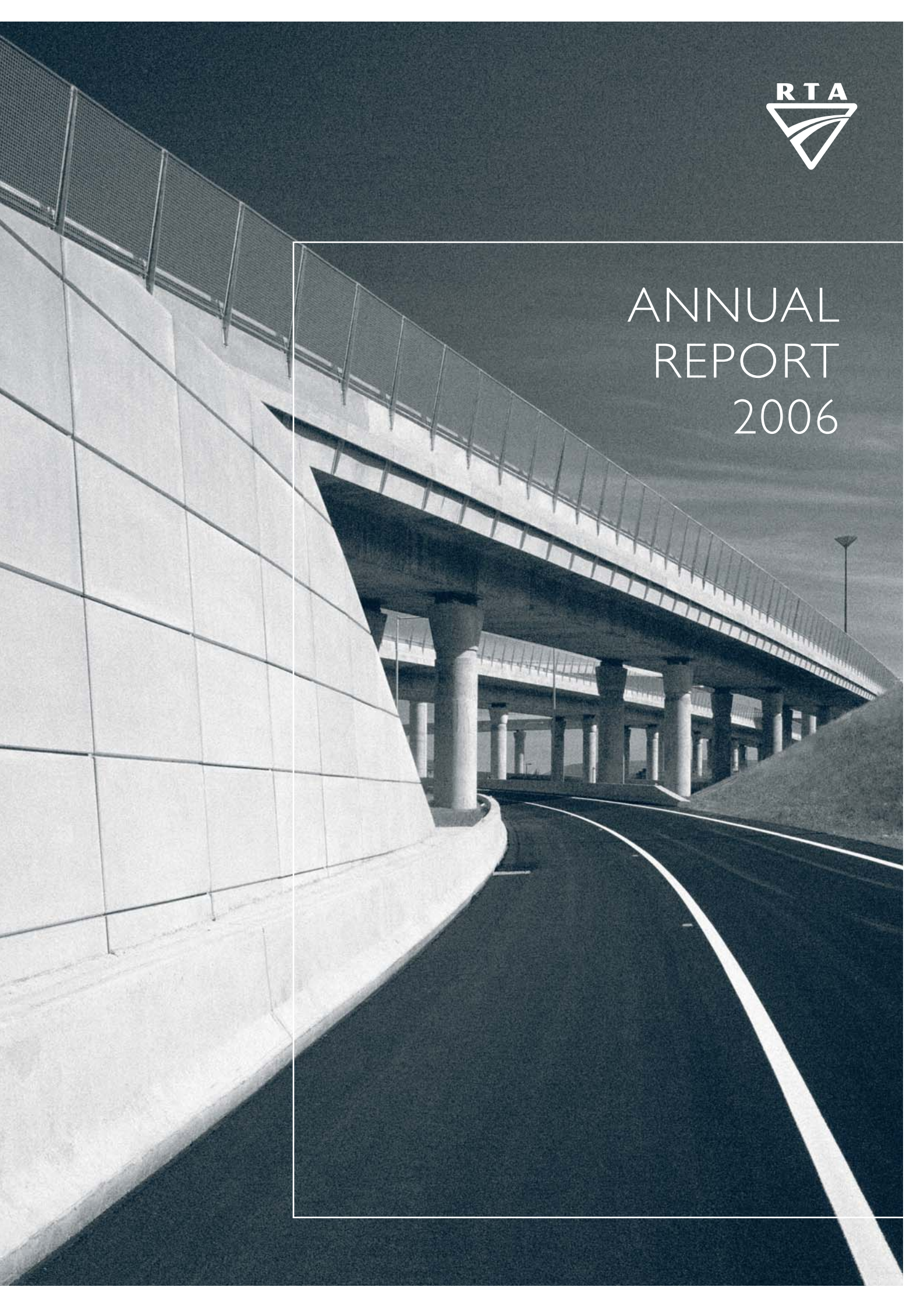




ANNUAL REPORT 2006



LETTER TO THE MINISTER

The Hon. Eric Roozendaal, MLC
Minister for Roads
Level 30
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister,

I have pleasure in submitting the Annual Report and Financial Statements of the Roads and Traffic Authority for presentation to the Parliament of New South Wales for the financial year ended 30 June 2006. It has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

Yours sincerely,

A handwritten signature in black ink, reading "Les Wielinga". The signature is written in a cursive style with a horizontal line underneath the name.

Les Wielinga
Chief Executive

Cover photograph

Looking north to the Light Horse Interchange on the Westlink M7. The motorway was opened to traffic on 16 December 2005 and comprises approximately 40 kilometres of dual carriageway. Photo by Brett Boardman.

ABOUT THIS REPORT

This report follows the broad structure established by the *RTA Annual Report 2005* to align with RTA's results and services strategies, as detailed on page 8. The report remains the same with the exception of:

- The Chief Executive's message has been brought forward to page 4 to highlight significant achievements and progress.
- A compliance index has been included to ensure all statutory reporting requirements are met.
- The number of performance measures have been increased to demonstrate the RTA's commitment to providing more relevant and informative reporting.
- A freight heading has been included under the **Positive Economic Outcomes** chapter with details on the Intelligent Access Program. New subheadings have also been listed in the **Positive Road Safety Outcomes** chapter to more clearly categorise the initiatives.

The RTA publishes the annual report online at its website www.rta.nsw.gov.au (click on Publications, statistics and forms). CD-ROM versions are not being produced this year since the website version has proved to be more popular. A summary brochure of the report is available in a limited number to minimise financial and environmental impacts.

Any feedback on this report is very welcome. Please log on to the RTA website at www.rta.nsw.gov.au under 'contact us' to provide your comments.



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CHIEF EXECUTIVE'S OVERVIEW

It is with great pride as Chief Executive of the Roads and Traffic Authority (RTA) since 21 July 2006 that I present this annual report for the financial year 2005–06. This was a year of challenge, with much public scrutiny and a number of Parliamentary Inquiries into projects such as the Cross City Tunnel. It was also a year of achievement as many projects reached completion and the RTA continued to focus on delivering a safe, sustainable and efficient road transport system.

During the year RTA leadership underwent a transition as the position of Chief Executive, held by Mr Paul Forward until his resignation on 27 October 2005, was handed over to Mr Mike Hannon who assumed the role of Acting Chief Executive.

Under the leadership of both Mr Forward and Mr Hannon the RTA carried out a range of significant policy and infrastructure activities in support of NSW Government priorities, and led various improvements to the RTA's internal business operations.

Key routes across the State saw considerable development with 82 per cent of major works completed within planned duration and budget. In addition, work continued on major public private partnership projects with construction completed on the Cross City Tunnel and Westlink M7 and continued on the Lane Cove Tunnel.

AusLink, the strategic partnership between the NSW and Australian Governments, has already borne results for the State's roads. A recent Memorandum of Understanding was signed for the \$800 million duplication of the southern section of the Hume Highway and a package of works totalling \$160 million on the Pacific Highway.

The RTA's involvement with other transport and planning agencies such as the Ministry of Transport, the Department of Planning and the Department of Environment and Conservation has ensured a whole of government focus on providing infrastructure as part of a sustainable land use system, particularly in the north western and south western growth areas of Sydney. This interdepartmental collaboration was critical in delivering a range of major infrastructure projects.

Also delivered during this financial year were the Taree to Coopernook section and Coopernook Bypass sections of the Pacific Highway and the North Kiama Bypass on the Princes Highway. The opening of the Sea Cliff Bridge on Lawrence Hargrave Drive was a highlight as much for the excellent standard of its engineering as for its environmental and community benefits.

While new road construction proceeded rapidly, there was a great deal achieved by the \$798 million Infrastructure Maintenance Program to improve the existing road network and bridges throughout NSW.

Advanced technology such as the Sydney Coordinated Adaptive Traffic System (SCATS) ensured increased travel time reliability for NSW commuters. This is demonstrated by the slight increase in peak hour urban traffic speeds, with 32 km/h in the AM and 42 km/h in the PM. The rapid expansion in electronic toll tag use has also helped improve traffic flow with 357,000 RTA electronic toll tags in use by June 2006.

Various initiatives were taken to improve road safety with the 2005 road toll being the equal lowest since 1945. A combination of education and enforcement initiatives that primarily focused on young drivers and heavy vehicle operators were implemented. New compliance and enforcement provisions for heavy vehicles will hold all parties in the transport chain accountable. Motor vehicle safety was enhanced with the opening of the new RTA Crashlab at Huntingwood in western Sydney. Child road safety was given special consideration with the development of a package of safety enhancements for school zones.

My goals for the RTA in the coming year are ambitious but within reach – completing the Sydney Orbital to provide road users with 110 kilometres of motorways connecting outer metropolitan areas, managing congestion and improving air quality particularly on the M5, and working harder than ever to reduce the road toll. Having been with the RTA for 31 years, I am well aware of the scale of the task ahead but I also know that this organisation is fortunate to have people with the commitment and ability to provide the public of NSW with the best service available.



Les Wielinga
Chief Executive



ABOUT THE RTA

The RTA is a New South Wales statutory authority established in 1989 under the *Transport Administration Act 1988* through an amalgamation of the former Department of Main Roads, Department of Motor Transport and the Traffic Authority. Legislation that the RTA administers can be found in **Appendix 15**. A summary of the RTA's business is outlined below.

KEY FACTS

RESPONSIBILITIES

- Manage the road network to achieve consistent travel times.
- Provide road capacity and maintenance solutions.
- Test and license drivers and register and inspect vehicles.
- Improve road safety.

ASSETS

The RTA manages:

- 17,919 km of State Roads (includes 4,250 km of AusLink network and 166 km of privately funded toll roads).
- 2,946 km of Regional and Local Roads.
- 4,928 bridges and major culverts on RTA and council-managed roads.
- 3,742 traffic signals.

Property, plant, equipment, private sector provided infrastructure and other non-current assets are worth \$72 billion, including RTA-managed infrastructure with a written down value of more than \$68 billion.

FUNDING

The RTA receives \$2.8 billion including state and federal contributions and road user charges. The RTA provides financial assistance for 18,486 km of council-managed Regional Roads. The 143,783 km of council-managed local access roads are funded by both local ratepayers and federal road assistance grants.

REGISTRATION AND LICENSING

As at 30 June 2006, there were:

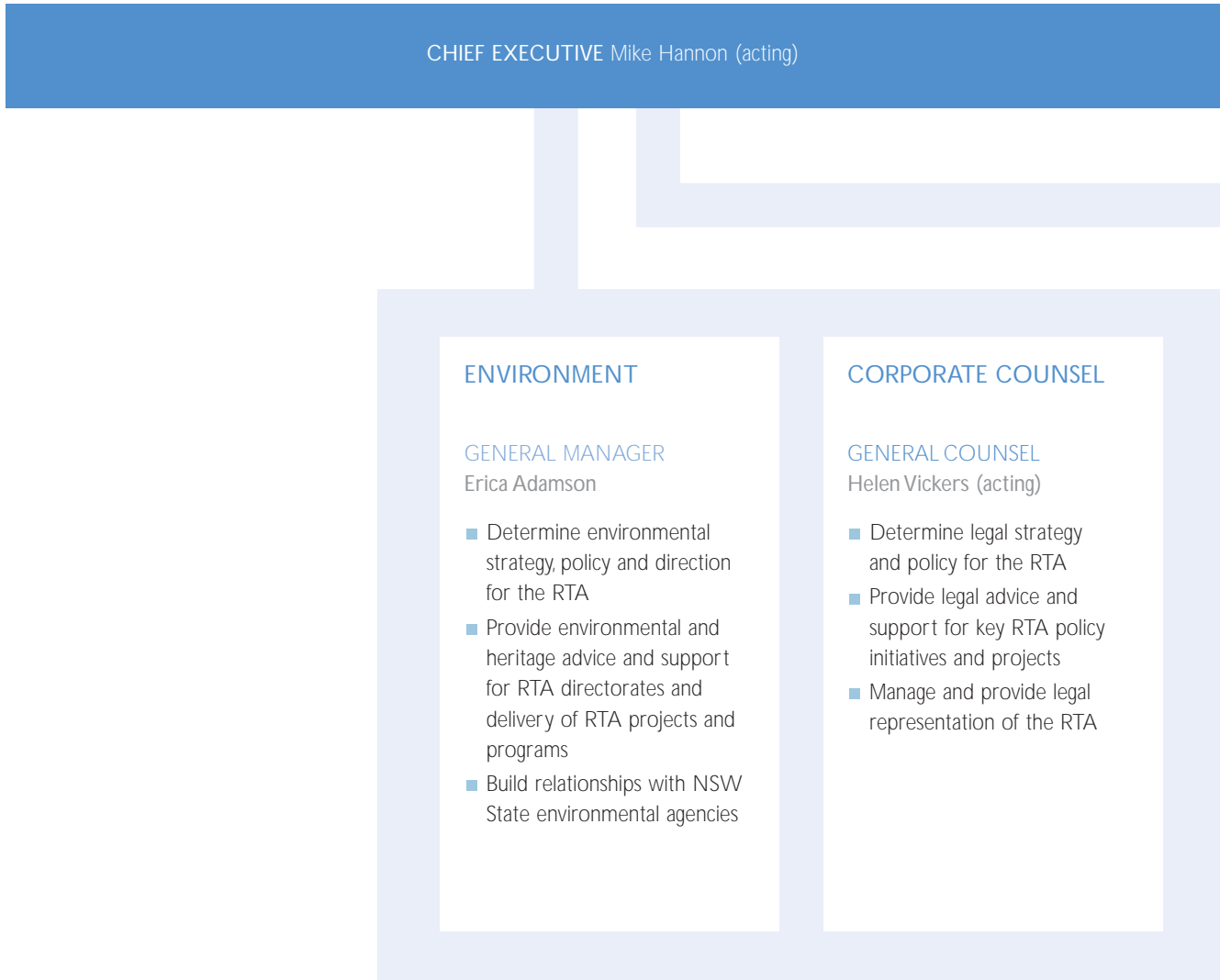
- 4.47 million licensed NSW drivers.
- 4.97 million NSW registered vehicles.
- About 17 million registration and licensing transactions (2005–06).

PEOPLE

- 6,922 effective full time employees.
- More than 190 offices including 131 motor registries.
- Customers and partners include individuals, private organisations, staff, community and road transport groups, local councils and state and federal government agencies. Refer to **Appendix 4** for significant advisory groups and committees.

EXECUTIVE STRUCTURE

During the 2005–06 year, Paul Forward resigned as Chief Executive with Mike Hannon acting for the period up until 21 July 2006 when Les Wielinga was appointed.



For information on the Executive, executive appointments, remuneration and executive committees, refer to the **Governance and risk management** section of the **Value for money** chapter and **Appendix 5**.

During the year, changes to the organisational structure included:

- The Office of the Chief Executive began reporting directly through the Director, Business Reform.
- The Camera Enforcement Branch was established to manage the implementation, operation and maintenance of camera enforcement processes.
- Development of a new structure and operating arrangement commenced for a combined single branch that will provide the critical technical expertise to meet future needs and address key technical risks.

Further detail can be found in the **Improving our business** section of the **Value for money** chapter of this report.

ROAD SAFETY, LICENSING & VEHICLE MANAGEMENT

DIRECTOR

Michael Bushby

- Improve road safety
- Assess, license and educate drivers and motorcyclists
- Assess and register light and heavy vehicles
- Ensure robust identity management processes
- Manage road transport compliance and freight policy
- Maintain high standards of customer service
- Reduce vehicle emissions
- Support national policy reforms

ROAD NETWORK INFRASTRUCTURE

DIRECTOR

Brian Watters (acting)

- Maintain State Road infrastructure
- Develop the State Road network
- Lead the development and delivery of key infrastructure projects
- Contribute to integrated transport planning
- Provide infrastructure contract policy and act as the principal
- Promote best practice in project and contract management

MOTORWAYS

DIRECTOR

Les Wielinga

- Provide motorway related management services
- Manage RTA's relationship with Tollway Concessionaires
- Coordinate motorways including interoperability and customer service
- Develop RTA's tunnel design and operation policy and processes

TRAFFIC & TRANSPORT

DIRECTOR

Phillip Margison (acting)

- Improve the operational performance of the road network
- Manage incidents and special events
- Operate and enhance tolling facilities and processes
- Implement bus priority initiatives on strategic bus corridors
- Improve pedestrian and cyclist facilities
- Maintain traffic facility assets
- Operate and maintain camera enforcement

OPERATIONS & SERVICES

DIRECTOR

David Stuart-Watt

- Construct and maintain road, bridge and traffic infrastructure
- Provide expert management of programs, projects, assets and the network
- Develop and deliver integrated road transport solutions
- Provide specialist technology and technical support
- Provide a range of fleet services
- Ensure heavy vehicle compliance

FINANCE

DIRECTOR

Brett Skinner

- Maintain financial and commercial management framework
- Monitor, evaluate and report on financial performance
- Develop proposals to ensure adequate funding
- Ensure adequate management of risk exposures
- Manage RTA assets and financial resources
- Improve budgeting and resource management decision making

CORPORATE SERVICES

DIRECTOR

Rod Tout

- Implement strategic human resource plans and policies including Occupational Health and Safety
- Ensure the RTA attracts, develops and retains high quality staff with the skills to meet emerging business needs
- Plan and manage information technology resources
- Provide centralised management of resources for business services

BUSINESS REFORM

DIRECTOR

Stephen McIntyre

- Plan and implement a comprehensive business reform program
- Simplify business and administrative processes and systems
- Pursue more integrated and efficient program and organisational structures
- Identify cost saving opportunities
- Deliver strategic planning and performance monitoring processes
- Provide timely secretariat services to the Executive

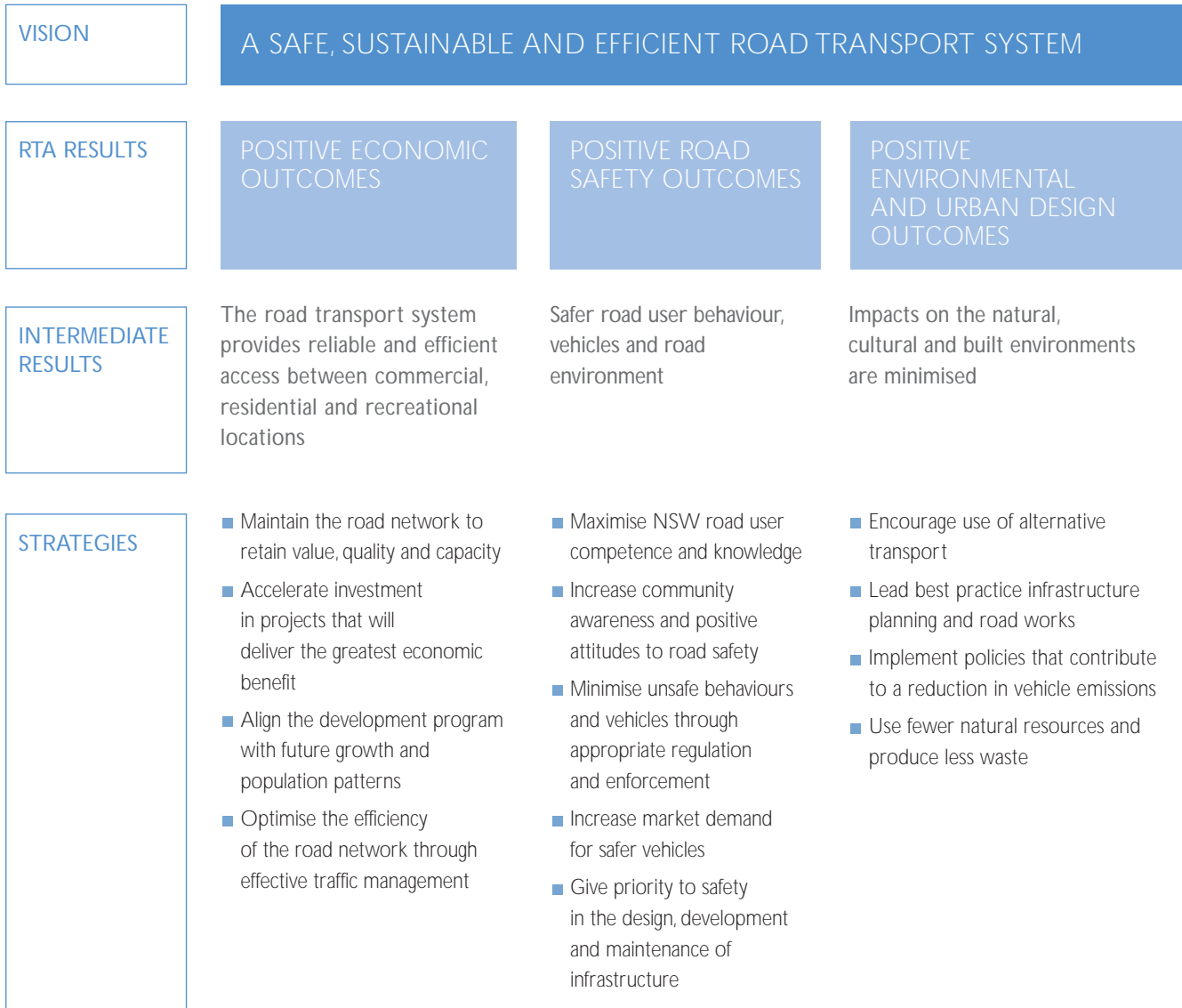
COMMUNICATIONS & CORPORATE RELATIONS

DIRECTOR

Paul Willoughby

- Manage the corporate identity of the RTA
- Manage internal communications, special events and RTA publications
- Manage the preparation of documents to meet Ministerial requirements and parliamentary processes
- Manage external communications including media, community consultation and public education

CORPORATE FRAMEWORK



The RTA's corporate framework, which forms the basis of this report's structure, expresses the alignment between our vision and result areas through to the strategies we will employ to achieve these results. The framework aligns with Treasury's results and services planning and reporting requirements which assist in demonstrating the relationship between the services we deliver and the results that we are working towards.

RTA's framework also aligns with sustainability principles by incorporating economic, social and environmental results and strategies. The framework also enhances the shared responsibility principle where NSW government agencies work in partnerships with other governments, local councils, the private sector and other stakeholders to achieve outcomes.

The framework is a tool used to appreciate how we contribute to broader government priorities and ensures that our strategies are transparent, accountable and fiscally responsible.

VALUE FOR MONEY

Quality frontline customer service functions are delivered at minimum cost

- Deliver frontline services that meet customer needs
- Pursue opportunities for electronic/alternative service delivery
- Streamline licensing and registration services

Opportunities to improve the way the RTA does business are implemented

- Use research and data strategically to inform policy and management decisions
- Align the business to core principles of simplicity, integration, improvement, accountability and efficiency

Governance and risk management systems are effective

- Follow best practice asset, project and contract management
- Maintain effective and accountable decision making, financial management and reporting processes
- Foster a strong culture of ethics and organisational integrity
- Integrate budget allocation, business planning and performance reporting systems

A committed, high performance and flexible workforce

- Manage for high performance, productivity and staff satisfaction
- Provide a healthy and safe workplace
- Attract, develop and retain high quality staff

Business partners, industry and the community contribute to positive road transport outcomes

- Effectively communicate the RTA's challenges, priorities and successes
- Pursue business partnerships and opportunities for stakeholder involvement
- Take a leadership role on national policy issues

PERFORMANCE OVERVIEW

TABLE 1 POSITIVE ECONOMIC OUTCOMES

INDICATOR	2002–03	2003–04	2004–05	2005–06	PAGE
Ride quality: smoothness of State Roads (% good)	89.6%	89.5%	89.4%	90.8%	17
Pavement durability: cracking country State Roads (% good)	79.5%	81%	81.9%	85.1%	18
Benefit of development program (\$ million)	2147	2349	2218	2257	19
Major works completed within planned duration or within 10% over planned duration	91%	86%	83.6%	82%	20
Change in urban traffic volume (% increase on previous year)	2.2%	1.4%	0.2%	1%	27
Travel speed: seven major routes AM peak (km/h, urban)	34	34	31	32	27
Travel speed: seven major routes PM peak (km/h, urban)	41	41	41	42	27
Number of structurally deficient bridges on State Roads [#]	7	6	5	0	20
Maintenance and reconstruction expenditure on AusLink National Network and State Roads per km of roadway (\$000) [#]	–	32	38	34	17
Maintenance and reconstruction expenditure on AusLink National Network and State Roads per million vehicle km travelled (\$000) [#]	–	17	17	15	17

For progress on road projects during the year, see **Appendix 1**.

TABLE 2 POSITIVE ROAD SAFETY OUTCOMES

INDICATOR	2002–03	2003–04	2004–05	2005–06	PAGE
Fatalities /100,000 population ⁺	7.8	8.1	7.5	7.9	32-33
Fatalities /1,000 million vehicle km travelled ⁺	8.4	9.3	7.9	–	32-33
Percentage of fatalities where speed was a factor [#]	42%	39%	39%	38%	32
Percentage of fatalities where illegal levels of alcohol was a factor [#]	22%	16%	17%	18%	32
Percentage of vehicle occupant fatalities who were not wearing an available restraint [#]	22%	19%	19%	16%	32
Percentage of fatalities where driver fatigue was a factor [#]	18%	15%	16%	19%	32
Young motor vehicle controllers (<25 yrs) involved in fatal crashes per 10,000 licence holders	2.5	2.7	2.5	2.3	33
Fatal crashes involving heavy trucks per 10,000 heavy trucks on register	9.9	8.5	8.7	7.9	37
Heavy vehicle inspection scheme: number of inspections	83,499	82,634	80,427	86,992	39
Heavy vehicle inspection scheme: percentage of defect free vehicles [#]	58.61%	58.85%	56.20%	50.76%	39

All crash statistics for 2005–06 are provisional. Final calendar year figures can be found in the **Positive Road Safety Outcomes** chapter.

TABLE 3 POSITIVE ENVIRONMENTAL AND URBAN DESIGN OUTCOMES

INDICATOR	2002–03	2003–04	2004–05	2005–06	PAGE
Bus lane length (km)	75	76	78	89	43
Transit lane length (km)	86	86	86	86	43
Cycleway length (km) #					
■ Off-road cycleways		1,125	1,210	1,310	43
■ On-road cycleways		2,135	2,235	2,380	
Number of environmental penalty infringement notices issued to the RTA	1	0	0	0	45
Number of major environmental incidents arising from RTA's direct operations	–	–	7	4	45
Number of non compliances with environmental licences held by the RTA	6	5	2	0	45
Condition of heritage assets (% good)	20%	37%	45%	47%	48
RTA's total greenhouse gas emissions from direct energy consumption (tonnes CO ₂ -e)	114,360	112,862	110,058	–	55
RTA's total office energy consumption (GJ) (target of 75,989 GJ)	77,491	75,492	77,344	–	55
RTA fleet environment score (target of 10) #	–	–	–	9.9	54

TABLE 4 VALUE FOR MONEY

INDICATOR	2002–03	2003–04	2004–05	2005–06	PAGE
Percentage of vehicle registration renewals completed via the internet or telephone	2%	3%	5.38%	8.6%	62
Use of RTA website (million visits)	2	6	8.9	11.4	62
Workplace injuries/100 employees (EFT)#	9.1	7.6	7.5	7.0	69
OHS liability workplace claims costs (\$ million) *	2.2	3.1	2.4	2.4	69
Separation rate of staff **	5.39%	6.39%	5.99%	6.29%	72
Customers rating service as 'good or very good'	94%	92%	94%	95%	60-62

– Data unavailable at the time of reporting.

