

Our Minister, Legislation, Role and Operations

Responsible Minister

Honourable Rita Saffioti MLA
Minister for Transport

Enabling Legislation

The *Main Roads Act 1930*, as amended, establishes the Commissioner of Main Roads as a corporate body and sets out the powers and duties of the office.

Our Role

Our role is to plan, build, maintain and operate Western Australia's State Road Network valued at more than \$48 billion. We work closely with our portfolio partners, the Department of Transport and the Public Transport Authority as well as local government to support the needs of all road users across the state by providing an integrated world-class road transport network.

Extent of Operations

We are one of the most geographically dispersed road agencies in the world, responsible for more than 18,500 kilometres of road spread over 2.5 million square kilometres.

Last year we engaged directly with more than 5,400 suppliers and made in the order of \$2.174 billion in payments. Of our suppliers, 292 were state or local government agencies and 32 were research bodies or universities. The remainder are classified as contractors, consultants or suppliers and are predominately from the Western Australian economy. Our indirect supply chain is again more extensive with our construction projects engaging with multiple sub-contractors and suppliers.

Main Roads operates from eight regional locations throughout the state.

Region	Population (000)	Area Covered (000 km ²)	State Roads (km)
Goldfields-Esperance	55	941	2,202
Great Southern	61	49	1,609
Kimberley	36	419	2,243
Metropolitan	1,957	5	904
Mid West – Gascoyne Region	63	421	3,625
Pilbara	62	506	2,749
South West	285	29	1,764
Wheatbelt	76	157	3,476
Total	2,595	2,527	18,572

Our Value Creation Model



Customers

Provide a transport network centred on what our customers need and value.



Movement

Improve mobility of people and the efficiency of freight.



Sustainability

Develop a sustainable transport network that meets social, economic and environmental needs.



Safety

Provide improved safety outcomes for all users of the transport network.

Key Resources



Customers

2.5M
WESTERN AUSTRALIAN'S
12, 641
CUSTOMER REQUESTS
54,000
EMAILS
5.5M
FACEBOOK REACH
1.3M
WEBSITE VISITS



Assets Network Performance

18,500 KM
OF ROADS
1,000
TRAFFIC LIGHTS
1,200
BRIDGES



Financial Capital

\$2.57B
SPENT
\$48.2B
ASSETS
\$2.46B
FUNDING RECEIVED



Natural Resources

\$23.2B
LAND UNDER ROAD
398
PROJECTS SCREENED
FOR ENVIRONMENTAL
IMPACTS

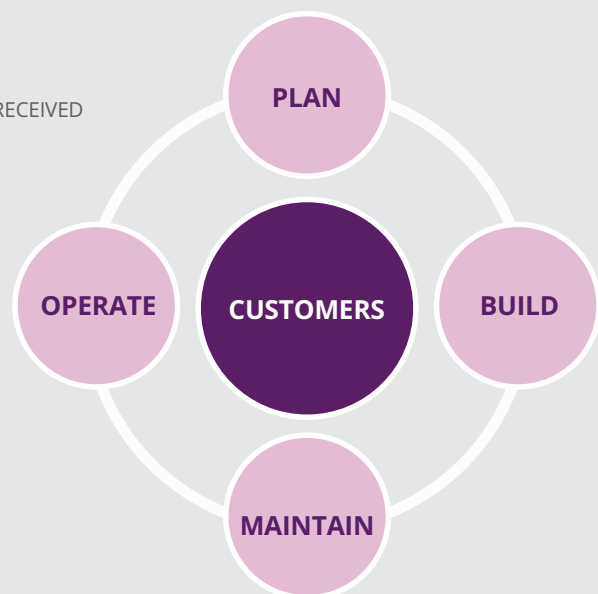


Our People Know How

1083
EMPLOYEE HEADCOUNT
DEVELOPMENT PROGRAMS
INNOVATION AND RESEARCH

Primary Activities

Our primary activities, as defined by our role, include planning, building, maintaining and operating Western Australia's State road network. We provide a transport network centred on what our customers need and value.



Our Values

Are the foundation upon which our organisation is built. They represent our culture, guide our behaviours, influence decision-making and influence relationships with each other, our customers and partners.

Roads matter

Taking pride in managing the road network for the benefit of the community.

