,240	15,645,492	15,460,671
<b>TOTAL ASSETS .....</b>	<b>11,489,432</b>	<b>12,094,835</b>	<b>12,012,777</b>	<b>13,567,027</b>	<b>15,191,294</b>	<b>15,855,830</b>	<b>15,670,872</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	56,326	50,414	56,326	56,326	56,326	56,326	56,326
Payables .....	141,523	134,716	129,457	129,457	129,457	129,457	129,457
Borrowings and leases .....	184,655	137,697	190,663	192,471	191,351	188,094	188,094
Other.....	42,748	26,340	26,128	26,128	26,128	26,128	26,128
Total current liabilities .....	425,252	349,167	402,574	404,382	403,262	400,005	400,005
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	11,735	9,721	11,735	11,735	11,735	11,735	11,735
Borrowings and leases .....	2,736,134	3,174,960	2,889,342	3,101,221	3,136,061	3,086,163	3,074,535
Other.....	160,866	156,256	155,400	149,934	144,468	139,002	133,536
Total non-current liabilities .....	2,908,735	3,340,937	3,056,477	3,262,890	3,292,264	3,236,900	3,219,806
<b>TOTAL LIABILITIES.....</b>	<b>3,333,987</b>	<b>3,690,104</b>	<b>3,459,051</b>	<b>3,667,272</b>	<b>3,695,526</b>	<b>3,636,905</b>	<b>3,619,811</b>
<b>EQUITY</b>							
Contributed equity .....	6,298,017	6,897,068	7,016,391	8,574,579	10,451,035	11,494,341	11,810,869
Accumulated surplus/(deficit).....	(2,974,816)	(3,317,727)	(3,294,909)	(3,507,068)	(3,787,511)	(4,107,660)	(4,592,052)
Reserves.....	4,832,244	4,825,390	4,832,244	4,832,244	4,832,244	4,832,244	4,832,244
Total equity .....	8,155,445	8,404,731	8,553,726	9,899,755	11,495,768	12,218,925	12,051,061
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>11,489,432</b>	<b>12,094,835</b>	<b>12,012,777</b>	<b>13,567,027</b>	<b>15,191,294</b>	<b>15,855,830</b>	<b>15,670,872</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	1,032,159	984,430	963,773	1,023,837	1,014,752	959,808	977,421
Capital appropriation .....	608,096	657,898	705,744	1,562,968	1,936,852	1,182,929	574,101
Holding Account drawdowns .....	95,670	86,696	106,737	152,411	64,217	27,698	37,659
Royalties for Regions Fund:							
Regional Community Services Fund .....	10	79,935	79,935	79,935	79,935	79,935	79,935
Regional Infrastructure and Headworks Fund .....	13,306	23,539	12,039	10,251	22,098	3,000	-
Receipts paid into Consolidated Account.....	(11,910)	-	-	-	-	-	-
Other.....	103,834	209,567	241,869	324,130	274,861	226,031	104,986
<b>Net cash provided by Government .....</b>	<b>1,841,165</b>	<b>2,042,065</b>	<b>2,110,097</b>	<b>3,153,532</b>	<b>3,392,715</b>	<b>2,479,401</b>	<b>1,774,102</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(212,869)	(234,460)	(247,943)	(268,905)	(281,251)	(289,521)	(294,206)
Grants and subsidies.....	(546,054)	(577,614)	(533,407)	(556,088)	(574,843)	(547,140)	(551,578)
Supplies and services .....	(366,936)	(463,242)	(502,437)	(381,127)	(366,333)	(330,388)	(334,260)
Accommodation .....	(29,469)	(35,181)	(34,355)	(40,213)	(43,052)	(46,826)	(47,728)
GST payments .....	(201,581)	(261,866)	(261,866)	(251,123)	(226,253)	(173,432)	(173,432)
Finance and interest costs.....	(76,933)	(79,115)	(77,673)	(86,125)	(94,726)	(98,066)	(101,420)
Other payments.....	(31,372)	(37,464)	(36,685)	(37,134)	(38,286)	(39,332)	(40,501)
<b>Receipts</b>							
Regulatory fees and fines .....	2,820	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies.....	5,000	9,569	18,825	3,000	1,000	-	-
Sale of goods and services.....	142,025	181,590	163,562	169,696	217,749	236,826	237,552
GST receipts .....	185,779	261,866	261,866	251,123	226,253	173,432	173,432
Other receipts .....	27,215	53,068	61,683	58,476	49,525	49,345	49,345
<b>Net cash from operating activities .....</b>	<b>(1,102,375)</b>	<b>(1,178,429)</b>	<b>(1,184,010)</b>	<b>(1,134,000)</b>	<b>(1,125,797)</b>	<b>(1,060,682)</b>	<b>(1,078,376)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,160,782)	(1,585,800)	(1,380,425)	(2,328,111)	(2,378,668)	(1,225,277)	(425,685)
Proceeds from sale of non-current assets.....	694	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(1,160,088)</b>	<b>(1,585,800)</b>	<b>(1,380,425)</b>	<b>(2,328,111)</b>	<b>(2,378,668)</b>	<b>(1,225,277)</b>	<b>(425,685)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(421,103)	(363,608)	(363,608)	(338,744)	(348,875)	(333,822)	(333,822)
Other payments.....	-	(68,137)	(1)	(17,500)	(84,500)	(144,250)	(258,550)
Proceeds from borrowings.....	748,311	760,331	522,087	551,958	381,902	275,942	322,194
<b>Net cash from financing activities.....</b>	<b>327,208</b>	<b>328,586</b>	<b>158,478</b>	<b>195,714</b>	<b>(51,473)</b>	<b>(202,130)</b>	<b>(270,178)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(94,090)</b>	<b>(393,578)</b>	<b>(295,860)</b>	<b>(112,865)</b>	<b>(163,223)</b>	<b>(8,688)</b>	<b>(137)</b>
Cash assets at the beginning of the reporting period .....	748,617	699,801	654,527	358,667	245,802	82,579	73,891
<b>Cash assets at the end of the reporting period .....</b>	<b>654,527</b>	<b>306,223</b>	<b>358,667</b>	<b>245,802</b>	<b>82,579</b>	<b>73,891</b>	<b>73,754</b>

(a) Full audited financial statements are published in the Authority's Annual Report.



# METRONET Projects Under Development

## Part 9 Transport

### Asset Investment Program

1. A \$632.8 million provision is incorporated for various METRONET projects under development, including the High Capacity Signalling program of works and the Morrison Road Level Crossing Removal. Funding will be allocated to specific projects upon completion of tender processes and final investment decisions.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>NEW WORKS</b>							
METRONET Projects Under Development .....	632,800	-	-	18,000	87,000	169,250	298,550
<b>Total Cost of Asset Investment Program.....</b>	<b>632,800</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>87,000</b>	<b>169,250</b>	<b>298,550</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	-	53,670	62,330	150,550
Capital Appropriation - Sourced from Commonwealth .....			15,000	20,000	13,330	81,920	108,000
Motor Vehicle Licence Fee Revenue .....			-	500	2,500	25,000	40,000
Internal Funds and Balances.....			(15,000)	(2,500)	17,500	-	-
<b>Total Funding .....</b>			<b>-</b>	<b>18,000</b>	<b>87,000</b>	<b>169,250</b>	<b>298,550</b>

# Fremantle Port Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	23,292	19,895	17,743	17,301	21,779	22,026	22,892
Local Government Rates Equivalent .....	868	698	698	698	705	713	720
Dividends <sup>(a)(b)</sup> .....	34,686	-	-	26,943	32,484	34,648	35,816
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies .....	-	-	-	317	326	-	-
Other Subsidies .....	-	-	-	9,000	3,500	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	75	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	226,067	233,194	232,176	226,774	244,948	246,456	252,610
Revenue from Government .....	-	-	-	9,317	3,826	-	-
Total Expenses <sup>(c)</sup> .....	148,271	172,597	180,015	184,860	183,099	180,100	183,515
Total Borrowings <sup>(d)</sup> .....	158,224	201,606	147,104	195,912	219,145	223,017	216,492
<b>NET PROFIT AFTER TAX.....</b>	54,504	42,288	36,514	35,728	45,839	46,317	48,234
<b>CASH ASSETS <sup>(e)</sup> .....</b>	108,326	122,150	97,447	95,851	97,354	95,982	94,532

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) The Authority will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise (GTE) for further detail.
- (c) Excludes current tax expense, deferred tax expense and dividends.
- (d) Movements in borrowings are a result of revised Asset Investment Program (AIP) timings and general operating requirements of the Authority.
- (e) As at 30 June each financial year.

## Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Key Adjustments</b>					
Revenue, Expense and Asset Investment Update <sup>(a)</sup> .....	(2,139)	(13,122)	(3,895)	134	1,294
Westport Program Resourcing <sup>(b)</sup> .....	-	(317)	(326)	-	-

- (a) Updated forecasts to reflect current business operations and economic environment including a comprehensive review of trade forecasts, pricing assumptions, and infrastructure management and maintenance including a reassessment of AIP requirements.
- (b) Government operating subsidy over the period 2022-23 to 2023-24 to provide technical expertise on the future container port (Westport).

## Significant Issues Impacting the Government Trading Enterprise

### COVID-19 Response

1. The COVID-19 pandemic continues to impact global supply chains, which in turn impacts anticipated trade volumes and efficiency. As a critical infrastructure and service provider, business continuity is essential. Business continuity plans are a key part of the Authority's operations, which include key partners such as the pilots, tug operators and stevedores.
2. The Authority is working with State and Commonwealth agencies and port users to ensure communication protocols and safety procedures are in place to manage interactions between ship and shore crews across all facilities within the port boundary to mitigate the ongoing risk of COVID-19 transmission.
3. Under the Government's COVID-19 Response, the Authority has committed to an upgrade of the Kwinana Bulk Terminal import and export facilities including upgrading material handling import infrastructure, concreting the export stockyard area and upgrading power supplies to the terminal. The majority of these works are expected to be completed by 2024-25.

### Westport and Port Master Plan

4. The Authority will continue to actively participate in the Westport process through positive leadership and technical expertise, with the aim of assisting it to deliver clear and robust outcomes. Parallel to the Westport process, the Authority is developing a port master plan focused on Inner and Outer Harbour development to enable integration of (and with) Westport and other planning activities including Future of Fremantle Planning Committee outcomes.

### Supply Chain Visibility

5. The Authority will support supply chain efficiency and performance by creating end-to-end supply chain transparency for partners and Western Australian importers and exporters, so they have the information they need to manage cargo flow reliably and efficiently.

### Victoria Quay Waterfront Strategy

6. The Authority is committed to the continued activation of the Victoria Quay Waterfront area. The aim is to enhance the amenity of the area and create a destination that benefits the broader community, while ensuring no adverse impacts on port operations by avoiding incompatible land uses.
7. Key areas of focus will include progressing short-term initiatives set out in the Stage 1 report of the Victoria Quay Waterfront Steering Committee, such as improving the connections between the Fremantle Passenger Terminal and the rest of Victoria Quay Waterfront and Fremantle and various activation strategies.

### Sustainability

8. The Authority has a strong commitment to creating an environmentally sustainable port and supply chain with clear targets to embrace and support energy transition of its assets, business and infrastructure.

### 2021-22 Retained Dividend

9. The Authority will retain its forecast 2021-22 dividend payment of \$63.7 million to fund future infrastructure investment. The funds will be quarantined until the Government approves business cases for future strategic infrastructure requirements.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Achieve financial targets
	Provide reliable and efficient and commercial services to meet customer needs and add value.	2. Highly efficient port operations that promote trade growth 3. High levels of customer satisfaction
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Provide a safe and healthy environment for the community.	4. Achieve community satisfaction targets 5. Maintain safety and quality management systems in line with best practice

### Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Achieve financial targets:</b>					
Earnings before interest, taxes, depreciation, and amortisation (EBITDA) (\$'000).....	100,667	87,395	75,441	78,390	1
Economic rate of return <sup>(a)</sup> .....	11.4%	8.7%	7.6%	7.2%	
Debt to equity ratio.....	53%	60%	46%	57%	
<b>Outcome: Highly efficient port operations that promote trade growth:</b>					
Total number vessel visits <sup>(b)</sup> .....	1,523	1,488	1,422	1,487	
Total port trade ('000 tonnes) .....	30,381	31,250	29,852	28,723	
<b>Outcome: High levels of customer satisfaction:</b>					
Customer satisfaction score .....	64%	>85%	>85%	>85%	
<b>Outcome: Achieve community satisfaction targets:</b>					
Community satisfaction .....	62%	>70%	>70%	>75%	
<b>Outcome: Maintain safety and quality management systems in line with best practice:</b>					
Lost time injury frequency rate <sup>(c)</sup> .....	7.9	nil or 10% reduction	nil or 10% reduction	nil or 10% reduction	
Number reportable environmental incidents.....	nil	nil	nil	nil	

(a) Economic rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Number of vessel visits includes commercial, non-trading and fishing vessels (excludes naval).

(c) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'. Target is for no lost time or a 10% reduction in lost time from the previous year.

## Explanation of Significant Movements

(Notes)

1. The 2021-22 Estimated Actual and 2022-23 Budget Target are lower than the 2021-22 Budget due to the combined impact of revised trade expectations, expenditure relating to a comprehensive organisational review and the Authority's focus on development and implementation of a contemporary resource planning system.