New indicators introduced in 2005–06.

* Excludes journey and recess away claims. Recess away injuries are those occurring at lunch time away from the workplace.

** Separation rate is the proportion of staff who left the organisation. Includes salaried, wages and casual staff.

+ Fatality figures are provisional and subject to change as population figures are revised.

FINANCIAL OVERVIEW

FINANCIAL PERFORMANCE

STRATEGIC OUTCOME – INVESTING IN THE FUTURE

Sound investment decisions are a keystone for the development of a strong, sustainable road system for NSW. The Investment Decision Framework developed during 2005 was implemented in 2006 to ensure investment decisions align and support delivery of key business outcomes and maximise immediate and long-term community benefits from state and federal funding.

Strategic risk also forms an integral component of a robust investment decision framework. Significant progress has been made towards the development of the Corporate Risk Register and Risk Profile which will be integrated into the RTA governance structure by the end of 2006.

ACHIEVEMENTS

- Sound financial management of the \$2.8 billion funding and expenditure program.
- Developed and commenced implementation of the Strategic Risk Management Framework.
- Successfully implemented changes to the financial accounting processes and reporting as a result of the transition to International Accounting Standards.
- Undertook a review of all material RTA contracts to identify embedded derivatives as a result of adoption of AASB 139 *Financial Instruments: Recognition and Measurement*.
- Generated gross revenue of \$52.9 million from sale of surplus property and leasing of residue property.
- Evaluated private sector infrastructure projects and provided advice on business proposals for financial and economic viability.
- Managed property information relating to \$2.8 billion of property assets.

TABLE 5: RTA FINANCIAL PERFORMANCE IN 2005–06

FINANCIAL PERFORMANCE INDICATORS	RESULT 2003–04	RESULT 2004–05	TARGET 2005–06	RESULT 2005–06	TARGET 2006–07
Debt servicing cost as % of roads program	2.6	2.3	2.2	2.0	2.0
Asset sales (\$M) ⁽¹⁾	26.8	53.2	30.0	41.2	20.0
Interest earned					
■ Hourglass facility ⁽²⁾	5.2	4.6	5.0	1.7	1.5
■ Other institutions ⁽³⁾	5.2	3.9	5.0	0.9	1.5

General notes: The RTA is a budget dependent agency funded by the NSW Government and Australian Government. Many standard financial ratios are therefore not applicable.

1. Sale of surplus properties including those acquired for roadworks and which are no longer required. All dollar amounts reported in nominal terms.
2. Target represents benchmark rate as advised by Treasury Corporation.
3. The 2005–06 result reflects lower amounts available for investment.

FINANCIAL MANAGEMENT

A strong emphasis remained on enhancing business efficiency and risk management across all RTA operations. The Finance Strategy Committee continued in its governance role, including direction of funding allocations and review of program and resource budget performance. This was supported by two key programs aimed at improving resource and budgetary control:

- Strategic review of internal and external impacts on the RTA budget.
- The streamlining of policies and processes for Business Investment Projects (BIPs) to improve timeliness of funding approvals and improve focus on BIPs of strategic importance to the RTA.

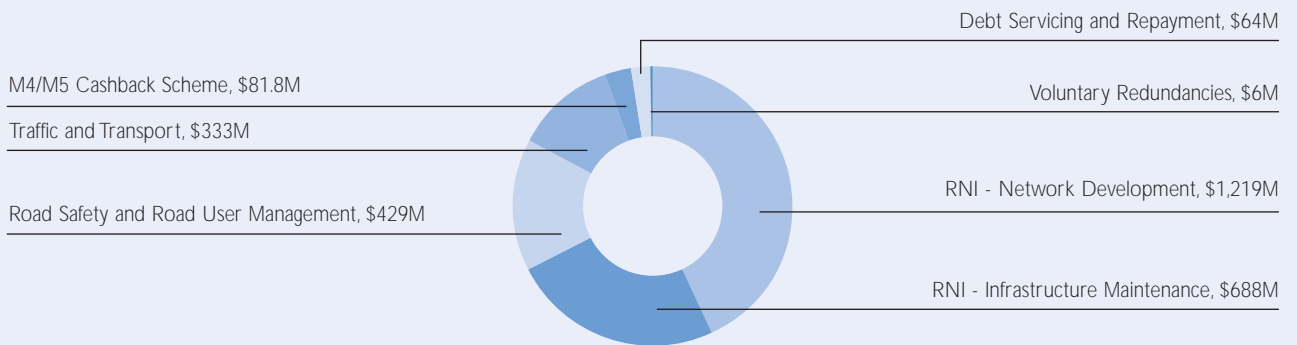
INTEGRATED MANAGEMENT SYSTEM

The Integrated Management System continued to support key corporate initiatives and projects such as various Business Reform programs, the extension of Employee Self Services system and Finance Simplification projects so that the RTA can continue to improve its business process efficiency. In addition, a successful trial of an online system training tool has been completed. The tool aims to provide on-demand user-driven training to increase user performance and reduce user-support calls.

TOTAL ROADS PROGRAM

The expenditure for the year was \$2,821 million (\$2,860 million in 2004–05). In achieving this result, the RTA met government commitments to specific initiatives including the Pacific Highway Upgrade, Western and South Western Sydney Roads and the Rebuilding of Country Roads programs.

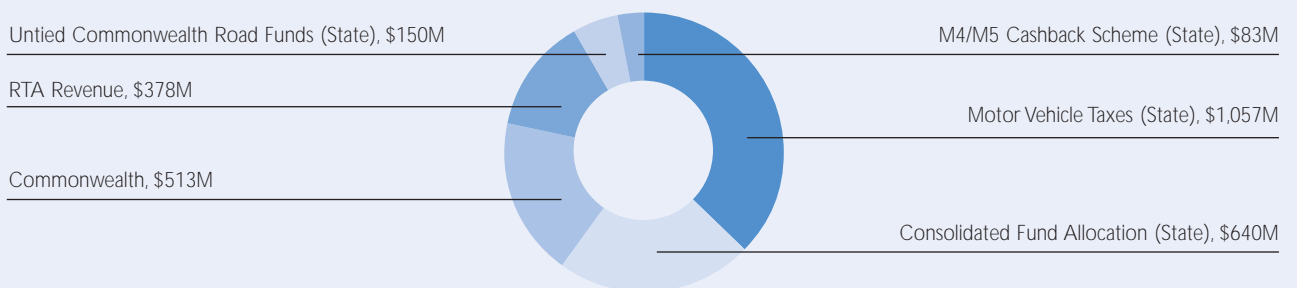
FIGURE 1 – EXPENDITURE 2005–06 \$2,821M



FUNDING SOURCES

Of the total funds applied to the Roads Program in 2005–06, State Government sources provided \$2,383 million or 85 per cent (\$2,258 million in 2004–05). The Australian Government contributed \$513 million or 18 per cent (\$573 million in 2004–05) towards the AusLink National Network, non-network projects ie former Roads of National Importance, the Australian Transport Safety Bureau – Blackspot Program, Pacific Highway Accelerated Program, Strategic Regional Programs and the Interstate Vehicle Registration Scheme. The movement in the cash balances and asset and liability program amounted to a reduction of \$75 million or three per cent (\$29 million increase in 2004–05).

FIGURE 2 – SOURCE OF FUNDS 2005–06 \$2,821M



FINANCIAL OVERVIEW

RISK MANAGEMENT

Details on risk management can be found in the **Governance and risk management** section of the **Value for money** chapter, pages 63 to 66.

OFFICE ACCOMMODATION

The RTA 2006–2009 Office Accommodation Strategy submitted to the NSW Government Asset Management Committee covers 25 leased and owned premises, the current average space density ratio of office space for these sites is approximately 14.4m² per person, which complies with the NSW Government accommodation guidelines.

PROPERTY MANAGEMENT

The RTA's portfolio consists of property acquired for road construction and operational assets which are used to deliver the organisation's works and services. The portfolio is reviewed regularly. Property not required for road construction or operations and related purposes was either disposed of or leased in accordance with government policy.

A significant focus continued on identifying, implementing and protecting the RTA's commercial opportunities, particularly in the development of the advertising strategy to optimise returns on appropriate sites in the road reserve. Revenues from advertising for 2005–06 were \$3.2 million. Revenues from the leasing or sale of property were above budget (gross revenue for 2005–06 was \$52.9 million).

INTERNAL AUDIT

The Control Management Services Branch provided a high-quality, cost-effective auditing service across the full range of the RTA's activities. The branch also provided a range of other services whose major focus was to ensure that controls are in place to address the organisation's major risks in the future. These services included risk management, corruption prevention and investigation. See the section on **Governance and risk management** on page 63 to 66 for full details.

CASHBACK SCHEME

The RTA administers the Cashback scheme that allows drivers of NSW privately registered motor vehicles using the M4 and M5 motorways to be eligible for a quarterly refund of tolls paid on these roads. Some 198,000 Cashback customers lodged 580,000 claims in 2005–06. The total cost of the scheme, including administration, was \$81.8 million. The scheme is funded from consolidated revenue.

FUTURE CHALLENGES

- Enhanced revenue opportunities for the RTA to consolidate non-Budget funding.
- A financial management structure reflecting the priorities of the NSW State Plan.



POSITIVE
ECONOMIC
OUTCOMES

POSITIVE ECONOMIC OUTCOMES

INTERMEDIATE RESULTS

The road transport system provides reliable and efficient access between commercial, residential and recreational locations

MAINTAINING THE ROAD NETWORK

THE NSW ROAD NETWORK

The 183,134 kilometre NSW road network is a significant public asset providing access across the State for commuters, travellers, business and freight.

The road system is divided into four categories:

- 17,919 km of RTA-managed State Roads including 4,250 km of AusLink network for which the Australian Government provides a funding contribution. Also included is 166 km of privately funded toll roads.
- 2,946 km of RTA-managed Regional and Local Roads in unincorporated NSW.
- 18,486 km of council-managed Regional Roads, which receive significant RTA grant funds.
- 143,783 km of council managed local access roads, funded by both local ratepayers and federal road assistance grants.

The RTA is also responsible for managing:

- 4,928 bridges and major culverts on RTA and council-managed roads.
- 3,742 traffic signal sites.
- Nine vehicular ferries.

INFRASTRUCTURE CONDITION

The percentage of surface road roughness rated as good on State Roads and the AusLink National Network in NSW is at a high level. Except for the Great Western Highway the percentage of surface road roughness rated as good on all state funded State Roads has been improved. On the AusLink National Network, the percentage of surface road roughness rated as good on the Sturt Highway, Canberra Connections, South Coast and the Sydney/Newcastle corridors has reduced marginally.

MAINTENANCE PLAN

The Infrastructure Maintenance Program establishes priorities on a risk basis to support safety and reliability of travel on State Roads and to retain asset value. These strategic priorities are

linked to outputs and service standards using program budgeting and maintenance contracts. The maintenance contracts determine consistent minimum levels of service, with requirements for identifying and rectifying defects.

ROAD MAINTENANCE REFORM PACKAGE

The Road Maintenance Reform Package, introduced on 1 July 2000, brought major changes in the way road maintenance is delivered across the State. The package introduced single invitation maintenance contracts to create a contractual relationship between the RTA and local council maintenance providers. Eighty seven contracts with councils continue to work successfully through use of consistent standards, procedures and management systems for worker safety, traffic control and safety, environmental protection and works quality.

During 2005–06 a more collaborative style alliance contract was formed between the RTA directorates for Operations and Services and Road Network Infrastructure. The alliance is a cooperative arrangement for RTA maintenance contracts that will help drive productivity improvements and cost savings. The alliance has clearly defined processes for decision making with strategies to support regional staff, a review of delivery options and a capability to provide expertise when and where it is needed.

Through discussions with local government the RTA is encouraging 'clustering' of local councils to reduce the number of small contracts. This is expected to produce cost savings through economies of scale without jeopardising local employment.

REBUILDING COUNTRY ROADS PROGRAM

The NSW Government's Rebuilding Country Roads Program involves a commitment for the RTA to spend at least \$100 million a year on renewing roads and bridges to the latest

FIGURE 3 DISTRIBUTION OF CONSTRUCTION PERIOD FOR STATE ROADS (INCLUDING THE AUSLINK NATIONAL NETWORK)

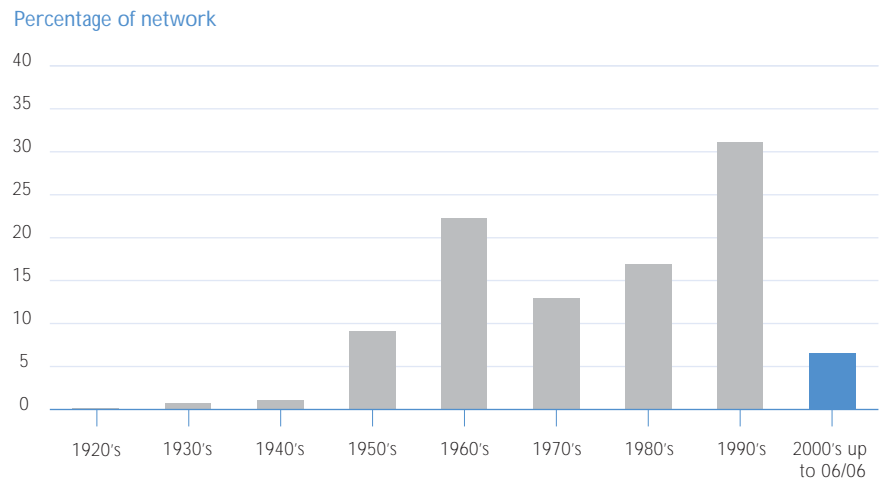
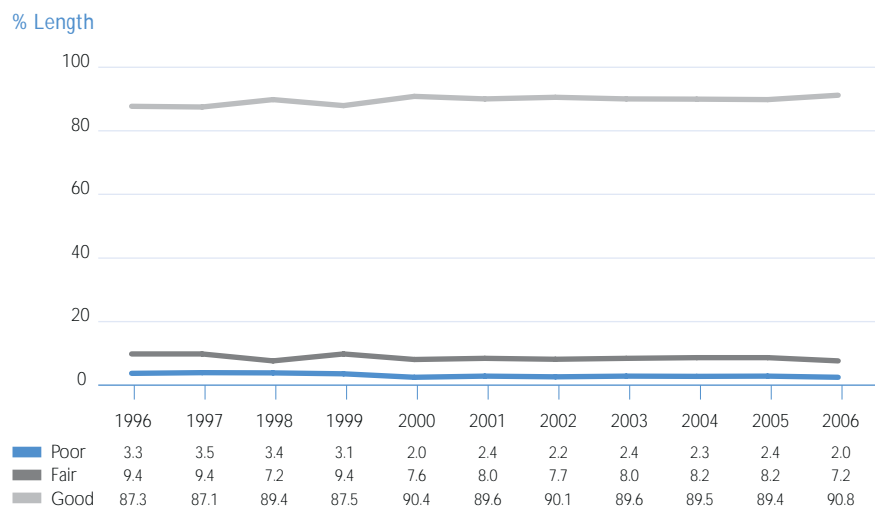


FIGURE 4 RIDE QUALITY (% ON STATE ROADS (INCLUDING AUSLINK NATIONAL NETWORK))



standards. Over the past eight years the RTA has spent an average of \$122 million per annum on this program. Expenditure for 2005–06 amounted to \$96.5 million.

Due to the ageing of the State arterial road network, the NSW Government announced a variety of increased RTA charges in December 2001 including a rise in the Sydney Harbour Bridge toll. All the additional funds are directed into

maintenance of the RTA's arterial roads and bridges with the majority to be spent on rural and regional arterial roads. For 2005–06 expenditure amounted to \$50.7 million.

The necessity of funding over \$42 million in natural disaster restoration works during the year meant that expenditure under both the Rebuilding Country Roads Program and from the accelerated maintenance program was

below the levels of previous years. Almost all this expenditure on natural disasters occurred in regional areas of the State.

Major works recently completed under the accelerated program include:

- 7.5 km of the Gwydir Highway at Lamonts Lane west of Inverell.
- 1.3 km of the Orange to Parkes Road near Manildra.
- 1.5 km of the Golden Highway at Plain Creek east of Dubbo.
- 1.8 km of the Castlereagh Highway near Gilgandra.
- 3.5 km of Campbelltown Road.
- 1.2 km of John Renshaw Drive.

DISASTER REPAIRS

Disasters cause significant and widespread hardship for the people of NSW, industry and communities. The NSW Government provides significant financial assistance to councils to repair roads damaged by declared natural disasters. It also funds repairs to road infrastructure on Crown Roads.

MURRAY RIVER BORDER CROSSINGS

Progress was made on upgrading key crossings on the Murray River in 2005–06. The NSW and Victorian Governments published a Murray Crossings Strategy in March 2002.

NATURAL DISASTER REPAIRS

In 2005–06, the RTA managed \$42.3 million of NSW Government funds to repair damage from declared storms, flooding and bushfires. Major storm events occurred in the South West, Central West and North Coast areas, together with bushfires in the Junee area. Major restoration continued in the Moree and Narrabri areas as a result of flooding in 2004–05.

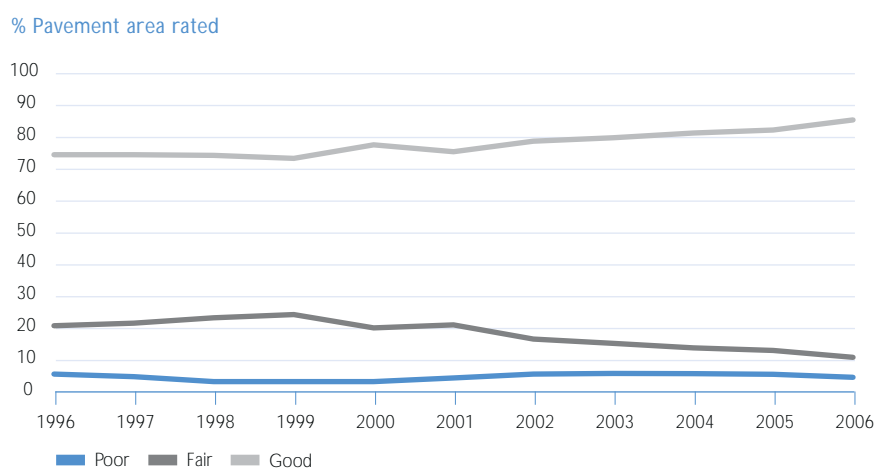
A new crossing at Barooga–Cobram was completed in June 2006 and fully funded by the NSW and Victorian Governments. The NSW Government is cooperating with the Australian and Victorian Governments on the new crossing at Robinvale due for completion in late 2006, and planning for a new crossing at Moama–Echuca.

SLOPE STABILITY

The three year risk management program begun in 2004–05 continued to assess and risk-rate slopes across the State. A Road Slope Management System was designed and implemented.

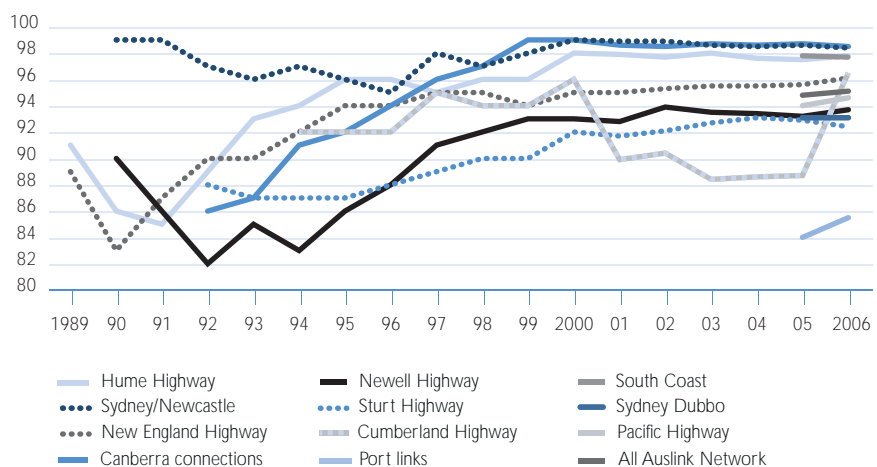
Recent highlights include slope stability works on the Pacific Highway at

FIGURE 5 PAVEMENT DURABILITY ON SEALED COUNTRY STATE ROADS (INCLUDING AUSLINK NATIONAL NETWORK)



Since 1998, automated technology has been used to collect pavement durability data

FIGURE 6 ROUGHNESS (% GOOD) ON AUSLINK NATIONAL NETWORK CORRIDORS



NOTE: Values shown for various corridors for years prior to 2005 are those on the former National Highway Network. Change in 'Cumberland' in 2001 was due to federal redefinition of National Highway Links. Major change to Cumberland in 2006 is due to the opening of M7 Motorway and subsequent reduction in length of Cumberland Hwy / Pennant Hills Rd (HW13). No condition data is available for M7.

Cooperabung and Scotts Head, Jenolan Caves Road and Henry Lawson Drive at Padstow. Improvements were made at selected locations on the Princes Highway near Brogo Pass. Remediation commenced on the Federal Highway near Lake George and ongoing works continued on the F3 near Jolls Bridge.

REVIEW OF THE CLASSIFICATION OF STATE AND REGIONAL ROADS

The statewide review, begun in 2004–05, continued to classify roads as State or Regional Roads. This strategic management tool enables government to target resources for the greatest strategic benefit. The review aims to add or delete roads

from the State and Regional Road networks by taking account of changes in their importance and function. Influencing factors include changes in population, land use, economic activity and construction of new roads.

A three member panel with local government and RTA experience has undertaken the review. During 2005–06 the panel consulted extensively with local government. A final report, which will provide maps and commentary on each recommended classification, will be presented to the Minister for Roads in late 2006. The overall level of funding remains the same.

ROADS ACT REVIEW

A review of the *Roads Act 1993* began during 2004–05. The RTA has reviewed the report tabled in Parliament in 1999 pursuant to the statutory review provisions of the Act. A discussion paper is being prepared to facilitate consultation with government agencies, local government and the wider community.

ROAD DEVELOPMENT

PROJECT DELIVERY

During the year, 18 major construction projects with individual costs of more than \$1 million were completed. Total expenditure on these projects was \$503.4 million. Refer to Table 6 or **Appendix 1** for details.

MOTORWAYS

Cross City Tunnel

The tunnel was opened on 28 August 2005, two months ahead of schedule with surface works to upgrade William Street completed in May 2006. The 2.1 kilometre twin tunnel runs between Darling Harbour and Kings Cross, linking the Western Distributor to New South Head Road and connecting with the Eastern Distributor. As at June 2006 the tunnel is used by around 30,000 vehicles per day. The removal of this volume of traffic from the city's surface streets has eased city congestion and improved local amenity.

Construction work was undertaken by the Cross City Motorway Consortium (CCM), in line with the project agreement with the RTA and planning approval conditions issued by the Minister for Planning. The project was funded, designed and built by the CCM consortium at an estimated cost of \$680 million (including development, design, construction, fit-out and commissioning). CCM will operate and maintain the tunnel for a term of 30 years and two months.

FIGURE 7 ROUGHNESS (% GOOD) ON ALL STATE FUNDED STATE ROADS

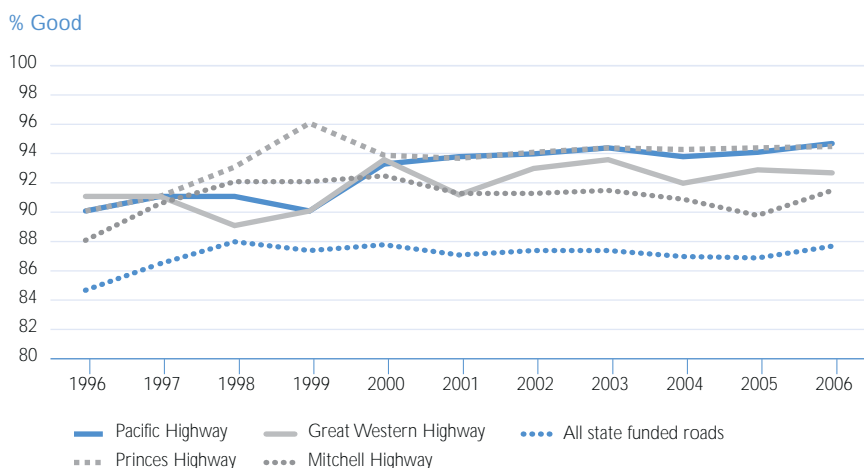


FIGURE 8 REBUILDING COUNTRY ROADS PROGRAM EXPENDITURE

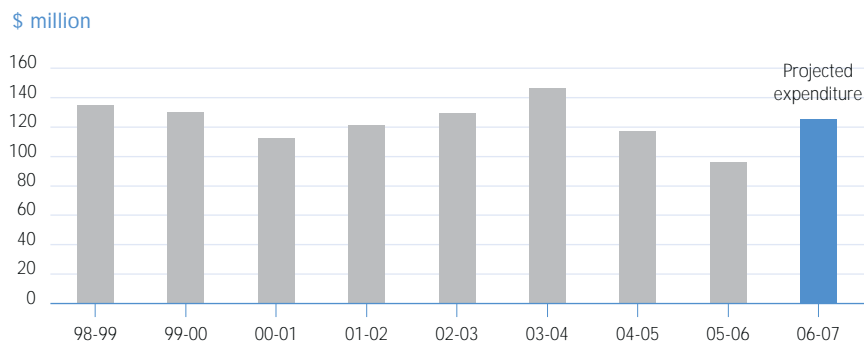
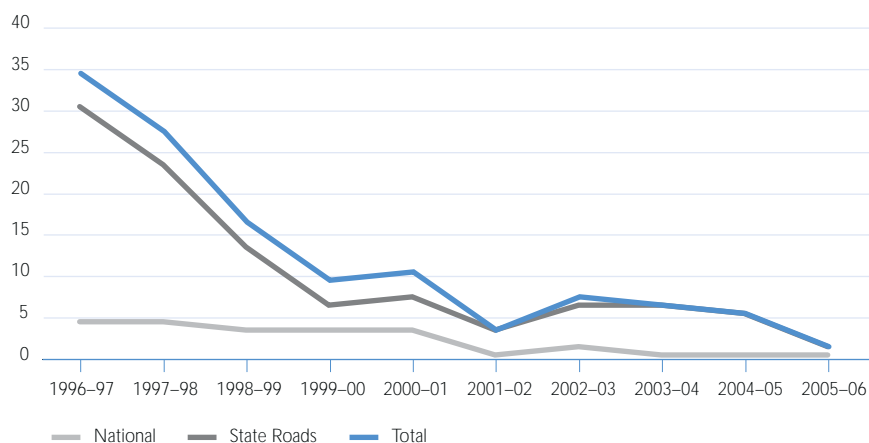


FIGURE 9 NUMBER OF STRUCTURALLY DEFICIENT BRIDGES ON STATE ROADS (INCLUDING AUSLINK NATIONAL NETWORK)



Tolling is fully electronic and interoperative with other Sydney toll roads. A number of surface road modifications will be introduced for the Cross City Tunnel in response to community requests.