Excellence in customer service

Understanding and providing what is important to our customers

We have continued to explore and seek to explain how we create value through the lens of the International Integrated Reporting <IR> Framework. We have identified seven capitals that reflect the key resources that are inputs to our business. This business model reflects the achievement of our Aspiration through Keeping WA Moving, our strategic direction, which in turn drives the delivery of our services to the community resulting in the value we create through our activities.

Our Aspiration

We aspire to provide world class outcomes for the customer through a **safe, reliable** and **sustainable** transport system

▶ Key Services and Outcomes

We deliver our services and create value through these outcome focussed areas:

SERVICE	OUTCOME
Road Safety	Provision of a safe road environment
Road Efficiency Road Management	Reliable and efficient movement of people and goods
State Development	Facilitation of economic and regional development
Road Maintenance	A well maintained road network
Community Access	Improved community access and roadside amenity
Business Activities	Exemplary environmental management, stakeholder engagement and development of our employees

▶ Value We Delivered

90% community satisfaction

\$800M Increase in value of assets

4.1 return on investment exceeded target

607,000 tonnes of materials recycled

3% reduction in GHG emissions last year

LTIFR reduced to **0.5** and maintained

zero fatalities in the workplace

3% increase in community satisfaction with Sustainability and Environmental practices both rising to **91%**

4% average increase on inbound morning peak speeds

3% increase in 100% availability of the state road network

Exceeded targets established for Aboriginal employment initiatives

\$6.1B of contracts underway, **5%** increase from last year

Engaging with **5,400** suppliers in the last 12 months

Working together
Enhancing relationships and teamwork








Embracing challenge
Anticipating and taking up challenges

Professionalism
Providing high levels of expertise in delivering our services

Family
Respecting and supporting our customers, the community and each other

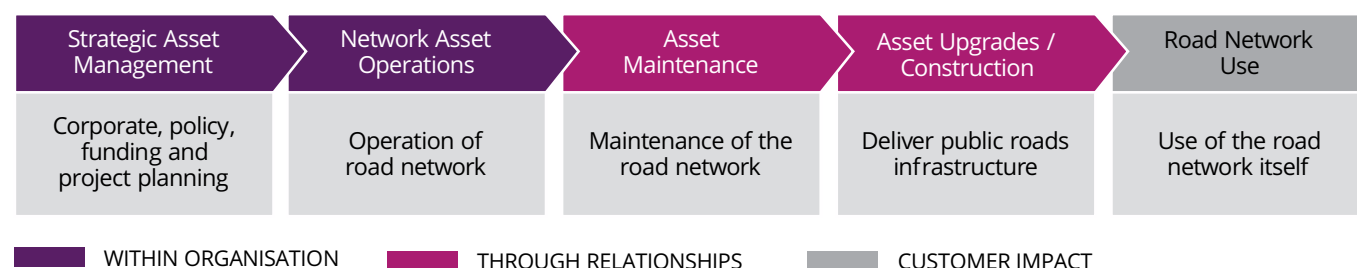
Key Resources

This table shows the alignment between the six capitals identified in the Integrated Reporting <IR> Framework and how we have aligned them to reflect our own business activities and how we represent them in this report. The identification of these Key Resources (or capitals) demonstrates that we rely on more than just financial and human resources to deliver value to our customers.

Resource	Referred to in report	Capitals	What it means for our business
 Our people	Our People	Human	Strong leadership of a diverse and inclusive values-driven workforce that is operating in a safe environment and has the right skills, capability and training
 Know-how	Enhancing Safety, Health and Wellbeing	Intellectual	A strong culture that recognises and cultivates innovation taking up the challenges ahead
 Assets	Operational Performance	Manufactured	A well-maintained road-based transport network that is safe, reliable and sustainable centred on what our customers need and value
 Network performance			Improving the mobility of people and the efficiency of freight through a well-managed and reliable road network
 Natural resources	Managing the Environment	Natural	The environmental resources used in delivering our services
 Financial capital	Financial Overview Financial Statements	Financial	Sources of funding and appropriations utilised
 Customers	Improving Customer Experience	Social and relationship	Putting the customer and their experience at the centre of everything that we do

Value Chain

Our value chain demonstrates the primary activities in our business model and indicates where our most significant economic, environmental or social impact or value occurs. We have included in this model an additional dimension showing the interactions as we transition from activities within our organisation, through to recognising the importance of the relationships we have with our suppliers, stakeholders and the community and ultimately the customer impact or value creation outcome.