## Asset Investment Program

1. The Authority's AIP for 2022-23 to 2025-26 totals \$207.2 million, investing in projects across the Inner and Outer Harbour to support the economic growth of the State through the import and export of containers, motor vehicles, bulk commodities and other trades.

### Expenditure in the Inner Harbour

2. A total of \$4 million in 2022-23 and \$36.2 million over the outyears is forecast to be spent on Inner Harbour berths upgrades, including continuing upgrades to certain berths in the Inner Harbour to accommodate larger vessels and to allow for heavy-duty use.
3. The Authority will spend \$25.4 million over 2021-22 and 2022-23 on land acquisitions and associated works in North Quay for port operations and buffer zones for port activities in the Inner Harbour.
4. Work continues on the Fremantle Waterfront Implementation Plan, including the commercial precinct and the Victoria Quay activation project to support the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay. Expenditure of \$5.5 million has been allocated in 2022-23 and \$5 million in 2023-24.
5. The AIP also includes replacement of floating plant totalling \$15 million from 2021-22 to 2025-26 to maintain required levels of service to customers.

### Expenditure in the Outer Harbour

6. A total of \$12.5 million in 2022-23 and \$27 million over the outyears is forecast to be spent on the replacement and upgrade of assets at the Kwinana Bulk Terminal to facilitate the ongoing import and export of bulk materials for customers.
7. The projected volumes export and import of bulk commodities at the Kwinana Bulk Jetty requires an additional spend of \$4.8 million in 2022-23 and \$10.3 million over the outyears to maintain product handling infrastructure and equipment.

## COVID-19 Response

8. The Authority will spend \$28 million over 2021-22 to 2024-25 to upgrade the Kwinana Bulk Terminal's import and export facilities comprising:
  - 8.1. \$25 million to upgrade material handling import infrastructure; and
  - 8.2. \$3 million to concrete the export stockyard area.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Outer Harbour - Kwinana Bulk Terminal - Material Handling Infrastructure Renewal of Import System .....	25,000	3,706	3,613	21,294	-	-	-
<b>Other Works in Progress</b>							
Inner Harbour Infrastructure Refurbishment Program .....	36,263	110	110	-	12,171	13,482	10,500
North Quay - Land Acquisitions .....	25,400	18,900	18,740	6,500	-	-	-
<b>Outer Harbour</b>							
Kwinana Bulk Jetty - Export-Import Infrastructure .....	11,100	1,263	1,263	4,837	5,000	-	-
Kwinana Bulk Terminal High Voltage Power System Upgrade .....	6,000	5,000	2,037	1,000	-	-	-
Infrastructure, Equipment Replacement and Upgrade ....	35,459	14,333	5,174	6,126	9,000	6,000	-
<b>Plant and Equipment</b>							
Replace Floating Plant .....	15,000	1,200	1,200	9,800	-	-	4,000
Replacement of Navigational Aids .....	5,683	2,023	-	-	840	420	400
<b>Victoria Quay</b>							
Fremantle Waterfront Implementation Plan .....	10,938	7,921	3,964	3,017	-	-	-
H Berth Fender Replacement .....	4,700	700	700	4,000	-	-	-
<b>COMPLETED WORKS</b>							
<b>Fremantle Waterfront Project - Commercial Precinct</b>							
Access and Services .....	2,067	2,067	678	-	-	-	-
Inner and Outer Harbour - Security Upgrades Stage 2 .....	3,724	3,724	550	-	-	-	-
<b>Inner Harbour</b>							
Overseas Passenger Terminal .....	4,404	4,404	1,037	-	-	-	-
Photovoltaic System Passenger Terminal .....	950	950	950	-	-	-	-
Minor Works - 2021-22 Program .....	7,113	7,113	7,113	-	-	-	-
<b>NEW WORKS</b>							
<b>COVID-19 Response</b>							
Outer Harbour - Kwinana Bulk Terminal - Export Stockyard Area Concreting .....	3,000	-	-	-	1,500	1,500	-
<b>Other New Works</b>							
<b>Inner Harbour</b>							
Provision of Alternative Vehicular Access .....	1,000	-	-	-	1,000	-	-
Replacement of High Voltage Cable from Main Substation to Substation 4 .....	550	-	-	-	550	-	-
<b>Minor Works</b>							
2022-23 Program .....	14,096	-	-	14,096	-	-	-
2023-24 Program .....	14,000	-	-	-	14,000	-	-
2024-25 Program .....	14,000	-	-	-	-	14,000	-
2025-26 Program .....	12,000	-	-	-	-	-	12,000
<b>Outer Harbour</b>							
Kwinana Bulk Jetty - Replacement of Conveyor Structures and Equipment .....	5,300	-	-	-	1,400	1,400	2,500
Kwinana Bulk Terminal Bulk Handling Equipment .....	12,000	-	-	-	12,000	-	-
Direct Conveyor .....	5,400	-	-	5,400	-	-	-
Victoria Quay - Activation Stage 1 .....	7,500	-	-	2,500	5,000	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>282,647</b>	<b>73,414</b>	<b>47,129</b>	<b>78,570</b>	<b>62,461</b>	<b>36,802</b>	<b>29,400</b>
<b>FUNDED BY</b>							
Borrowings .....			-	60,000	34,500	15,000	4,000
Internal Funds and Balances .....			47,079	18,570	27,961	21,802	25,400
Other .....			50	-	-	-	-
<b>Total Funding .....</b>			<b>47,129</b>	<b>78,570</b>	<b>62,461</b>	<b>36,802</b>	<b>29,400</b>

## Financial Statements

### Income Statement

#### *Revenue*

1. The Authority's revenue forecasts primarily reflect expectations on trade mix and growth, ships and shipping services, and rental revenue from port tenancies.
2. The Authority will receive government operating subsidies over the period 2022-23 to 2023-24 to undertake feasibility studies on Westport enabling works and to provide technical expertise and support on the future Westport container port's statutory requirements and other technical aspects of the program.

#### *Expenses*

3. Employee benefits reflect proposed organisational changes and role appointments following a comprehensive management review of organisational structure and competencies. The 2022-23 Budget Year includes roles identified and yet to be filled, together with continued investment in the Authority's organisational capability to support future operations. Salary increases are based on active enterprise agreements or reflect the Government's wages policy post agreement expiration.
4. Included in supplies and services in the 2021-22 Budget and 2021-22 Estimated Actual are costs to support the development and implementation of a contemporary Enterprise Resource Planning system to replace the Authority's legacy financial management system. The 2022-23 Budget Year and 2023-24 Outyear figures include expenditure for Westport enabling works.
5. Movements in depreciation and interest costs are driven by changes in the Authority's AIP.

### Statement of Financial Position

6. The Authority's AIP is a major driver of movements in property, plant and equipment and, through AIP funding assumptions, movements in cash and borrowings balances.
7. Movements in cash assets relate to timing of dividend payments and AIP funding assumptions.

### Statement of Cashflows

8. Payments for purchase of non-current assets reflect changes to the Authority's AIP resulting from an extensive review of priorities, timing and expenditure estimates.
9. Movements in net cash from financing activities are a result of revised AIP timings and general operating requirements. Financing activities include assumptions relating to the drawdown and repayment of a working capital facility held with the Western Australian Treasury Corporation.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	225,105	232,321	231,307	226,012	244,240	245,760	251,926
Other revenue .....	962	873	869	762	708	696	684
<b>Revenue from Government</b>							
Operating subsidies.....	-	-	-	317	326	-	-
Other subsidies .....	-	-	-	9,000	3,500	-	-
<b>TOTAL REVENUE.....</b>	<b>226,067</b>	<b>233,194</b>	<b>232,176</b>	<b>236,091</b>	<b>248,774</b>	<b>246,456</b>	<b>252,610</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	45,923	54,312	54,324	56,160	56,927	57,460	58,154
Supplies and services .....	50,244	58,141	66,234	69,529	61,273	55,155	56,051
Accommodation <sup>(c)</sup> .....	6,202	6,646	6,627	6,197	6,314	6,435	6,556
Depreciation and amortisation .....	16,996	19,103	17,569	19,864	23,516	25,327	26,826
Finance and interest costs.....	5,874	7,695	5,711	7,296	8,081	8,192	8,014
Other expenses <sup>(d)</sup> .....	23,032	26,700	29,550	25,814	26,988	27,531	27,914
<b>TOTAL EXPENSES.....</b>	<b>148,271</b>	<b>172,597</b>	<b>180,015</b>	<b>184,860</b>	<b>183,099</b>	<b>180,100</b>	<b>183,515</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>77,796</b>	<b>60,597</b>	<b>52,161</b>	<b>51,231</b>	<b>65,675</b>	<b>66,356</b>	<b>69,095</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	23,292	19,895	17,743	17,301	21,779	22,026	22,892
Deferred tax equivalent expense .....	-	(1,586)	(2,096)	(1,798)	(1,943)	(1,987)	(2,031)
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>54,504</b>	<b>42,288</b>	<b>36,514</b>	<b>35,728</b>	<b>45,839</b>	<b>46,317</b>	<b>48,234</b>
<b>Dividends .....</b>	<b>34,686</b>	<b>-</b>	<b>-</b>	<b>26,943</b>	<b>32,484</b>	<b>34,648</b>	<b>35,816</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) The full-time equivalents for the 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 351, 373 and 386 respectively.

(c) Accommodation includes the Authority's total operational electricity and water costs.

(d) Other expenses includes land tax, payroll tax insurance premiums and other general and administration expenses.



**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	108,326	60,456	33,715	32,119	33,622	32,250	30,800
Cash assets - Retained dividends.....	-	61,694	63,732	63,732	63,732	63,732	63,732
Receivables .....	21,565	27,155	27,228	26,471	26,054	27,915	28,623
Other.....	6,097	5,468	5,511	5,549	5,747	5,841	5,966
Total current assets .....	135,988	154,773	130,186	127,871	129,155	129,738	129,121
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	436,792	490,457	465,638	525,588	564,701	576,972	581,623
Intangibles <sup>(b)</sup> .....	140	6,799	-	-	-	-	-
Receivables .....	1,824	865	864	-	-	-	-
Other.....	26,965	31,563	28,819	30,354	32,010	33,738	35,769
Total non-current assets .....	465,721	529,684	495,321	555,942	596,711	610,710	617,392
<b>TOTAL ASSETS .....</b>	<b>601,709</b>	<b>684,457</b>	<b>625,507</b>	<b>683,813</b>	<b>725,866</b>	<b>740,448</b>	<b>746,513</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	14,114	13,774	14,212	14,377	14,553	14,663	14,779
Payables .....	13,341	12,481	12,098	12,111	17,999	17,078	15,786
Borrowings and leases .....	1,780	2,133	1,618	2,057	1,847	972	1,572
Other.....	8,073	8,041	7,880	8,082	8,271	8,329	8,408
Total current liabilities .....	37,308	36,429	35,808	36,627	42,670	41,042	40,545
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	11,478	14,172	11,605	11,723	11,842	11,960	12,078
Borrowings and leases .....	157,888	201,806	146,751	195,566	218,349	222,989	216,971
Other.....	4,211	3,746	4,005	3,774	3,527	3,310	3,354
Total non-current liabilities <sup>(c)</sup> .....	173,577	219,724	162,361	211,063	233,718	238,259	232,403
<b>TOTAL LIABILITIES.....</b>	<b>210,885</b>	<b>256,153</b>	<b>198,169</b>	<b>247,690</b>	<b>276,388</b>	<b>279,301</b>	<b>272,948</b>
<b>NET ASSETS .....</b>	<b>390,824</b>	<b>428,304</b>	<b>427,338</b>	<b>436,123</b>	<b>449,478</b>	<b>461,147</b>	<b>473,565</b>
<b>EQUITY</b>							
Contributed equity .....	105,059	105,059	105,059	105,059	105,059	105,059	105,059
Accumulated surplus/(deficit).....	285,842	323,245	322,356	331,141	344,496	356,165	368,583
Reserves.....	(77)	-	(77)	(77)	(77)	(77)	(77)
<b>TOTAL EQUITY .....</b>	<b>390,824</b>	<b>428,304</b>	<b>427,338</b>	<b>436,123</b>	<b>449,478</b>	<b>461,147</b>	<b>473,565</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Removal of intangible assets from estimates is due to a change in accounting treatment for the implementation costs associated with Software-as-a-Service (SaaS) arrangements in relation to the Authority's Enterprise Resource Planning project.