Lane Cove Tunnel

The Lane Cove Tunnel will provide a link between the M2 Motorway and the Gore Hill Freeway and complete the final link in the Sydney Orbital. It will connect the north-west sector of Sydney with the CBD. Substantial construction began in late July 2004 with the project expected to open ahead of its May 2007 completion date.

Connector Motorways was contracted in December 2003 to finance, design, build, maintain and operate the project. Equity is provided by Thiess Pty Limited, Transfield Holdings Pty Limited, Cheung Kong Infrastructure Holdings Limited and Li Ka Shing (overseas) Foundation. Connector Motorways has engaged the Thiess John Holland Joint Venture to design and construct the project. Transfield Services Limited will operate and maintain the motorway.

The project will provide transit lanes on the widened Gore Hill Freeway from the M2 at the Lane Cove River to the Warringah

Freeway. New ramps will be provided to and from the north between Falcon Street at Neutral Bay and the Warringah Freeway to improve access to the Gore Hill Freeway-M2 corridor.

Work at the end of the 2005-06 financial year was well underway in all areas with tunnel excavation nearing completion. Electrical and mechanical installation was also underway.

Tolling will be fully electronic and interoperable with other Sydney toll roads.

Westlink M7 Motorway

The Westlink M7 (formerly known as the Western Sydney Orbital) was opened to traffic on 16 December 2005. This motorway runs between the M5 Motorway at Prestons

and the M2 Motorway at West Baulkham Hills and forms part of the National Network through Sydney. A key link in the Sydney Orbital Motorway network connecting the M5, M4 and M2, it comprises approximately 40 kilometres of dual carriageway. The M7 will support the industrial and commercial development of Western Sydney, taking heavy vehicles off local streets.

The Australian Government provided \$392 million to the project with the remaining funding of more than \$1.5 billion provided by the private sector. The Westlink Consortium was contracted in February 2003 to finance, design, build, maintain and operate the project. Equity was provided by Transurban, Macquarie Infrastructure Group, Abigroup Contractors and Leighton Contractors. Abigroup Leighton Joint Venture was the design and construction contractor, delivering the project eight months ahead of schedule. Westlink Consortium has the right to toll the road for the remainder of the concession period until February 2037. Tolling is fully electronic and interoperable with other Sydney toll roads. The M7 has 17 sections and users are being charged on a rate per kilometre basis. By June 2006 the M7 was carrying more than 90,000 trips per day with many vehicles travelling on only part of the M7.

At the end of the 2005-06 year, some ancillary work remained to be completed, and several property acquisition disputes are still to be resolved by the Land and Environmental Court.

TABLE 6 PROJECT DELIVERY

	NO OF PROJECTS	TOTAL EXPENDITURE \$ MILLION	% OF PROJECTS WEIGHTED BY PROJECT COST
Completed within budget or within 10% over budget	11	414.81	82%
Completed within planned duration or within 10% over planned duration	11	412.28	82%



The Westlink M7 Motorway opened to traffic on 16 December 2005 eight months ahead of schedule.

M4 Motorway extension

The NSW Government's Metropolitan Strategy for Sydney, released in December 2005, highlighted the critical significance of better linkages between Port Botany and Sydney Airport and Western Sydney. The RTA undertook some preliminary planning work for a future eastwardly extension of the M4 from Strathfield in the context of the Metropolitan Strategy.

Any extension of the M4 will be considered in light of Sydney's urban growth and in consultation with the community.

F3 Freeway to M2 Motorway link

A new link connecting the F3 Freeway at Wahroonga with the M2 at Carlingford has been proposed. It would be the final link to provide motorway conditions all the way through Sydney from north to south via the F3, the new link, the M2, the M7 and the F5.

Following completion of a feasibility study, the Australian Government announced the preferred corridor option for the link in May 2004. It is a wide corridor about eight



Sea Cliff Bridge on Lawrence Hargrave Drive, completed in December 2005, has received several awards for construction excellence.

kilometres long constructed mostly as a tunnel running underneath Pennant Hills Road between the F3 at Wahroonga and the M2 at the Pennant Hills Road interchange. The new link would enable motorists to avoid 22 sets of traffic signals along the existing route.

The Australian Government approved funding for the next phase of the project. Concept development and environmental assessment continued in the year and the Australian Government was considering the RTA's proposal for undertaking the work.

LAWRENCE HARGRAVE DRIVE

Construction of the Sea Cliff Bridge on Lawrence Hargrave Drive was completed ahead of schedule in December 2005. Two types of bridge structure form the 665 metre long bridge. The northern end is an incrementally launched bridge across seven piers and consists of twin girders 2.5 metres deep. The southern end is a balanced cantilever bridge across four piers, with a box girder 5.5 metres deep. The tallest pier is 41 metres above ground level. All piers have cathodic protection built in to safeguard against the highly corrosive environment.

This project has received an award from the International Productivity and Quality Centre for excellence in Major Capital

Alliances. In addition the project won the State CASE Earth Award for Excellence in Construction for projects over \$15 million. It is now being considered for nomination in the National CASE Earth Awards by judges from the Civil Contractors Federation.

PACIFIC HIGHWAY UPGRADE

2006 marks the completion of the 10 year Pacific Highway program. From 1996 to June 2006 the NSW Government has invested \$1.66 billion in the program, while the Australian Government has contributed \$660 million.

A new jointly funded program of \$960 million for the three years to 2009 was announced in December 2005, and more recently the NSW and Australian Governments have agreed to contribute an additional \$160 million each. This brings the level of funding to \$1.3 billion committed by the two governments to upgrading the Pacific Highway until the end of 2009.

By June 2006 a total of 233 kilometres of the Pacific Highway were double-lane divided highway. Approximately 44 per cent of the highway was either completed dual carriageway, under construction, or had a contract awarded. Planning is well advanced on the selection of preferred routes for the remaining 162 kilometres.

Highlights during the year included:

Karuah to Bulahdelah Section 1

Construction is well advanced on the \$114 million, 11 kilometre Karuah to Bulahdelah Section 1 upgrade. Work began in November 2004 to provide dual carriageways on a new highway alignment over much of the length of the project, a significant improvement to safety. This project is jointly funded by the NSW and Australian Governments and should be completed in late 2006.



Dual carriageways on the Pacific Highway at Bulahdelah provide a new highway alignment that improves safety.

Bundacree Creek to Possum Brush

Work continues on this 9.7 kilometre, \$115 million project, 22 kilometres south of Taree. Work commenced in September 2004 and includes new bridges over the Wallamba River and Pipeclay Creek, a major interchange at Nabiac to provide safer access across the highway for local traffic, two pedestrian underpasses beneath the highway and a pedestrian/cycleway linking Clarkson Street south over the Wallamba River Bridge. The project is jointly funded by the NSW and Australian Governments and is expected to be complete in late 2006.

Taree to Coopernook

The \$59 million Taree to Coopernook upgrade between the northern end of the Taree Bypass and the southern end of the Coopernook Bypass opened to traffic in August 2005. This project was jointly funded by the NSW and Australian Governments, and provides 7.5 kilometres of four-lane dual carriageway. Traffic was moved onto the new highway over four stages beginning in May 2005. Building the new highway across the soft soils of the Lansdowne and Manning River floodplains presented a major engineering challenge. Large embankments were constructed in the soft soil areas and vertical drains were installed under the embankments to help compress the earth and shorten the settlement period. Construction of the road pavement began in March 2004 and

work on the new bridges over Ghinni Ghinni Creek started soon after.

Coopernook Bypass

This \$69 million project, which began in February 2002, was opened to traffic in March 2006. A community day was held on Sunday 19 March 2006 to mark the official completion of the bypass. The 4.2 kilometre bypass involved the construction of a four-lane divided road to the east of Coopernook, 22 kilometres north of Taree. The bypass removes heavy vehicles and highway traffic from Coopernook as well as improving pedestrian safety and traffic flows within the town. The bypass also provides improved access to the Pacific Highway via staggered T-intersections at Harrington Road and Coopernook Road, making it easier and safer for local traffic to access the Pacific Highway. New twin bridges were constructed over the Lansdowne River and Coopernook Creek. In the past the narrow width of the old Lansdowne River Bridge caused problems for heavy vehicles passing in opposite directions.

As part of the project a 31 hectare wetland was established adjacent to Coopernook Creek to support local flora and fauna and encourage mangrove compensatory areas.

This project was fully funded by the NSW Government.

Lakes Way interchange

The new overpass at the intersection of the Lakes Way and the Pacific Highway at Rainbow Flat opened to traffic in July 2005. The new overpass improves safety for motorists as well as vehicular access into and out of the northern entrance to the Lakes Way. The project was fully funded by the NSW Government at a cost of approximately \$8.9 million.

Bonville upgrade

The contract for the design, construction and 10 year maintenance of the Bonville upgrade project was signed in May 2005. The 9.6 kilometre stretch along the Pacific Highway between Perrys Road and Lyons Road south of Coffs Harbour will be upgraded to dual carriageway. The project will link the Raleigh Deviation in the south with the completed Lyons Road to Englands Road section in the north. When finished, the Bonville upgrade will complete 17.5 kilometres of dual carriageway between Coffs Harbour and Urunga. The project is jointly funded by the NSW and Australian Governments.

Ballina Bypass

Tenders were invited in May 2006 for the preconstruction earthworks on this project and a contract is expected to be awarded in August 2006. It will take six to seven years before the bypass can be completed because

of the need to stabilise the embankments on the soft soil section of Richmond River floodplain. This project is jointly funded by the NSW and Australian Governments.

Brunswick Heads to Yelgun

Construction began in July 2005 on this \$256 million, 8.6 kilometre project. It involves construction of a new dual carriageway generally adjacent to the current highway north of Brunswick Heads and a second carriageway on the Brunswick Heads Bypass. The project is jointly funded by the NSW and Australian Governments.

Tugun Bypass

Construction has commenced on the Tugun Bypass. Early essential construction works began in April 2006. The bypass will connect the Pacific Motorway between Stewart Road interchange at Currumbin and the Tweed Heads Bypass north of Kennedy Drive. The project is being funded by the Australian and Queensland Governments with technical assistance provided by the RTA to facilitate construction of the project. Planning approval has been received for the seven kilometre NSW section of the Tugun Bypass.

Other highlights

Preferred routes have been selected for the following projects and planning continues.

- Macksville to Urunga (40 km, including the Warrell Creek project).
- Woodburn to Ballina (32 km).
- Iluka Road to Woodburn (35 km, concept design along existing alignment).
- Failford Road to Tritton Road (3.3 km, concept design along existing alignment).
- Herons Creek to Stills Road (3.3 km, concept design along existing alignment).

Route options displays have been released for:

- F3 to Raymond Terrace (12.2 km).
- Oxley Highway to Kempsey (38.8 km).
- Woolgoolga to Wells Crossing (27.8 km).

- Wells Crossing to Iluka Road (78 km).
- Tintenbar to Ewingsdale (17 km).

Planning is also continuing for:

- Bulahdelah Upgrade (9 km).
- Karuah to Bulahdelah Sections 2 and 3 (23 km).
- Cooperook to Moorland (10 km).
- Moorland to Herons Creek (22 km).
- Kempsey to Eungai (39 km).
- Coffs Harbour Highway Planning Strategy (12 km).
- Sapphire to Woolgoolga (24 km).
- Ballina Bypass (Main contract – 12.4 km).
- Banora Point (2.5 km).

SYDNEY PROJECTS

Windsor Road upgrade

The program to upgrade Windsor Road and Old Windsor Road to a minimum of four lanes is progressing with substantial construction on:

- Roxborough Park Road to Norwest Boulevard, Baulkham Hills.
- Acres Road to Old Windsor Road, Kellyville.
- Mile End Road, Rouse Hill to Boundary Road, Box Hill.
- Boundary Road, Box Hill to Level Crossing Road, Vineyard.

These sections are due to open to traffic progressively from July 2006, at which time Windsor and Old Windsor roads will have been upgraded to four lanes between Parramatta and McGraths Hill.

The contract for construction of the final project in the program, the \$120 million Windsor flood evacuation route across South Creek, was awarded in September 2005 and work is in progress on the major bridge and approaches.

The Windsor Road upgrade is improving the accessibility, safety and reliability of travel in the north-west sector of Sydney. The upgrade will significantly contribute to economic development in Western Sydney,



As part of the Windsor Road upgrade program this section at Baulkham Hills is upgraded to four lanes.

and is the largest urban arterial road project undertaken by any State government.

Work is well advanced on the grade separation of Norwest Boulevard over Old Windsor Road at Glenwood. The upgraded intersection is expected to open in late 2006 and will provide improved access for traffic to the Norwest Business Park and to the M7.

Bangor Bypass

The Bangor Bypass is a four-lane divided road consisting of two sections – a 2.8 kilometre north-south link between New Illawarra Road and Alford's Point Road to the west of and parallel to Old Illawarra Road and a 3.4 kilometre east-west link between the Woronora Bridge and the north-south link.

The east-west link was completed early in 2005 and planning is now in progress for the north-south link. Work is also progressing on planning for the duplication of Alford's Point Bridge over the Georges River.

Hoxton Park Road upgrade

Hoxton Park Road is being progressively upgraded to provide a divided road at least four lanes wide and an off-road cycleway. It carries the Liverpool to Parramatta Bus T-way on two separate, central lanes between Banks Road and Brickmakers Creek.

Planning for the final section between



The Prairiewood Station on the Liverpool Parramatta T-way is part of a new public transport system for western Sydney.

Cowpasture Road and Banks Road is well advanced. Within this section, construction of a new signalised intersection at Whitford and Illaroo Roads was completed in December 2005.

Cowpasture Road upgrade

Cowpasture Road is being progressively upgraded to a four-lane divided road, from the roundabout at The Horsley Drive, Wetherill Park to Camden Valley Way, Leppington.

Major construction on the \$39 million upgrade between Hoxton Park Road and Main Street is in progress. It is expected to open to traffic in late 2006.

Concept development works are in progress for the two remaining sections of Cowpasture Road: from Main Street to Camden Valley Way and from North Liverpool Road to the M7.

Camden Valley Way upgrade

Widening of the \$21 million section of Camden Valley Way between the M5 South West Motorway and Bernera Road at Prestons opened in December 2005. Concept design and other planning activities are being undertaken for the section between Bernera Road and Cowpasture Road.

Narellan Road upgrade

Two roundabouts on Narellan Road at Waterworth Drive and Mount Annan Drive were replaced with traffic signals. The works were opened in February and April 2006 respectively. Planning also progressed on the Narellan Road extension to The Northern Road during the year.

North-West T-way Network

The North-West T-Way Network comprises two new bus transitway links – Parramatta to Rouse Hill Regional Centre (17 kilometres with 20 stations) and Blacktown to Parklea (7 kilometres with 10 stations).

Construction commenced in June 2005 and is about 40 per cent complete on this \$524 million project. Overall completion is scheduled for the end of 2007.

The T-way will service the suburbs of Parramatta, Westmead, Wentworthville, Old Toongabbie, Winston Hills, Seven Hills, Kings Langley, Bella Vista, Kellyville, Balmoral Road release area, Glenwood, Kellyville Ridge, Rouse Hill, Blacktown, Kings Park, Acacia Gardens, Parklea and Stanhope Gardens. These areas will be provided with better connections to educational, recreational, employment and health facilities, and the CityRail train network.

Sunnyholt Road widening

The \$30 million widening of Sunnyholt Road to six lanes between James Cook Drive and Quakers Hill Parkway was opened to traffic in December 2005 in conjunction with the M7 Motorway, reducing travel times on this corridor.

Parramatta Transport Interchange

The \$110 million Parramatta Transport Interchange was commissioned in February 2006. The interchange was delivered as a partnership between the Transport Infrastructure Development Corporation, RTA and Ministry of Transport and has provided much improved conditions for public transport users in this growing centre. The RTA and the Ministry of Transport contributed \$30 million towards the project. The RTA also completed \$17 million of related works required for bus access and driver facilities for the interchange.

Patrick Street bus tunnel

The \$30 million Patrick Street bus tunnel and station was commissioned in April 2006 and provides much improved facilities for bus travellers in the Blacktown area. The facility was constructed in conjunction with the redevelopment of Westpoint Shopping Centre and was jointly funded by RTA, Ministry of Transport and Queensland Investment Corporation (owners of the shopping centre).

IMPROVING ACCESS BETWEEN CITIES AND REGIONS

Hume Highway

Albury Wodonga Hume Freeway project

The design-construct-maintain contract for the Albury Wodonga Hume Freeway project in NSW was awarded to Abigroup Pty Ltd in February 2005. Construction commenced in May 2005 and is scheduled for completion in mid 2007. The Australian Government is fully funding the \$374 million NSW section of this project.



The Patrick Street bus tunnel in Blacktown, commissioned in April 2006, improves access for shoppers and bus travellers around a busy shopping complex.

Hume Highway Coolac Bypass

Planning is completed and tenders were invited in February 2005 and closed in May 2005 for construction of the 12 kilometre Coolac Bypass. The award of the construction contract has been delayed pending resolution of indigenous heritage issues. This project is fully funded by the Australian Government.

Hume Highway Tarcutta truck facility

A contract was awarded in May 2006 for the \$6.5 million Tarcutta truck and trailer interchange facility. The project is being jointly funded by the NSW and Australian Governments. The Australian Government is contributing \$3 million with the NSW Government contributing \$3.5 million. Completion of the project is expected by end 2006.

Hume Highway Ingleburn ramps

Additional access ramps to the Hume Highway at Campbelltown were opened to traffic in June 2006. The Australian Government contributed two-thirds of the \$13.7 million cost of the ramps with Campbelltown City Council contributing the remainder.

Hume Highway Sheehan Bridge duplication

Planning commenced for the duplication of Sheehan Bridge at Gundagai. On

completion of the bridge duplication and Coolac Bypass the Hume Highway will be dual carriageway between Sydney and the Sturt Highway.

Southern Hume Highway duplication

The Australian Government has an objective of full dual carriageway conditions on the Hume Highway by 2012. There are 87 kilometres remaining to upgrade between the Sturt Highway and Table Top near Albury. In June 2006 the NSW and Australian Governments signed a Memorandum of Understanding to accelerate 67 kilometres of duplication in an \$800 million project to be completed by December 2009. The bypasses of Tarcutta, Holbrook and Woomargama will make up the final 20 kilometres to be completed by 2012.

New England Highway

New England Highway F3 to Branxton

Planning continued for the link between the F3 Freeway at Seahampton and the New England Highway at Branxton. The Australian Government's AusLink Program has allocated a total of \$174 million for the project in the five years 2004–05 to 2008–09, and has made construction funding conditional on a 20 per cent contribution from the NSW Government. Funding for construction of the project has yet to be resolved.

New England Highway Weakleys Drive interchange

Planning continued for the interchange with Weakleys Drive at Beresfield that will eliminate three sets of traffic signals for through traffic on the New England Highway. Construction tenders were invited in June 2006, with construction expected to commence in late 2006. The \$41 million project is fully funded by the Australian Government. In 2003 the NSW Government completed the associated \$7 million Beresfield-Thornton link road that is integral to the project.

New England Highway at Devils Pinch

The realignment of Devils Pinch on the New England Highway, approximately 27 to 30 kilometres north of Armidale, was opened to traffic in April 2006. The \$25 million project was fully funded by the Australian Government.

New England Highway at Halcombe Hill

Construction tenders for the realignment of the New England Highway and a new rail overbridge at Halcombe Hill near Scone were invited in April 2006 with a contract to be awarded in July 2006. The \$17.8 million project is fully funded by the Australian Government with completion expected in the second half of 2007.

Newell Highway

Newell Highway near Ardlethan

The realignment of around three kilometres of the Newell Highway at Ardlethan was officially opened on 13 April 2006. The \$12 million project was fully funded by the Australian Government.

Newell Highway upgrade at Coobang

The Coobang upgrade will involve safety improvements to around seven kilometres of the Newell Highway. Construction commenced in February 2006 and is due for completion in early 2007. The \$21 million project is fully funded by the Australian Government.



The Bombo Interchange at the North Kiama Bypass was completed and opened to traffic in November 2005.

Newell Highway deviation at Wallumburrawang

The Wallumburrawang deviation of the Newell Highway, in the foothills of the Warrumbungle Ranges involved the construction of 4.4 kilometres of new highway including a new crossing of Wallumburrawang Creek, overtaking lanes and rest areas. Construction commenced in May 2005 and the project was opened in June 2006. The \$15.5 million project was fully funded by the Australian Government.

Princes Highway

Preconstruction has commenced on the Northern Distributor extension in Wollongong to improve conditions in the Princes Highway corridor and on the Oak Flats to Dunmore deviation to complete four lanes to Kiama. Planning is also underway on the Kiama ramps, Pambula bridge replacement and South Nowra road safety improvements prior to start of construction in 2006–07. The NSW Government will continue to lobby the Australian Government for a substantial commitment to the Princes Highway south of Wollongong, which does not form part of the AusLink National Network for funding purposes.

North Kiama Bypass

The \$179 million North Kiama Bypass was completed and opened to traffic on

28 November 2005. The North Kiama Bypass links the Kiama Bypass in the south and the Princes Highway near Dunmore, in the north. The project includes a 942 metre bridge on the Princes Highway across the Minnamurra River Floodplain and 7.6 kilometres of high standard four-lane divided carriageway road with additional auxiliary lanes between Shellharbour Road and Spring Creek Drive. Interchanges are provided at Shellharbour Road and Tabbita Road, at Swamp Road and at Bombo. On-road and off-road cycleways have been provided, as have rest areas for northbound and southbound traffic.

Great Western Highway

The \$460 million Great Western Highway upgrade program progressed this year with one upgraded section opened to traffic and preconstruction work in progress on a further two sections. The upgrade program is improving travel times for motorists and providing a safer road environment for all road users including pedestrians and cyclists. The NSW Government has committed \$360 million towards the upgrade, with the Australian Government contributing a further \$100 million.

In May 2006 Section 1 of the Leura to Katoomba upgrade was opened to traffic. Preliminary works continued on the

Woodford to Hazelbrook project. Planning works progressed for projects between Lawson and Wentworth Falls.

Along with the upgrade, work continues to improve safety of the overall route. Construction was completed on the Lapstone Hill section of the highway including extension of the central median crash barrier, a wider westbound shoulder for cyclists and a reduction of the speed limit to 70 km/h.

CENTRAL COAST PROJECTS

The Entrance Road, Terrigal Drive intersection

The \$10 million major upgrade of this intersection was opened to traffic in July 2005. The improvement replaced the existing roundabout with traffic signals and provides features to reduce delays and enhance safety. This work offers a long-term solution to this congested intersection and accommodates the expansion of the nearby Erina Fair shopping complex.

The Entrance Road, Terrigal Drive to Carlton Road

Work commenced in November 2005 on this \$15 million project to duplicate a 600 metre length of The Entrance Road. The project provides two lanes in each direction, bus bays, a shared pedestrian/bicycle path along the full length of the work and a service road to provide access for local residents. Road works are currently in progress and completion is planned for mid 2007.

Pacific Highway Tuggerah to Wyong

Acquisitions, utility adjustments and preconstruction works on the Pacific Highway between Tuggerah and Wyong were completed to allow tenders to be called in June 2006 for Stage 1 of the work. Stage 1 is estimated to cost \$18 million and will provide four lanes between Anzac Road and Mildon Road. It is expected to be complete by the end of 2007.

Pacific Highway and Craigie Avenue

The \$5 million upgrade of the intersection of the Pacific Highway and Craigie Avenue took six months from July to December 2005. This project involved altering the existing layout and constructing a new four-way signalised intersection, part of which forms the main entrance to the Wyong hospital. As well as improving traffic access to the hospital and the adjacent medical centre, the work significantly improves pedestrian safety.

OTHER RURAL PROJECTS

Lidsdale to Coxs River deviation

Work was completed in October 2005 on this \$22 million, 2.6 kilometre realignment of the Castlereagh Highway. The project includes a new two-lane bridge over the coal conveyer tunnel, completed in November 2003, a new bridge over Coxs River completed in April 2004, and roadworks deviating the highway around Lidsdale. The project provides safer travelling conditions for motorists and minimises the impact of flooding in the area.

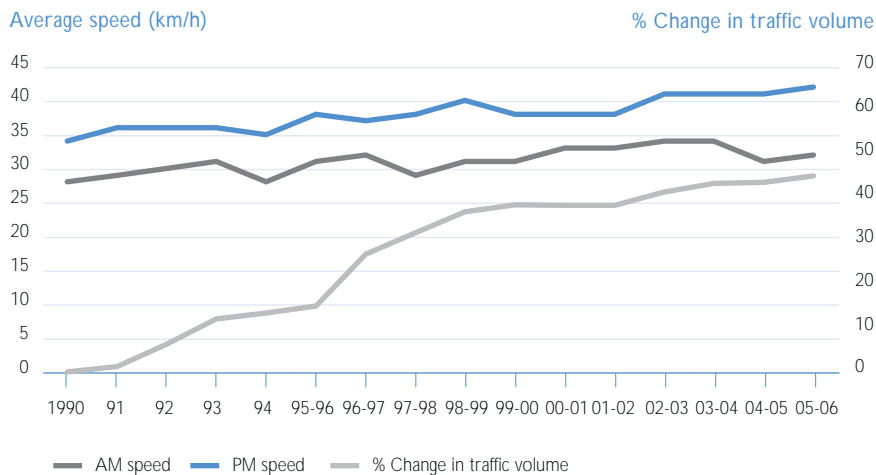
Gerogery level crossing

The \$18 million rail overbridge and approaches on the Olympic Highway, south of Gerogery was opened to traffic in December 2005. The 140 metre, four-span bridge replaces a level crossing. The total project is 1.6 kilometres long including the new concrete and steel bridge. The bridge over the railway significantly improves road safety and travelling conditions.