Our Performance

The results listed in the model recognise the value created by our activities and relate directly to the seven key resources. Measures that reflect the value creation process exist for each of our services and business activities and more information is included in the Our Outcomes section.

Our Sustainable Approach and Defining Materiality

Released in 2016, our Sustainability Policy establishes a clear set of principles focused on creating lasting benefits socially, economically and environmentally.

The policy reflects our maturity and is aligned with the sustainability focus and outcomes identified in Keeping WA Moving. The policy was developed in consultation with our portfolio partners and industry stakeholders. It is underpinned by six key aspects guided by our policy objective and are considered material:

- sustainable transport
- climate change
- environmental footprint
- behaviour
- governance and performance
- funding and financial matters.

Over the past year we have continued to engage with internal and external stakeholders to develop supporting actions, identify areas for employee development and report on key metrics.

This includes quarterly sustainability reports to the Corporate Executive, to measure performance ensuring our policy drives and guides our future direction. Further information on our approach to sustainability, including our policy, can be found on our website.

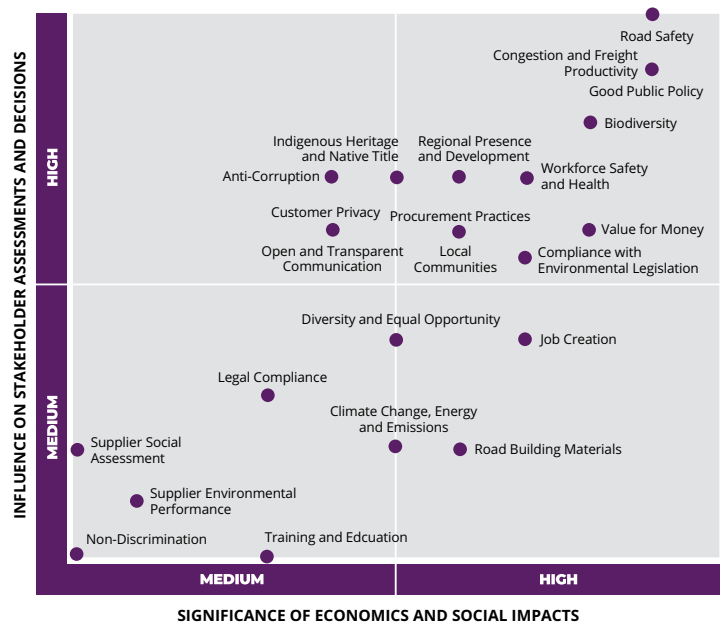
Defining Materiality

We ensure the relevance and validity of all areas of our business and stakeholder relations through a biennial desktop materiality review and internal stakeholder prioritisation workshops. Results are reported to the Corporate Executive and the review is conducted using a five-step process, informed by the Global Reporting Initiative (GRI) tests for materiality:



The analysis stage draws from our corporate and legislative commitments, key risks, corporate stakeholder engagement processes, media and Ministerial topics and our peers' reporting practices.

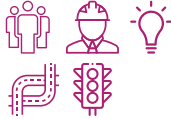


























The Matrix shows the results of our five-step materiality process, indicating what is important to our community and stakeholders. For a list of our stakeholders, please see page 184.



This report is prepared in accordance with the GRI principles of sustainability context, materiality, completeness and stakeholder inclusiveness, our value chain and the requirements specified in the Public Sector Commission's Annual Reporting Framework. A GRI Content Index is available for reference in the online version of this report.

Addressing our Most Important Material Issues

Our approach to addressing our top material issues and alignment with Sustainable Development Goals (SDGs), of which Australia is a signatory, is shown in the table below. More information on how these topics relate to Global Reporting Initiative (GRI) indicators including the GRI Content Index and the SDGs can be found on our website.