(c) Movements in non-current liabilities primarily reflects borrowings assumptions for AIP and general operating requirements of the Authority.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	190,959	201,350	197,178	196,029	212,716	212,350	219,052
GST receipts.....	22,642	23,234	22,997	22,603	24,426	24,578	25,194
Other receipts <sup>(b)</sup> .....	34,299	31,189	31,184	31,408	31,790	32,252	32,870
<b>Payments</b>							
Employee benefits.....	(46,173)	(54,164)	(54,123)	(55,892)	(56,665)	(57,238)	(57,930)
Supplies and services.....	(50,244)	(58,141)	(66,234)	(69,529)	(61,273)	(55,155)	(56,051)
Accommodation <sup>(c)</sup> .....	(5,334)	(5,948)	(5,929)	(5,499)	(5,609)	(5,722)	(5,836)
GST payments.....	(22,080)	(23,796)	(23,220)	(22,822)	(24,102)	(24,334)	(25,105)
Finance and interest costs.....	(6,095)	(7,372)	(5,764)	(6,967)	(7,941)	(8,198)	(8,100)
Other payments.....	(25,525)	(24,098)	(26,151)	(26,166)	(27,255)	(27,664)	(27,478)
<b>Net cash from operating activities.....</b>	<b>92,449</b>	<b>82,254</b>	<b>69,938</b>	<b>63,165</b>	<b>86,087</b>	<b>90,869</b>	<b>96,616</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	-	50	50	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets.....	(11,522)	(75,107)	(47,129)	(78,570)	(62,461)	(36,802)	(29,400)
<b>Net cash from investing activities.....</b>	<b>(11,522)</b>	<b>(75,057)</b>	<b>(47,079)</b>	<b>(78,570)</b>	<b>(62,461)</b>	<b>(36,802)</b>	<b>(29,400)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	79,500	25,000	85,000	59,500	40,000	29,000
Other proceeds.....	808	880	880	959	864	-	-
<b>Payments</b>							
Repayment of borrowings and leases.....	(11,715)	(37,119)	(36,583)	(36,737)	(36,805)	(36,674)	(36,174)
Other payments <sup>(d)</sup> .....	-	(440)	(493)	(465)	(504)	(570)	(580)
<b>Net cash from financing activities.....</b>	<b>(10,907)</b>	<b>42,821</b>	<b>(11,196)</b>	<b>48,757</b>	<b>23,055</b>	<b>2,756</b>	<b>(7,754)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Administered appropriations.....	2,017	-	-	-	-	-	-
Operating subsidies.....	-	-	-	317	326	-	-
Other subsidies.....	-	-	-	9,000	3,500	-	-
<b>Payments</b>							
Dividends to Government.....	(34,686)	-	-	(26,944)	(32,484)	(34,648)	(35,816)
National Tax Equivalent Regime - Income tax...	(21,667)	(23,691)	(21,844)	(16,623)	(15,815)	(22,834)	(24,376)
Local Government Rates Equivalent.....	(868)	(698)	(698)	(698)	(705)	(713)	(720)
<b>Net cash provided to Government.....</b>	<b>55,204</b>	<b>24,389</b>	<b>22,542</b>	<b>34,948</b>	<b>45,178</b>	<b>58,195</b>	<b>60,912</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>14,816</b>	<b>25,629</b>	<b>(10,879)</b>	<b>(1,596)</b>	<b>1,503</b>	<b>(1,372)</b>	<b>(1,450)</b>
Cash assets at the beginning of the reporting period.....	93,510	96,521	108,326	97,447	95,851	97,354	95,982
<b>Cash assets at the end of the reporting period.....</b>	<b>108,326</b>	<b>122,150</b>	<b>97,447</b>	<b>95,851</b>	<b>97,354</b>	<b>95,982</b>	<b>94,532</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Rental revenues are included within sales of goods and services on the Income Statement, however within the Statement of Cashflows these receipts are recorded as other receipts.

(c) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

(d) Other payments includes land tax, payroll tax, insurance premiums and other general and administration expenses.

# Kimberley Ports Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	-	-	-	-	-	-	178
Local Government Rates Equivalent .....	124	140	140	140	141	143	144
Dividends <sup>(a)</sup> .....	-	-	-	-	-	-	300
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	2,706	3,100	3,100	2,500	2,500	2,500	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	4,000	3,500	3,500	5,500	29,500	18,500	-
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	13,221	18,458	20,583	23,855	27,356	28,027	34,678
Revenue from Government .....	2,706	3,100	3,100	2,500	2,500	2,500	-
Total Expenses <sup>(b)</sup> .....	19,684	24,594	27,252	29,051	30,061	30,580	30,603
Total Borrowings.....	9,591	7,947	7,944	6,210	4,379	2,829	2,097
<b>NET PROFIT AFTER TAX.....</b>	<b>(3,757)</b>	<b>(3,036)</b>	<b>(3,394)</b>	<b>(2,696)</b>	<b>(205)</b>	<b>(53)</b>	<b>3,897</b>
<b>CASH ASSETS <sup>(c)</sup> .....</b>	<b>6,241</b>	<b>4,865</b>	<b>4,995</b>	<b>2,555</b>	<b>3,101</b>	<b>4,318</b>	<b>9,271</b>

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividends.

(c) As at 30 June each financial year.

## Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
2022-23 Strategic Development Plan .....	-	(1)	(684)	(1,695)	(369)

## **Significant Issues Impacting the Government Trading Enterprise**

### **Kimberley Ports Amalgamation**

1. The Authority has worked with port operators at the Ports of Wyndham, Derby, and Yampi Sound to effect a seamless transition to the Authority's management under the *Port Authorities Act 1999* which occurred on 1 July 2021.

### **Supply Base**

2. The Authority will spend \$52 million to facilitate the development of a supply base and associated infrastructure. This comprises:
  - 2.1. \$45 million for the supply base; and
  - 2.2. \$7 million for the base infrastructure of a production chemical facility.
3. This project is subject to a final investment decision, and successful conclusion of a long-term lease agreement, and associated Construction Works Deed. The Authority is well advanced in negotiating the Lease and Construction Works Deed (with all relevant commercial terms agreed between the parties), which will be subject to Ministerial approval with the Treasurer's concurrence.
4. The \$45 million investment is to be repaid over a 20-year period with interest. The supply base is expected to have a significant positive impact on the financial position of the Authority.

### **Chemical Facility**

5. The Authority intends to spend \$7 million to construct the base infrastructure of a common user chemical supply facility adjacent to the Broome wharf for a production chemical supplier to operate from. Production chemicals are used in the oil and gas industry to prevent the formation of hydrates and resulting blockages in pipelines and equipment.
6. The \$7 million investment is to be repaid over a 20-year period with interest.

### **Kimberley Marine Support Base**

7. The Kimberley Marine Support Base at the Port of Broome is a major project that will significantly change the way that the Authority operates. Environmental approvals have been finalised with both the Government and the Commonwealth, and heritage approval gained from Nyamba Buru Yawuru.
8. The next stages are the appointment of an operator, and the successful tenderer for the design and construction of the facility, which are currently under negotiation. Confirmation of finance for the project will be finalised once these contracts have been awarded.

### **Trade Outlook (Commodities, Cargo and Cruise)**

9. The Authority is positioned to take advantage of the growing exploration and development of the resource industry including oil and gas, minerals sands, iron ore, nickel, and potash. There is a growing food demand in Asia and a matching increasing focus on agriculture and aquaculture ventures in Australia.
10. Global demand for agricultural commodities (primarily cattle), resources such as mineral sands (for technological uses), general cargo and oil and gas support services is expected to continue in 2022-23. Cruise shipping is expected to return to pre-COVID-19 pandemic levels towards the end of 2022.
11. The Port of Yampi Sound's exports of high-grade iron ore is consistent with prior years. Nickel exports resumed from December 2021 from the Port of Wyndham.

### **COVID-19 Response**

12. The Authority continues to work closely with Australian Border Force, the Commonwealth Department of Agriculture, Water and Environment, Western Australia Police Force and WA Health on all COVID-19 related matters relating to the arrival and departure of vessels and crew at Kimberley Ports.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Consistent with the <i>Port Authorities Act 1999</i> , facilitate trade, plan for future growth and development in a safe and efficient port 2. Achieve rate of return and profitability targets
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications.	3. Seek accreditation for ISO 45001: 2018 <i>Occupational Health and Safety Management</i> and ISO14001: 2016 <i>Environmental Management</i> systems at Port of Broome

**Outcomes and Key Performance Indicators <sup>(a)</sup>**

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Consistent with the <i>Port Authorities Act 1999</i>, facilitate trade, plan for future growth and development in a safe and efficient port:</b>					
Customer satisfaction with services <sup>(b)</sup> .....	64%	65%	65%	65%	
Employee satisfaction rating <sup>(c)</sup> .....	64%	73%	n/a	75%	
Berthing availability <sup>(d)(e)</sup> .....	71%	59%	59%	51%	
Trade growth tonnages <sup>(e)(f)</sup> .....	230,588	248,000	248,000	258,500	
Number of ship visits - Broome Port <sup>(e)(g)</sup> .....	794	741	816	867	
<b>Outcome: Achieve rate of return and profitability targets:</b>					
Earnings before interest, taxes, depreciation and amortisation (EBITDA) .....	\$551,000	\$726,055	\$794,000	\$1,254,000	1
Rate of return on assets <sup>(h)</sup> .....	-5%	-4%	-4%	-2%	1
Economic rate of return <sup>(i)</sup> .....	-5%	-4%	-4%	-2%	1
Debt to equity ratio .....	0.16	0.09	0.09	0.07	
<b>Outcome: Seek accreditation for ISO 45001: 2018 <i>Occupational Health and Safety Management</i> and ISO14001: 2016 <i>Environmental Management</i> systems at Port of Broome:</b>					
Environmental incidents .....	nil	nil	nil	nil	
Lost time injury frequency rate <sup>(j)</sup> .....	nil	nil	nil	nil	

(a) The trade facilitation section relates to the Port of Broome only.

(b) Customer satisfaction percentage based on 2020-21 survey results.

(c) The employee satisfaction survey for 2021-22 has not been completed.

(d) Berth availability is measured to enable future infrastructure planning.

(e) The performance measures are used to measure the operational performance of the Authority. They are used by the Authority to monitor service delivery, identify, and respond to emerging trends in trade development, and to measure capability for the future and plan for infrastructure development.

(f) Trade growth tonnages is all cargo activities except for cruise vessel passenger numbers. The expected growth in 2022-23 is a result of business returning to pre-COVID-19 trade levels.

(g) The number of ship visits includes all vessels visiting the Port of Broome. The anticipated growth in 2022-23 is a result of business returning to pre-COVID-19 trade levels.

(h) The asset base includes current assets to calculate the return on assets.

(i) Rate of return as calculated in accordance with Transport's 'Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy'.

(j) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'.

**Explanation of Significant Movements**

(Notes)

1. The estimated improvement of \$460,000 in EBITDA, and improvements in rate of return and economic rate of return from the 2021-22 Estimated Actual to the 2022-23 Budget Target is due to continued cost-saving measures and an improvement in vessel calls back to pre-COVID-19 pandemic levels in the Port of Broome.

## Asset Investment Program

1. The Authority's Asset Investment Program (AIP) for 2022-23 to 2025-26 totals \$59.8 million, which will further support the continued economic growth of the Kimberley region. The Authority's 2022-23 AIP includes spending of:
  - 1.1. \$45 million from 2022-23 to 2024-25 for the construction of the supply base at the Port of Broome;
  - 1.2. \$7 million in 2023-24 and 2024-25 for the chemical facility works; and
  - 1.3. \$7.8 million across the forward estimates period for the minor works program across all ports.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>COMPLETED WORKS</b>							
Major Port Infrastructure - Wharf Essential Works (Electrical Upgrade).....	1,429	1,429	661	-	-	-	-
Minor Works - 2021-22 Program .....	2,075	2,075	2,075	-	-	-	-
<b>NEW WORKS</b>							
Major Port Infrastructure							
Chemical Facility Works .....	7,000	-	-	-	4,000	3,000	-
Supply Base.....	45,000	-	-	5,000	25,000	15,000	-
Minor Works							
2022-23 Program .....	2,075	-	-	2,075	-	-	-
2023-24 Program .....	2,075	-	-	-	2,075	-	-
2024-25 Program .....	2,075	-	-	-	-	2,075	-
2025-26 Program .....	1,575	-	-	-	-	-	1,575
<b>Total Cost of Asset Investment Program.....</b>	<b>63,304</b>	<b>3,504</b>	<b>2,736</b>	<b>7,075</b>	<b>31,075</b>	<b>20,075</b>	<b>1,575</b>
<b>FUNDED BY</b>							
Funding Included in Department of Treasury							
Administered Item .....			500	5,500	29,500	18,500	-
Internal Funds and Balances.....			2,236	1,575	1,575	1,575	1,575
<b>Total Funding .....</b>			<b>2,736</b>	<b>7,075</b>	<b>31,075</b>	<b>20,075</b>	<b>1,575</b>

## Financial Statements

### Income Statement

#### *Revenue*

1. The sales from goods and services increase between 2021-22 Estimated Actual and the 2022-23 Budget Year is based on vessel visits returning to pre-COVID-19 pandemic levels in the 2022-23 Budget Year and stabilising thereafter.
2. Lease and license revenue increases in the 2025-26 Outyear to include revenue from the proposed supply base project.

#### *Expenses*

3. Employee benefits increases are in line with the Public Sector Wages Policy Statement.
4. The increase in supplies and services is in line with increased shipping as vessel visits return to pre-COVID-19 pandemic levels in 2022-23 Budget Year and stabilise thereafter.
5. Depreciation and amortisation expenses increase following significant capital expenditure over the forward estimates period, dependent on project approvals.
6. Finance and interest costs decrease over the forward estimates period as loans are repaid.