Mitchell Highway, Copper Hill

The \$6 million realignment of the Mitchell Highway at Copper Hill five kilometres north of Molong was opened to traffic in May 2006. The work included a 1.6 kilometre realignment of the highway and the construction of a new bridge over Molong Creek, replacing two very narrow bridges. There is also a new heavy vehicle rest area on the bypassed loop of the

FIGURE 10 SPEED AND TRAFFIC VOLUME TRENDS FOR SEVEN MAJOR ROUTES TO AND FROM SYDNEY



highway south of Molong Creek. The upgrade has improved safety for motorists and removed the disruption caused by drivers slowing and stopping for oncoming heavy vehicles on the bridges.

Mid Western Highway, Spring Creek

Construction of a replacement bridge at Spring Creek on the Mid Western Highway was completed and opened to traffic in December 2005. The replacement is a twin-arch structure, using pre-cast concrete arches. The existing bridge at Spring Creek was built almost 60 years ago. The \$6 million project is located about nine kilometres west of Bathurst. The project includes the upgrade of 1.2 kilometres of the Mid Western Highway.

MANAGING TRAFFIC

SPEED AND TRAFFIC VOLUME TRENDS

On the seven major routes to and from the Sydney CBD, average speeds in 2005–06 were 32 km/h for the AM peak and 42 km/h for the PM peak, which were slightly higher than 2004–05.

The trends in average speeds for these major routes are shown in Figure 10, together with

the growth in traffic volumes on these routes during the same period. Despite traffic volume growth of around 45 per cent during past 15 years, the trend in average peak hour speeds has remained consistent.

KEEPING THE TRAFFIC FLOWING

The focus for 2005–06 was to maintain consistent travel times for motorists, particularly during peak hours by:

- More efficient response to incidents to ensure good traffic flow.
- Reducing the causes of delay through improved operation of intersections, electronic tolling on motorways, and improvements to the traffic signal control system.
- Helping road users navigate the road system more effectively.
- Reducing traffic disruptions from incidents and special events.

Incidents and special events

The RTA's Transport Management Centre (TMC) is responsible for managing special events, the response to planned and unplanned incidents, and disseminating information to road users. As the central point for handling crashes, breakdowns, roadworks

WORLD MARKET

The SCATS system continues to be a proven success with an expanding international market. SCATS is currently licensed to over 8,649 intersections in eight states and territories in Australia, and a further 15,000 sites in 84 cities in 21 overseas countries.

and spills, the TMC passes information to the public through the media, the call centre and Variable Message Signs (VMS).

The TMC is responsible for ensuring that traffic systems operate at peak performance. TMC activities include fine-tuning coordinated traffic signal systems and controlling other traffic operations such as:

- Deployment of traffic commanders to assume primary responsibility for traffic management around incidents on major roads in NSW.
- Deployment of a Traffic Emergency Patrol Service who routinely patrol major routes in Sydney and surrounding areas to identify and assist when incidents occur.
- Operation of Variable Speed Limit signs on all motorways so that speed limits may be adjusted in response to prevailing traffic conditions.
- Expansion and operation of the network of 492 VMS across Sydney's metropolitan area and selected major routes across the State.
- Expansion and operation of the closed circuit television network of 606 cameras that monitor roads across Sydney and selected major routes throughout the State.
- Operation, management and maintenance of the Sydney Harbour Bridge lane control system and other electronic and manual tidal flow systems throughout the Greater Sydney area.

- Development of the Sydney Transport Evacuation Precinct Plan in conjunction with other government agencies to control traffic operations and pedestrian movements in the Sydney CBD in the event of a disaster.

Intersection and corridor improvements

Travel delays in 2005–06 were reduced. This was achieved by improvements to intersections and better access to major roads on corridors and at specific locations. Routes and locations in need of attention have been identified through monitoring congestion and travel times on the network.

Improvements included construction of traffic signals, roundabouts and intersection upgrades in the urban Sydney area – President Avenue and Sylvania Road GyMEA; South Western Region – Olympic Way and Jennings Road Henty; Snowy Mountains Highway and Talbingo Road Talbingo; Southern Region – Princess Highway and Cranbrook/Hughes Road intersection Batemans Bay; Hunter Region – Princess Highway from Hexham Bridge to Shamrock Street Hexham; The Entrance Road Wyong; Western Region – Golden Highway and Yarrandale Road Dubbo; Percy and Maughan Streets Wellington; Barriers Highway and Kidman Way Cobar.

Traffic signal coordination

The essential task of coordinating traffic signals is carried out by the Sydney Coordinated Adaptive Traffic System (SCATS). The system responds to traffic demand in real time and coordinates traffic signal timings to ensure smooth traffic flows. SCATS' capability was considerably enhanced in August 2005 with the first deployment of the Traffic Management Interface System (TMIS). TMIS provides a user configurable map-based interface for the traffic management software applications used in the TMC including SCATS, Public Transport Information

Processing System, Central Management Computer System, Traffic Information Reporting Facility and Video Control System. It displays information from these applications, such as site status, signal fault alarms, locations of congestion, CCTV images and incidents.

The first release of TMIS provides a foundation for further application interfaces which will come online as needed.

Annual upgrade agreements have now been established with all RTA supported SCATS users in Australia, New Zealand and Singapore. These users will have the latest version of the SCATS software, thus reducing the demand on RTA resources to support superseded versions of SCATS. The annual update agreements also provide a guaranteed annual income stream to offset SCATS development and support costs.

Electronic toll collection

The RTA's responsibilities for tolling include the collection of cash and electronic tolls at the Sydney Harbour Bridge and Tunnel, toll enforcement services for all NSW toll roads, and electronic tag distribution and customer account management.

Electronic toll collection and E-only lanes allow easier passage through toll booths. There are also environmental benefits because air and noise pollution is reduced when vehicles do not have to stop to pay a toll.

The RTA played the leading role in introducing electronic tolling to NSW toll roads and continues to show a lead in supporting and maintaining interoperability between all toll roads in eastern Australia. The result has been a rapid expansion in tag use with the RTA alone issuing around 357,000 tags by end of June 2006.

Toll systems

The RTA has implemented a number of new systems to support the tolling operation. The systems have been designed to improve

processing efficiency and include internal violation processing and recognition systems. An outsourced system (Toll Compliance Management System) processes toll violations for private operators as well. An internet based capability is currently being developed to allow existing RTA tag customers to check their accounts and make changes as well as enabling new customers to apply for a tag online.

Sydney Harbour Bridge and Tunnel

As owner and operator of the Sydney Harbour Bridge, the RTA has collected bridge tolls since 1932 and tolls for the Sydney Harbour Tunnel since 1992. Electronic tolling was installed on the Sydney Harbour Bridge and Tunnel in 2001. Around 70 per cent of road users now use electronic tolling on the harbour crossings during morning peak with up to 90,000 recorded readings per day.

The Sydney Harbour Tunnel toll booths are being reconfigured to improve throughput and reduce queues. Progress is being made towards an electronic only Sydney Harbour Tunnel. Minor changes have also been made to the bridge toll booths to handle increased tag use.

Motorways

The popularity of electronic tolling increased during the year with just over 70 per cent of all trips on toll roads (that accept cash) paid with an electronic tag, up by nearly 10 per cent on the previous 12 months.

The toll plazas on the M2 were reconfigured to introduce express electronic tolling lanes in January 2006. NSW's first fully electronic (cashless) toll road, the Cross City Tunnel commenced operations in August 2005. This was followed by the M7 in December 2005.

MAINTAINING TRAFFIC FACILITIES

The RTA's management of traffic facilities ensures they remain in suitable condition at minimal cost. Traffic facilities include traffic

signs, longitudinal lines and other road markings, traffic signals, and other electronic equipment.

An approach that offers value for money and reduced cost is the replacement of high energy consuming incandescent lamps in traffic signal lanterns. Light Emitting Diode (LED) lanterns bring long-term environmental benefits, reduced power charges and improved visual performance. The rollout of LED lanterns to replace incandescent lanterns in 240 sites was completed in June 2006. The rollout of a further 450 LED lanterns will be completed in 2007.

ALTERNATIVE TRANSPORT

Alternatives to motor vehicle use such as public transport, cycling and walking can improve traffic congestion, air quality and community health. For details refer to the **Positive environmental and urban design** chapter.

FREIGHT

Intelligent Access Program

The Intelligent Access Program (IAP) was developed through Austroads in partnership between all Australian road agencies and is intended to be introduced during 2006–07.

The IAP will use satellite based tracking technology to remotely monitor the compliance of heavy vehicles against their conditions of access. The RTA has established a new IAP Unit and an online facility where transport operators can 'pre-enroll for Higher Mass Limits (HML) under the IAP'.

Higher Mass Limits and Concessional Mass Limits

In June 2006, the Minister for Roads announced the expansion of the Higher Mass Limits (HML) network and the introduction of Concessional Mass Limits (CML) in NSW.

HML provides freight operators a significant increase in mass limits, so long as rigorous regulatory conditions are met.

From 1 July 2006, transport operators can apply to operate at HML on key AusLink routes, and on other roads to a distance of 100 kilometres in rural and regional areas from the available sections of the AusLink HML network. Approval of applications is conditional on favourable engineering assessments.

This initiative gives practical effect to NSW's obligations under the AusLink funding agreement reached with the Australian Government, and means that up to 40 per cent of NSW is potentially available for HML applications.

HML vehicles can transport an increased payload capacity of between 10 and 13 per cent, providing a significant productivity gain to road transport operators. Accordingly, HML has the potential to reduce the total number of individual truck trips, providing economic benefits by reducing the cost of transporting goods and produce, while contributing to improved road safety and environmental outcomes.

CML allows vehicles to operate at moderately increased mass limits, if accredited under the Mass Management Module of the National Heavy Vehicle Accreditation Scheme.

IMPROVED SIGNPOSTING

The RTA is using market research findings to look at ways to improve guide signage on the road network. The research investigates road users' understanding and expectations of guide signposting. Together with Tourism NSW and others representing the tourism industry, the RTA is making a valuable contribution to new tourist signposting strategies.

FUTURE CHALLENGES

Maintaining the road network

- Continue to provide an appropriate level of maintenance with reduced AusLink maintenance funding.
- Continue to strengthen older RTA bridges.
- Continue to work with local government, internal providers and industry to improve productivity in the delivery of maintenance works.
- Implement the recommendations from the Auditor-General's performance audit 'Condition of Our Roads' to be released in 2006–07, including any necessary changes to the annual report.
- Apply the unique road safety and incident management required in the Alpine region.
- Promote value engineering workshops, to solve problems and reduce maintenance costs.

Road development

- Complete the Sydney Orbital road network by completing construction of the Lane Cove Tunnel, planning of the M4 eastern extension and the F3 Freeway to M2 Motorway link.
- Progress the Pacific Highway upgrade, including Bonville Bypass, Bundacree Creek to Possum Brush, Brunswick Heads to Yelgun and Karuah to Bulahdelah sections and the acceleration of the Moorland to Herons Creek upgrade.

- Progress the Princes Highway upgrade, including the Oak Flats to Dunmore dual carriageway and the Wollongong Northern Distributor Extension.
- Progress the Great Western Highway upgrades in the Blue Mountains.
- Complete the Windsor Road upgrade.
- Continue the construction of the North-West T-way.
- Complete the extension of Narellan Road from Camden Valley Way to The Northern Road.
- Commence the widening of the F3 Freeway to six lanes between Mt Colah and Cowan.
- Implement the Central Coast Transport Action Plan.
- Duplicate the Alford's Point Bridge.
- Continue planning and commence construction of the new Hume Highway accelerated duplication program.
- Complete the road changes associated with the Cross City Tunnel.
- Continue to implement urban design corridor strategies to ensure a whole of government approach to land use and transport planning.
- Complete planning for a sustainable road network within Sydney (including strategic bus corridors, T-ways and other bus facilities) for integration with north-west and south-west sector structure planning.
- Participate with other NSW Government agencies in the implementation of the Metropolitan Strategy.

Managing traffic

- Maintain consistent travel times through network operations and provide effective management of incidents and special events.
- Implement Intelligent Transport Systems, using electronic tolling and other innovative equipment to improve traffic flow and traveller information.
- Improve the efficiency of traffic facilities maintenance in particular replacement of high-consumption incandescent traffic signal lamps with more energy-efficient LED lanterns.
- Ensure that NSW road users are provided with information about changes to road rules and traffic facilities.
- Implement new network developments that integrate into the road transport system.
- Use technology to provide more efficient communication links to the SCATS network.

Freight

- Continue implementation of the Intelligent Access Program to facilitate network utilisation.
- Implement an expanded Higher Mass Limit network in NSW.
- Establish a framework for the introduction to NSW of higher productivity vehicles, in line with the Council of Australian Governments (COAG) commitment.
- Plan and manage increased heavy vehicle movements as a result of the planned expansion of Port Kembla.



POSITIVE
ROAD SAFETY
OUTCOMES

POSITIVE ROAD SAFETY OUTCOMES

INTERMEDIATE RESULTS

Safer road user behaviour,
vehicles and road
environment

FATALITIES

There were 508 fatalities on NSW roads in 2005 a further decrease on the level reached in 2004 with 510 fatalities. These results place the annual NSW road toll for the past two years among the lowest since the mid 1940s when the number of vehicles was less than a tenth, and the population was less than half that of 2005.

The NSW fatality rate per 100,000 population in 2005 was 7.5, the equal lowest figure since 1945. This also compares favourably with the rate for the whole of Australia at 8.0 fatalities per 100,000 population in 2005.

International comparisons show NSW ahead of other OECD countries such as France (8.7 fatalities per 100,000 population), Italy (9.6), New Zealand (9.9) and the United States (14.5), but still lagging behind OECD leaders Sweden (4.9), Netherlands (5.0) and the United Kingdom (5.3).

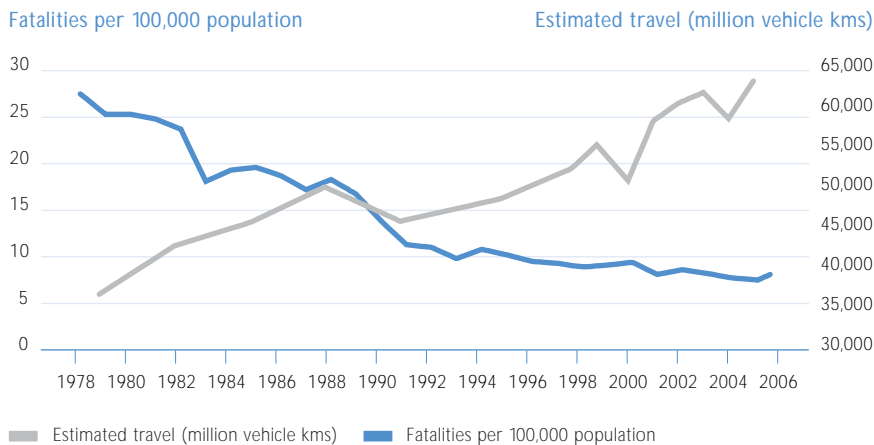
FACTORS INVOLVED IN CRASHES

A study of the calendar year ending 31 December 2005 revealed that:

- Speeding was a factor in around 37 per cent of fatalities.
- At least 16 per cent of fatalities were the result of an incident involving a driver or rider with a blood alcohol level above the legal limit.
- At least 17 per cent of people killed in motor vehicles were not wearing available restraints.
- Driver fatigue contributed to about 19 per cent of fatalities.
- At least 13 per cent of motorcyclists killed were not wearing helmets.

Financial year figures are provided in Table 2.

FIGURE 11 TRENDS FOR FATALITIES PER 100,000 POPULATION AND MOTOR VEHICLE TRAVEL SINCE 1978



COMPETENT ROAD USERS

NEW DRIVERS

Young driver initiatives

In July 2005 the NSW Government introduced two changes to the provisional licence scheme – the prohibited vehicle and passenger conditions. Both these new initiatives aim to help reduce the young driver road toll.

The prohibited vehicle condition restricts all new provisional (P1 and P2) drivers from driving certain high performance vehicles. The scheme aims to prohibit young driver access to vehicles that are overrepresented in young driver crashes.

The passenger condition applies to provisional (P1 and P2) drivers who are disqualified from driving for a driving offence that is committed on or after 11 July 2005 and will apply for 12 months. This condition restricts the provisional licence holder from carrying more than one passenger when driving after the disqualification period.

Novice Driver Program trial

The NSW Government agreed to participate, through the RTA, in a national

trial of an innovative post-licence program for new provisional drivers. Others in the trial include the Australian Government, Victorian Government, Insurance Australia Group, Federal Chamber of Automotive Industries and Royal Automotive Club of Victoria.

The focus of the program is on driver behaviour and hazard perception with the aim of achieving a statistically significant reduction in the number and/or severity of crashes experienced by novice drivers. The program consists of classroom and in-vehicle activities and will target drivers who have held a provisional licence for up to three months.

To measure a statistically significant reduction in crashes the trial requires a minimum of 6,600 provisional licence holders in NSW to undertake the training and an additional 6,600 provisional drivers as a comparison group.

The cost of the trial program was estimated at \$10 million with the NSW Government committing \$2.5 million towards the project.

The recruitment and training of trial participants will start in November 2007 and the final evaluation of the program is scheduled in May 2010.

CHILD SAFETY

Child road safety

The safety of children as road users is a key priority for the community and a new package of initiatives was announced after a round table discussion was held by the Minister for Roads in June 2006 with selected stakeholders.

These initiatives included:

- Development of a new electronic school zone safety alert system to warn drivers approaching a 40 km/h school zone during school zone hours. Selection of suitable technology commenced in June 2006.
- Commissioning of additional speed cameras to be used in NSW school zones to monitor vehicle speeds.
- Increased fines and demerit points for driving offences in school zones.
- Establishment of 'Drop Off' and 'Pick Up' parking and marshalling zones.
- Enhancement of the School Crossing Supervisor scheme to ensure reliability and efficiency.

School road safety education

The RTA's NSW School Road Safety Education Program (K-2) supports road safety education through compulsory components of the school curriculum. The program is a partnership between the RTA and organisations involved in road safety education in government, Catholic, and independent schools and early childhood services. The RTA funds these education agencies to provide educational consultancy support to schools, professional development and policy advice.

A new secondary school road safety education resource for Stage 6 (Year 11 and 12) English students is being developed. This resource, 'In the driver's seat – the nature of authority', uses a variety of RTA media texts designed to develop students' analysis of youth, driver, pedestrian and passenger safety.

The Early Childhood Road Safety Education Program provides road safety education to children's services throughout NSW. This involves professional development to teachers, resource distribution and support to rural and remote children services.

DRINK DRIVING

Sober Driver Program

An independent evaluation of the Sober Driver Program in April 2006 included interviews with participants, facilitators and magistrates. It found that repeat drink drive offenders who completed the program were half as likely to reoffend as those who did not participate.

The nine-week program helps participants understand the effects of drink driving on themselves and the community and aims to reduce reoffending by program participants. Participation in the program is by referral from a Magistrate or probation and parole officer. The program is jointly funded by the RTA and Motor Accidents Authority and delivered by the Probation

and Parole Service of the Department of Corrective Services.

Alcohol Interlock Program

The Alcohol Interlock Program is available for courts as an option in sentencing drivers convicted of certain serious drink driving offences. To date, more than 500 interlock licences have been issued and 26 participants have successfully completed the program. An alcohol interlock is an electronic device that tests a driver's breath and prevents a motor vehicle from being started if the concentration of alcohol exceeds the pre-set limit of 0.02.

Transport options for drinkers

Programs were conducted in association with licensed venues to provide local alternative transport schemes. Local government and other agencies were involved in a number of areas including the 'Brain Bus' servicing the ski fields during the snow season, the 'Summer Bus' project in Wollongong, and the 'Nightlink' service in Newcastle. Patrons were able to have safe options for travelling home without drink driving.

COMMUNITY AWARENESS

CAMPAIGNS

Paranoia

In February 2006 a public education campaign, Paranoia, was launched to help reduce alcohol related crashes. The campaign aims to raise awareness of the unpredictability of mobile random breath tests (RBT) and increase the perceived risk of being caught. The campaign taps into the guilt and paranoia felt by drivers who drink and drive.

The television commercial shows the main character leaving a hotel to drive home. He is confident as he leaves the hotel but soon starts to imagine police in a variety of situations as he drives home and is eventually pulled over by an unmarked police car. Press and radio advertisements support the commercial and localised police statistics are used to reinforce the number of random breath tests conducted in local areas.

In-venue merchandise, including bar runners, coasters and posters, were distributed to take the message to drinkers at point-of-sale.

Online advertising invited people to find out how many random breath tests were carried out in their area and linked back to the RTA website.

Driver Reviver Program

To help drivers to manage their fatigue the Driver Reviver Program encourages drivers, particularly on longer trips over holiday weekends, to take a rest break. Volunteers offer refreshments supplied by sponsor Bushells, at about 100 Driver Reviver sites across the State.

The RTA has continued to support and improve the Driver Reviver Program with guidance on safety aspects of Driver Reviver sites and promotion through advertising, VMS and the internet.



Paranoia, the public education campaign to help reduce alcohol related crashes, was launched in February 2006.

Compliance and Enforcement Campaign

The RTA implemented a campaign involving press, radio, direct mail and online advertising to raise awareness of new Compliance and Enforcement legislation introduced on 30 September 2005.

The campaign targeted heavy vehicle owners and operators, industry associations and road transport supply industries to raise awareness of responsibilities under the new legislation relating to road transport mass, dimension, load restraint and driving hours.

Operators were encouraged to undertake the necessary preparations to ensure compliance with the new laws.

Demerit Points Campaign

The Demerit Points Scheme helps make our roads safer by encouraging safe and responsible driving. Changes introduced in July 2005 provide more consistent penalties and align them more closely to the safety-related seriousness of offences.

A marketing campaign to outline the changes included press, radio and online advertising, an information brochure, poster for motor registries and a direct mailout to local councils. A search function was added to the RTA website allowing users to search for demerit point offences and fines.

SpeedBlitz Blues

This was the RTA's fourth year as the major sponsor of the NSW cricket team – the SpeedBlitz Blues. The sponsorship raises awareness of the dangers of speeding and targets young male drivers with the message that speed is great on the sporting field, but not on the road. This year the SpeedBlitz Blues won the domestic limited-overs competition, the ING Cup, in a thrilling victory.

Off the field, SpeedBlitz Blues squad members have participated in the school visits program, SpeedBlitz Blues On the



The SpeedBlitz Blues celebrate their ING Cup win against the South Australian Redbacks.



Two editions of *Geared*, RTA's magazine for young drivers, were issued during the year.

Road, which has promoted the message 'Slow down. Take control.' to more than 12,500 young people since the program's introduction in 2003.

SpeedBlitz Cricket is an online, interactive cricket game created to deliver the sponsorship's anti-speeding messages in a fun environment. During the eight weeks of the 2005–06 competition, more than 11,000 people played more than 100,000 games with over 450 prizes given away.

PUBLICATIONS

Access to publications

The RTA provides a toll free 1800 road safety information number and website for road safety publications. During 2005–06:

- About 1.4 million road safety community education publications and other resources were sent to customers.
- The 1800 number call centre processed more than 1,500 enquiry calls.
- RTA customers ordered 225,955 road safety publications by email via the online road safety resource catalogue.

Young driver magazine

The RTA produced two editions of *Geared*, a magazine for young drivers. *Geared* is a high quality, bold and engaging product, designed to sit comfortably beside other youth magazine titles.

It was developed after detailed research with the target market –16 to 25 year olds with a Learner or Provisional (P1) licence. Ongoing research indicates that the style and subject matter has been well-received by the market.

The magazine is carefully written and designed using an informal style that is youth-oriented and effectively engages

readers in articles about road safety without 'preaching' to them.

The 66-page magazine includes articles about safe driving, the licensing system, basic do-it-yourself mechanics, buying or selling a second hand car and much more.

Around 110,000 copies of each issue were distributed to young drivers through the RTA's motor registry network. The RTA plans to continue to produce the magazine twice a year.

LOCAL GOVERNMENT ROAD SAFETY PROGRAM

The Local Government Road Safety Program is a jointly funded partnership between the RTA and NSW local councils that has operated since 1992. The program develops road safety initiatives within local communities and brings together the RTA, Institute of Public Works Engineering Australia, the Local Government Association and Shires Associations of NSW, the Motor Accidents Authority and council road safety officers. There are currently 86 road safety officers working across 101 participating councils. During 2005–06 the road safety officers continued to deliver local community based road safety education projects.

LOW RISK DRIVING WORKSHOPS

The 'Helping learner drivers become safer drivers' workshop presentation was updated to include the principles of low risk driving with 179 workshops provided across NSW as part of the Local Government Road Safety Program, Youthsafe. The workshops were supported by new brochures, posters and an RTA fact sheet in Arabic and Chinese.



The Road Users' Summit was held in July 2005 to discuss issues such as sharing the roads with trucks.

SUMMITS

The Minister for Roads announced a range of measures flowing from the Road Users' Summit, held in March 2005, to improve driver behaviour, safety and traffic flow on the State's roads. A second summit, held in May 2005 at Dubbo, aimed to address issues for country road users.

On 7 July 2005, a Heavy Vehicles Summit was held in Newcastle. Issues discussed at that summit included:

- Critical infrastructure maintenance, including bridges.
- Community views on sharing the roads with trucks.
- Fatigue management.
- Industry calls for harsher penalties for blatant/repeat safety breaches.
- Education and skills training for truck drivers.
- Discussions with industry about ongoing contributions from the heavy vehicle sector for infrastructure.
- An RTA audit of truck rest stops with the industry and unions.
- Legislative changes including speed limiters and chain of responsibility.
- Greater information sharing and consultation between RTA, industry and community.

REGULATION AND ENFORCEMENT

REVISED DEMERIT POINT SCHEME

Following a major review of the Demerit Point Scheme, a number of changes were introduced in July 2005 to better align penalties with the safety-related seriousness of offences. Some offences which previously



The RTA contributed over \$7.6 million this year to fund enhanced enforcement operations.

attracted only a fine were amended to introduce a demerit point penalty. For other offences, demerit point penalties were streamlined to 15 levels to encourage safe and responsible driving. An extensive media and advertising campaign alerted the community to the changes.

ENHANCED ENFORCEMENT PROGRAM

The Enhanced Enforcement Program is a partnership between the RTA and NSW Police to improve safe road user behaviour by ensuring that police are highly visible at strategic times of the year. The RTA contributed in excess of \$7.6 million for the financial year, to fund operations targeting speeding, drink driving, fatigue, heavy vehicle safety issues, seatbelt use and helmet use.

