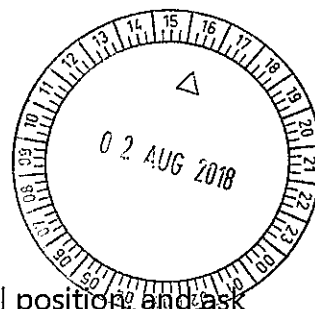


LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

ADDITIONAL QUESTIONS

Main Roads Western Australia



The Committee asked:

1. I refer to page 522 of Budget Paper No. 2, statement of financial position, and ask what comprises current liabilities – other?

Answer:

	2018-19
Major construction/contract accruals	\$233,633,000
Income received in advance	\$43,091,000
Salaries and wages accrual	\$5,110,000
Contractor's retention	\$641,000
Provision for worker's compensation	\$262,000
Other liabilities	\$40,000

2. I refer to the Statement of Cashflows table on page 523. I note that you derive some income from 'sales of goods and services' and 'other receipts':

- a. Do you allow a person to pay for goods and services with credit or debit cards

Answer:

Yes

- b. If so, when a person pays a fee or fine by credit card or debit card

- i. What surcharge do you apply to process that card payment

Answer:

Main Roads does not apply a surcharge to card payments.

- ii. Do you impose the same surcharge irrespective of which type card is used

Answer:

Not applicable

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- iii. Is that surcharge authorised by a legislative Instrument, for example, by regulations

Answer:

Not applicable

- iv. What steps have you taken to ensure compliance with Reserve Bank of Australia Standard No. 3 2016 titled 'Scheme rules relating to Merchant Pricing for credit, debit and prepaid card transactions'

Answer:

Not applicable

- v. As per the Standard, is your surcharge no greater than the average cost of acceptance of the lowest cost system, not an average of all costs systems?

Answer:

Not applicable



LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

ADDITIONAL QUESTIONS

Main Roads Western Australia

Hon Diane Evers MLC asked:

1. I refer to the response by Mr Woronzow in the 2018-19 Estimates Hearings regarding the procurement of materials for the Matagarup footbridge, and the total exemption from State Supply Commission policies in relation to the fabrication of steel:

- a. What does the total exemption from the State Supply Commission policies allow Main Roads to do;

Answer:

The exemption allows Main Roads to assume responsibility for the procurement of all goods and services, rather than via the Office of Government Procurement at the Department of Finance; however, the agency still complies with State Supply Commission Policies.

- b. Why does Main Roads have a total exemption from the State Supply Commission;

Answer:

The exemption was issued following an application with the then State Supply Commission. Main Roads has a total exemption from Section 19 of the *State Supply Commission Act 1991* in accordance with Section 20 of the same Act.

- c. Does this exemption extend to all procurement by Main Roads; and

Answer:

Yes, although Main Roads still complies with State Supply Commission policies.

- d. Does this exemption extend to exempt Main Roads from the new Buy Local Policy?

Answer:

No. Main Roads complies with the new Buy Local Policy.

2. I refer to the responses provided in the 2018-19 Estimates Hearings:

- a. Please provide details of the parameters used for calculating each of the Benefit-Cost Ratio's (BCR) in the projects listed in response to Questions prior to hearings; and

Answer:

Main Roads includes a range of parameters and information relevant to each individual project that influence the economic analysis and results in a single number for a project known as the Benefit Cost Ratio (BCR).

Main Roads' standard Cost Benefit Assessment Framework covers the following parameters:

- accident cost savings;
- public and private (commercial) travel time savings;
- vehicle operating costs;
- maintenance costs; and
- environmental externality.

- b. Given that new roads will likely attract more drivers, how is the expected increase in vehicle traffic for a new road taken into account in BCR calculations?

Answer:

Where new roads are being evaluated, the vehicle volumes are assessed to determine overall network increase and, if there is induced demand, total economic benefits that are attributed to a new road project are decreased. This process is endorsed by Infrastructure Australia and the Australian Transport Assessment Planning Steering Committee.



LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

ADDITIONAL QUESTIONS

Main Roads Western Australia

Hon Tjorn Sibma MLC asked:

1. I refer to dot point four of the section headed 'Significant Issues Impacting the Agency' on page 509 which refers to the importance of Main Roads' Road Safety Management System (ROSMA) in reducing road fatalities and serious injuries. How long has ROSMA been in place and what were the number of fatalities and serious injuries for each of those years it has been in place?

Answer:

The Road Safety Management System (ROSMA) was launched in June 2016. In 2017, 46 projects passed through the road safety treatment selection stage of the ROSMA process.

Given ROSMA is applied to the safety treatment selection stage, projects that applied ROSMA in 2017 are predominantly now in their detailed design stages and have not yet progressed to construction. Therefore, the benefits of ROSMA in reducing the number of Killed and Serious Injuries (KSI) have yet to be realised.

Notwithstanding this, the KSI figures for state roads in 2016 and 2017 are shown below:

Date Group	Fatal Crashes	Serious Injury Crashes
Jan-Dec 2016	83	430
Jan-Dec 2017	75	431