### Statement of Financial Position

7. The Authority is expected to return to cash positive operations in 2023-24, until this occurs, cash reserves will diminish. Net profits are expected in 2025-26 which is when the Authority expects to see material increases in cash assets.
8. Given the current limited revenue derived from the Authority, the Government has allocated funds to carry out capital works of up to \$500,000 and up to \$2.5 million per annum operating subsidy for taking responsibility for the Ports of Wyndham, Derby, and Yampi Sound for three years commencing 2021-22.
9. Assets are budgeted to increase by 32% in the 2023-24 Outyear compared to the 2022-23 Budget Year and a further 15% in the 2024-25 Outyear, which is driven by the major projects at the Port of Broome.
10. Liabilities are reducing by 17% in the 2023-24 Outyear compared to the 2022-23 Budget Year and a further 17% in the 2024-25 Outyear due to the repayment of several Western Australian Treasury Corporation loans over this period.

### Statement of Cashflows

11. The Authority will be provided operating subsidies of \$2.5 million per annum over 2022-23 to 2024-25 and equity contributions of \$500,000 per annum over 2021-22 to 2024-25 to fund minor works planned for the Ports of Wyndham, Derby and Yampi Sound as the Authority takes over management responsibilities for the three ports.
12. The Authority will be provided an equity contribution of \$52 million between 2022-23 and 2024-25 to fund construction of the supply base and the base infrastructure of the chemical production facility at the Port of Broome.



**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	12,932	14,646	16,229	18,611	22,060	22,677	29,274
Other revenue .....	289	3,812	4,354	5,244	5,296	5,350	5,404
<b>Revenue from Government</b>							
Operating subsidies.....	2,706	3,100	3,100	2,500	2,500	2,500	-
<b>TOTAL REVENUE.....</b>	<b>15,927</b>	<b>21,558</b>	<b>23,683</b>	<b>26,355</b>	<b>29,856</b>	<b>30,527</b>	<b>34,678</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	7,754	7,765	8,392	9,501	9,862	10,082	10,307
Supplies and services .....	2,371	7,134	7,698	9,254	9,344	9,438	9,532
Accommodation .....	3,226	3,631	3,884	4,060	4,100	4,142	4,233
Depreciation and amortisation .....	3,783	3,763	4,188	3,950	4,543	4,784	4,445
Finance and interest costs.....	628	526	534	457	359	257	184
Other expenses.....	1,922	1,775	2,556	1,829	1,853	1,877	1,902
<b>TOTAL EXPENSES.....</b>	<b>19,684</b>	<b>24,594</b>	<b>27,252</b>	<b>29,051</b>	<b>30,061</b>	<b>30,580</b>	<b>30,603</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>(3,757)</b>	<b>(3,036)</b>	<b>(3,569)</b>	<b>(2,696)</b>	<b>(205)</b>	<b>(53)</b>	<b>4,075</b>
National Tax Equivalent Regime - Current tax equivalent expense .....	-	-	-	-	-	-	178
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>(3,757)</b>	<b>(3,036)</b>	<b>(3,569)</b>	<b>(2,696)</b>	<b>(205)</b>	<b>(53)</b>	<b>3,897</b>
<b>Dividends .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) The full-time equivalents for the 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 57, 69 and 70 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	6,241	4,865	4,995	2,555	3,101	4,318	9,271
Receivables .....	3,569	3,915	6,236	6,179	6,312	6,442	3,078
Other .....	134	131	188	188	188	188	131
Total current assets .....	9,944	8,911	11,419	8,922	9,601	10,948	12,480
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment .....	61,873	73,185	72,671	76,292	103,180	118,791	118,939
Intangibles .....	811	463	125	(37)	(143)	(211)	83
Total non-current assets .....	62,684	73,648	72,796	76,255	103,037	118,580	119,022
<b>TOTAL ASSETS</b> .....	72,628	82,559	84,215	85,177	112,638	129,528	131,502
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	2,015	1,627	2,135	2,219	2,305	2,392	2,500
Payables .....	1,415	681	1,450	1,353	1,264	1,170	800
Borrowings and leases .....	2,360	1,734	2,326	2,422	2,149	1,322	732
Other .....	667	548	542	447	447	447	548
Total current liabilities .....	6,457	4,590	6,453	6,441	6,165	5,331	4,580
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	72	58	77	77	77	77	58
Borrowings and leases .....	7,942	6,590	6,329	4,499	2,941	2,218	1,365
Total non-current liabilities .....	8,014	6,648	6,406	4,576	3,018	2,295	1,423
<b>TOTAL LIABILITIES</b> .....	14,471	11,238	12,859	11,017	9,183	7,626	6,003
<b>NET ASSETS</b> .....	58,157	71,321	71,356	74,160	103,455	121,902	125,499
<b>EQUITY</b>							
Contributed equity .....	59,540	76,308	76,133	81,633	111,133	129,633	129,633
Accumulated surplus/(deficit) .....	(9,704)	(13,308)	(13,098)	(15,794)	(15,999)	(16,052)	(12,455)
Reserves .....	8,321	8,321	8,321	8,321	8,321	8,321	8,321
<b>TOTAL EQUITY</b> .....	58,157	71,321	71,356	74,160	103,455	121,902	125,499

(a) Full audited financial statements are published in the Authority's Annual Report.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21	2021-22	2021-22	2022-23	2023-24	2024-25	2025-26
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	9,114	12,481	14,032	15,838	19,260	19,848	20,417
GST receipts .....	1,460	-	-	-	-	-	-
Other receipts .....	2,268	5,977	6,551	8,017	8,096	8,178	14,261
<b>Payments</b>							
Employee benefits.....	(7,825)	(7,801)	(8,267)	(9,417)	(9,776)	(9,995)	(10,218)
Supplies and services .....	(1,420)	(7,659)	(8,454)	(9,601)	(9,695)	(9,793)	(10,395)
Accommodation <sup>(b)</sup> .....	(3,009)	(3,491)	(3,744)	(3,920)	(3,959)	(3,999)	(4,089)
GST payments .....	(1,277)	-	-	-	-	-	-
Finance and interest costs.....	(628)	(526)	(534)	(457)	(359)	(257)	(184)
Other payments.....	(1,861)	(1,776)	(2,556)	(1,829)	(1,853)	(1,875)	(1,902)
<b>Net cash from operating activities .....</b>	<b>(3,178)</b>	<b>(2,795)</b>	<b>(2,972)</b>	<b>(1,369)</b>	<b>1,714</b>	<b>2,107</b>	<b>7,890</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	906	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets .....	(4,790)	(2,736)	(2,736)	(7,075)	(31,075)	(20,075)	(1,575)
<b>Net cash from investing activities .....</b>	<b>(3,884)</b>	<b>(2,736)</b>	<b>(2,736)</b>	<b>(7,075)</b>	<b>(31,075)</b>	<b>(20,075)</b>	<b>(1,575)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Payments</b>							
Repayment of borrowings and leases .....	(2,023)	(1,998)	(1,998)	(1,856)	(1,952)	(1,672)	(740)
<b>Net cash from financing activities.....</b>	<b>(2,023)</b>	<b>(1,998)</b>	<b>(1,998)</b>	<b>(1,856)</b>	<b>(1,952)</b>	<b>(1,672)</b>	<b>(740)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	2,706	3,100	3,100	2,500	2,500	2,500	-
Equity Contributions .....	4,000	3,500	3,500	5,500	29,500	18,500	-
<b>Payments</b>							
Dividends to Government .....	-	-	-	-	-	-	(300)
National Tax Regime Equivalent - Income tax...	-	-	-	-	-	-	(178)
Local Government Rates Equivalent.....	(124)	(140)	(140)	(140)	(141)	(143)	(144)
<b>Net cash provided to Government .....</b>	<b>(6,582)</b>	<b>(6,460)</b>	<b>(6,460)</b>	<b>(7,860)</b>	<b>(31,859)</b>	<b>(20,857)</b>	<b>622</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(2,503)</b>	<b>(1,069)</b>	<b>(1,246)</b>	<b>(2,440)</b>	<b>546</b>	<b>1,217</b>	<b>4,953</b>
Cash assets at the beginning of the reporting period .....	8,744	5,934	6,241	4,995	2,555	3,101	4,318
<b>Cash assets at the end of the reporting period .....</b>	<b>6,241</b>	<b>4,865</b>	<b>4,995</b>	<b>2,555</b>	<b>3,101</b>	<b>4,318</b>	<b>9,271</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

# Mid West Ports Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	7,222	8,942	9,258	16,221	23,930	30,822	39,784
Local Government Rates Equivalent .....	868	919	868	889	911	934	958
Dividends (a)(b)(c).....	11,627	-	-	25,340	38,504	50,924	65,702
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution (d).....	-	8,000	7,000	4,000	-	3,745	9,662
<b>RATIOS</b>							
Dividend Payout Ratio (%).....	100	75	75	75	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations (a) .....	75,838	101,041	97,950	118,645	154,952	186,460	227,963
Total Expenses (a)(e) .....	52,331	71,234	67,090	64,577	75,184	83,719	95,349
Total Borrowings (a) .....	8,058	6,819	6,820	77,029	206,620	277,634	283,976
<b>NET PROFIT AFTER TAX.....</b>	16,511	20,865	21,602	37,847	55,838	71,919	92,830
<b>CASH ASSETS (f) .....</b>	41,483	54,194	41,129	37,021	36,076	56,295	94,392

(a) Includes the impact of the Geraldton Port Maximisation Project (PMaxP) from 2022-23.

(b) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(c) The Authority will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise (GTE) for further detail.

(d) Equity contributions in 2024-25 and 2025-26 reflect the impact of the PMaxP. Dividends on the capital recovery charges for the PMaxP are to be returned as an equity injection.

(e) Excludes current tax expense, deferred tax expense and dividends.

(f) As at 30 June each financial year.

## Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Key Adjustments</b>					
Port Maximisation Project.....	76	7,139	21,813	50,291	73,775
<b>Other</b>					
Trade Throughput Revisions .....	189	(5,755)	(4,852)	(14,377)	(3,855)

## Significant Issues Impacting the Government Trading Enterprise

1. The \$350 million Port Maximisation Project (PMaxP) will expand capacity at the Port of Geraldton and facilitate regional economic growth and diversification by enabling the Authority to increase throughput from 15 million tonnes per annum (Mtpa) to 25 Mtpa by 2026. This new trade is expected to be multi-product and multi-user and will be supported through a combination of debottlenecking and new infrastructure covering transport, land acquisition, storage, materials handling, upgrades to berths 1, 2 and 6, and associated supporting infrastructure.
2. The Authority will employ robust procurement and project management practices to mitigate risks around the PMaxP design and delivery in light of competitive conditions in the construction industry. Due to the increased activity within the Western Australian economy, current procurement processes are seeing a limited number of respondents to tenders, increased pricing pressures for labour and materials and reduced availability of materials.
3. The Authority will need to assess suitable short-term options of existing infrastructure for trade coming online prior to the completion of PMaxP. Reductions in forecast throughput in 2022-23 and across the outyears is primarily due to reduced trade volumes for non-mineral sands due to the impact of COVID-19 on Singapore's construction industry, with the remainder due to lower projections for mineral sands.
4. The Authority is unique amongst the Western Australian ports in that it manages the Fishing Boat Harbour, which supports the West Coast Rock Lobster Fishery. A number of amenity upgrades have been delivered since 2020-21. Currently, a Fishing Boat Harbour master plan is being undertaken to provide a blueprint for future development.
5. Design work has commenced on road access into and within the port precinct, improving utilisation of existing berth infrastructure to increase ship loading efficiencies and the acquisition of land required for PMaxP.
6. The Authority continues to work with the Departments of Transport (DoT) and Jobs, Tourism, Science and Innovation to transfer the marine safety function of the ports of Cape Cuvier and Useless Loop from the DoT to the Authority.
7. The Authority will retain its forecast 2021-22 dividend payment of \$20.3 million to fund future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements. Of the retained dividend amount, \$18 million has been allocated to the design of the PMaxP.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Facilitate, protect and grow efficient trade and tourism.	<ol style="list-style-type: none"> <li>1. Improve revenue diversification and growth</li> <li>2. Improve underlying profit</li> <li>3. Improve long-term business value</li> </ol>
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Operate as an exemplary corporate citizen.	<ol style="list-style-type: none"> <li>4. To be a sustainable port</li> <li>5. To provide a safe workplace</li> <li>6. Operate in harmony with our stakeholders</li> </ol>
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Provide infrastructure that enables customers' supply chains.	<ol style="list-style-type: none"> <li>7. Provide long-term landside infrastructure</li> <li>8. Provide long-term marine infrastructure</li> </ol>

## Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Improve revenue diversification and growth:</b>					
Return on assets <sup>(a)</sup> .....	17.9%	14%	14.4%	17.7%	
Earnings before interest, tax, depreciation and amortisation (\$'000) <sup>(a)</sup> .....	\$30,324	\$37,862	\$38,193	\$64,453	
Total port trade (Mt) <sup>(a)</sup> .....	15.08	18.20	17.41	20.96	
Number of vessel visits <sup>(a)</sup> .....	351	475	423	502	
<b>Outcome: Improve underlying profit:</b>					
Economic rate of return <sup>(a)(b)</sup> .....	10.2%	11.9%	10.6%	21.4%	
<b>Outcome: Improve long-term business value:</b>					
Implement top 10 improvements identified in continuous improvement plan.....	n/a	n/a	n/a	100%	
<b>Outcome: To be a sustainable port:</b>					
Number of reportable environmental incidents.....	7	<10	nil	<10	
<b>Outcome: To provide a safe workplace:</b>					
Lost time injury frequency rate .....	8.3	nil	3.9	nil	
<b>Outcome: Operate in harmony with our stakeholders:</b>					
All stakeholder satisfaction survey scores .....	n/a	n/a	n/a	>80%	
Deliver Design/Year 1 deliverables of the Geraldton Port Maximisation Project .....	n/a	n/a	n/a	100%	
<b>Outcome: Provide long-term marine infrastructure:</b>					
Develop solution for reduction in the effect of long period wave impact and secure funding.....	n/a	n/a	n/a	100%	

(a) Impact of trade commencing prior to the completion of PMaxP which will require short-term solutions to utilise existing port infrastructure so as not to affect the timeline of the mining projects.