RTA public education campaigns supported seven Statewide enforcement operations. The campaigns used a mixture of television, radio and press to increase local community awareness of police operations in all RTA regions. In addition double demerits campaigns supported police operations including Operation Slow Down, Tortoise and Safe Arrival.

HEAVY VEHICLE INITIATIVES

Speed limiter deeming legislation

The *Road Transport Legislation (Speed Limiters) Amendment Act 2005* was proclaimed in

November 2005. This Act enables the effective prosecution of operators who allow their heavy vehicles to travel more than 115 km/h due to faulty or non-functioning speed limiters. Enforcement is due to commence in August 2006.

Chain of responsibility

With the road freight task in Australia expected to double by 2020, a series of compliance and enforcement reforms began under the *Road Transport General Act 2005*. All parties involved in the road transport logistics chain can now be held responsible for mass, dimension and loading requirements. A key component of the reforms is accountability for freight management and compliance from all participants in the supply chain, creating an end-to-end 'chain of responsibility' to prevent commercial interests overriding safe transport practices. New penalties and extensive enforcement powers were also introduced to provide effective monitoring of the industry.

Under the Act higher penalties are now available to the RTA. With the new legislation, from September 2005 to June 2006 the RTA's traditional roadside enforcement program had several judgements against overloading. Judgements awarded by the court for individual severely overloaded vehicles have been up to \$10,000 and \$20,000.

TRUCKSCAN

TrucksCAN is used at RTA Heavy Vehicle Checking Stations and in enforcement vehicles to check driver licence and vehicle registration and verify driver logbook entries. Enhancements were made in 2005–06 to maintain this effective enforcement tool including a mobile screening interface which allows the inspectors to identify vehicles of interest before intercepting them.

Heavy vehicle driver fatigue reform package

The National Transport Commission is conducting a review of the heavy vehicle driver fatigue regulation. NSW is participating in this review.

Safe-T-Cam

Safe-T-Cam is a unique system that automatically identifies heavy vehicles that may be breaking laws such as speeding and driving beyond prescribed hours.

In July and August 2005 Safe-T-Cam was upgraded to detect avoidance of heavy vehicle checking stations at Marulan North and Marulan South on the Hume Highway. There are now 27 Safe-T-Cam sites on primary heavy vehicle routes across NSW



The chain of responsibility for compliance and enforcement was advertised throughout the heavy vehicle industry.



RTA's new Crashlab has been purpose built to handle research and testing at a single site including testing for commercial vehicles and ANCAP.

with a total network of 100 sites, including overhead cameras, heavy vehicle checking stations and roadside inspection areas.

The merits of the system have been recognised by South Australia's Department of Transport, Energy and Infrastructure (DTEI) which has moved to install Safe-T-Cam at 11 sites on interstate routes across South Australia that are linked to NSW.

The RTA is working with the DTEI to establish an effective inter-jurisdictional network of Safe-T-Cam sites to monitor and manage long haul driver fatigue.

SAFER VEHICLES

RTA CRASHLAB

The new purpose built research facility, RTA Crashlab, was officially opened at Huntingwood in western Sydney in December 2005. With enough space for outdoor roadside furniture testing and a 105 tonne movable crash barrier capable of multiple configurations, the facility enables all testing operations to be conducted at a single site. These include Australian New Car Assessment Program (ANCAP) testing as well as commercial testing of vehicles, child restraints, seatbelts, pedal and motorcycle helmets, bus seats and industrial safety harness and fall arrest devices.

The Huntingwood RTA Crashlab facility conducted 41 crash tests in 2005–06.

AUSTRALIAN NEW CAR ASSESSMENT PROGRAM (ANCAP)

Since ANCAP began crash testing and reporting on popular new model passenger cars in 1993 safety levels have increased significantly. It is likely that within three years all cars tested will achieve maximum points under the current test and assessment regime.

Throughout 2005–06 ANCAP finalised the 4WD test program adding offset frontal crash tests to the pole test results to allow ANCAP to provide an overall star rating for 4WDs.



The Huntingwood RTA Crashlab facility in western Sydney opened in December 2005.

Three crash test programs were also completed – 4WD, Crossover and a Utility Update – and an additional single vehicle release. ANCAP is also progressing a mixed program (Phase 1) with a launch scheduled for 18 August 2006.

After the 4WD pole test program ANCAP conducted offset frontal crash tests on the popular selling passenger 4WDs and released the results with an overall star rating in September 2005.

ANCAP is now recommending Electronic Stability Control (ESC) for 4WDs and is developing a joint program with the Department of Transport and Regional Services to demonstrate the benefits of ESC to purchasers of new vehicles.

USED CAR SAFETY RATING

The Used Car Safety Rating (UCSR) will help consumers to identify models rated on their ability to protect occupants. It also shows particular models' aggressiveness to other road users.

In 2006, UCSR data covered more than 1.7 million vehicles involved in crashes from 1987–2004 that were reported to police in Australia and New Zealand.

The 'Buyer's guide to used car safety ratings–2006' covers the majority of popular vehicles over about four years old. It has crashworthiness ratings for 305 vehicle



26 metre B-doubles have been required to meet new safety standards since November 2005.

models with corresponding aggressivity ratings for 284 (93 per cent) of these vehicles.

HEAVY VEHICLE INITIATIVES

26m B-doubles

A new heavy vehicle configuration of 26 metre B-doubles was approved for operation in NSW from November 2005. Vehicles permitted under this scheme are required to meet important new safety standards.

Heavy vehicle inspection scheme

The RTA operates a Heavy Vehicle Inspection Scheme (HVIS) that conducts periodic inspections on heavy vehicles and buses used as public passenger vehicles. Almost 90,000 vehicles' annual registration inspections were conducted across the State at a variety of sites.

In November 2005, a new compliance safeguard was introduced which can suspend or cancel the registration of a vehicle which has not undertaken an HVIS inspection. The RTA has also completed an upgrade program across RTA inspection sites by replacing roller brake, suspension and pit-jack equipment.

State Transit Authority buses were included in the HVIS progressively from April 2006.

Vehicle selection matrix

A trial of a Vehicle Selection Matrix (VSM) commenced in February 2006 with the VSM rollout scheduled for later in 2006. The

VSM strengthens the RTA's existing risk-based screening system for managing heavy vehicle intercepts at automated Heavy Vehicle Checking Stations. VSM improves the intercept rate of high risk vehicles, manages the checking station vehicle queue and uses a screening tool to intercept vehicles with poor compliance history.

SAFER ROADS

ROAD CONDITION

Crash related treatments

A total of \$33.2 million in state funds was spent in 2005–06 to undertake remedial treatments to 193 high crash risk locations. Work by the RTA included intersection improvements, road realignments, clear zone enhancements and safety barrier installation.

The Australian Government's AusLink Black Spot Program, administered by the RTA, constructed a further 116 new crash reduction projects with total federal funding of over \$14.2 million.

Pedestrian areas

In 2005–06, 40 km/h schemes were installed or upgraded in 12 pedestrian areas. These included installing traffic calming, safe and convenient pedestrian crossings as well as 40 km/h signs.

The RTA installed pedestrian fences at new locations along Military Road, Cremorne to

ensure a consistent design appearance for the entire route between the Warringah Expressway and Spit Road.

UPGRADES

Pacific and Princes Highway upgrades
Road safety has been improved on the Pacific and Princes Highway with a number of innovative road safety treatments.

Fatalities on the Pacific Highway have decreased for several sections including north of Hexham to the Queensland border.

On the Princes Highway from Yallah to the Victorian border fatalities have halved from 24 in 2004 to 12 in 2005 with seven fewer from January to June 2006 than in the same period in 2005.

Railway level crossing upgrades

In 2005–06, eight major railway level crossing upgrades were undertaken in NSW as part of the Railway Level Crossing Safety Upgrade Program. These major improvements included converting sites from passive to active traffic control by using lights, bells and boom gates.

At 70 sites across NSW signal lamps were upgraded with LED and non-frangible objects were removed. Minor road

ROAD DESIGN GUIDE

The RTA has further integrated road safety into the road maintenance program with a new 'brownfields' design guide. The guide will provide maintenance engineers with interim maintenance standards that can be retrofitted to existing roads. The document took advantage of recent crash research to develop road design innovations and new interim clear zone widths.

realignments and investigations for future upgrade sites were also undertaken.

COMBATING SPEED

Automated wet weather speed limits

The RTA introduced Australia's first operational use of new technology designed to automatically reduce the speed limit under adverse weather conditions. Rain-activated electronic speed limit signs were installed along the F3 freeway between the Hawkesbury River and Mount White in conjunction with a series of weather stations and moisture detectors which enable the speed limit to be automatically reduced during wet weather. The displayed speed limit is enforced by a fixed digital speed camera. This system is intended to reduce the high proportion of wet weather crashes in the area.

Speed zone routes review

A review of 11 main routes investigated 77 full time speed limits on more than 285 kilometres of road. As a result, speed zone changes on four Sydney based routes are being implemented or completed. The speed zone review also led to the installation of a Variable Speed Limit scheme adjacent to the Mount Boyce Heavy Vehicle Checking Station, to be commissioned in 2006–07. The scheme increases the current 60 km/h speed limit to 80 km/h either side of the station, and reduces speed limit to 40 km/h during periods of poor visibility caused by fog.

Fixed speed cameras

There were 114 fixed speed camera sites operating in NSW, including 13 cameras in school zones at the end of 2005–06 with 41 camera sites in country and 73 in city areas. Four new camera sites were commissioned during the year. One site was relocated due to improvements in technology.



Signage and technology designed to automatically reduce speed limits during wet weather was introduced on the F3 freeway at Mount White.

FUTURE CHALLENGES

Competent road users

- Implement the package of initiatives to increase child road safety across NSW.
- Further consider the point-to-point speed cameras concept for NSW and educate drivers on their potential effectiveness.

Community awareness

- Implement and create awareness of proposed new drug driving legislation which will allow random and post-crash drug testing.

Regulation and enforcement

- Introduce state-initiated 'chain of responsibility' provisions for fatigue offences.
- Develop options to improve the timeliness and effectiveness of the '3 Strikes and You're Out' heavy vehicle speed management scheme.

Safer vehicles

- Establish a framework for the assessment of higher productivity vehicles.

Safer roads

- Finalise the Princes Highway Road Safety Strategy improvement program.

POSITIVE
ENVIRONMENTAL
AND URBAN
DESIGN
OUTCOMES



POSITIVE ENVIRONMENTAL AND URBAN DESIGN OUTCOMES

INTERMEDIATE RESULTS

Impacts on the natural,
cultural and built
environments are
minimised

ALTERNATIVE TRANSPORT

BUS PRIORITY

Review of bus services

The RTA has been actively involved with other transport agencies in the NSW Government's Review of Bus Services. Since the review identified strategic bus corridors, work has begun to improve priority for buses on routes with the greatest potential for growth. Bus priority measures improve the efficiency of bus operations and include bus lanes, transit lanes, priority traffic signals and bus bays along existing major bus corridors.

The review identified 51 strategic bus corridors across the Sydney metropolitan area (43), Newcastle (4), Wollongong (2) and the Central Coast (2). Sixteen of the Sydney corridors were accepted by the NSW Transport Reform Taskforce to have bus priority measures implemented as a high priority. The 16 corridors connect the centres of Parramatta, Bankstown, Hurstville and Burwood.

The NSW Treasury has allocated an additional \$90 million to the RTA's budget over the three fiscal years (2005–06 to 2007–08) to implement bus priority measures on strategic bus corridors. The funding is in addition to the RTA's \$15 million annual bus priority allocation.

An interim version of the Public Transport Information and Priority System (PTIPS) has been deployed on Strategic Bus Corridor 24 between Hurstville and Miranda which complements the previously installed prototype system on STA Route 400 between Bondi and Burwood (via the Airport). PTIPS improves bus reliability by giving late running buses signal priority. Bus management and service planning has been improved through better information on fleet performance.

Bus priority measures have been implemented on the Miranda – Hurstville, Anzac Parade and

the Warringah Road corridors. Works have commenced on the Victoria Road, Liverpool – Bankstown and the Miranda – Bankstown corridors.

The growth in bus lanes, T-way and transit lanes in Sydney is displayed in Figure 12.

Bus lane cameras

The RTA has developed new enforcement cameras specifically for use with bus and T-way lanes. Since bus lanes were introduced in the early 1990s, illegal use has had an impact on bus travel times and added to operating costs. A number of initiatives are in place to improve motorists' compliance with the rules governing the use of bus lanes. These include colouring all Sydney's bus lanes red and public education campaigns to increase road user awareness of how to use bus lanes.

In addition, enforcement strategies have been developed using camera technology that is able to detect and automate an infringement process for illegal bus and T-way lane use.

In September 2005, the first 13 enforcement zones on bus lanes and T-way lanes commenced operation. Construction has begun on nine more Sydney CBD sites.

A public education campaign was conducted to communicate the introduction of the

cameras. The campaign included press, radio and outdoor advertising. A one month period of grace applied where motorists caught illegally using a bus lane were sent warning letters rather than infringement notices.

The campaign achieved its objective of increasing the awareness of bus lanes. This was demonstrated by a reduction of bus lane infringements on Parramatta Road, dropping from 14 per cent of bus lane traffic two weeks before the campaign to less than one percent during the campaign.

TRAVEL DEMAND MANAGEMENT

Government agencies and other organisations were helped by the RTA to produce and use their own transport access guides. Transport access guides offer information for people travelling to and from a particular site using sustainable, energy efficient forms of transport such as walking, cycling and public transport. Information about transport access guides is available at:

www.rta.nsw.gov.au/transportaccessguides.

In 2005–06 the RTA developed transport access guides for metropolitan motor registries to provide our customers with an equitable and sustainable option.

The RTA also implemented a training

program to encourage staff to cycle to work on a regular basis. The Cycling in the City program, an initiative of the City of Sydney, helps participants develop their cycling proficiency and road safety skills and encourages regular commuter cycling.

The RTA continued to develop its cycleway mapping program with the release of the new Sutherland and Campbelltown cycleway map. Another three new maps have been produced, covering the area from Pittwater and Hornsby to Newcastle and Lake Macquarie, including the Central Coast region.

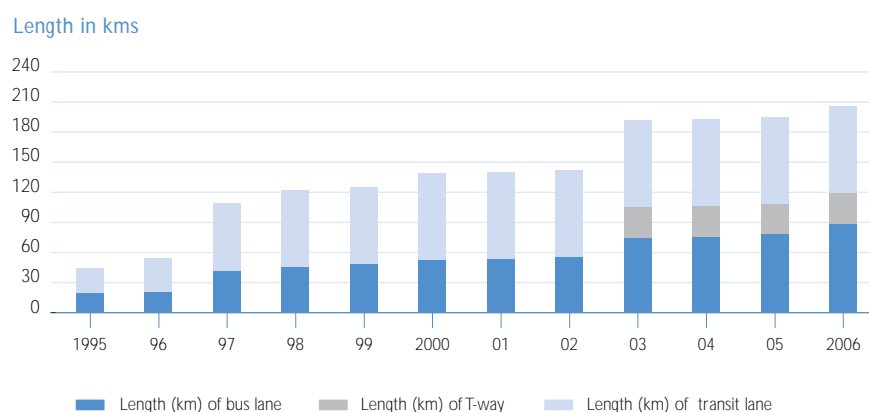
New promotional materials were developed to promote safe cycling including a postcard on safe cycling, the RTA cycleway maps and the website.

CYCLISTS

In 2005–06, the RTA continued improving the bike network. Off-road shared paths were integrated wherever practical on newly built roads and off-road cycleways were created to connect people with their destinations. The RTA also actively promoted cycling as a healthy, affordable, flexible and environmentally friendly form of transport.

The RTA invested in facilities for cyclists through a number of infrastructure programs

FIGURE 12 GROWTH OF BUS LANES, T-WAY AND TRANSIT LANES IN SYDNEY



TELEWORKING

The RTA continued to provide advice and assistance to government agencies and businesses on teleworking to help reduce car travel and improve air quality. RTA staff members were also supported in teleworking at home or at RTA telecentres in Gosford and Penrith and at hot desks at Parramatta.



Peter Greenland, Design Manager Westlink M7 team, cycles to work on the new Westlink shared path for cyclists and pedestrians.

including \$6.6 million allocated specifically for cycling infrastructure, education and promotion.

As most cycling takes place on local roads, the RTA provided \$3 million funding support to councils on a dollar for dollar basis, to develop and construct local cycleway networks. Ninety-six local bicycle network projects were funded at a total value of over \$6 million.

Major cycleways completed were:

- Westlink M7 Motorway – A 40 kilometre long totally grade-separated shared path for cyclists and pedestrians.
- Lawrence Hargrave Drive – 2.5 metre wide shared path along the new Sea Cliff Bridge.

Support continued for community group events that encourage greater use of cycling. These included the Portfolio

Training courses were held in October and November 2005 to improve the skills of RTA staff involved in planning, designing and construction of bicycle and pedestrian facilities. 148 RTA staff and 64 local council officers and professional consultants had attended the courses.

Partners Sydney Spring Cycle (PPSSC), NSW Big Ride and MS Sydney to the Gong. The 2005 PPSSC was held on 23 October. It took a new route and finished at the Sydney Olympic Park where the Bicycling Australia Show was held. More than 7400 people participated in the Portfolio Partners Sydney Spring Cycle.

Annual Bike Week promotions were held in September, encouraging cycling in local communities to replace short trip car journeys and promote bicycle safety issues. Funding of \$110,000 was provided to promote family, health and safety oriented bicycle events held through local councils, Police Citizens Youth Clubs and bicycle user groups. The RTA provided funding assistance to 51 community events across NSW. New guidelines on RTA funding were developed and placed on the RTA website. The RTA also developed templates for advertisements, posters and banners that can be used by community groups.

PEDESTRIANS

In 2005–06, the RTA pursued a number of initiatives to improve pedestrian access and safety. Facilities for pedestrians included:

- Pedestrian bridges at Canterbury and Wiley Park with construction underway at Yagoona and planning well advanced at Blakehurst.

- New and reconstructed pedestrian traffic signals including Milsons Point, Beverley Park, Gosford, Coffs Harbour, Horsley, Mount Ousley, North Wollongong, Unanderra, and Bathurst.
- Pedestrian crossings and refuges.
- Additional audio-tactile push buttons to help vision-impaired pedestrians.
- Kerb ramps.
- Pedestrian fencing.

To develop integrated pedestrian networks, the RTA helped local councils prepare Pedestrian Access and Mobility Plans (PAMPs). 72 PAMPs have been developed across the State, including seven completed during 2005–06. The RTA also continued supporting councils to implement these plans which enhance safety, convenience and mobility on links between public transport and other key centres of pedestrian movement.

The RTA continued to reinforce safe pedestrian behaviour amongst parents, teachers and children through ongoing support of the Pedestrian Council of Australia initiative *Walk Safely to School Day*. The council held its annual event in April 2006, which the RTA funded \$30,000.

INFRASTRUCTURE PLANNING AND ROADWORKS

ENVIRONMENTAL ASSESSMENT

As required by the *Environmental Planning and Assessment Act 1979* (the EP&A Act), the RTA aims to ensure that the potential environmental impacts of its road and bridge infrastructure proposals are properly considered. As part of the environmental assessment process, the RTA also develops measures to avoid, minimise, mitigate and in some circumstances offset, adverse impacts.

Amendments made to the EP&A Act on 1 August 2005 included the new scheme for environmental assessment of major infrastructure set out in Part 3A. The

scheme makes a number of changes to the way projects are assessed including more emphasis on the key environmental issues. Processes were developed by the RTA to ensure a smooth transition to the new scheme.

During 2005–06 the Tugun Bypass Proposal was approved under Part 3A of the EP&A Act. Approval under Part 3A was sought for the Bulahdelah Bypass and the Moorland to Herons Creek Upgrade.

During the year, the RTA considered 317 Reviews of Environmental Factors (REFs). REFs are environmental assessments which examine the potential environmental impact of an activity which is subject to Part 5 of the EP&A Act but not subject to Part 3A and does not require development consent under Part 4 of the EP&A Act. REFs are generally prepared in accordance with the RTA Environmental Impact Assessment Policy, Guidelines and Procedures.

ENVIRONMENTAL MANAGEMENT SYSTEM

The RTA maintains an Environmental Management System (EMS). The EMS provides an environmental management framework to support continual improvement in RTA environmental

performance. The RTA EMS is currently under review. Key developments in the EMS for 2005–06 included the release of a procedure on erosion and sedimentation risk assessment (August 2005), and four Environmental Directions covering environmental policy advice for emergency maintenance or repair works, Sydney water restrictions, extractive industries – environmental protection licences and pesticide use.

ENVIRONMENTAL EDUCATION AND TRAINING

The RTA provides staff with formal and informal environmental training opportunities. A central register developed in 2003–04 informed staff of the environmental training courses and sessions available. Over the past year approximately 626 hours of formal environmental training was attended by more than 109 staff. The environmental training courses included erosion and sediment control training and Chemcert Accreditation for the use of pesticides.

Other workshops included environmental legislation updates, environmental assessment, biodiversity, and information sessions on the released RTA

environmental policies and procedures (eg Erosion and Sedimentation Risk Assessment Procedure, RTA Contaminated Land Management Guideline and RTA Acid Sulfate Materials Guideline).

ENVIRONMENTAL COMPLIANCE

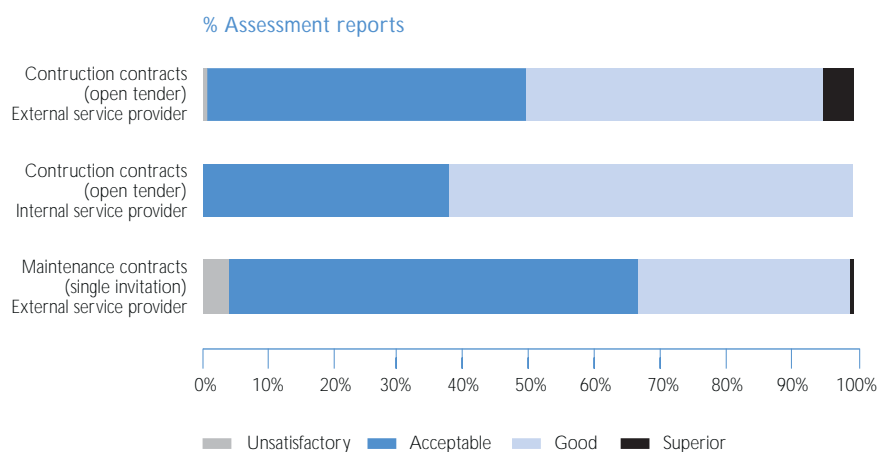
The RTA currently holds eight Environmental Protection Licences (EPLs) under the *Protection of the Environment Operations Act 1997*. The EPLs were issued for various activities such as waste generation and storage for the Sydney Harbour Bridge, freeway/tollway construction for the F5 widening and a gravel extraction quarry at Mewburn. In the past year one non-compliance was issued for the Ashby Dry Dock EPL. The non-compliance was a result of failure to meet the deadline for implementation of works relating to the stormwater management plan. No Penalty Infringement Notices (PINs) were received from the Department of Environment and Conservation (DEC) during 2005–06.

CONTRACTOR ENVIRONMENTAL PERFORMANCE

The RTA regularly reviews contractor environmental performance and a new strategy of assessment began in 2005–06 intended to improve their performance.

Environmental contractor performance for construction and maintenance in 2005–06 is represented in Figure 13. For construction contracts (external service providers), 172 contractor performance reports were undertaken for 12 Statewide RTA branches. Of these reports 49 per cent were acceptable, 45 per cent were good, 5 per cent were superior and 0.6 per cent were considered unsatisfactory. In addition, eight construction contractor performance reports were undertaken for two RTA branches managing internal service providers. Of these eight reports 37.5 per cent were acceptable and 62.5 per cent were considered good.

FIGURE 13 ENVIRONMENTAL PERFORMANCE OF INTERNAL AND EXTERNAL SERVICE PROVIDERS



For single invitation maintenance contracts, 205 contractor performance reports were undertaken for 87 council providers. In July 2005 RTA moved from single invitation maintenance contracts to the alliance approach with RTA internal providers.

A reporting structure for environmental performance of alliance projects is under development. Refer to the **Positive Economic Outcomes** chapter for more information on alliance projects.

AIR QUALITY

M5 East Air Quality Improvement Plan

In June 2006 the Minister for Roads announced the NSW Government's air quality improvement plan for the M5 East Tunnel.

The air quality improvement plan included:

- Video identification of smoky heavy vehicles trial.
- Increased ventilation flows with an extra 12 fans.
- A trial of filtration technology.



The NSW Government's new air quality improvement plan for the M5 East Tunnel was announced in June 2006.

The video detection system will monitor and identify polluting heavy vehicles in the M5 East Tunnel and lead to these vehicles being directed to emissions testing and treatment under the Clean Fleet program. A trial indicated that treated vehicles have had emissions reduced by an average of 30 to 40 per cent and in some circumstances by over 80 per cent.

An additional 12 ceiling fans will be installed and these are expected to improve in-tunnel air quality.

The trial of filtration technology will also remove particulates causing haze and treat air in the western end of the westbound tunnel. The plant is expected to provide a visible improvement to air quality at the worst affected section of the M5 East.

M5 East Freeway Air Quality Management Plan

The ongoing Air Quality Management Plan (AQMP) introduced in 2002 for the M5 East is due to be completed in 2007. The \$2.5 million program identified opportunities to improve air quality in the sub-region of the M5 East ventilation stack.

The AQMP Steering Group, comprising representatives from NSW Health, Department of Planning, DEC and the RTA, developed strategies for the AQMP. Table 7 presents the actions implemented in 2005–06.

Ambient air quality monitoring continued

for the M5 East. Monitoring data and reports are available on the RTA website. None of the air quality goals were exceeded due to operation of the M5 East stack.

HERITAGE

Aboriginal culture and heritage

The Aboriginal Liaison Protocol was developed further with the incorporation of new consultation requirements issued by the DEC. The protocol is an internal staff procedure which specifies Aboriginal liaison requirements and will form part of the RTA Aboriginal Heritage Guidelines.

Heritage and Conservation Register

The RTA has a responsibility under section 170 of the *Heritage Act 1977* to identify and manage the items of heritage in its ownership or control. These items are predominantly bridges but also include vehicular ferries, property assets, movable collections and archaeological items.

The RTA Heritage and Conservation (S170) Register is regularly updated. Since 2005, heritage assessments have been completed for RTA owned or controlled concrete slab and arch bridges in NSW, concrete beam bridges in Sydney, South West and Southern Regions and identified archaeological items.

