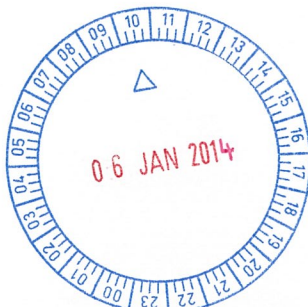




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**PUBLIC**  
10/1/2014



ABN: 50 860 676 021

24 December 2013

Ms S Parsons  
Committee Clerk  
Estimates and Financial Operations Committee  
Legislative Council  
PARLIAMENT HOUSE  
PERTH WA 6000

Dear Ms Parsons

### 2012/13 AGENCY ANNUAL REPORT HEARING - TRANSCRIPT OF EVIDENCE

I refer to your letter dated 2 December 2013 regarding the 2012/13 Agency Annual Report Hearing – Transcript of Evidence.

I have reviewed the uncorrected transcript and have noted that my response to the question asked by the Hon Ken Travers MLC, relating to why all of the grants to local government do not show up under 'Details of Controlled Grants and Subsidies' in the Main Roads budget papers (page 23, paragraph 13) requires clarification.

I would like to clarify that:

The '*Details of Controlled Grants and Subsidies, State Road Funds Applied to Roadworks on the Local Government Road Network*' on page 393 of the budget papers predominantly relates to the 27% of State road funds allocated to local roads under the State Road Funds to Local Government Agreement.

That is to say that the figures in the *Budget, Estimated Actual, Budget Estimate* and *Forward Estimate* columns of the budget papers reflect the 27% of State funds allocated to local roads under the State Road Funds to Local Government Agreement. In relation to the remaining column, *Actual*, the figure reflects the overall level of funds provided to Local Government for works on the local road network including funds provided from the 27% of State road funds allocated to local roads under the State Road Funds to Local Government Agreement and those funds provided from outside of the State Road Funds to Local Government Agreement.

In the case of the 2013/14 Budget, page 393, *Details of Controlled Grants and Subsidies, State Road Funds Applied to Roadworks on the Local Government Road Network* the situation is:

Budget Paper Column	Value \$'000	Comment
2011/12 Actual	\$137,404	Overall level of funds provided to Local Government from both within and outside of the 27% provided from the State Road Funds to Local Government Agreement.

2012/13 Budget	\$172,027	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.
2012/13 Estimated Actual	\$163,619	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.
2013/14 Budget Estimate	\$193,663	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.
2014/15 Forward Estimate	\$186,653	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.
2015/16 Forward Estimate	\$196,746	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.
2016/17 Forward Estimate	\$232,629	Only funds provided from within the 27% allocated under the State Road Funds to Local Government Agreement.

Therefore in relation to the Hon. Ken Travers MLC Question Without Notice No. 497 on 10 September 2013 regarding the \$193.663 million line item, all of the funds are to meet the State's obligation to provide 27% of the estimated vehicle licence fees under the current State Road Funds to Local Government Agreement.

The practice adopted for reporting in the budget papers is to clearly identify in the budget and forward estimates the level of funding being provided to Local Government from the State Road Funds to Local Government agreement. The actual provides a record of the total level of State road funds invested in the local road network.

I apologise for any misunderstanding resulting from my evidence provided at the Committee hearing and ask that these clarifying comments be accepted as part of my evidence to the Committee.

Yours sincerely



A/ Maurice Cammack  
DIRECTOR BUDGET AND FINANCIAL PLANNING