(b) Economic rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

## Asset Investment Program

1. The Authority's 2022-23 Asset Investment Program totals \$103.8 million and includes spending for:
  - 1.1. the PMaxP to expand the capacity of the Port of Geraldton;
  - 1.2. a port-wide firefighting system to provide fully compliant fire systems across the port that meet standards and regulatory compliance requirements;
  - 1.3. land acquisitions in the port precinct funded via Royalties for Regions;
  - 1.4. roadwork improvements to cater for increased road transport into and out of the Port of Geraldton; and
  - 1.5. minor works projects to improve services, upgrade existing civil infrastructure, security, environmental systems, computer systems and replacement of equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Miscellaneous Works							
PMaxP .....	350,000	8,000	8,000	84,967	142,150	88,833	26,050
Land Acquisition and Road Improvements .....	8,000	4,000	4,000	4,000	-	-	-
Port-Wide Firefighting System .....	13,500	932	932	6,068	6,500	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Fishing Boat Harbour							
Replacement of Southern Walkways .....	840	840	840	-	-	-	-
Street Lighting .....	400	400	255	-	-	-	-
Wharf 4 Deck Strengthening and Rail Replacement .....	13,861	13,861	9,331	-	-	-	-
<b>Other Completed Works</b>							
Miscellaneous Works							
2021-22 Program .....	8,470	8,470	8,470	-	-	-	-
Eastern Breakwater Jetty .....	3,000	3,000	3,000	-	-	-	-
<b>NEW WORKS</b>							
Miscellaneous Works							
2022-23 Program .....	8,747	-	-	8,747	-	-	-
2023-24 Program .....	5,500	-	-	-	5,500	-	-
2024-25 Program .....	5,500	-	-	-	-	5,500	-
2025-26 Program .....	5,500	-	-	-	-	-	5,500
<b>Total Cost of Asset Investment Program .....</b>	<b>423,318</b>	<b>39,503</b>	<b>34,828</b>	<b>103,782</b>	<b>154,150</b>	<b>94,333</b>	<b>31,550</b>
<b>FUNDED BY</b>							
Borrowings .....			-	74,967	142,150	88,833	26,050
Funding Included in Department of Treasury Administered Items .....			3,000	-	-	-	-
Drawdowns from Royalties for Regions Fund .....			4,000	4,000	-	-	-
Internal Funds and Balances .....			27,828	24,815	12,000	5,500	5,500
<b>Total Funding .....</b>			<b>34,828</b>	<b>103,782</b>	<b>154,150</b>	<b>94,333</b>	<b>31,550</b>



## Financial Statements

### Income Statement

#### Revenue

- Increases in the Sales of goods and services over the forward estimates period are due to additional and new product throughput which will be enabled by the PMaxP.
- Other revenue over the forward estimates period represent capital recovery and operational fees of new infrastructure provided by the PMaxP.

#### Expenses

- Depreciation costs significantly increase as new infrastructure is commissioned and operational.
- Finance and interest costs increases are due to additional borrowings to fund the PMaxP.

### Statement of Financial Position

- The Statement of Financial Position is materially affected by the PMaxP. Refer to footnotes.

### Statement of Cashflows

- The Statement of Cashflows is materially affected by the PMaxP. Refer to footnotes.
- Supplies and services decreases by \$7.3 million in the 2022-23 Budget Year compared to the 2021-22 Estimated Actual as the 2021-22 balance includes maintenance dredging that is not included over the forward estimates period.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	74,803	100,425	97,516	118,171	154,466	175,559	199,037
Other revenue.....	1,035	616	434	474	486	10,901	28,926
<b>TOTAL REVENUE.....</b>	<b>75,838</b>	<b>101,041</b>	<b>97,950</b>	<b>118,645</b>	<b>154,952</b>	<b>186,460</b>	<b>227,963</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	21,996	22,800	24,681	25,661	25,863	26,387	27,155
Supplies and services .....	13,746	30,603	24,580	17,319	19,472	16,446	17,092
Accommodation .....	1,875	1,769	1,507	2,288	3,265	3,816	4,474
Depreciation and amortisation .....	6,676	7,773	7,051	8,047	10,896	18,066	25,721
Finance and interest costs.....	323	281	282	2,336	6,327	8,163	8,366
Other expenses.....	7,715	8,008	8,989	8,926	9,361	10,841	12,541
<b>TOTAL EXPENSES.....</b>	<b>52,331</b>	<b>71,234</b>	<b>67,090</b>	<b>64,577</b>	<b>75,184</b>	<b>83,719</b>	<b>95,349</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>23,507</b>	<b>29,807</b>	<b>30,860</b>	<b>54,068</b>	<b>79,768</b>	<b>102,741</b>	<b>132,614</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	7,222	8,942	9,258	16,221	23,930	30,822	39,784
Deferred tax equivalent expense .....	(226)	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>16,511</b>	<b>20,865</b>	<b>21,602</b>	<b>37,847</b>	<b>55,838</b>	<b>71,919</b>	<b>92,830</b>
<b>Dividends .....</b>	<b>11,627</b>	<b>-</b>	<b>-</b>	<b>25,340</b>	<b>38,504</b>	<b>50,924</b>	<b>65,702</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 143.2, 163.8 and 160 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets <sup>(b)</sup> .....	41,483	25,875	20,810	26,702	25,757	45,976	84,073
Cash assets - Retained dividends.....	-	28,319	20,319	10,319	10,319	10,319	10,319
Receivables .....	12,248	11,031	12,483	12,489	12,499	12,491	12,515
Other.....	1,871	1,719	1,876	1,876	1,876	1,876	1,876
Total current assets .....	55,602	66,944	55,488	51,386	50,451	70,662	108,783
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment <sup>(b)</sup> .....	128,327	143,731	156,472	252,503	395,836	472,375	478,325
Other.....	2,858	2,863	2,858	2,858	2,858	2,858	2,858
Total non-current assets .....	131,185	146,594	159,330	255,361	398,694	475,233	481,183
<b>TOTAL ASSETS</b> .....	186,787	213,538	214,818	306,747	449,145	545,895	589,966
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	4,681	3,801	4,681	4,681	4,681	4,681	4,681
Payables.....	7,261	7,535	7,862	13,088	8,800	9,708	10,676
Borrowings and leases <sup>(b)</sup> .....	1,415	843	924	12,849	17,938	19,832	20,418
Other.....	650	591	655	655	655	655	655
Total current liabilities .....	14,007	12,770	14,122	31,273	32,074	34,876	36,430
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,531	4,737	3,531	3,531	3,531	3,531	3,531
Borrowings and leases <sup>(b)</sup> .....	7,001	6,331	6,315	64,586	188,849	258,057	263,784
Other.....	1,221	1,374	1,221	1,221	1,221	1,221	1,221
Total non-current liabilities .....	11,753	12,442	11,067	69,338	193,601	262,809	268,536
<b>TOTAL LIABILITIES</b> .....	25,760	25,212	25,189	100,611	225,675	297,685	304,966
<b>NET ASSETS</b> .....	161,027	188,326	189,629	206,136	223,470	248,210	285,000
<b>EQUITY</b>							
Contributed equity <sup>(b)</sup> .....	76,857	84,857	83,857	87,857	87,857	91,602	101,264
Accumulated surplus/(deficit) <sup>(b)</sup> .....	83,382	102,681	104,984	117,491	134,825	155,820	182,948
Reserves.....	788	788	788	788	788	788	788
<b>TOTAL EQUITY</b> .....	161,027	188,326	189,629	206,136	223,470	248,210	285,000

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Materially impacted by the PMaxP. PMaxP will facilitate additional throughput, thereby increasing cash assets. The project will result in a significant increase in Property, Plant and Equipment, funded by borrowings. Dividends on a proposed capital recovery charge will be refunded to the agency via equity contributions.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services <sup>(b)</sup> .....	69,387	95,953	91,978	112,771	148,931	169,890	192,723
GST receipts <sup>(b)</sup> .....	7,874	10,074	9,789	11,857	15,488	18,553	22,084
Other receipts <sup>(b)</sup> .....	6,106	5,088	5,972	5,874	6,021	16,575	35,246
<b>Payments</b>							
Employee benefits .....	(21,554)	(22,783)	(24,681)	(25,661)	(25,863)	(26,387)	(27,155)
Supplies and services .....	(13,746)	(30,692)	(24,580)	(17,319)	(19,472)	(16,446)	(17,092)
Accommodation <sup>(c)</sup> .....	(3,981)	(850)	(640)	(1,399)	(2,354)	(2,882)	(3,516)
GST payments <sup>(b)</sup> .....	(7,736)	(9,106)	(9,637)	(11,627)	(14,927)	(18,250)	(21,627)
Finance and interest costs <sup>(b)</sup> .....	(331)	(272)	(282)	(2,336)	(6,327)	(8,163)	(8,366)
Other payments .....	(8,488)	(7,935)	(8,989)	(8,924)	(9,362)	(10,848)	(12,517)
<b>Net cash from operating activities .....</b>	<b>27,531</b>	<b>39,477</b>	<b>38,930</b>	<b>63,236</b>	<b>92,135</b>	<b>122,042</b>	<b>159,780</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Purchase of non-current assets <sup>(b)</sup> .....	(8,194)	(21,377)	(34,828)	(103,782)	(154,150)	(94,333)	(31,550)
<b>Net cash from investing activities .....</b>	<b>(8,194)</b>	<b>(21,377)</b>	<b>(34,828)</b>	<b>(103,782)</b>	<b>(154,150)</b>	<b>(94,333)</b>	<b>(31,550)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings <sup>(b)</sup> .....	-	-	-	74,967	142,150	88,833	26,050
<b>Payments</b>							
Repayment of borrowings and leases <sup>(b)</sup> .....	(1,681)	(1,490)	(1,550)	(5,066)	(12,877)	(18,004)	(19,858)
<b>Net cash from financing activities .....</b>	<b>(1,681)</b>	<b>(1,490)</b>	<b>(1,550)</b>	<b>69,901</b>	<b>129,273</b>	<b>70,829</b>	<b>6,192</b>
<b>CASHFLOWS FROM GOVERNMENT ACTIVITIES</b>							
<b>Receipts</b>							
Administered appropriations .....	91	-	-	-	-	-	-
Equity Contributions <sup>(b)</sup> .....	-	8,000	7,000	4,000	-	3,745	9,662
<b>Payments</b>							
Dividends to Government <sup>(b)</sup> .....	(11,627)	-	-	(25,340)	(38,504)	(50,924)	(65,702)
National Tax Equivalent Regime - Income tax <sup>(b)</sup> .....	(5,955)	(9,571)	(9,038)	(11,234)	(28,788)	(30,206)	(39,327)
Local Government Rates Equivalent .....	(868)	(919)	(868)	(889)	(911)	(934)	(958)
<b>Net cash provided to Government .....</b>	<b>18,359</b>	<b>2,490</b>	<b>2,906</b>	<b>33,463</b>	<b>68,203</b>	<b>78,319</b>	<b>96,325</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(703)</b>	<b>14,120</b>	<b>(354)</b>	<b>(4,108)</b>	<b>(945)</b>	<b>20,219</b>	<b>38,097</b>
Cash assets at the beginning of the reporting period .....	42,186	40,074	41,483	41,129	37,021	36,076	56,295
<b>Cash assets at the end of the reporting period .....</b>	<b>41,483</b>	<b>54,194</b>	<b>41,129</b>	<b>37,021</b>	<b>36,076</b>	<b>56,295</b>	<b>94,392</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Materially impacted by the PMaxP. Increased receipts are due to an increase in throughput, facilitated by PMaxP infrastructure. The project investment, funded by borrowings, will increase payments on GST and purchase of non-current assets, increase proceeds from and repayments of borrowings and subsequent interest payments. Increase in profitability will lead to an increase in dividends and taxes paid to Government. Dividends on a proposed capital recovery charge will be refunded to the agency via equity contributions.