The second edition of the RTA *Thematic History*, a component of the S170 Register, was released in March 2006. It describes the history of NSW road departments, road and

TABLE 7 M5 EAST FREEWAY AIR QUALITY MANAGEMENT PLAN PROGRESS

PROGRAM	2005–06 PROGRESS
Community education	The Environment Australia brochure <i>Hot Tips</i> , on correct use of solid fuel heaters, was translated into four languages for distribution and community education through the local council's Non English Speaking Background networks.
Travel demand management	Transport Access Guides to encourage people to use more environmentally sustainable transport, were distributed.

bridge network, vehicle regulation and licensing of drivers, traffic management and safety. The first edition of the *Thematic History* was written in 1996 as part of Heritage Office requirements to establish the RTA Heritage and Conservation Register (S170 Register).

In accordance with section 170A of the *Heritage Act 1977*, the RTA is required to provide a statement on the condition of items on its register in the annual report (see the Table 8 and Figure 14). There are 411 items on the RTA Heritage and Conservation Register including 35 State Heritage listed items. This represents an overall increase of 124 items. Heritage items with significant works being undertaken are displayed in Table 9.

During the year the RTA advised the NSW Heritage Office that the following items would be removed from the Heritage and Conservation (S170) Register:

- 85 Farrell Road, Bulli (Item No. 4301086).
- Wologorong Creek Bridge, Goulburn (Item No. 4310637).

State Heritage Register

Information regarding approved works on several of the 35 heritage listed items controlled by the RTA is provided in Table 9.



Surveyors' equipment is one of many heritage items managed and listed on the RTA's Heritage and Conservation Register.



The NSW Heritage Council has approved emergency works to historically significant Morpeth Bridge, one of only three similar structures remaining in the State.

The NSW Heritage Council has approved applications under section 60 of the *Heritage Act 1977* for the following work on State heritage items:

- Proposed strengthening works on Colemans Bridge over the Leicester Creek, Lismore.
- Proposed emergency upgrade of the lift span deck of the Swan Hill Bridge over the Murray River, Swan Hill.
- Proposed emergency upgrade of the bottom chords of Morpeth Bridge, Morpeth.

Heritage asset management strategy

The *State Agency Heritage Guide (Heritage Office, 2005)* requires all state agencies to develop heritage asset management strategies. The way the Heritage Office (now part of Department of Planning) administers Conservation Management Plans (CMPs), has affected the delivery of 28 CMPs reported by the RTA last year. Strategies are being prepared to assist in managing groups of heritage items and these will change the nature of the CMP documents which support each item listed on the State Heritage Register. The

management of timber truss bridges is being addressed in a revised strategy.

National Trust Heritage Festival

The RTA participated in the National Trust Heritage Festival 2006 during which a plaque for McFarlane Bridge was provided in partnership with Engineers Australia. The latest in a series of eleven self-guided tour brochures was released: *The Summerland Way – Richmond and Clarence Valleys (NSW) to Moreton Bay (Queensland)*.

Conservation management plans

The RTA is implementing a CMP for the Sydney Harbour Bridge. Repainting continued for the southern approach spans, with considerable improvements in work productivity due to the implementation of a collaborative alliance with the workforce.

The NSW Heritage Council endorsed a CMP for the significant Windsor Road–Old Windsor Road corridor. This strategic plan comprehensively addresses the heritage aspects of a length of road for the first time.

Heritage Action Plan 2005–2010

A scheduled review of the 1999–2004 Heritage Strategic Plan demonstrated achievements to date. The Heritage Action Plan 2005–2010 provides strategies and actions for a heritage function to be integrated within RTA business.

Oral History Program

Under the guidance of the RTA Heritage Committee, the Oral History Program continues to document the RTA's rich heritage of road and bridge engineering. The work this year included:

- Completion of 'Building Bridges', Part 2 of the Lawrence Hargrave Drive Oral History, which tracked the construction of Sea Cliff Bridge through to the official opening on 11 December 2005.
- Completion of interviews for an oral history on the development of the Remembrance Driveway between Sydney and Canberra, and the Victoria Cross Rest Areas along the route.



The Victoria Cross Rest Areas were featured in the Remembrance Driveway oral history project undertaken during the year.

NOISE MANAGEMENT

Noise Policy development

The RTA and the DEC continued work on a new construction noise policy and review of the Environmental Criteria for Road Traffic Noise. This work will assist in the current review of the RTA Noise Management Manual.

Northern Pacific Highway Noise Taskforce

Noise mitigation strategies continued to be implemented following the August 2003 report of the Northern Pacific Highway Noise Taskforce. Initiatives included:

- Construction of three separate noise walls at Tweed Heads with combined total length exceeding 1.5 kilometres.
- Architectural treatment of homes at Sapphire/Korora, Ewingsdale, Tyagarah, Tintenbar and Newrybar.
- At least 95 per cent of architectural treatments completed at Tweed Heads and Tandys Lane.
- Architectural treatment for 195 houses under the Northern Pacific Highway Noise Taskforce program.
- Construction on Ewingsdale noise wall commencing mid July 2006.

PROTECTING BIODIVERSITY

The RTA has many mechanisms in place to protect biodiversity. These include the RTA Environmental Impact Assessment Policy, Guidelines and Procedures, stringent environmental specifications, regular environmental audits and inspections of construction sites and environmental awareness training for RTA staff and council workers. An outline of RTA projects to protect biodiversity in 2005–06 are included in Table 10.

TABLE 8 **CONDITION OF RTA HERITAGE ITEMS**

Total number of RTA items	411
State Heritage Register listings	35
Condition:	
Good	193
Fair	115
Poor	74
*Not known or applicable	29

FIGURE 14 **CONDITION OF HERITAGE ASSETS**

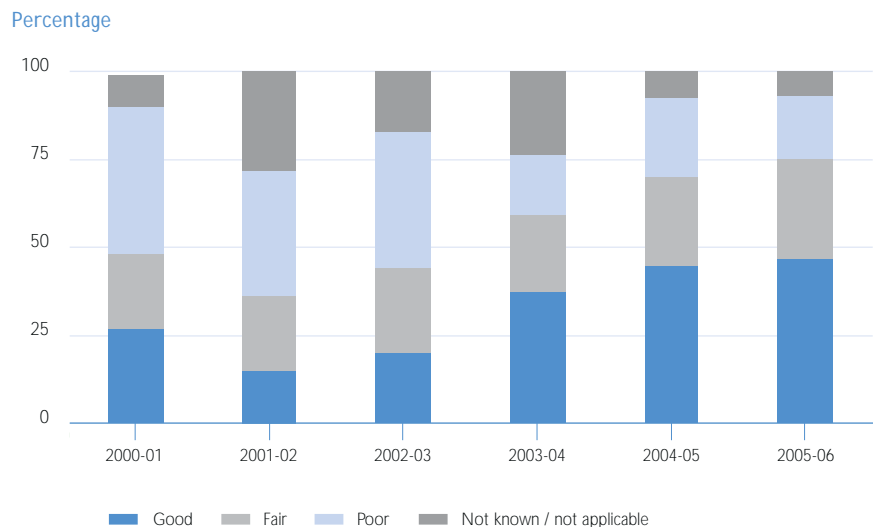


TABLE 9 PROGRESS ON HERITAGE ITEMS WITH SIGNIFICANT WORKS

HERITAGE ITEM	2005–06 PROGRESS
Hinton Bridge, Hinton (Item 4301090)	Major upgrading continues. The upgrade will improve structural capacity using modern materials while reducing the amount of timber needed for maintenance.
'Thalia' 281 Great Western Highway, Lawson (Item 4309662)	The house was relocated slightly due to adjacent roadworks. Because of its heritage significance to the local community it has undergone extensive restoration.
Junction Bridge, Tumut (Item 4300007)	An addendum Statement of Heritage Impact was prepared for the proposed pier replacement.
Sydney Harbour Bridge (Item 4301067)	A Statement of Heritage Impact was prepared for proposed upgrade of fencing around planter boxes on the Sydney Harbour Bridge approaches.
Echuca-Moama Bridge (Item 4301047)	A Statement of Heritage Impact was prepared for the proposed repair of parapets and railing.
Sydney Harbour Bridge (Item 4301067)	A Statement of Heritage Impact was prepared for proposed upgrade of the Bay 6 façade Ennis Road near Milsons Point Station.
Sydney Harbour Bridge (Item 4301067)	A Statement of Heritage Impact was prepared for proposed upgrade of drainage on approaches above Ennis Road near Milsons Point Station.

An example of the RTA's work in protecting biodiversity is the demolition of the old Millfield Bridge over Wollombi Brook following the construction of a new bridge. This project involved relocating the resident colony of threatened southern myotis bats. The project was successfully completed with population numbers of bats roosting in the new bridge similar to those in the old bridge.

Threatened species

The RTA contributed to a number of Threatened Species Recovery Plans (TSRP) prepared by the DEC in accordance with Part 4 of the *Threatened Species Conservation Act 1995*. Refer to **Appendix 2** for full details.

Green and Golden Bell Frog, Arncliffe

The RTA continued to monitor the Green and Golden Bell Frog population in ponds constructed as a compensatory measure for the M5 East. The Green and Golden Bell Frog population has been stabilised at the Marsh Street Wetland and Kogarah Golf Course and management of the ponds will be handed over to the Department of Planning.

Woolooware Shorebird Lagoon

The RTA contributed \$2,500 to undertake maintenance weeding works of the Woolooware Shorebird Lagoon area in this financial year. Under RTA supervision the site was monitored by specialist consultants and no further issues were identified. After preparing final plans for this site,

HARBOUR BRIDGE HERITAGE LISTING

The RTA is examining the national heritage values of the Sydney Harbour Bridge. A proposal to nominate the Bridge for inclusion on the National Heritage List is being developed in conjunction with other key stakeholders.

the RTA will return it to the Department of Planning (site owner) or Department of Environment and Conservation, the next potential owner.

Translocation of threatened species

A population of the State and Commonwealth listed Purple Copper Butterfly (*Paralucia spinifera*) was translocated and key habitat rehabilitated in the road reserve of the Castlereagh Highway (SH18) near Lithgow with the assistance of the DEC. The RTA contributed \$6,072 in monitoring and ongoing maintenance works for the Purple Copper Butterfly population at the site in 2005–06. Monitoring indicated that a viable population has been retained.

Vegetation management

Cooks River/Castlereagh Ironbark Forest Work by the National Trust of Australia (NSW) continued on the Cooks River/Castlereagh Ironbark Forest Bush Regeneration project at Beverley Grove, as part of compensation related to the M5 East. The National Trust was engaged by the RTA to undertake bush regeneration activities at the site and is finalising the revegetation program of native plants in several parts of the forest. Work has concentrated on maintaining plant regeneration and these activities will ensure healthy bush generation continues until the contract ends in June 2007.

TABLE 10 BIODIVERSITY PROJECTS

ACTIVITY	PURPOSE	PROGRESS 2005–06
Promoting RTA measures used to minimise road impacts on native biodiversity	Management of wildlife on roads	<p>The RTA gave a presentation at the Australian Government Department of Environment and Heritage workshop on the identification and mitigation of the impacts of roads on biodiversity in Canberra, May 2006.</p> <p>The RTA attended a community forum at Narrabeen in June 2006 to discuss the RTA approach to roadkill mitigation on roads in northern Sydney.</p> <p>The RTA presented on Pacific Highway threatened flora translocation experience at the Australian Network for Plant Conservation Vegetation Management Workshop in August 2005.</p>
Development of a call centre resource manual for managing roadkill response	Management of wildlife on roads	The RTA funded the development of a draft manual by the RSPCA for call centre staff to more effectively manage calls from motorists regarding injured animals on roads.
Trialling effectiveness of odour repellents	Management of wildlife on roads	A three year post graduate research study trialling the effectiveness of odour repellents in managing vehicle collisions with wildlife was completed in October 2005. One of the products trialled provided promising results.
Trialling effectiveness of fauna mitigation measures	Management of wildlife on roads	The RTA provided \$25,639 to monitor the effectiveness of an experimental possum rope bridge over Wakehurst Parkway, Sydney.
Trialling effectiveness of fauna mitigation measures	Minimising impacts to biodiversity	The RTA contributed \$10,000 to monitor the effectiveness of bat breeding and roosting boxes installed under the Prince Alfred Bridge at Gundagai.
Fund research into effects of road construction and operation on koala populations adjacent to the Pacific Highway at Bonville	Koala population research	Research for the koala monitoring project undertaken by RTA recommenced on Bonville following four years of preconstruction monitoring. Expected expenditure in 2005–06 is \$40,000.
Research into the factors limiting the growth of plants under road bridges	The effect of bridges on vegetation growth and invertebrates	RTA contributed \$162,634 to investigate the factors limiting the growth of plants under road bridges and the associated impacts of this lack of vegetation on invertebrates.
Research into post construction and operational impacts of bridges on estuarine environments	The effect of bridges on estuarine environments	The RTA is involved in partnership with university research.
Pilot project on utilising volunteers on RTA works	RTA road environment corridors	Conservation Volunteers Australia weeded and planted two rest areas in addition to a major planting on the Hume Highway along the Mittagong Bypass. The pilot program is being used to test the feasibility of using volunteers on RTA projects for greening environment corridors.

Duffys Forest Endangered Ecological Community

Bush regeneration works were undertaken by the RTA in a stand of the Duffys Forest ecological community on an RTA compound site in Frenchs Forest. The works involved translocating the soil seed bank from an area impacted by road works to a nearby degraded area. Regular weeding of the translocated soil was undertaken, along with weeding in adjacent stands of remnant Duffys Forest ecological community. A plan of management for appropriate bush regeneration works over the next three years has been prepared for the RTA.

ROADSIDE ENVIRONMENT

The RTA continued to fund the Roadside Environment Committee (REC) which encourages councils and other groups to manage linear reserves more effectively.

Key achievements included:

- Conducted five training courses and assisted a further 15 to be supplied by private providers.
- Provided detailed briefings to the new Catchment Management Authorities.
- Distributed approximately 300 'Significant Roadside Area' signs to local councils.
- Produced and distributed approximately 2,000 copies of the REC information bulletin 'Saving our Corridors' in May 2006.
- Updated the REC internet webpage on the RTA website with links to member agencies.
- Worked with the Rural Lands Protection Board and DEC to begin implementing the recommendations contained in the REC funded report 'Strategic Management of Travelling Stock Reserves for Conservation'.
- Finalised a research paper titled Guidelines for Local Government on Clear Zones and Sight Lines on Rural Roads in late 2005 that will contribute to RTA clearzone protocols for local government.



A population of the Purple Copper Butterfly was rehabilitated and translocated in the road reserve of the Castlereagh Highway.



Research for the koala monitoring project recommenced on the Pacific Highway at Bonville.

- Completed a survey of planning documentation and practice in NSW.
- Acquired over 300 plans relating to vegetation and linear reserve management.
- Worked with the Department of Natural Resources to formulate and revise regulations governing clearing on linear reserves.

- Participated in a working group with DEC, Greening Australia, Department of Lands and National Parks Association in preparing proposals for conservation of high quality vegetation on roads and crown leases, and is exploring the potential of conservation covenants and carbon credit programs for these linear reserves.
- Worked with the NSW Weeds Committee to prepare protocols for controlling spread of weeds on linear reserves.
- Funded enhanced management of significant roadside vegetation under the Environmental Trust Integrated Environmental Program. The program is now in its second year.
- Presented at a number of regional forums including the NSW Vegetation Forum in Albury March 2006.

URBAN DESIGN

Design guidelines

RTA urban design policy is set out in Beyond the Pavement – Urban and Regional Design Practice Notes. As part of the Beyond the Pavement initiative a suite of guideline documents have been produced: Bridge Aesthetics, Noise Wall Design Guidelines and Shotcrete Design Guidelines. The latest document in the suite is entitled Landscape Guidelines and covers the approach and principles needed to produce safe, robust, attractive, environmentally responsible and low maintenance road landscape.

Corridor urban design

The RTA takes a broad approach to the design of its roads recognising that all projects need to be designed as a part of the road corridor in which they are situated. For example the Pacific Highway Corridor Urban Design Framework helps guide the planning and design of all Pacific Highway upgrades. To date similar frameworks have been developed for the Great Western Highway, Windsor Road, Camden Valley Way and Richmond Road.

Projects

The Westlink M7 is a significant achievement for the RTA, integrating engineering, urban design and environmental criteria into a unified, distinctive piece of road design and a unique structure for Western Sydney.



The flowing design of the recently opened Sea Cliff Bridge on Lawrence Hargrave Drive fits into its setting and offers road users a unique experience.

URBAN DESIGN INTERNET SITE

The RTA maintains an Urban Design site which is periodically updated and includes published urban design guidelines and documents, at www.rta.nsw.gov.au.

The North Kiama Bypass and the Sea Cliff Bridge on Lawrence Hargrave Drive are both examples of how a road can be designed to fit into its setting and provide an outstanding road user experience. The Sea Cliff Bridge provides a unique section

of road over the Pacific Ocean skirting the Illawarra coastal cliffs. North Kiama Bypass is a benchmark for the way rock can be used in road projects; it provides a flowing, responsive alignment with views of the Pacific Ocean and Illawarra Escarpment.

REDUCING VEHICLE EMISSIONS

IMPLEMENTATION OF DIESEL NEPM

The RTA's work on implementing the diesel National Environment Protection Measure (NEPM) is spearheading management of diesel vehicle emissions in Australia.

Diesel emission testing

An extensive testing program for diesel vehicles has been conducted, using the DT80 test to check emissions from nearly 3,000 trucks and buses. The findings of this program were converted to the Clean Fleet program which encourages diesel operators to properly maintain their vehicles. The RTA continues to undertake emissions testing for interested fleets including Baxters Bus Lines and the City of Sydney Council.

Clean fleet program

The voluntary Clean Fleet program was developed and trialed in consultation with the transport industry and officially launched in June 2006 by the Minister for Roads. This statewide program seeks to reduce diesel vehicle emissions through participating fleets which must meet standards for using clean fuel, correct engine settings, regular vehicle maintenance, and effective fault identification and repair. Clean Fleet is an accredited program under the federal Fuel Tax Credit program which began on 1 July 2006 and which entitles diesel vehicle operators to a diesel rebate.

The Ministry of Transport requires metropolitan bus systems contract operators to comply with the Clean Fleet program. DEC Model Waste and Recycling Collection Contract also requires waste management contractors to join Clean Fleet.

Diesel emissions awareness

The RTA offers a free TAFE course on 'How to reduce truck emissions' to truck drivers, operators, diesel mechanics and fleet managers. The course was extended throughout NSW, in Sydney, Shell Harbour, Kurri-Kurri, Tamworth and Wagga Wagga. The course has received very high approval ratings from attendees and is being implemented in other jurisdictions. The RTA also developed a CD-ROM, containing basic principles and similar practical advice on how to reduce diesel vehicle emissions, for smaller fleet operators and workshop mechanics.

NSW Diesel Retrofit

Demonstration program

The NSW Diesel Retrofit Demonstration program, partly funded by the Environmental Trust, which is administered by the DEC, was completed in March 2006. The program focused on the benefits of retrofitting emissions reduction devices to in-service diesel vehicles. Feasibility, costs and benefits of implementing a broader diesel retrofit program in NSW were also assessed through an operational trial of the devices. This demonstration project has laid the foundation for the development of phase two of the retrofit program – the fitting of devices to target vehicles.



The RTA's work on diesel emission testing supports the Clean Fleet program launched in June 2006 with the aim of reducing diesel vehicle emissions.

NOISE CAMERA

To help reduce engine brake noise, the RTA also commissioned the construction of a second generation 'noise camera' system, based on the system originally developed by South Australian Transport. This 'noise camera' has been deployed to a number of locations to collect engine brake noise data and to assess the potential for using this technology as an enforcement device.

CLEANER CARS

In 2005–06, the RTA conducted 1,796 emissions tests for light vehicles at Penrith and Botany Motor Registries, adding to more than 12,874 tests since voluntary light vehicle testing was introduced in 1998. This testing program includes vehicles referred to RTA for testing by the DEC and modified vehicles referred by engineering signatories. The program ensures that light vehicles continue to comply with emissions standards.

The RTA also upgraded the Botany vehicle emissions testing facility with the purchase and commissioning of emissions testing equipment to enable it to undertake light diesel vehicle testing.

CLEANER NSW GOVERNMENT FLEET

The Cleaner NSW Government Fleet project is an initiative to reduce the emissions of the NSW Government car fleet. The RTA assisted the Department of Commerce in developing systems to enable procurement of cleaner vehicles.

The RTA's Motor Vehicle Clean Fleet Improvement Plan 2005–07 was effective from July 2005. Strategies have been developed to make the RTA motor vehicle fleet cleaner without impacting on operational and business needs. Under the program, the RTA will annually assess its passenger vehicle fleet and provide an average environmental performance score.

ALTERNATIVE FUELS

The RTA continued to assist the Liquid Petroleum Gas (LPG) aftermarket equipment industry by conducting emissions tests on a variety of vehicles. The purpose of the testing is to ensure LPG fitted vehicles continue to meet applicable emission standards.

This score at 30 June 2006 was 9.9 against a target of 10.

Refer to **Greenhouse and energy** section for more detail.

VOLUNTARY GREEN REGISTRATION SCHEME

The RTA is working with the NSW Greenhouse Office to establish a Green Registration Scheme as a means for vehicle owners to offset the carbon dioxide emissions of their vehicles. This is a key initiative under the NSW Greenhouse Plan. The project will include research into existing schemes that aim to offset greenhouse gas emissions and will continue in 2006–07.

STANDARDS

The RTA contributed to the development of more stringent national emissions standards and regulations for diesel and petrol fuel vehicles. Tougher emission and fuel standards will reduce some noxious emissions from the NSW fleet by up to 70 per cent over the next 15 years, despite increasing traffic volumes.

The RTA is also working with Austroads to develop more stringent, achievable, truck noise standards that will increase the scope for night-time road freight operations on metropolitan road networks.

ULTRA FINE PARTICLES

The RTA commissioned the CSIRO to prepare a particulate and toxic emission testing report along with a literature review on ultra fine particles to help improve diesel vehicle emissions standards and emission reduction programs.

SMOKY VEHICLE ENFORCEMENT

RTA inspectors report smoky vehicles to the DEC. During 2005–06, RTA inspectors reported 43 vehicles that were considered to be emitting excessive visible smoke. The DEC issued 18 Penalty Infringement Notices following reports submitted by RTA inspectors.

VEHICLE NOISE

Heavy vehicle engine brake noise

The RTA has been working closely with the National Transport Commission (NTC) to develop a national approach to regulating engine brake noise. The NTC finalised a Regulatory Impact Statement (RIS) released in June 2006, with plans to finalise the regulation by December 2006. The RTA contributed by drafting the RIS and developing a panel test methodology to conduct an acoustic survey. The results of the surveys will be used to help develop a standard.

Truck sign strategy

This initiative aims to encourage heavy vehicle drivers to avoid using compression brakes in residential areas. During the year, truck signage on major truck routes was assessed by the RTA and \$12,000 provided to install six compression brake signs across NSW.

Noise abatement program

The RTA Noise Abatement Program (NAP) continued to alleviate high noise levels from road traffic. The program funds noise mitigation treatments such as noise walls or earth mounds, architectural acoustic treatments, and low noise pavement.

During 2005–06, the RTA funded approximately \$2.1 million for the investigation and monitoring of noise issues and undertook various architectural treatments, such as installation of a noise wall along Stacey Street, Bankstown and architectural treatments along King Georges Road, Roselands.

Residents concerned with adverse affects of road traffic noise are able to register for the NAP. Complaints are assessed, verified and considered against several determining factors under the NAP. In 2005–06 296 complaints were received, 189 of those within the Sydney metropolitan region.

Noise Abatement Program Geodatabase

The RTA's NAP Geodatabase captures and efficiently manages information gathered on several facets of the NAP. The geodatabase applications allow the user to visualise the extent of noise wall development, identify buildings that have received architectural treatment, identify historical noise complaints and noise monitoring site locations. During the year improvements were made to the geodatabase. This includes a new capability of detailing length, area and estimated replacement cost of noise wall infrastructure in NSW.

NATURAL RESOURCES AND WASTE

WASTE

The RTA has a statutory requirement under the *Waste Avoidance and Resource Recovery Act 2001* to report on the implementation of the Waste Reduction and Purchasing Policy (WRAPP). Details are found in **Appendix 3**.

In summary, it is estimated that for 2005–06:

- The proportion of construction and maintenance materials reused or recycled was 56 per cent of vegetation waste, 20 per cent of concrete, 97 per cent of fill/Virgin Excavated Natural Material and 96 per cent of asphalt.
- The proportion of items purchased with recycled content materials for construction and maintenance activities was 74 per cent of landscaping material and 51 per cent of asphalt containing recycled content.
- For RTA offices, 6.3 per cent of printing and publications paper, 12 per cent of A4 paper and 4.5 per cent of envelopes purchased contained recycled content.

WRAPP biennial report

Every two years the RTA and other agencies are required to report on progress in implementing the WRAPP to the DEC. Highlights of the report include waste and material procurement data, case studies and an overview of research and development projects. For more information on waste refer to **Appendix 3**.

GREENHOUSE AND ENERGY

Australian Building Greenhouse Rating

Premier's Memorandum No. 2004-04 requires agencies to obtain an accredited Australian Building Greenhouse Rating (ABGR) for office buildings over 1,000 m² and achieve certain ABGR ratings by 1 July 2006. The RTA identified eight of 11 sites rated in late 2004 as requiring energy efficiency improvements to achieve the required ABGR rating. Energy audits have been conducted at these eight sites and energy efficiency works programmed for implementation by 1 July 2006.

Government Energy Management Policy

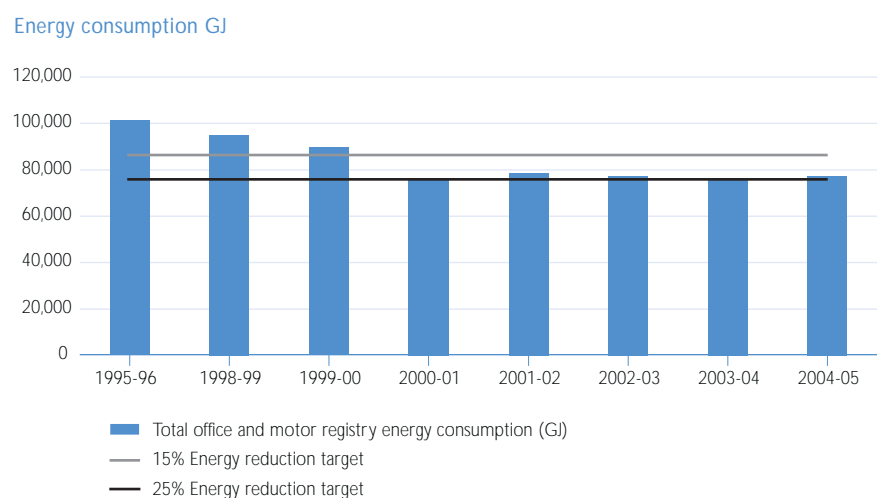
The Government Energy Management Policy (GEMP) commits NSW public sector agencies to achieve and sustain reduced greenhouse gas emissions and significant energy cost savings. This commitment extends to all aspects of government energy use. The GEMP has two building energy reduction targets: a 15 per cent reduction by 2001–02 and a 25 per cent reduction by 2005–06 (compared to a 1995–96 baseline year).