Material Issues	Key Impacts	Key Resources Affected	SDG Alignment
<i>Road Safety</i>	Western Australia's road death statistic, 6.1 road deaths per 100,000 population, is the poorest of the mainland states – about 24 per cent above the national average. We believe no one should die or be seriously injured on our state's road network, and we will manage the network for all road users to minimise the likelihood of road trauma.		 
<i>Congestion and Freight Productivity</i>	It is one of our core objectives to reduce the impacts on our community and economy from congestion on the road network and to provide more efficient access for our freight customers.		    
<i>Good Public Policy</i>	As a statutory authority we rely on our resources and know-how to ensure we have clear, transparent and strong governance approaches. These prevent undue influence in the administration of our role and ensure swift, efficient and effective implementation of government policies and strategies		 
<i>Biodiversity</i>	Our state is widely recognised as having unique flora and fauna and our actions have the potential to cause negative impacts in sensitive and protected environmental areas.		 
<i>Workforce Safety and Health</i>	Our work environment means that our people, suppliers, partners and customers often interface with the road environment, moving traffic and heavy machinery in order to deliver our services.		  
<i>Value for Money</i>	We must make effective use of the government funding we receive to deliver our services to the community.		 
<i>Regional Presence and Development</i>	We operate across a vast and isolated state and our rural operations can have significant impacts on regional towns', communities and their economies.		   

Material Issues	Key Impacts	Key Resources Affected	SDG Alignment
<i>Compliance with Environmental Legislation</i>	In some circumstances, our activities are subject to state and federal environmental legislation. We may face penalties, reputational damage or loss of stakeholder and community confidence if we do not comply with our environmental obligations.		  
<i>Indigenous Heritage and Native Title</i>	We acknowledge the traditional custodians of Western Australia's lands and aim to protect Aboriginal cultural values wherever possible. We recognise that there is an unacceptable level of disadvantage in living standards, life expectancy, education, health and employment experienced by Aboriginal peoples. We are committed to making a change in our industry and progressing reconciliation.		  
<i>Local Communities</i>	Our works and operations impact communities that live and work within close proximity. Acquisition of property, noise and business continuity are examples of issues that need to be carefully managed, require stakeholder engagement and impact our role as good neighbours.		    
<i>Procurement Practices</i>	We rely on our supply chain to deliver tasks critical to our overall success. We engage with a large number of suppliers of varying characteristics. In 2018-19 we engaged directly with more than 5,400 suppliers and made in the order of \$2.174 billion in payments. We are aware that our terms of payment can impact the cash flow and solvency of various businesses and seek to minimise those impacts. We also leverage our relationship with our suppliers to deliver priority government policy which includes training, indigenous engagement and supporting local business.		  

Linking Strategy, Futures, Innovation and Research

Keeping WA Moving, our strategic direction, clearly outlines our areas of focus as Customers, Movement, Sustainability and Safety. These areas underpin what we do and help us concentrate on delivering what's important.

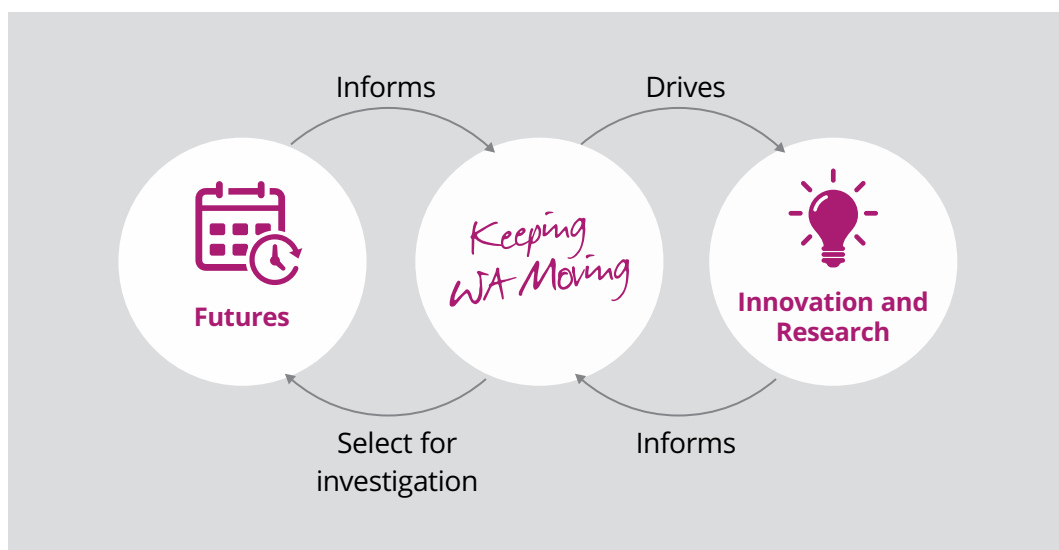
The transportation of people and goods is one of the most important components of our everyday lives. The arrival of the fourth Industrial Revolution and the rapid development of multiple disruptive and innovative technologies is challenging the status quo. Technologies such as:

- artificial intelligence, big data and digitization
- the Internet of Things
- fifth, and even sixth, generation wireless technologies (5G/6G)
- connected and autonomous vehicle technologies
- on-demand ride-sharing services and Mobility as a Service
- 3D printing
- the sharing economy

These technologies and others are changing not only behaviour but also the expectations of the community. The fusion of these is bringing a technological revolution that will fundamentally alter the way we live, work, and relate to one another and as a road agency we need to be prepared.