(c) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

# Pilbara Ports Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax...	68,842	91,976	79,538	115,121	97,821	108,390	110,851
Local Government Rates Equivalent .....	2,995	2,897	2,983	3,057	3,134	3,212	3,292
Dividends <sup>(a)(b)</sup> .....	111,913	-	-	210,681	202,591	209,734	218,634
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Other Subsidies .....	9,110	9,110	9,110	9,110	9,110	9,110	9,110
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	20,117	82,013	81,571	47,509	72,569	26,690	27,889
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	85	85	85	85	85	85	85
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	512,767	575,693	574,662	707,026	663,192	687,711	705,620
Revenue from Government .....	9,110	9,110	9,110	9,110	9,110	9,110	9,110
Total Expenses <sup>(c)</sup> .....	293,075	310,786	318,647	332,398	346,233	335,520	345,225
Total Borrowings .....	105,614	91,198	142,198	146,973	145,724	109,639	86,293
<b>NET PROFIT AFTER TAX.....</b>	159,960	182,041	185,587	268,617	228,248	252,911	258,654
<b>CASH ASSETS <sup>(d)</sup> .....</b>	422,817	603,428	655,428	568,547	578,588	679,499	805,924

- (a) In determining the dividend payment to general government, net profit after tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) The Authority will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise (GTE) for further detail.
- (c) Excludes current tax expense, deferred tax expense and dividends.
- (d) As at 30 June each financial year.

## Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Key Adjustments</b>					
Dampier Cargo Wharf Extension .....	-	-	220	3,360	6,470
Hedland Maritime Initiative Reforecast .....	1,080	11,377	696	(522)	11,528
Port User Dredging Contribution .....	-	48,506	9,389	(336)	(336)
<b>Other</b>					
Depreciation Impact of 2020-21 Asset Fair Valuation .....	(3,621)	(10,802)	(10,802)	(10,802)	(10,802)
Revenue and Expense Update .....	(9,811)	4,747	9,411	17,332	27,881

## Significant Issues Impacting the Government Trading Enterprise

### Navigating the COVID-19 pandemic

1. There is the potential for the Authority to be impacted by a predicted skilled worker shortage in Western Australia with some trade-based roles and professional roles, such as marine and helicopter pilots, likely to be most impacted. If realised, the skilled worker shortage could impact project delivery and port operations. The Authority continues to effectively manage COVID-19 impacts.

### COVID-19 Response

2. Two projects are underway at the Port of Port Hedland as part of the Government's COVID-19 Response. These projects which will sustain and improve capacity are the: Tug Haven Revetment Wall Upgrade project (\$51.2 million) to renew the harbour revetments and provide storm shelter for the modern tugs operating at the port; and Inner Harbour revetment works project (\$20 million) to renew and upgrade the existing revetments that have been degraded over many years by cyclonic storms, tidal action and shipping activity.

### Election Commitment - Port Hedland Spoilbank Marina

3. In June 2020, the Government announced that the Authority would be the lead agency for the construction of the Spoilbank Marina in Port Hedland and would be the owner and operator of the marina, once it is complete. The project is being delivered in two key stages. Stage one involved the construction of the truck haulage road which reached practical completion at the end of March 2021. The Authority has progressed delivering stage two, which is comprised of: bulk earthworks, revetments and breakwaters, dredging and reclamation works, marina structures and land-side civil works. Completion of stage two works is expected in 2023-24.

### Port Hedland Voluntary Buy-back Scheme

4. In June 2020, the Government announced a voluntary buy-back scheme for parts of Port Hedland's West End and that the scheme would be delivered by the Authority. There are 425 eligible properties. The offer and acceptance process to date has confirmed the rate of property acquisition is in line with assumptions in the original scheme modelling.

### 2021-22 Dividend Retention

5. The Authority will retain its forecast 2021-22 dividend payment of \$254.3 million to fund future infrastructure investment which will be quarantined until the Government approves business cases for the strategic infrastructure requirements. Of the retained dividend amount, \$29.8 million has been allocated to the Spoilbank Marina project and \$36.4 million has been set aside for the Dampier Cargo Wharf Extension.

## Dampier Cargo Wharf Extension

6. The Dampier Cargo Wharf Extension and Landside Redevelopment Project includes development of a new land-backed wharf that will initially support the bulk export of urea from a proposed industrial project in the region and redundancy for ageing infrastructure at the Port of Dampier. The new land-backed wharf will be a multi-user, multi-product facility capable of accommodating bulk carriers, cruise ships and general cargo vessels, as well as vessels supporting the offshore oil and gas industry.

## Lumsden Point

7. The Authority will spend \$78.1 million in 2022-23 for construction of seawalls and bund/retaining walls (\$66.1 million) and construction of a causeway (\$12 million) at Lumsden Point. This will facilitate the future development of additional general cargo facilities and a logistics hub at Port Hedland.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Appropriate financial returns to the State.	1. Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Regional prosperity and development.	2. Maximise regional benefits through management of existing and future ports

## Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments:</b>					
Rate of return on assets .....	9.8%	13.4%	9.9%	11.9%	
Economic rate of return <sup>(a)</sup> .....	10%	13.8%	10%	12%	
Debt to equity ratio .....	0.36	0.38	0.37	0.38	
<b>Outcome: Maximise regional benefits through management of existing and future ports: <sup>(b)</sup></b>					
<b>Port of Port Hedland</b>					
Ship revenue earned per visit .....	\$121,079	\$129,006	\$140,773	\$154,605	
Port trade ('000 tonnes) .....	546,149	566,014	559,276	580,435	
Number of vessel visits .....	3,159	3,257	3,235	3,357	
<b>Port of Dampier</b>					
Ship revenue earned per visit .....	\$20,655	\$16,455	\$19,987	\$19,431	
Port trade ('000 tonnes) .....	167,408	172,824	164,824	170,676	
Number of vessel visits .....	2,953	3,471	2,907	3,011	

(a) Economic rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Port of Ashburton and Port of Varanus Island information is not included for reasons of commercial-in-confidence.

## Asset Investment Program

1. The Authority's 2022-23 Asset Investment Program totals \$339.4 million and includes the provision of major and minor works, revetment upgrades at the Port of Port Hedland, construction of the Port Hedland Spoilbank Marina, the Lumsden Point General Cargo Facility and Logistics Hub, the Dampier Cargo Wharf Extension and port infrastructure at the Port of Ashburton.
2. Chevron's handover of the Port of Ashburton infrastructure was completed in 2018-19. Works to support future development of the multi-user facilities at the port are forecast to be \$3.7 million in 2022-23 and \$16 million in the outyears.
3. The construction of the Port Hedland Spoilbank Marina is forecast to be \$62 million in 2022-23 and \$64.5 million in 2023-24. The expenditure will be funded from Royalties for Regions and other State contributions.
4. Following Severe Tropical Cyclone Veronica in March 2019, work was undertaken to assess the extent of damage caused to the Port Hedland Inner Harbour. The cyclone was analysed as being a 1 in 50-year event. Four revetment locations were identified as requiring immediate upgrade. The Port Hedland Inner Harbour revetment project has forecast expenditure of \$3.8 million in 2022-23 and \$4.7 million in 2023-24.
5. Cyclonic conditions from Severe Tropical Cyclone Veronica persisted in the port area for 36 hours and coincided with seasonal high tides. The collective effect of these factors accelerated the deterioration of the Tug Haven revetments and sheet pile wall. The Port Hedland Tug Haven Revetment Wall Upgrade project has forecast expenditure of \$30.5 million in 2022-23.
6. The minor works program totals \$22.6 million in 2022-23 and a total of \$61 million in the outyears. The program provides for replacement of mobile plant and office equipment, upgrades to safety, ICT, electrical and other equipment, and infrastructure (civil and marine).
7. The Hedland Maritime Initiative is the special purpose vehicle established to administer the Government's Port Hedland Voluntary Buy-back Scheme and facilitate the planning and development of a Maritime Precinct. The Hedland Maritime Initiative acquisition of residential properties is forecast to be \$30.8 million in 2022-23 and \$31.7 million in 2023-24.

8. An extension to the Dampier Cargo Wharf will provide an additional 200 metre length of berth in Dampier for the export of bulk solids as well as import/export of general cargoes and other commodities. The expenditure is forecast to be \$90.5 million in 2022-23 and a total of \$104.4 million in the outyears. The Marine Offloading Facility road culvert works of \$2.5 million in 2022-23 are in support of this project.
9. The Lumsden Point General Cargo Facility and Logistics Hub will meet the demand for existing and new trade growth through the Pilbara region. Expenditure is forecast to be \$78.1 million in 2022-23 of which \$66.1 million is for construction of sea walls and bund/retaining walls and \$12 million for causeway construction.
10. Port Hedland Inner Harbour capital dredging of \$15 million will be performed in 2022-23 to enable increased port capacity.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Port of Port Hedland							
Inner Harbour Revetment Upgrades .....	20,000	11,526	5,135	3,756	4,718	-	-
Tug Haven Revetment Wall Upgrades .....	51,200	20,731	20,511	30,469	-	-	-
<b>Other Works in Progress</b>							
Minor Works - 2021-22 Program .....	28,372	25,000	25,000	-	-	-	-
Port of Ashburton - Port Infrastructure Construction Project .....	32,400	12,697	3,458	3,711	6,000	9,992	-
Port of Port Hedland							
Election Commitment - Spoilbank Marina .....	159,960	33,439	28,236	61,996	64,525	-	-
Hedland Maritime Initiative .....	145,404	82,867	77,517	30,797	31,740	-	-
<b>NEW WORKS</b>							
Dampier Cargo Wharf Extension .....	194,810	-	-	90,460	91,980	8,140	4,230
Minor Works							
2022-23 Program .....	19,205	-	-	22,577	-	-	-
2023-24 Program .....	20,323	-	-	-	20,323	-	-
2024-25 Program .....	20,323	-	-	-	-	20,323	-
2025-26 Program .....	20,323	-	-	-	-	-	20,323
Marine Offloading Facility Road Culvert .....	2,500	-	-	2,500	-	-	-
Port of Port Hedland							
Inner Harbour Dredging .....	15,000	-	-	15,000	-	-	-
Lumsden Point General Cargo Facility and Logistics Hub .....	78,100	-	-	78,100	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>807,920</b>	<b>186,260</b>	<b>159,857</b>	<b>339,366</b>	<b>219,286</b>	<b>38,455</b>	<b>24,553</b>
<b>FUNDED BY</b>							
Borrowings .....			40,000	62,459	94,580	8,140	4,220
Funding Included in Department of Treasury Administered Items .....			36,831	13,169	-	-	-
Drawdowns from Royalties for Regions Fund .....			31,972	6,050	26,178	-	-
Internal Funds and Balances .....			51,054	257,688	98,528	30,315	20,333
<b>Total Funding .....</b>			<b>159,857</b>	<b>339,366</b>	<b>219,286</b>	<b>38,455</b>	<b>24,553</b>



## Financial Statements

### Income Statement

#### Revenue

1. Revenue growth is attributable to the Port Hedland Voluntary Buy-back Scheme levy, increased throughput, and approved price increases.

#### Expenses

2. Operating expenses are expected to rise from the 2020-21 Actual due to changes to the workforce plan, increased depreciation due to higher asset valuations and the incorporation of the HMI.