RTA office and motor registry energy use reduced by 23.7 per cent, from 101,319 gigajoules in 1995–96 to 77,344 gigajoules in 2004–05 (see Figure 15). A gigajoule is a unit of energy that is relevant to both natural gas and electricity, which are both used in RTA buildings. Data for 2005–06 will be available later in the year.

The following energy efficiency measures were implemented during the 2005–06 financial year:

- Gradual replacement of old cathode ray tube computer monitors with more energy efficient flat panel monitors. These durable new monitors will reduce monitor energy consumption by 60 per cent.

FIGURE 15 TREND IN OFFICE AND MOTOR REGISTRY ENERGY USE FROM 1995–96 BASELINE YEAR

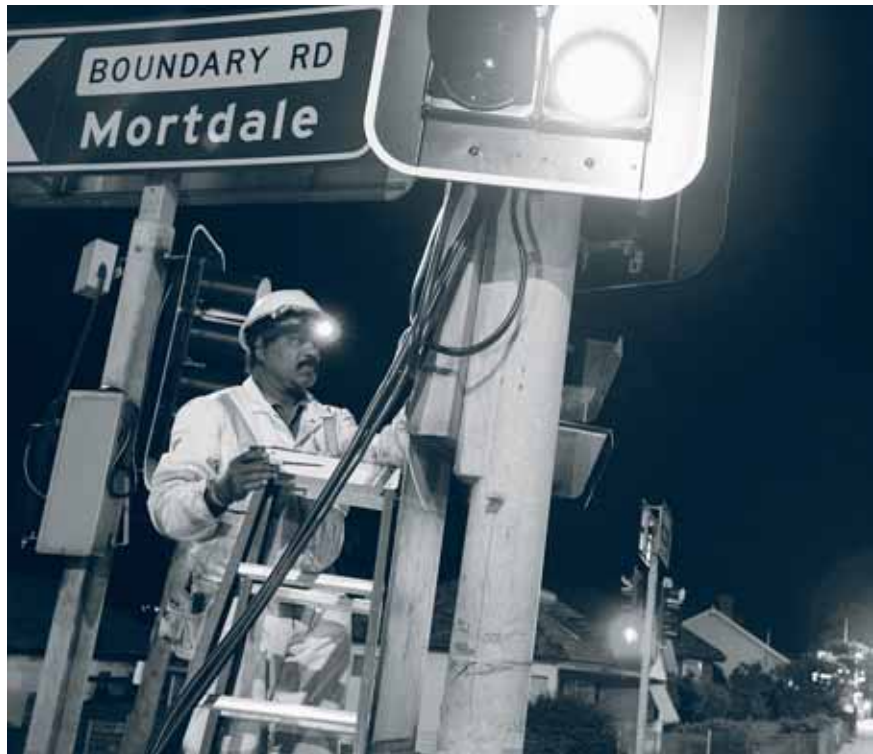


- Use of energy efficient Light Emitting Diode (LED) technology at newly-signalised intersections. Refer to page 29 for details.
- A project is underway to rationalise the number of printers, copiers and faxes within the organisation.
- The number of petrol-electric hybrid vehicles in the RTA fleet was increased to from 21 to 23.
- The RTA Motor Vehicle Clean Fleet Improvement Plan 2005–07 commenced in July 2005. Strategies have been developed to make the RTA motor vehicle fleet cleaner without impact on operational and business needs. The RTA is actively working towards achieving the Premier's Environmental Performance Score targets by replacing low scoring six cylinder vehicles with higher scoring hybrid or four cylinder vehicles.
- Air conditioning improvements at a number of sites.
- Ongoing purchase of Green Power.

The RTA monitors energy use within office buildings, infrastructure and transport and is required to submit an annual GEMP progress report to the Department of Energy, Utilities and Sustainability.

RTA GREENHOUSE PLAN

A draft RTA Greenhouse Plan has been developed in response to the 2000–01 RTA Greenhouse Gas Inventory. The draft Plan includes actions to reduce greenhouse emissions and improve air quality and has been aligned to the NSW Greenhouse Plan. For further greenhouse information refer to **Reducing vehicle emissions** section.



Sooriakumar Vaithalingam with a light emitting diode (LED) traffic light, one of hundreds being installed over a three-year program to reduce electricity use.

Participation in NSW Greenhouse Gas Abatement Scheme

In September 2005 the RTA gained accreditation from the NSW Independent Pricing and Regulatory Tribunal (IPART) to create and trade carbon credits associated with the introduction of LED traffic signals. The RTA may now create tradeable carbon credits for every tonne of carbon dioxide gases avoided through the introduction of this energy efficient technology. The credits may be traded to NSW electricity retailers under a trading scheme established by the *NSW Electricity Supply Act 1995*.

Light Emitting Diode traffic signal rollout

Staff received an RTA award for an innovative project to replace older traffic signals with energy efficient LED technology. The LED technology provides substantial economic, environmental and social benefits for the

community. This \$18 million, three-year project will reduce RTA electricity use by over 10 gigawatt hours per year – nearly three and a half times the electricity used each year by the RTA Centennial Plaza building. In addition to the significant environmental benefits and cost savings, the new technology should also have lower failure rates and require less maintenance, leading to improved road network safety and less risk for traffic signal maintenance staff.

LAND AND WATER

The Blue Book

Development of the new Volume 2 of 'Managing Urban Stormwater – Soils and Construction' (the blue book) continued during 2005–06. The new volume will provide guidance in erosion and sediment control for a range of developments including major highway and infrastructure

projects. The RTA has liaised with DEC on project planning, documentation and technical elements of this chapter. DEC are finalising approval and publication of Volume 2.

Managing erosion and sedimentation

Training of 72 staff on the RTA Erosion and Sedimentation Risk Assessment Procedure was undertaken. This procedure was developed to identify levels of risk for road infrastructure projects. Project managers and environmental staff use the procedure at the project's concept phase, ensuring erosion and sedimentation risks are identified in early project planning. Through implementing this new procedure RTA has currently identified 42 construction projects with a high risk for erosion and sedimentation. To support the management of such projects a panel of

specialist soil conservationists was established through the RTA Registration Scheme for Construction Industry Contractors. Panel specialists are available to RTA staff and contractors, to provide advice and expert management of these issues.

Environmental Improvement Program

Environmental improvement works at 15 operational sites were undertaken during the year at a total cost of \$1.1 million. Projects carried out included stormwater drainage and treatment works at Ashby Dry Dock, Dubbo and Rockdale Depots, and improvement to emulsion storage facility at Bellambi Depot. In addition, remediation works were undertaken throughout the year which included the removal of underground storage tanks, together with soil and groundwater

remediation works at Yass, Bellambi and Goulburn Works Centres, and Kogarah Motor Registry. Soil remediation works were also carried out at several surplus properties prior to disposal.

Stormwater Environment Improvement Program

The RTA continues to support local councils with the management of stormwater runoff via the Stormwater Environmental Improvement Program. In 2005–06 the RTA provided approximately \$490,000 for the program, which involved a number of projects including the installation of a gross pollutant device in North Sydney. Two stormwater controls were installed in drainage of the Princes Highway adjacent to the Royal National Park to capture gross pollutants such as litter from the Princes Highway.

Another valuable project was the development and implementation of spill trailers containing equipment to manage a spill event. RTA provided six spill trailers to six RTA depots in NSW. RTA provided an additional spill trailer to Parramatta Council works depot. The spill trailers are used for response to fuel or chemical spills on RTA managed roads.

Contaminated land

The RTA Contaminated Land Guideline was released earlier this year. The Guideline addresses the management of contaminated land in accordance with NSW legislation and policy guidelines. It provides a process to ensure that the RTA meets statutory environmental and community responsibilities when buying, selling and managing property. The Guideline also provides information on management of consultants appointed to the RTA Panel for the Provision of Contaminated Site Investigation and Management Services. RTA continues to identify and manage potentially contaminated sites in accordance with NSW legislation and industry best management practice.



Jane Oakley and Marie Edwards with one of RTA's Prius hybrid vehicles which are replacing six cylinder vehicles to reduce the environmental impact of the fleet.

FUTURE CHALLENGES

Alternative transport

- Continue improvements in bus priority on the strategic bus corridors identified in the NSW Government's Review of Bus Services.
- Develop a network of facilities to make cycling and walking more attractive.

Infrastructure planning and roadworks

- Implement the M5 East air quality improvement program.
- Develop project air quality assessment, monitoring and reporting guidelines.
- Review and update existing Environmental Management Systems to account for structural change in the RTA.
- Develop an improved incident reporting database.
- Develop mechanisms to accommodate and promote emphasis on early consideration of environmental issues by project development teams.
- Continue improvements in environmental impact assessment documentation.

- Adapt RTA environmental impact assessment according to changes in *Environmental Planning and Assessment Act 1979* and other statutes.
- Finalise the Conservation Management Plan structure and extend application to all State listed items.
- Improve the management of biodiversity impacts from projects.
- Continue to work collaboratively with the DEC to develop the NSW Construction Noise Guideline and the Environmental Criteria for Road Traffic Noise.
- Implement the RTA Aboriginal Liaison Protocol.
- Develop strategies for improving contractor environmental performance.
- Improve performance of erosion and sedimentation control.
- Complete and implement the Conservation Management Plans for State heritage timber truss bridges.

Reducing vehicle emissions

- Continue implementation of the diesel National Environmental Protection Measure.
- Continue to develop and implement programs to reduce noise, noxious gas emissions and greenhouse emissions from vehicles.

Natural resources and waste

- Implement measures to reduce the RTA's direct energy consumption and associated greenhouse emissions.
- Implement the new Australian Building Greenhouse Rating Government Policy by improving the greenhouse performance ratings of larger RTA offices.
- Reduce the environmental impact of office purchasing and waste management.
- Increase recycled content within material purchases and find high-value reuses for excess materials resulting from construction and maintenance activities.



VALUE FOR
MONEY

VALUE FOR MONEY

INTERMEDIATE RESULTS

Customer service
Improving our business
Governance and risk
Our staff
Partnerships

CUSTOMER SERVICE

CUSTOMER SERVICE IN MOTOR REGISTRIES

The RTA completed about 17 million registration and licensing transactions in 2005–06 for the 4.47 million drivers and 4.97 million registered vehicles in NSW (further details can be found in **Appendix 24**). These transactions are delivered face-to-face in motor registries, by telephone through the call centre, and online.

The RTA has a network of 131 motor registries, a customer call centre at Newcastle, five Government Access Centres (GACs) and 32 agencies that provide RTA services. Services are also provided at 39 itinerant sites in remote areas. See page 209 for contact details.

Identity management

A new Proof of Identity (POI) Unit commenced operations in March 2006 to assist motor registries with high-risk or difficult identity management issues. The purpose of the unit is to help strengthen the RTA's customer enrolment processes (verifying customer details), reduce opportunities for the issue of inappropriate

MOTOR REGISTRY IN A BOX

Small or remote rural communities have better access to efficient licensing and registration services through the compact motor registry in a box.

This portable computer device enables council staff to process a range of transactions including driver knowledge tests.

The new system was piloted at the Dorrigo Hospital Government Access Centre and later installed in Walgett motor registry and council agencies in Bourke, Crookwell, Junee and Moama.



About 17 million registration and licensing transactions were completed this financial year through the network of RTA motor registries, by telephone and online.

documents that could contribute to identity fraud and improve links with other identity document issuing agencies.

NSW Photo Card

The NSW Photo Card was introduced in December 2005. This is a voluntary card for NSW residents aged 16 years or older who do not hold a NSW driver licence. It has the same security features as the NSW driver licence and the same stringent proof of identity criteria. The RTA will accept the NSW Photo Card as a primary source of identification as it does with the NSW driver licence and has encouraged other organisations to do the same. The NSW Photo Card has been made available to help people who are unable to obtain a driver licence, including the elderly and people with disabilities that prohibit them from driving.

Touch screen monitors

In June 2006, the RTA successfully piloted new flat panel touch screen monitors for conducting all computer based licence tests. The new monitors provide improved image clarity and increased response time. They are also equipped with a privacy film so that only the person sitting directly in front of the monitor can see. The monitors are used by customers doing their driver knowledge, hazard perception and driver qualification tests to obtain learner, provisional P2 and unrestricted licences, which amounts to

almost half a million computer based licence tests undertaken each year. The new screens will be installed in all RTA motor registries and test agencies at a cost of \$1 million.

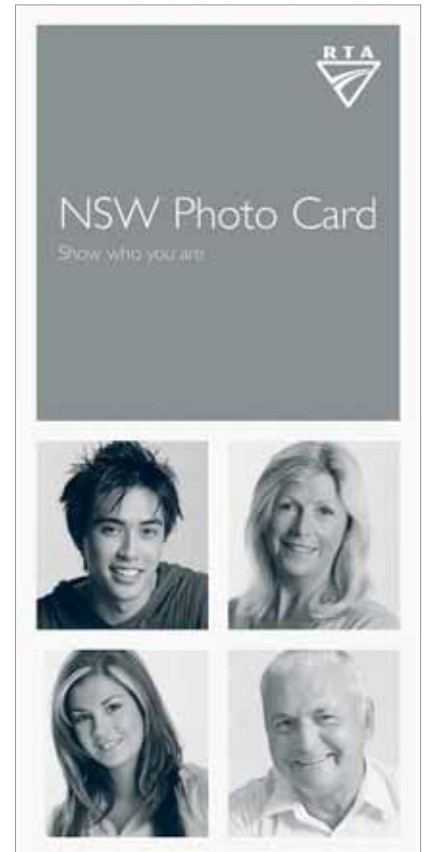
Centrelink online validation of pensioner concessions

Centrelink online validation of pensioner concession cards was successfully piloted through seven motor registries and the Newcastle Call Centre from November 2005 and extended to all motor registries in May 2006. The online link allows registry staff to validate all Centrelink and Department of Veterans' Affairs NSW pensioner concession cards on-the-spot before granting a licensing or registration concession. Savings of \$2.76 million were achieved in the seven-month period to June 2006, by ensuring that pensioner concessions were only provided to eligible pensioners at the time the concession was sought.

Low cost desktop

During 2005–06 the RTA deployed Sun's Open Standards Messaging solution to 1100 staff, mostly working in motor registries. This follows the previous rollout of StarOffice (an 'open' standards alternative to Microsoft Office) to 300 registry staff, and supports the overall direction of the NSW Government to pursue open source software solutions.

The RTA called for Expressions of Interest



The NSW Photo Card introduced in December 2005 has the security features of a driver licence.

from the market to provide a centralised open standards desktop model.

CUSTOMER CALL CENTRE

The call centre provides accurate, timely licence and registration services over the phone. Call centre staff play an active role in information security and have contributed to cost-saving process improvements.

In May 2006 the RTA call centre at Newcastle was recommended to be certified to the international Information Security Management standard which

E-TOLL SERVICES

Approximately half the motor registries within the Sydney metropolitan area now provide E-Toll services. Additional dedicated resources were also provided at the call centre to handle issue of electronic tags and customer enquiries.



Terry Gard and Chris Hand check the new RTA self-service kiosk at Wynyard Motor Registry which gives customers internet access to RTA services.

requires a system that ensures confidentiality, availability and integrity of information.

GOVERNMENT ACCESS PROGRAM

The RTA continued to manage the Government Access Program (GAP). The GAP is a whole of government initiative to improve access to government information and services for people living in remote and rural NSW.

GAP services are available through 64 locations throughout NSW and provide a range of transaction-based services such as applications for birth, death and marriage certificates, applications for some housing services, processing of speeding and parking fines, issue of recreational fishing licences, renewal of business name registrations and contractor licences and renewal of recreational boat licences.

ONLINE SERVICES

Several RTA online services were extended to operate 24 hours a day, seven days a week. Customers can now go to myRTA.com anytime of the day or night to renew vehicle registrations, order customised number plates, book a licence test, change address details and check demerit points.

The RTA website recorded 11.4 million visits, a 25 per cent increase on 2004–05. The site continues to maintain its unrivalled position as the most visited State government website in Australia, also ranking sixth in Australian Government sites.

The myRTA.com page of our website

recorded 1.1 million visits, a 38 per cent increase on 2004–05. Online registration renewal transactions increased by 60 per cent and online demerit point checks increased by 26 per cent.

Self-service kiosks

Additional online self-service kiosks were installed at Penrith, Bondi, Castle Hill, Chatswood, Liverpool and Richmond Motor Registries. Customers are able to use these kiosks to transact business over the internet.

Council agencies

Additional councils were provided with direct online access to the RTA's driver and vehicle enquiry system (DRIVES) enabling councils to process registration, licensing and other RTA transactions in 'real time'. This is a positive move to improve 'face-to-face' services in rural and regional areas. Fourteen council agencies now have access to DRIVES with a plan in place to progressively convert the remaining offline agencies to online access.

DRIVES realignment

DRIVES is the core IT System used to manage driver licensing and vehicle registration across NSW. This system is over 15 years old and has become progressively more difficult to maintain. Faced with a replacement cost of over \$100 million, the RTA has chosen instead to restructure the code for the system in a three year process that will make it easier to maintain and support improved service delivery.

Dealer online

A pilot of the 'Dealer Online' system was rolled out to 50 Authorised New Vehicle Inspection Scheme motor dealers. Dealers can use the system to register new vehicles, process plate transfers, submit notice of disposal details, transfer registrations and exchange plates between vehicles.

ECCI switched on

In May 2006, the Certificates and Court Conviction Unit with the assistance of the DRIVES systems development team switched on Electronic Court Conviction Interface (ECCI) that allows for convictions to be recorded electronically from local courts to the RTA.

Initially, between 25 and 40 per cent of total convictions will be recorded electronically. ECCI will have a beneficial impact on resources as convictions have increased from 82,000 in 2000 to 128,000 in 2005. All court convictions are expected to be electronically recorded within two years.

NEW PLATE STYLES

The RTA continued to offer new styles of number plates with the release of a metallic range in gold and silver in August 2005. These styles enhance the popular plate range available from motor registries, the call centre and RTA website.



Launched in August 2005, new metallic number plates proved popular with customers.

IMPROVING OUR BUSINESS

MAJOR BUSINESS REFORM PROGRAM

The Business Reform Program was established in late 2004 to drive improvements to organisational performance and ensure the RTA delivers integrated, efficient and customer focused services for the future. The program focuses on five key areas – simplicity, integration, accountability, efficiency and ongoing improvement.

The aim is to improve the way work is carried out so that the organisation will be more flexible, adaptive and responsive. The skills and capabilities needed for the future are being identified so that the necessary staff training and development can be provided.

Since the realignment of the RTA's management structure in March 2005, significant progress has been achieved. In 2005–06 a total of 11 reform projects were completed with a further 24 projects underway at the end of the year. The reforms have led to simplified structures, improved integration and alignment of activities, streamlined business processes and tangible cost savings. Particular achievements include:

- Improved processes for planning, project and financial management of key infrastructure projects across NSW.
- Combined two previous technical services groups and began developing a new structure and operating arrangements to provide a leaner, more flexible Engineering Technology Branch.
- Implemented an enhanced Environment Branch to focus on critical high risk environmental activities.
- Established a single branch to manage the planning, implementation, maintenance and operation of camera enforcement programs.
- Combined the real estate and facility management groups for operational efficiencies and improved service.
- Combined several insurance and

claims management related functions into a single group to consolidate expertise and provide a more efficient service.

- Established new strategic directions for the legal services and human resources functions as the basis for designing leaner structures with greater expertise in critical areas.
- Simplified a range of financial management and administrative processes.
- Established a framework for integrated road corridor planning and progressed the development of pilot corridor studies in each region.
- Commenced a new comprehensive leadership and management development framework.

A new alliance arrangement within Operations and Services Directorate for works being delivered by Road and Fleet Services commenced on 1 July 2005. The alliance has created an improved working environment with staff collaboratively identifying improvements. The alliance teams have developed better solutions, reduced costs and eliminated potential cost increases. As a result of the alliance process, the RTA saved \$3.8 million.

On 29 September 2005, the Minister for Roads announced that the RTA would reduce its overall staff numbers by 300 through voluntary redundancies in targeted areas as a result of funding shortfalls for maintenance, safety and minor works under the new federal AusLink funding agreement. These gradual reductions will focus on corporate services, business support functions, road maintenance activities affected by reduced federal funding and some technical areas where the RTA will need different capabilities for the future.

OTHER IMPROVEMENT INITIATIVES

Further details on initiatives aimed at improving the business can be found throughout the report. For example, the

Customer Service section of this chapter provides information on changes to RTA's electronic systems. For details on RTA's research and development program in 2005–06, refer to **Appendix 23**.

GOVERNANCE AND RISK MANAGEMENT

THE EXECUTIVE

The Chief Executive manages the affairs of the RTA and is accountable to the Minister for Roads and Parliament for the RTA's overall performance and compliance. The RTA Executive supports the Chief Executive in ensuring the effective governance of the authority (see Executive structure on page 6). The RTA Executive has collective responsibilities for key functions related to organisational strategy and performance. The Executive consists of all directors, the General Managers for Environment and the Office of the Chief Executive and the Corporate Counsel.

The RTA Executive fulfils its responsibility through formal monthly policy and strategy meetings as well as weekly operational meetings. Members of the Executive also contribute to various internal RTA committees. These committees include:

- Audit and Risk
- Finance Strategy
- Workforce Capability
- Occupational Health and Safety (OHS)
- Technology and Innovation
- Business Reform
- Business Services Advisory
- Road Safety Executive
- Major Projects Review

For a list of RTA's committees and significant advisory groups, see **Appendix 4**.

Executive appointments and remuneration

The Minister for Roads is responsible for approving the Chief Executive's appointment

PERFORMANCE INDICATORS

This year's report continues the trend begun in the 2004–05 report for an increased number of key performance indicators. A review of RTA strategic performance indicators also continues this year. Alignment of performance indicators through corporate plans, performance agreements, business plans and individual work plans will increase the performance culture of the organisation and should lead to improved outcomes. For an update on performance data, refer to the Performance overview on pages 10–11.

and contract. The Chief Executive is responsible for approving senior executives' appointments and contracts. These contracts may have a duration of up to five years and include annual performance agreements.

The Chief Executive's remuneration is determined by the Minister for Roads and the Chief Executive determines the remuneration of senior executives in accordance with determinations issued by the Statutory and Other Offices Remuneration Tribunal on 1 October each year.

STRATEGIC AND BUSINESS PLANNING

The RTA uses corporate strategic plans to link our results and services with broader government priorities and to align internal business plans to deliver results. The Corporate Plan, Results and Services Plan and Total Asset Management Strategy are key corporate strategic plans used to communicate our contribution to government priorities to various audiences. During the year, the RTA promoted its strategic direction by distributing the corporate framework. The framework

clearly sets out the results logic for the RTA key result areas. This framework has been used as the basis for strategic alignment of corporate plans, business plans and reporting.

Guidelines were progressed to establish and maintain effective and consistent planning and performance reporting systems.

RTA asset strategy

During the year, the strategy was submitted to the Minister for Roads and Treasury. The strategy includes plans for capital investment, maintenance and disposal and office accommodation. The strategy is key to a more considered approach to physical asset planning and management and requires assets to be clearly aligned to service priorities. The RTA has worked with Treasury to improve the information provided within the total asset management strategy and went from a 'satisfactory' to an 'excellent' rating for the office accommodation documentation provided in 2005–06.

CORPORATE CARD AND PURCHASING CARD

The RTA's use of corporate credit and purchasing cards has been in accordance with the Premier's memorandum and the Treasurer's directions.

RISK MANAGEMENT

RTA demonstrates a serious approach to fraud and risk with a dedicated Audit and Risk Committee and an internal team that continually identifies and assesses allegations and risk. Control Management Services (CMS) Branch provides a level of assurance to the Chief Executive and senior management that the operations of the RTA exist in an appropriately controlled environment. The branch coordinates and integrates a range of functions including internal audit, investigations and a variety of risk management initiatives.

In 2005–06 significant developments included:

- Continuing refinement of the processes in place to address the risk of fraud.
- Completing implementation of a corruption risk assurance program directed at strengthening the direct control of corruption risks by line management in RTA.
- Further refinement of the organisation's corporate risk management framework.
- Continued development of formal business risk management processes within selected areas of operation.

Risk insurance

The RTA has a Principal Arranged Insurance program (for works and third party liability) for all construction and maintenance contracts, covering the RTA, its contractors and their sub-contractors.

Purchase of this cover is now into its fifth year to provide low cost insurance for the RTA's construction projects and Road Infrastructure Maintenance Program. This strategy has locked in Broadform covers at favourable rates. During the year a Principal Arranged Insurance program to cover vehicular ferries was renewed with existing insurers on the same competitive terms.

Commercial risk

Staff and independent consultants applied contemporary financial and economic evaluation techniques to assess infrastructure and business asset investment proposals. These techniques included the development of a commercialisation guideline which ensured projects were subject to increasing commercially oriented criteria, such as predetermined rates of return. Commercial skills from the private sector were sought on a needs basis to augment existing resources and skills available within RTA business areas.

The prequalification process that applies to potential suppliers and contractors also provided assurance on the financial capacity of service providers to fulfil their obligations.

Interest rate risk

Interest rates on the RTA's debt are a mix of fixed and floating rates. The NSW Treasury Corporation (TCorp) advises on and manages the RTA debt portfolio.

An updated Memorandum of Understanding (MOU) was recently signed with TCorp with effect from 1 July 2006. A feature introduced in the prior year's MOU, allows TCorp to focus on a medium-term horizon when managing RTA debt. The ability of TCorp to look at longer-term rate cycles rather than the short-term direction of interest rates has assisted in lowering debt service costs to the RTA to date.

Audit and risk committee

The RTA continued to operate a committee which meets every three months to consider progress of the audit program, generally oversee the direction of the audit function and consider the adequacy of the organisation's risk/control environment. It also reviews the RTA's year-end financial statements. The committee is chaired by the Chief Executive and comprises senior executives, a non-public sector representative from the audit profession and an observer from the Audit Office of NSW.

Internal audit

The internal audit function has a major focus on four areas of high risk to the organisation: licensing and vehicle management, IT, engineering and financial and operational aspects.