To that end, we scan the external environment to prepare ourselves for the future. Over the past decade, the future of transport has been re-imagined. McKinsey recently reported US\$220 billion of investments in new mobility technologies since 2010. Much of this investment has come from technology companies and start-ups – new players in the transport sector.

The transport industry expects significant disruption in coming years, given the level of investment and potential new technologies. We will need to adapt to take advantage of opportunities and minimise risks. With many potential futures for transport, we use our understanding to inform our strategy, innovation and research activities.



We represent Keeping WA Moving visually, to remind ourselves that the future will look different from today.

Keeping WA Moving

To provide world class outcomes for the customer through a *safe, reliable and sustainable* road-based transport system

Our Areas of Focus

To achieve our aspiration, these four areas are about creating a focus on delivering value, which is more than just improving the status-quo.



Customers
Provide a transport network centred on what our customers need and value



Movement
Improve mobility of people and the efficiency of freight



Sustainability
Develop a sustainable transport network that meets social, economic and environmental needs



Safety
Provide improved safety outcomes for all users of the transport network

Our Guiding Principles

These are the principles that reflect our values and underpin the delivery of Keeping WA Moving. They are about how we operate as we set our future direction.



We will strive to improve **sustainability and community amenity**



We will put the **customer** and their experience at the **centre** of everything we do



We will continue to **build and maintain** strong relationships with the Transport portfolio to achieve **better transport outcomes**



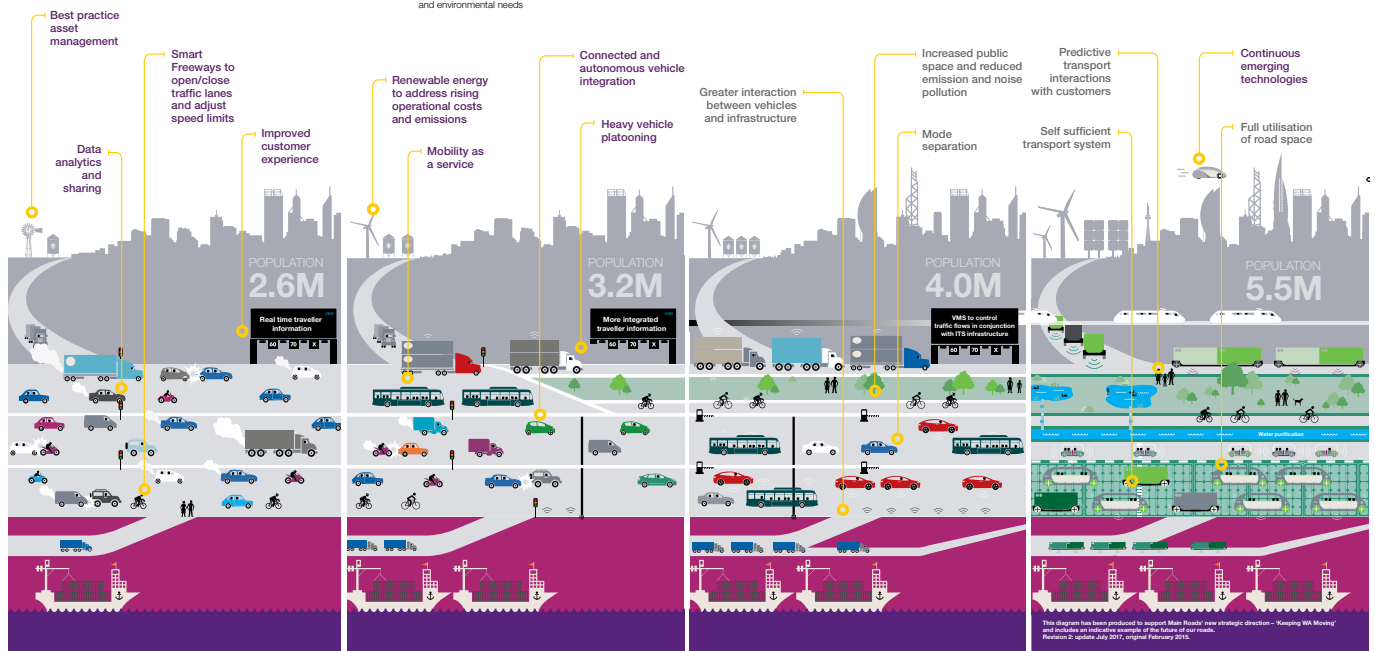
We will be an **agile and responsive** organisation that can prosper in a rapidly changing environment