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	486,427	562,492	557,947	687,745	644,384	671,803	689,314
Other revenue.....	26,340	13,201	16,715	19,281	18,808	15,908	16,306
<b>Revenue from Government</b>							
Other subsidies.....	9,110	9,110	9,110	9,110	9,110	9,110	9,110
<b>TOTAL REVENUE.....</b>	<b>521,877</b>	<b>584,803</b>	<b>583,772</b>	<b>716,136</b>	<b>672,302</b>	<b>696,821</b>	<b>714,730</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	57,078	61,338	61,469	64,554	66,416	68,036	69,343
Grants and subsidies.....	-	4,050	4,050	7,000	10,600	-	-
Supplies and services.....	68,153	79,210	77,843	79,473	81,319	80,570	82,542
Accommodation.....	39,355	42,738	43,144	45,099	46,176	46,459	47,620
Depreciation and amortisation.....	85,857	84,003	96,665	101,308	105,750	105,807	110,771
Finance and interest costs.....	6,475	5,336	4,480	4,714	4,955	4,150	3,444
Other expenses.....	36,157	34,111	30,996	30,250	31,017	30,498	31,505
<b>TOTAL EXPENSES.....</b>	<b>293,075</b>	<b>310,786</b>	<b>318,647</b>	<b>332,398</b>	<b>346,233</b>	<b>335,520</b>	<b>345,225</b>
<b>NET PROFIT/(LOSS) BEFORE TAX.....</b>	<b>228,802</b>	<b>274,017</b>	<b>265,125</b>	<b>383,738</b>	<b>326,069</b>	<b>361,301</b>	<b>369,505</b>
National Tax Equivalent Regime - Current tax equivalent expense.....	68,842	91,976	79,538	115,121	97,821	108,390	110,851
<b>NET PROFIT/(LOSS) AFTER TAX.....</b>	<b>159,960</b>	<b>182,041</b>	<b>185,587</b>	<b>268,617</b>	<b>228,248</b>	<b>252,911</b>	<b>258,654</b>
<b>Dividends.....</b>	<b>111,913</b>	<b>-</b>	<b>-</b>	<b>210,681</b>	<b>202,591</b>	<b>209,734</b>	<b>218,634</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 274, 275 and 331 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	344,327	320,037	346,378	327,637	390,466	491,377	617,802
Cash assets - Retained dividends.....	-	230,868	254,282	194,382	188,122	188,122	188,122
Restricted Cash.....	78,490	52,523	54,768	46,528	-	-	-
Receivables .....	71,925	64,801	75,672	88,896	90,861	92,750	93,312
Other.....	8,612	8,495	11,701	13,268	13,471	13,664	13,730
Total current assets .....	503,354	676,724	742,801	670,711	682,920	785,913	912,966
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	2,856,636	2,433,658	2,920,319	3,158,375	3,271,913	3,204,560	3,118,343
Intangibles .....	2,397	93	1,606	952	298	(121)	(121)
Other investments .....	302	232	302	302	302	302	302
Other.....	80,392	66,301	80,392	80,392	80,392	80,392	80,392
Total non-current assets .....	2,939,727	2,500,284	3,002,619	3,240,021	3,352,905	3,285,133	3,198,916
<b>TOTAL ASSETS .....</b>	<b>3,443,081</b>	<b>3,177,008</b>	<b>3,745,420</b>	<b>3,910,732</b>	<b>4,035,825</b>	<b>4,071,046</b>	<b>4,111,882</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	10,256	9,765	10,754	11,200	11,456	11,704	11,918
Payables .....	29,878	24,251	26,238	26,450	26,384	27,226	27,148
Borrowings and leases .....	16,343	15,419	16,553	16,776	17,012	17,263	17,263
Other.....	22,881	16,380	25,089	25,620	26,171	25,379	25,700
Total current liabilities .....	79,358	65,815	78,634	80,046	81,023	81,572	82,029
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,429	1,384	1,502	1,568	1,606	1,643	1,674
Borrowings and leases .....	129,373	120,661	165,775	224,387	314,882	286,686	265,260
Other.....	767,019	615,965	766,449	766,226	701,583	694,547	688,412
Total non-current liabilities .....	897,821	738,010	933,726	992,181	1,018,071	982,876	955,346
<b>TOTAL LIABILITIES.....</b>	<b>977,179</b>	<b>803,825</b>	<b>1,012,360</b>	<b>1,072,227</b>	<b>1,099,094</b>	<b>1,064,448</b>	<b>1,037,375</b>
<b>NET ASSETS .....</b>	<b>2,465,902</b>	<b>2,373,183</b>	<b>2,733,060</b>	<b>2,838,505</b>	<b>2,936,731</b>	<b>3,006,598</b>	<b>3,074,507</b>
<b>EQUITY</b>							
Contributed equity .....	373,566	455,613	455,137	502,646	575,215	601,905	629,794
Accumulated surplus/(deficit).....	512,897	669,660	698,484	756,420	782,077	825,254	865,274
Reserves.....	1,579,439	1,247,910	1,579,439	1,579,439	1,579,439	1,579,439	1,579,439
<b>TOTAL EQUITY .....</b>	<b>2,465,902</b>	<b>2,373,183</b>	<b>2,733,060</b>	<b>2,838,505</b>	<b>2,936,731</b>	<b>3,006,598</b>	<b>3,074,507</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	455,396	572,412	571,289	689,722	662,955	681,714	701,578
GST receipts .....	1,469	-	-	-	-	-	-
Other receipts .....	92,581	3,744	2,303	2,361	2,420	2,480	2,542
<b>Payments</b>							
Employee benefits.....	(55,532)	(61,312)	(61,150)	(64,239)	(66,311)	(67,719)	(69,064)
Supplies and services .....	(64,444)	(74,259)	(73,981)	(75,514)	(77,261)	(76,410)	(78,279)
Accommodation <sup>(b)</sup> .....	(36,360)	(39,841)	(40,161)	(42,042)	(43,042)	(43,247)	(44,328)
GST payments .....	(901)	-	-	-	-	-	-
Finance and interest costs.....	(4,351)	(4,189)	(3,316)	(3,521)	(3,732)	(3,179)	(2,449)
Other payments.....	(73,669)	(44,331)	(41,835)	(41,700)	(112,081)	(40,992)	(41,609)
<b>Net cash from operating activities .....</b>	<b>314,189</b>	<b>352,224</b>	<b>353,149</b>	<b>465,067</b>	<b>362,948</b>	<b>452,647</b>	<b>468,391</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Purchase of non-current assets .....	(27,758)	(140,542)	(159,857)	(339,366)	(219,286)	(38,455)	(24,553)
<b>Net cash from investing activities.....</b>	<b>(27,758)</b>	<b>(140,542)</b>	<b>(159,857)</b>	<b>(339,366)</b>	<b>(219,286)</b>	<b>(38,455)</b>	<b>(24,553)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	64,700	8,411	40,000	62,459	94,580	8,140	4,220
<b>Payments</b>							
Repayment of borrowings and leases .....	(81,193)	(22,827)	(3,416)	(3,625)	(3,848)	(36,085)	(25,656)
<b>Net cash from financing activities.....</b>	<b>(16,493)</b>	<b>(14,416)</b>	<b>36,584</b>	<b>58,834</b>	<b>90,732</b>	<b>(27,945)</b>	<b>(21,436)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Administered appropriations .....	203	-	-	-	-	-	-
Equity contributions .....	20,117	82,013	81,571	47,509	72,569	26,690	27,889
Other subsidies .....	9,110	9,110	9,110	9,110	9,110	9,110	9,110
<b>Payments</b>							
Dividends to Government .....	(111,913)	-	-	(210,681)	(202,591)	(209,734)	(218,634)
National Tax Equivalent Regime - Income tax .....	(78,080)	(87,327)	(84,963)	(114,297)	(100,307)	(108,190)	(111,050)
Local Government Rates Equivalent.....	(2,995)	(2,897)	(2,983)	(3,057)	(3,134)	(3,212)	(3,292)
<b>Net cash provided to Government .....</b>	<b>163,558</b>	<b>(899)</b>	<b>(2,735)</b>	<b>271,416</b>	<b>224,353</b>	<b>285,336</b>	<b>295,977</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>106,380</b>	<b>198,165</b>	<b>232,611</b>	<b>(86,881)</b>	<b>10,041</b>	<b>100,911</b>	<b>126,425</b>
Cash assets at the beginning of the reporting period .....	316,437	405,263	422,817	655,428	568,547	578,588	679,499
<b>Cash assets at the end of the reporting period .....</b>	<b>422,817</b>	<b>603,428</b>	<b>655,428</b>	<b>568,547</b>	<b>578,588</b>	<b>679,499</b>	<b>805,924</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement, however within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

# Southern Ports Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent - Income Tax .....	18,335	13,316	14,605	<b>16,154</b>	18,754	20,190	21,460
Local Government Rates Equivalent .....	918	786	659	<b>690</b>	704	718	732
Dividends <sup>(a)(b)</sup> .....	38,982	-	-	<b>27,593</b>	31,683	34,705	36,999
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies <sup>(c)</sup> .....	21,482	8,078	12,372	<b>5,565</b>	-	-	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution <sup>(d)</sup> .....	640	2,750	1,847	<b>13,653</b>	-	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	100	-	-	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	149,460	148,136	148,136	<b>168,123</b>	183,244	189,709	195,297
Revenue from Government .....	21,482	8,078	12,372	<b>5,565</b>	-	-	-
Total Expenses <sup>(e)</sup> .....	105,608	111,826	111,825	<b>119,838</b>	120,734	122,410	123,763
Total Borrowings .....	7,504	6,194	6,194	<b>4,805</b>	3,334	1,949	539
<b>NET PROFIT AFTER TAX.....</b>	<b>45,410</b>	<b>31,072</b>	<b>34,078</b>	<b>37,696</b>	<b>43,756</b>	<b>47,109</b>	<b>50,074</b>
<b>CASH ASSETS <sup>(f)</sup> .....</b>	<b>79,410</b>	<b>98,833</b>	<b>99,195</b>	<b>53,438</b>	<b>61,924</b>	<b>77,039</b>	<b>93,433</b>

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) The Authority will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise (GTE) for further detail.

(c) This represents subsidies paid to the Authority to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018.

(d) The Authority will receive Royalties for Regions funding of \$15.5 million over 2021-22 to 2022-23 to support the delivery of the Inner Harbour Access Bridge at the Port of Bunbury.

(e) Excludes current tax expense, deferred tax expense and dividends.

(f) As at 30 June each financial year.

## Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2021-22 Budget to Parliament on 9 September 2021, are outlined below:

	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>Ongoing Initiative</b>					
Government Support Package for Koolyanobbing Iron Ore.....	(3,006)	550	730	-	-
<b>New Initiatives</b>					
Port of Bunbury - Berth 8 Precinct Fire Ring Main (Stage 2) .....	-	-	754	876	870
Port of Bunbury - Pilot Launch Replacement .....	-	-	730	866	864
Port of Esperance - Berth 2 Hardstand and Stormwater System (Stage 2)....	-	-	848	1,006	1,001
Port of Esperance - Iron Ore Shed 3 Cladding .....	-	(981)	(186)	-	981
Trade and Operating Expenditure Revisions .....	(126)	3,794	12,175	11,707	12,524

## Significant Issues Impacting the Government Trading Enterprise

### Trade Development

1. The Authority will continue to create a pipeline of trade opportunities across various commodities and provide latent capacity to accommodate third party access to its ports. The Authority is focused on remaining agile to meet changing market conditions for commodities to mitigate the risk of reliance on any one commodity.

### Port Development

2. The Authority is focused on the sustainability of ageing asset classes, including berths and breakwaters. A key priority is the development of long-term asset management plans, including major maintenance and asset renewal plans to sustain existing capacity and capability necessary to facilitate trade.

### Sustainability

3. The Authority will continue to pursue sustainability through its operations, building a solid reputation with its customers and local communities for creating long-term value through the protection of the environment and heritage assets, while achieving strong economic and regional development for current and future generations. This will also incorporate the Government's goal of achieving net zero greenhouse gas emissions by 2050.

### Supply Chain

4. The Authority will continue to facilitate the optimisation of supply links for its customers and the State across all three of its ports.

### Innovation

5. The Authority is focused on transitioning to a fully digital organisation by 2025 and has implemented its 'Future Ports' strategy to bring the right technologies and innovation to the organisation and its customers. This includes improving digital reporting capability to enable more efficient decision making.

### 2021-22 Retained Dividend

6. The Authority will retain its forecast 2021-22 dividend payment of \$64 million to fund future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements. Of the retained dividend amount, \$14.6 million over 2022-23 to 2025-26 has been allocated to the Sustaining Capital Works Project.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Financially sustainable.	1. Maximise opportunities to create value for the State
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Strong regional jobs.	2. Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Environmental compliance.	3. Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets

## Outcomes and Key Performance Indicators

	2020-21 Actual	2021-22 Budget	2021-22 Estimated Actual	2022-23 Budget Target	Note
<b>Outcome: Maximise opportunities to create value for the State:</b>					
Return on assets.....	15.5%	10.2%	11.2%	11.3%	1
Earnings before interest, taxes, depreciation and amortisation (\$'000).....	75,813	55,129	59,394	66,856	2
Economic rate of return <sup>(a)</sup> .....	9.9%	6.2%	6.8%	7.3%	3
Debt to equity ratio.....	0.14	0.12	0.11	0.09	4
<b>Outcome: Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel:</b>					
Customer satisfaction score - corporate index score.....	61	>65	65	>65	
Lost time injury frequency rate .....	7.9	nil or 10% reduction	2.3	nil or 10% reduction	
Total number of vessel visits .....	772	782	761	724	5
Total port trade tonnes (Kt) .....	35,370	35,791	35,657	32,652	6
<b>Outcome: Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets:</b>					
Number of reportable environment incidents .....	1	nil or 10% reduction	nil	nil or 10% reduction	

(a) Economic rate of return as calculated in accordance with Transport's Western Australia Port Authority – Rate of Return Calculation Methodology and Asset Valuation Policy.

## Explanation of Significant Movements

(Notes)

- Higher return on assets for the 2020-21 Actual of 15.5% is due to transfer of assets on termination of lease arrangements, which has led to \$8.8 million brought to account as other revenue.
- Fluctuations in earnings before interest, taxes, depreciation and amortisation due to payments associated with the Government Support Package for Koolyanobbing Iron Ore of \$21.5 million in 2020-21, \$12.4 million in 2021-22 and \$5.6 million in 2022-23.
- Economic rate of return is higher in the 2020-21 Actual due to Government subsidies and recognition of transferred asset other revenue totalling \$30.3 million.
- The reduction in the debt to equity ratio from 2020-21 through to 2022-23 is due to the repayment of a Western Australian Treasury Corporation loan and retention of dividend payments in 2021-22.
- Reduction in vessel visits in the 2022-23 Budget Target is due to revised forecast iron ore tonnages.
- The Authority consults with port users to obtain current trade forecasts, with the main movement in year-on-year trade due to revised iron ore volumes in 2022-23.

## **Asset Investment Program**

### **Asset Investment Program**

1. The Authority's Asset Investment Program for 2022-23 to 2025-26 totals \$95 million, investing in projects to support regional development and economic growth of the State through the import and export of various commodities.