We will develop and invest in **leaders** that will **challenge the status-quo** in a real and authentic way



We will **recognise and cultivate innovation** to take up challenges and stay ahead



The point isn't to accurately predict the future, the diagram won't be realised exactly. However, by thinking about a longer-term future, it can help us lift ourselves away from immediate challenges and re-focus on what's important. The same applies for our future story, it's one vision of the future to start a conversation.

Exploring Transport's Immediate Future

It's five years from now and you've bought a new car – your first fully electric car. You've taken the plunge because electric vehicle range has increased and the price has come down, making it competitive with petrol, diesel and hybrid vehicles. With a new fast-charging network being rolled out around Western Australia you can travel long distances around the state. And using this new fast-charging means adding hundreds of kilometres of range in the time it takes to stretch your legs, grab a coffee and take the kids to the toilet! The vehicle also has some of the new self-driving features but even when you choose to drive yourself, the vehicle helps to keep you safe.

Comparing it to your old car, you love the convenience of recharging at home. This saves you the regular trip to the petrol station and the hassle of working out which will be the cheapest day to fill-up. You save money, too, by simply plugging the charger in and opting to recharge when the cheaper off-peak rate starts or when your solar panels are generating electricity. Saving money on refuelling and maintenance is great. And you also love the fact that your car takes less time to service, the service intervals are further apart and there is less maintenance done.

Security features of new cars are amazing too! Recently someone backed into your car at a car park and drove off without leaving a note, but the cameras on your car recorded the crash so you could avoid the excess on your insurance claim.

You keep hearing stories about your friends using the new driverless taxi services to get around town. They're even talking about not replacing their car when the time comes. You need a sizeable car, for example, to tow the caravan on the annual trip to Kalbarri. But maybe it's time to think about getting rid of the second car, used mostly for commuting and short, around town trips?

These potential futures have current relevance for us. Generally, technologies fit one of three levels or areas, described below.

Technology for Watching

These technologies are in early development, so we watch their progress with interest for possible application. One example is the use of 3D printing technologies to create bridges. The projects deployed to date have been innovative and experimental, but it's not too hard to envisage a future where 3D printing becomes commercial. The technology offers the potential to build structures that cannot be created in any other way, while minimising material use and the need for staging areas for large sections of bridge. We will continue to watch and look for the right time to adopt as a tool.

Technology for Preparing

Other technologies are nearing commercialisation, so we need to initiate new areas of work to prepare for and be a catalyst for the future. Although uptake is slow, we need to think about a future in which electric vehicle (EV) sales are much larger. Global sales of EVs are growing exponentially, although from a small market share. We are participating in a state working group to support collaboration on EVs. We also completed a research project with the University of Western Australia and other stakeholders to take a coordinated and strategic approach to planning for charging infrastructure for EVs.

Driverless vehicles continue to be an area for government to prepare. Identifying a time for deployment is difficult, Cruise Automation, owned by General Motors and Honda, recently announced an indefinite delay on their plans to deploy a fleet of driverless taxis in San Francisco, while Tesla CEO, Elon Musk, claims that they will be 'feature complete on full self-driving this year'.

While there are indicators that driverless vehicles may be delayed, we still need to understand how they could impact the transport network. We continue to work with the Planning and Transport Research Centre and iMove CRC on a research project to understand the impacts of driverless vehicles on our road network. We also contribute to federal and state government initiatives by being a member or working on:

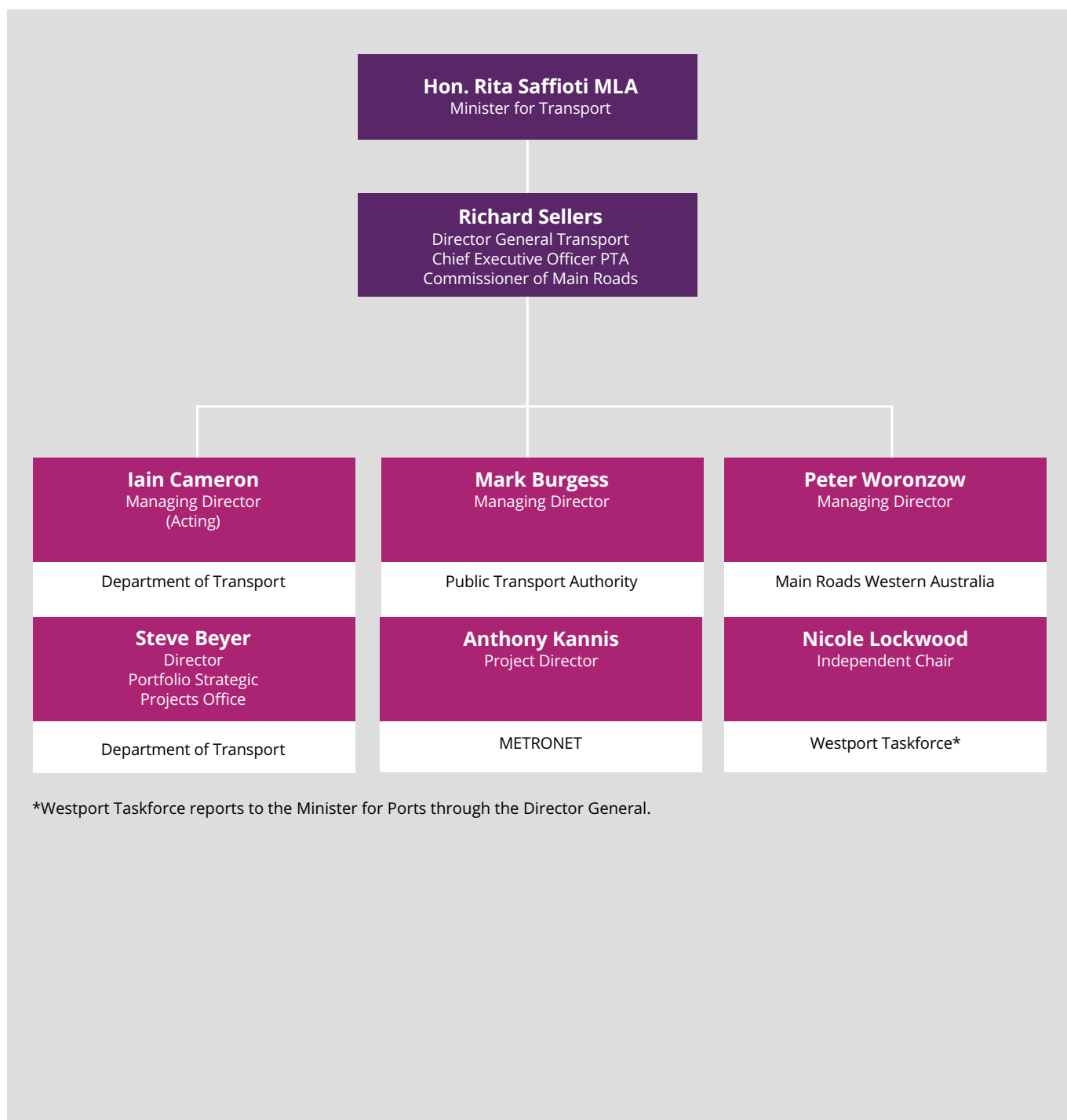
- Austroads' Connected and Automated Vehicles Steering Committee
- National Transport Committee Automated Vehicle Regulatory Advisory Group
- Australian Driverless Vehicle Initiative Scientific and Research Group
- WA Connected and Automated Vehicle Advisory Committee

Technology for Investigating or Deploying

We use our innovation and research activities to investigate opportunities new to Main Roads. During the year, we initiated a new project to investigate whether gravel from unknown sources can be treated to ensure that it does not contain dieback. If successful, this will improve environmental and economic outcomes by allowing us to use gravel local to a project area, while preventing the further spread of dieback.

Our Structure

We are one of three state agencies comprising the Transport Portfolio. Together with the Department of Transport and Public Transport Authority, we work to enhance the coordination and delivery of transport services, reporting to the Minister for Transport. This diagram shows how we fit together under the guidance of the Director General who has overall responsibility for providing strategic direction and leadership across the portfolio.