### **New Projects**

2. The Authority will spend \$25.3 million over 2022-23 to 2025-26 on the following infrastructure projects:
  - 2.1. \$14.6 million on the Sustaining Capital Works Program to ensure all major assets are in a suitable condition to facilitate trade across all three ports;
  - 2.2. \$3.9 million on Berth 2 Hardstand and Stormwater System (Stage 2) at the Port of Esperance to remain compliant with the port's environment licence;
  - 2.3. \$3.6 million on Bunbury Pilot Launch replacement to provide better coverage and ensure the safe transfer of pilots in all weather conditions; and
  - 2.4. \$3.2 million on Bunbury Berth 8 Precinct Fire Ring Main to complete the fire protection system and ensure fire safety protocols.

### **Existing Projects and Minor Works**

3. The Authority will spend \$23.2 million in 2022-23 on the following existing projects:
  - 3.1. \$14 million on Esperance Iron Ore Shed 3 Recladding. Due to the existing corrosion of the Shed, combined with exacerbating sea-side conditions, remediation works are required to maximise storage capacity and trade opportunities; and
  - 3.2. \$9.2 million on minor works across its three ports for the replacement of plant and equipment, improvements to port infrastructure and other civil works.

### **COVID-19 Response**

4. The Authority will spend \$19.5 million in 2022-23 on the following infrastructure projects:
  - 4.1. \$13.7 million to commence the design and construction of a new access road and bridge to Turkey Point at the Port of Bunbury to address safety and operational issues;
  - 4.2. \$4.6 million at the Port of Esperance for the Berth 2 Hardstand and Stormwater System; and
  - 4.3. \$1.2 million at the Port of Bunbury for the Berth 8 electrical substation.



	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-22 \$'000	2021-22 Estimated Expenditure \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Port of Bunbury							
Berth 8 Substation Replacement .....	1,500	272	200	1,228	-	-	-
Inner Harbour Access Bridge.....	15,500	1,847	1,650	13,653	-	-	-
Port of Esperance - Berth 2 Hardstand and Stormwater System.....	5,000	355	200	4,645	-	-	-
<b>Other Works in Progress</b>							
Port of Esperance - Iron Ore Shed 3 Recladding.....	14,580	625	625	13,955	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Port of Bunbury - Required Berth 8 Fire System .....	500	500	420	-	-	-	-
Port of Esperance							
Additional Container Hardstand .....	2,000	2,000	1,640	-	-	-	-
Sealing Internal Port Roads .....	1,500	1,500	1,321	-	-	-	-
<b>Other Completed Works</b>							
Minor Works - 2021-22 Program .....	12,238	12,238	12,238	-	-	-	-
Port of Bunbury							
Berth 8 Capacity Upgrade .....	8,882	8,882	2,360	-	-	-	-
Tuart Pilot Launch Re-engine .....	550	550	230	-	-	-	-
Port of Esperance							
Power Connection.....	2,479	2,479	2,479	-	-	-	-
Trade Facilitation Upgrade - Shed 4 .....	3,168	3,168	1,865	-	-	-	-
<b>NEW WORKS</b>							
Infrastructure - Sustaining Capital Works.....	14,556	-	-	7,836	3,558	1,783	1,379
Minor Works							
2022-23 Program .....	9,245	-	-	9,245	-	-	-
2023-24 Program .....	9,000	-	-	-	9,000	-	-
2024-25 Program .....	9,000	-	-	-	-	9,000	-
2025-26 Program .....	9,000	-	-	-	-	-	9,000
Port of Bunbury							
Berth 8 Precinct Fire Ring Main (Stage 2).....	3,230	-	-	2,730	500	-	-
Pilot Launch Replacement.....	3,577	-	-	2,706	871	-	-
Port of Esperance - Berth 2 Hardstand and Stormwater System (Stage 2) .....	3,890	-	-	3,390	500	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>129,395</b>	<b>34,416</b>	<b>25,228</b>	<b>59,388</b>	<b>14,429</b>	<b>10,783</b>	<b>10,379</b>
<b>FUNDED BY</b>							
Drawdowns from Royalties for Regions Fund .....			1,847	13,653	-	-	-
Internal Funds and Balances.....			23,381	45,735	14,429	10,783	10,379
<b>Total Funding .....</b>			<b>25,228</b>	<b>59,388</b>	<b>14,429</b>	<b>10,783</b>	<b>10,379</b>

## Financial Statements

### Income Statement

#### Revenue

- Operating subsidies - the Authority receives an operating subsidy to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018. This operating subsidy is forecast to cease in 2022-23, subject to actual throughput in 2022-23.

### Statement of Financial Position

- Non-Current Liabilities - borrowings and leases - the Authority has a loan agreement with the Western Australian Treasury Corporation that was utilised for the construction of various assets at Esperance Port. This loan is due to expire in 2027. The Authority has a capital user charge agreement (non-current receivable) in place with respect to these assets.

### Statement of Cashflows

- Purchase of non-current assets - the increase in the 2022-23 Budget Year relates to Asset Investment Program projects. The increase in receipts from 2023-24 is due to port charge increases applied to fund the Sustaining Capital Works Program.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	137,780	134,833	136,015	138,025	168,640	174,627	179,953
Other revenue <sup>(b)</sup> .....	11,680	13,303	12,121	30,098	14,604	15,082	15,344
<b>Revenue from Government</b>							
Operating subsidies.....	21,482	8,078	12,372	5,565	-	-	-
<b>TOTAL REVENUE.....</b>	<b>170,942</b>	<b>156,214</b>	<b>160,508</b>	<b>173,688</b>	<b>183,244</b>	<b>189,709</b>	<b>195,297</b>
<b>Expenses</b>							
Employee benefits <sup>(c)</sup> .....	37,181	39,188	39,299	46,184	47,475	49,693	50,748
Supplies and services .....	36,817	40,188	41,216	43,464	40,894	39,972	40,002
Accommodation .....	11,346	11,070	11,880	9,045	9,745	9,905	10,082
Depreciation and amortisation .....	10,333	10,965	10,935	12,808	14,257	14,259	14,262
Finance and interest costs.....	636	568	568	351	267	179	93
Other expenses.....	9,295	9,847	7,927	7,986	8,096	8,402	8,576
<b>TOTAL EXPENSES.....</b>	<b>105,608</b>	<b>111,826</b>	<b>111,825</b>	<b>119,838</b>	<b>120,734</b>	<b>122,410</b>	<b>123,763</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>65,334</b>	<b>44,388</b>	<b>48,683</b>	<b>53,850</b>	<b>62,510</b>	<b>67,299</b>	<b>71,534</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	18,335	13,316	14,605	16,154	18,754	20,190	21,460
Deferred tax equivalent expense .....	1,589	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>45,410</b>	<b>31,072</b>	<b>34,078</b>	<b>37,696</b>	<b>43,756</b>	<b>47,109</b>	<b>50,074</b>
<b>Dividends .....</b>	<b>38,982</b>	<b>-</b>	<b>-</b>	<b>27,593</b>	<b>31,683</b>	<b>34,705</b>	<b>36,999</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Other Revenue in the 2022-23 Budget Year includes \$18.2 million recognition of transferred assets from termination of arrangements.

(c) The full-time equivalents for 2020-21 Actual, 2021-22 Estimated Actual and 2022-23 Budget Year are 223, 250 and 277 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets <sup>(b)</sup> .....	79,410	40,560	35,234	71	9,357	26,255	44,028
Cash assets - Retained dividends.....	-	58,273	63,961	53,367	52,567	50,784	49,405
Receivables .....	23,521	19,629	22,621	27,524	31,056	32,073	33,363
Other.....	4,888	3,089	4,994	5,082	5,172	5,264	5,357
Total current assets .....	107,819	121,551	126,810	86,044	98,152	114,376	132,153
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	164,868	177,407	179,366	243,985	244,386	241,193	237,207
Receivables .....	7,769	6,403	6,403	4,949	3,401	1,753	-
Other.....	9,017	14,774	9,063	9,110	9,158	9,207	9,257
Total non-current assets .....	181,654	198,584	194,832	258,044	256,945	252,153	246,464
<b>TOTAL ASSETS</b> .....	289,473	320,135	321,642	344,088	355,097	366,529	378,617
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	8,033	7,899	7,987	8,139	8,293	8,451	8,613
Payables .....	7,537	9,036	7,770	7,879	8,069	8,263	8,463
Borrowings and leases .....	1,490	1,389	1,389	1,473	1,385	1,410	539
Other.....	4,758	1,984	2,009	2,041	2,074	2,107	2,141
Total current liabilities .....	21,818	20,308	19,155	19,532	19,821	20,231	19,756
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,345	1,452	1,371	1,399	1,427	1,455	1,484
Borrowings and leases .....	6,347	5,278	5,228	3,513	2,132	722	181
Other.....	5,227	8,523	5,227	5,227	5,227	5,227	5,227
Total non-current liabilities .....	12,919	15,253	11,826	10,139	8,786	7,404	6,892
<b>TOTAL LIABILITIES</b> .....	34,737	35,561	30,981	29,671	28,607	27,635	26,648
<b>NET ASSETS</b> .....	254,736	284,574	290,661	314,417	326,490	338,894	351,969
<b>EQUITY</b>							
Contributed equity .....	94,899	97,649	96,746	110,399	110,399	110,399	110,399
Accumulated surplus/(deficit).....	145,022	172,110	179,100	189,203	201,276	213,680	226,755
Reserves.....	14,815	14,815	14,815	14,815	14,815	14,815	14,815
<b>TOTAL EQUITY</b> .....	254,736	284,574	290,661	314,417	326,490	338,894	351,969

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Dividend payment with payout ratio of 75% rate resumes in 2022-23.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2020-21 Actual \$'000	2021-22 Budget \$'000	2021-22 Estimated Actual \$'000	2022-23 Budget Year \$'000	2023-24 Outyear \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	115,595	123,752	124,102	119,846	147,767	156,892	161,613
GST receipts .....	14,996	15,284	14,916	16,350	18,117	19,019	19,601
Other receipts .....	25,753	22,437	21,811	25,311	32,042	31,900	32,498
<b>Payments</b>							
Employee benefits.....	(35,918)	(38,988)	(39,348)	(46,004)	(47,292)	(49,506)	(50,557)
Supplies and services .....	(43,265)	(41,723)	(40,869)	(43,386)	(40,911)	(40,041)	(39,680)
Accommodation <sup>(b)</sup> .....	(10,428)	(10,284)	(11,221)	(8,355)	(9,041)	(9,187)	(9,350)
GST payments .....	(14,784)	(15,059)	(14,916)	(16,350)	(18,117)	(19,019)	(19,600)
Finance and interest costs.....	(660)	(565)	(405)	(348)	(264)	(176)	(90)
Other payments.....	(8,678)	(9,437)	(7,927)	(7,986)	(8,096)	(8,402)	(8,577)
<b>Net cash from operating activities .....</b>	<b>42,611</b>	<b>45,417</b>	<b>46,143</b>	<b>39,078</b>	<b>74,205</b>	<b>81,480</b>	<b>85,858</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	79	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets .....	(12,570)	(29,247)	(25,228)	(59,388)	(14,429)	(10,783)	(10,379)
<b>Net cash from investing activities .....</b>	<b>(12,491)</b>	<b>(29,247)</b>	<b>(25,228)</b>	<b>(59,388)</b>	<b>(14,429)</b>	<b>(10,783)</b>	<b>(10,379)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Other proceeds .....	1,205	1,283	1,283	1,366	1,454	1,548	1,648
<b>Payments</b>							
Repayment of borrowings and leases .....	(4,239)	(1,442)	(1,442)	(1,521)	(1,603)	(1,517)	(1,542)
<b>Net cash from financing activities .....</b>	<b>(3,034)</b>	<b>(159)</b>	<b>(159)</b>	<b>(155)</b>	<b>(149)</b>	<b>31</b>	<b>106</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Administered appropriations .....	24	-	-	-	-	-	-
Operating subsidies.....	21,482	8,078	12,372	5,565	-	-	-
Equity Contributions .....	640	2,750	1,847	13,653	-	-	-
<b>Payments</b>							
Dividends to Government .....	(38,982)	-	-	(27,593)	(31,683)	(34,705)	(36,999)
National Tax Equivalent Regime - Income tax...	(22,236)	(13,316)	(14,531)	(16,227)	(18,754)	(20,190)	(21,460)
Local Government Rates Equivalent.....	(918)	(786)	(659)	(690)	(704)	(718)	(732)
<b>Net cash provided to Government .....</b>	<b>39,990</b>	<b>3,274</b>	<b>971</b>	<b>25,292</b>	<b>51,141</b>	<b>55,613</b>	<b>59,191</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(12,904)</b>	<b>12,737</b>	<b>19,785</b>	<b>(45,757)</b>	<b>8,486</b>	<b>15,115</b>	<b>16,394</b>
Cash assets at the beginning of the reporting period .....	92,314	86,096	79,410	99,195	53,438	61,924	77,039
<b>Cash assets at the end of the reporting period .....</b>	<b>79,410</b>	<b>98,833</b>	<b>99,195</b>	<b>53,438</b>	<b>61,924</b>	<b>77,039</b>	<b>93,433</b>

(a) Full audited financial statements are published in the Authority's Annual Report.

(b) Payment of Local Government Rates Equivalent are included within accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to Government and not as a payment from operating activities.