*Westport Taskforce reports to the Minister for Ports through the Director General.

Main Roads

This is the organisational structure for Main Roads. Further information about our Corporate Executive can be found in the Our Leaders and Governance sections.



Our Leaders

Corporate Executive is our peak decision-making body, comprised of our Managing Director and Executive Directors from business units. Its objective is to set clear strategic direction for delivering government priorities and our Aspiration.



Peter Woronzow

Managing Director
BA (Economics), GDPSM, CPA

Peter draws on extensive experience to manage strategic partnerships and develop relationships to deliver successful outcomes for all involved. He is a member of CPA Australia and is a Director on the Board of ARRB Group Ltd and Austroads Ltd. Peter chairs Main Roads' Corporate Executive, Budget and Management Review and Audit Committees.



Philip D'Souza

Acting Executive Director Finance and Commercial Services
BCom (Accounting and Finance), Grad Cert. L&M, CPA

Philip, as Chief Finance Officer, oversees provision of sustainable and innovative financial, investment, planning, business and commercial services. He is a member of CPA Australia and is a standing member on the Transport Audit and Risk Committee. Philip has more than 29 years' experience in Main Roads specialising in strategic financial management policy, accounting, risk and governance.



Leo Coci

Executive Director Infrastructure Delivery
BEng (Hon), MBA

Leo is experienced in bridge design, road planning, project management and contract management. He is responsible for the procurement and delivery of high-value, complex infrastructure for some of our largest projects across Western Australia. Leo is on the ISCA Board and is also leading Main Roads' internal Senior Leadership Aboriginal Employment Initiatives Taskforce.



Doug Morgan

Executive Director Planning and Technical Services
BEng (Electrical), MBA

Doug contributes to sustainable integrated transport through providing leadership in engineering, project development, road planning, environmental services and spatial data management. He has extensive knowledge in traffic and heavy vehicle operations and his role includes responsibility for network planning and road classification across the state.



Tony Earl

Executive Director Network Operations
Traffic Engineer

Tony is responsible for leading the team, based at our Road Network Operations Centre, to optimise performance of the road network. This involves facilitating safe and reliable movement of people and goods, with a focus on improving productivity and reliability in the metropolitan area. His extensive knowledge and experience through 43 years of dealing with road network performance improvement, is an asset in addressing congestion and implementing operational technology.



Neville Willey

Acting Executive Director Human Resources
Post Grad Cert Bus, Prof Dip HRM

Neville oversees the provision of Main Roads' Human Resources function. His focus is on workforce and succession planning, along with developing a high performing culture of skilled professionals through improved talent management. Neville brings extensive experience in the areas of human resource management, workforce planning and employee relations.



Des Snook

Executive Director Metropolitan and Southern Regions and Heavy Vehicle Services
BEng (Civil)

Des is responsible for asset management, maintenance and project delivery services for the Metropolitan, South West and Great Southern regions. He also has state-wide responsibility for the delivery of Heavy Vehicle Services, electrical service assets, crisis and incident management, and railway crossing safety. At a national level, he is Western Australia's Alternate Director on the boards of Austroads and Transport Certification Australia.



Alan Colegate

Acting Executive Director Strategy and Communications
Dip Accounting, Grad Cert Bus

Alan is responsible for corporate strategic planning and the provision of timely, accurate and customer-centred communications. He represents Australia and New Zealand on the World Road Association Committee on Performance of Road and Transport Administrations. He is also a Divisional Coordinator and member of the Awards Committee of the Australasian Reporting Awards, committed to improving accountability and transparency in annual reporting across Australasia.



John Erceg

Executive Director Central and Northern Regions
BEng (Civil)

John is responsible for providing asset management, maintenance and project delivery across the Wheatbelt, Goldfields-Esperance, Mid West – Gascoyne, Pilbara and Kimberley regions. He also has state-wide responsibility for corporate asset management and regional contracting strategies, policies and functions. In addition to having worked throughout the state, John has held leadership positions in heavy vehicle operations, Austroads, and local and international network operations.

Leadership Team Changes

Our Commissioner, Richard Sellers, has custodianship across the WA Transport Portfolio and continues to provide guidance and direction to achieve an integrated transport system.

During the year, we said farewell to Nicole Walton after three years of service. Alan Colegate is acting in the Executive Director Strategy and Communications role.