Operational risk management and internal audits for the Licensing and Vehicle Management business arm continued. The review of the operational risk framework continued, ensuring that risks reflect current business practices and that controls remain appropriate and effective. The internal audit's main priority is to ensure that controls are in place to address the organisation's major risks for the foreseeable future. Audits performed during the year included external

organisations' access to information, customer service at motor registries, GACs and back office processes supporting licensing and registration.

Through the year, the Audit and Risk IT Section continued to focus on general IT, IT security and e-commerce, IT infrastructure, provision of an IT Risk Assessment Facilitation Service and providing risk/control advice via membership of a range of steering committees and working parties. General IT audits cover purchased and installed systems, systems under development and, to a limited extent, those currently in production. IT security and e-commerce audits focus on operating systems (eg access and permissions security). Risk assessments for new IT initiatives, system purchases and developments are also facilitated by Audit and Risk IT although the results are owned by the relevant business unit. Steering committees cover corporate governance of new systems, IT security management and IT products.

Financial and operational audits included the RTA's support functions and certain aspects of the road safety and traffic and transport businesses. A range of systems and activities identified as medium to high risk were targeted during the year.

Reviews included leave administration, selected payment related activities, hired plant, minor contracts, asphalt contracts and payments, real estate management, and financial and administrative support functions conducted at selected regional administration centres.

Major engineering programs and systems were under continuing review. The overall effectiveness of systems was assessed, including policies, procedures and compliance. Significant opportunities for improvement to current practices were identified in consultation with line management.

Engineering programs and systems of the three core directorates were analysed for

major risks and controls. Based on the magnitude of risks the audits were prioritised. The audit scope included overall effectiveness of systems, including policies, procedures and relevant compliance. Significant opportunities for improvement to current practices were identified in consultation with line management.

Major reviews completed include:

- Steel bridge maintenance management.
- Performance specified maintenance contract.
- Compliance to ARR No Standing and No Parking Signs.
- Traffic signal design and procurement process.

Investigations

The RTA performs a range of internal corruption and external fraud investigations. Where appropriate, matters of staff corruption are investigated and outcomes forwarded to RTA senior management to consider whether disciplinary action is required. Recommendations are made to line management to address any weaknesses or areas of concern relating to policies, procedures or controls.

Fraud committed by members of the public which impacts the RTA's licensing and vehicle management business is also investigated. Outcomes from these matters are primarily referred to the NSW Police for investigation and prosecution. Where appropriate, these matters are also referred to RTA senior management to address any policy, procedure and control issues raised by the investigations. Matters referred by law enforcement agencies, such as identity fraud and motor vehicle rebirthing, are also investigated.

Corruption risk management

The RTA has a range of initiatives which focus on minimising the risk of corrupt activity by RTA staff. Highlights during the year included:



(ABOVE) Some of the team members that were involved in the delivery of the Westlink M7.

(LEFT) RTA employee Jim Papaioannou, splices steel rope in the workshop of the Sydney Harbour Bridge maintenance crew.

- Development of a fraud risk management plan.
- Finalising the implementation of a corruption risk assurance program to strengthen the direct control of corruption risks by RTA line management.
- Conducting seminars with new and existing staff as part of induction and at other appropriate times. These seminars reinforce the corruption-resistant culture of the RTA.
- The provision of corruption prevention information through the RTA's intranet and quarterly updates to staff.
- Providing advice to staff and management on a broad range of corruption risk, ethical, probity and policy issues.

Strategic and business risk

The RTA is well advanced in the implementation of a risk management process to establish a consistent and whole of RTA approach to business and strategic risk identification, assessment, management and reporting. The process aims to provide formal assurance to the Executive and the Audit and Risk Committee that risks are being effectively managed. Once established, the Executive meetings will include regular reports on the Corporate Risk Profile of the organisation's most critical risks.

Code of conduct and ethics

The RTA continues to work diligently towards ensuring a workplace free of harassment, discrimination or workplace bullying. Throughout 2005–06, the RTA conducted 55 Harassment Discrimination and Workplace Bullying Prevention Workshops, attended by over 1,000 staff. The workshops, in both metropolitan and regional areas and across directorates, inform staff of how to define, manage and prevent such conduct.

The RTA is also committed to resolving disputes in the workplace with a Grievance Network program. In 2005–06, the RTA conducted 47 Grievance Resolution Workshops attended by over 700 staff across NSW. These workshops provide staff with the skills to be able to resolve interpersonal differences and workplace difficulties as they arise. Feedback about both workshops has been very positive.

OUR STAFF

EMPLOYMENT STATUS

Within the RTA's diverse operations and services about 47 per cent of staff are employed in country locations: one third of regional employees are wages staff and two third are salaried staff. Many RTA motor registry and call centre employees are engaged in permanent part-time work. For more information about the RTA's staff numbers and status, see Table 11 or **Appendix 6**.

Leadership survey

During the year, the RTA conducted a survey with staff with salaries of USS 7 to Senior Officer 3 (plus Graduates). The main objectives were to profile this group, determine what staff intended to do in the next five years and determine what key capabilities, skills and professional development activities should be offered to potential leaders. Approximately three-quarters of those invited participated in the survey (the vast majority online), resulting in an overall sample size of 2011.

The survey showed that:

- Around one in three staff surveyed are over 50 years of age.
- The staff are well-educated particularly in the younger age groups.
- Many staff have held a number of different positions within the RTA and there are also many who have worked in the private sector.
- Generally staff are satisfied and comfortable with challenges.
- Half of the survey group already have some line management responsibilities and/or project management experience. Many are currently or have in the past been on secondment or acted in roles. Two in five have applied for more senior roles in the past three years.
- Sixteen per cent of staff surveyed expect to retire in the next five years with the vast majority of the remainder expecting to be working at the RTA.



RTA Bridge Services – civil crew undertaking night works on the Cahill Expressway to replace expansion joints.

Almost half intend to move to a more senior role at the RTA within five years.

- Staff who see themselves as potential leaders are more likely to be male and have worked at the RTA for four to five years and are currently undertaking work-related study.
- Potential leaders are most interested in developing their skills in contract management, financial management, policy skills and through exposure to different areas of the RTA.
- In terms of professional development

activities, those considered of most benefit were performance feedback from their manager, secondments to other parts of the RTA and short-term non-tertiary training.

The survey uncovered a segment of staff that can be identified as a potential leadership pool. The RTA needs to encourage this group to remain with the RTA, develop their skills and take up the reins as other more senior staff move on. More information on staff retention and training can be found later in this chapter.

TABLE 11 TOTAL EFFECTIVE FULL-TIME EMPLOYEES BY CATEGORY (FISCAL YEARS 2003 TO 2006)

YEAR	SALARIED STAFF	WAGES STAFF	CASUAL STAFF	TOTAL STAFF
2002-03	4,797	1,629	92	6,518
2003-04	5,225	1,636	46	6,907*
2004-05	5,228	1,615	26	6,869
2005-06	5,150	1,750	22	6,922#

* From 2003-04 the effective full-time (EFT) count includes additional time worked by part-time motor registry staff.

School Crossing Supervisors became part of the RTA workforce effective October 2005.



OHS Executive Committee members, Peter Collins, Regional Manager Northern, David Stuart-Watt, Director, Operations and Services and Mike Hannon, Acting Chief Executive inspecting the lead containment area at Harwood Bridge near Maclean.

A SAFE AND HEALTHY WORKPLACE

Chief Executive's Occupational Health and Safety Statement

The health and safety of our workforce has the highest priority at RTA workplaces. We work in partnership with staff and managers to achieve this important goal and during 2005-06 the Executive OHS Committee met bi-monthly to review OHS performance. The meetings were held in different locations around NSW, to demonstrate the Executive's understanding and support for local managers and staff as they implement the RTA's OHS policies and improvement initiatives.

Policy and commitment statement

An annual review of the RTA OHS Policy statement commits the RTA to developing a safety culture based on communication and awareness, reporting of hazards and incidents, continuous learning from experience and flexible decision-making in managing workplace risks. The policy statement is displayed prominently throughout RTA workplaces and features these key corporate initiatives from the OHS Strategic Plan 2003-08:

- Achievement of a partnership arrangement with WorkCover to manage regulatory compliance.



(ABOVE) Ross Brokenbrough and Dean Asher installing safe working load signs on an RTA ferry.

(LEFT) Gregory Leetham and Sherjeel Khan prepare to provide traffic control support to emergency services at accident sites.

- Annual self-assessment against the RTA OHS management standard.
- Integration of OHS improvement plans in directorate business plans.
- Adoption of best practice for consultation and communication with staff and contractors on OHS.
- Compulsory OHS training for RTA staff.
- Claims management strategies to identify high claims business units.

Injury and disease reduction targets

The RTA has adopted the NSW Government's injury prevention and management targets of:

- A 40 per cent reduction in workplace injuries by June 2012 with at least a 20 per cent reduction to be achieved by June 2007 (base year 2001–02).
- A 15 per cent reduction in average claims cost to be achieved by June 2008 (base year 2004–05).

At 30 June 2006, the RTA had already achieved a 24 per cent reduction in workplace injuries compared to the 2001–02

base year – a year ahead of the 2006–07 target. Based on RTA data, the incidence rate per 100 employees has reduced from 9.1 in 2001–02 to 7.0 in 2005–06, well below the 2006–07 target of 7.5. This result was achieved despite a one per cent increase in the actual number of workplace injuries in 2005–06 compared to 2004–05 highlighting the need for continuing attention to injury prevention if we are to continue meeting the target up to 2012. Refer to Table 12 and Figures 16 and 17.

The average cost of claims (based on RTA data) fell by 22 per cent in 2005–06 compared to 2004–05, again well ahead of the 15 per cent reduction required by June 2008.

OHS management

Risk management is the core of OHS management at the RTA.

The EnSite risk review process continues to be implemented at all major construction sites and potentially high risk activities to ensure all safety measures are working and appropriate for the site.

Coaching was provided for team leaders, supervisors and project engineers to assist them to demonstrate OHS leadership with a new emphasis on local supervisors and team leaders.

During the year a Situational Awareness program was initiated in the RTA's road construction and maintenance operations to promote individual and team awareness of local transient risk factors. Under this program, risk assessment reviews are undertaken whenever changes in work conditions occur.

Workplace incidents, including near misses, were managed in a timely manner by the OHS Incident Helpdesk. The ease of reporting also assisted in promoting a reporting culture within the RTA.

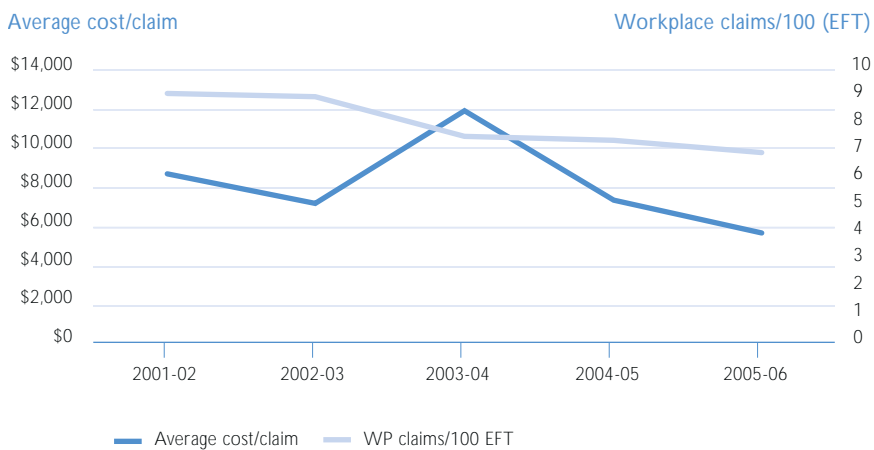
Monthly reports to managers provide a summary of incidents reported, claims lodged for workers compensation, cost of claims, lost time injuries and incident investigations completed.

TABLE 12 OHS STATISTICAL INDICATORS

PERFORMANCE INDICATOR	2004-05	2005-06	CHANGE
Incidents reported (all incidents)	2,194	2,195	0%
Number of compensable injuries (all claims)	577	548	5% reduction
Lost time injuries	291	244	16% reduction
Number workplace injuries (excludes journey, recess away and declined claims)	490	496	1% increase
Total claims costs*	\$3.2m	\$2.95m	8% reduction

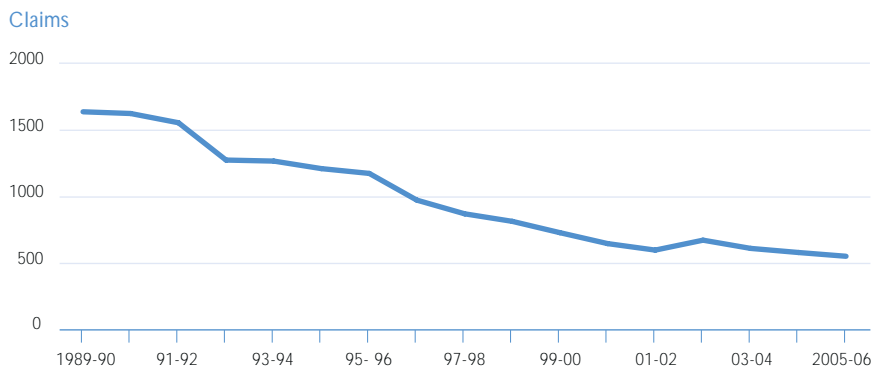
* All claims including journey and recess away.

FIGURE 16 PERFORMANCE AGAINST NSW GOVERNMENT OHS AND INJURY MANAGEMENT TARGETS



¹ Data in this table is based on RTA data and calculations consistent with previous years reporting. The data reported against the NSW Government targets is calculated on the basis of WorkCover definitions which differ from standard RTA OHS indicators.

FIGURE 17 WORKERS COMPENSATION – ALL CLAIMS



Contribution by employees

The involvement of employees in OHS management is actively supported by the RTA. There are more than 30 OHS committees where managers and staff are given opportunities to formally review OHS performance and feedback on new safety procedures and policies. Committees also play an active part in regular workplace inspections and the review of incident investigation outcomes.

OHS programs and initiatives

Safety culture and performance reporting

In developing a strong culture of safety the RTA has driven change through leadership support training. Programs such as Safety Awareness For Everyone (SAFE) seeks to promote communication between managers and staff. Improved performance reporting was hampered by changes to insurance databases but new positive performance indicators are in place to help increase ownership of safety by both management and staff. In the coming financial year there will be more developments in monitoring and reporting as a result of feedback.

OHS TRAINING AND STAFF INDUCTION

New employees at the RTA are provided with OHS induction as part of their formal orientation. Employees and contractors working in road construction and maintenance must be able to demonstrate compliance with WorkCover requirements for OHS construction induction before commencing work on a construction site.

A five year program to promote healthy lifestyles was implemented in the financial year as an extra dimension to the RTA's safety culture. Stage 1 of the AlphaOne Integrated Workplace Health and Fitness Program has been implemented for 19 work groups across NSW with 400 staff from road services, motor registries, vehicle regulations and the senior executive attending health forums that link personal health and behaviours with workplace risks. More than 80 per cent of participants have taken up the offer of a fitness assessment with 94 per cent stating that they intend to take action as a result of their health and fitness assessment.

OHS program delivery

The task of delivering OHS programs is a cooperative effort between OHS Branch, regionally based OHS facilitators and line managers and their staff. The 2006 Safety Summit for Road Services Managers confirmed the effectiveness of the OHS improvement action plan which included better incident management, a focus on the role of line managers and supervisors and the implementation of lead indicators for OHS. The Executive supported bedding down the improvement plan initiatives in



Chris Mihellis installing containment for lead paint removal on the lower chord of the Sydney Harbour Bridge.

2006–07, supported by greater awareness of OHS situations. The OHS Branch has a key role in measuring the extent of OHS management system implementation through audits and inspections.

Contractor safety

Working closely with its contractors, the RTA continues to seek high standards of safety. The RTA Executive OHS committee closely monitors contractor safety performance through site inspections, systems audits and a monthly review of OHS performance indicators. The RTA reassessed all principal contractors' corporate OHS management systems in 2005–06, developed a suite of model documents and provided internet access for contractors and local councils to the RTA OHS policy framework and associated information. RTA principal contractors continue to perform below the national lost time injury frequency rate and well below that of NSW. Despite much effort two contractor deaths occurred at RTA worksites in 2005–06. Each death was fully investigated by both the RTA and the contractors to identify the root cause and learn from the experience.

OHS improvement in the civil construction industry

Work continues between the RTA and local government to improve OHS performance in road construction and maintenance. The local councils' workshops, begun in 2004–05, have continued this year. The program includes hazard specific workshops to promote better understanding and compliance with OHS requirements on civil construction worksites.

Details of injuries and prosecutions

OHS incidents

Working in traffic continues to be the most significant risk of serious injury to RTA employees and contractors. A risk assessment approach has been implemented that supports increased awareness of hazards and changing local conditions. EnSite risk assessments are conducted before the start of all major road projects. Similarly, maintenance crews are also conducting risk assessments prior to commencing remedial works. Standard traffic management techniques are being augmented by feedback from local knowledge incorporated in the site risk assessments.

The most common cause of injuries across

TRAFFIC CONTROL AT WORKSITES

A corporate steering committee was established in late 2005 to develop a comprehensive strategy for improving traffic control at worksites, leading to increased safety for road workers and contractors. The strategy will deliver increased awareness and importance of traffic control at RTA worksites, a traffic control specification review, increased public awareness and enhanced enforcement activities.



(ABOVE LEFT) Survey graduate Jai Reddy was from the 2005 intake of the RTA's Graduate Recruitment and Development (GRAD) program which includes graduates from many disciplines. (RIGHT) Computer systems engineering graduate Niroshan Jeyarajah on a gantry at Mount White, has been on the GRAD program for three years.

the RTA in 2005–06 continued to be slips and trips.

Prosecutions

There were no prosecutions for breaches of the *Occupational Health and Safety Act 2000* during 2005–06.

ATTRACTING, DEVELOPING AND RETAINING STAFF

Targeted recruitment programs

The RTA's employment programs target the recruitment of graduates, trade apprentices and trainees. Other initiatives provide both financial support and work experience to undergraduate university students, a feature designed to help fulfil the RTA's future workforce needs.

Apprentices

The four-year trade apprenticeship program ensures exposure to a broad range of skills and experiences by rotating apprentices between workshops and worksites throughout NSW. In 2005–06 the RTA recruited 17 apprentices across a range of trade classifications including electricians, painters, bridge and wharf carpenters and plant mechanics. At June 2006 the RTA employed 49 trade apprentices.

Trainees

The 76 trainees recruited by the RTA in 2005–06 are working towards attaining a variety of Vocational Educational and Training qualifications. Traineeships are located in the Newcastle Call Centre, regional offices, administration centres, motor registries and other RTA functional centres. As at 30 June 2006 the RTA employed 105 trainees.

Graduates

Thirty two graduates were admitted to the RTA's Graduate Recruitment and Development Program (GRAD) during 2005–06 in a range of disciplines. The RTA has a high graduate retention rate both 'on program' (91 per cent average) and 'post program' (70 per cent average). As at 30 June 2006 the RTA had 78 graduates participating in the GRAD Program.

Undergraduates

The RTA's Undergraduate Scholarship Program encourages undergraduates from universities throughout NSW to consider careers in the roads industry. At 30 June 2006 the RTA had 53 undergraduates in the program studying disciplines such as civil engineering, surveying, electrical and

mechanical engineering. Twenty of these students study civil engineering and undertake work experience with the RTA in the rural areas in which they usually reside. This year, the RTA is also offering an accounting scholarship at the University of New South Wales.

STAFF TRAINING AND EDUCATION

Non-technical training

Training options are provided for managers at team leader, middle management and senior management levels through the RTA's management development framework. The Managers' Toolkit is an information package designed to assist RTA management to meet their responsibilities as supervisors of RTA staff. A revised two-day training package on Recruitment and Selection, and a half day refresher were released in July 2005. The training was adapted from the NSW Premiers Department Merit Selection training, and enhanced with information from the RTA's capability based model. It is a policy requirement that all panel convenors attend this training. Training was attended by 295 staff in this area during 2005–06.

The RTA entered into a contract in May 2006 with a provider to manage the delivery of external training programs and selected internal programs. This change is expected to lower costs, increase flexibility in meeting training needs and streamline processes. By end June, 130 staff attended external training coordinated by the provider, achieving a 14 per cent saving on course costs.

Technical training

A survey was completed of all technical training carried out by State road authorities, with details of existing and proposed internal technical courses, endorsed external technical courses and technical scholarships and sponsorships. The collated information was used to assist State road authorities to develop a collaborative national approach to designing and delivering learning opportunities for their technical staff.

SPONSORED PROGRAMS

The RTA sponsors selected applicants to enrol in postgraduate study. In 2005–06, 71 staff members attended sponsored programs including the Master of Engineering in Pavements, Master of Technology in Pavements, Graduate Certificate in Project Management, Executive Masters in Public Administration and the Master of Transport Management. Ten participants were awarded the Advanced Certificate in Transport and Traffic Management and seventeen participants were awarded the Graduate Certificate in Project Management on completion of their studies in 2005.

STAFF RETENTION

Table 13 shows separation rates for salaried, wages and casual staff.

STAFF PRODUCTIVITY

Workforce capability

The priorities of the Workforce Capability Plan 2003–08 continue to be implemented at the RTA. The capability based model has a focus on integrating human resources related activities of recruitment and selection, job design and evaluation, career development, performance, talent and succession management. Capability based position profiles were designed for the new Environment Branch in 2005–06.

The RTA Upward Feedback survey was rolled out online, for the first time, to directors, branch managers and line managers with four or more staff. The survey is a tool to help managers improve their performance and it gave staff an opportunity to let their manager know what they saw as their strengths and where improvements could be made.

Managers continued to develop Work and Development Plans (WDP) with their staff.

Diversity

A draft document incorporating the Disability Action Plan, Diversity and Equity Plan and Ethnic Affairs Priority Statement and Plan was developed in 2005–06 to improve reporting and allow ease of implementation. Planning staff across the RTA made a considerable contribution to the document.

Responsibilities for diversity and Equal Employment Opportunity (EEO) outcomes are included in the performance agreements of directors and general managers. Detail on EEO statistics and activities can be found in **Appendix 7** of this report. Other relevant appendices include **Appendix 8: NSW Action Plan for Women**, **Appendix 9: Ethnic Affairs Priorities Statement and Plan**, and **Appendix 10: Disability Plan**.

TABLE 13 SEPARATION RATES

Financial year	Separation rate*
2003-04	6.39%
2004-05	5.99%
2005-06	6.29%

* Separations rate is the proportion of staff who left the organisation.

PARTNERSHIPS

CONSULTING WITH THE COMMUNITY

The RTA meets and communicates regularly with its stakeholders and business partners through a range of channels including the website, call centre, motor registries, community forums, committees, research, surveys, workshops and correspondence.

The RTA is committed to consulting with the community to achieve improved outcomes. In 2005, local communities were involved in over 250 projects, including:

- About 76 community focus or liaison groups were in progress.
- About 690 meetings (public meeting, workshops, focus group, consultative committee meetings) were held.
- About 193 information sessions or staffed displays were held. Combined with meetings, the RTA and its private sector partners held on average 16 community sessions a week.
- About 920 different community updates and household letters were prepared and distributed to over one million people.
- About 25 other community events were held, such as the RTA community cycle event and community BBQs.

This does not include meetings held by RTA staff with individual property owners to discuss project design and construction issues, which are estimated to be more than 1,000 in 2005. These figures do not include dialogue over safety proposals or initiatives.

The RTA uses a range of tools to engage the community, including:

- Landowner discussions.
- Study area tours, field investigations and inspections.
- Workshops.
- Community liaison groups, focus groups and committees.
- Displays and feedback forms.
- Public information days and evenings.
- Business surveys.
- Community access centres.
- Website information and surveys.
- Attending community group meetings eg a ratepayers association.
- Council presentations.
- 1800 toll free information lines.

Windsor Road

The positive response from the community continued on construction of the four lanes between Old Windsor Road and the M2 Motorway, mainly due to the team working hard to resolve each local community item as it was raised.

As this major milestone was reached a community member wrote to the RTA:

"As a resident of the Kellyville area for the past six years I like many others have had to put up with the frustrations of a dilapidated Windsor Road. I now want to pass on my very sincere congratulations to all who have been involved in the recently completed upgrade.

You obviously listened to representations made by the public regarding design, access to cross streets etc and the implementation of turning lanes and traffic lights that distribute the traffic flow much better."

Princes Highway upgrade studies

The Princes Highway is the main link from Sydney and the Illawarra region to the Shoalhaven, south and far south coast of NSW and north eastern Victoria. In March 2006 the RTA tried a new approach, going to the community as a first step before putting on a consultation team. In this way the community helped inform the consultant's brief. Over 500 people attended displays in shopping centres, evening workshops and filled in surveys. Thousands of people received newsletters and followed the media reporting.

LEADERSHIP

Austrroads and ATC

As a member organisation, the RTA continued to play a strong role in Austrroads – the association of Australian and New Zealand road transport and traffic authorities.

Austrroads' purpose is to contribute to the achievement of improved Australian and New Zealand transport related outcomes by undertaking research, promoting improved practice, facilitating collaboration between road agencies and providing expert advice to the Australian Transport Council (ATC) and the Standing Committee on Transport (SCOT).

During the year the RTA provided input to a range of Austrroads programs which covered strategic and technical research as well as endorsement of Austrroads publications. Senior RTA staff led Austrroads task forces on registration and licensing and capability task forces and are active participants on the freight, safety and technology task forces. More information on Austrroads can be found on the website www.austrroads.com.au/index.html.

The NSW Minister for Roads was the official host of the successful ATC meeting in June 2006. The ATC is the Ministerial forum established in 1993 for federal, state and territory transport policy and legislative

ABORIGINAL LIAISON PROTOCOL

The RTA has developed an Aboriginal Liaison Protocol with the aim of achieving best practice management of Aboriginal cultural heritage issues encountered in planning, construction and maintenance of the NSW Road network. See **Positive environmental and urban design outcomes** chapter for more information.

issues at a national level. The RTA provided advice to the Minister for Roads for ATC meetings during 2005–06 on a number of matters, including the COAG national transport agenda, the Productivity Commission Road and Rail Freight Infrastructure Pricing Inquiry, fuel efficiency initiatives and transport security.

OTHER PARTNERSHIP INFORMATION

The RTA has fostered a number of strategic partnerships with state, federal and international government agencies, local councils, community and road transport groups, and private organisations.

Each chapter provides information on stakeholder liaison within the relevant project description, such as the Novice driver program trial in the **Positive Road Safety Outcomes** chapter. The RTA also provides support to various non government community organisations, details of which can be found in **Appendix 21**. A list of RTA's committees and significant advisory groups can be found on page 63 and in **Appendix 4**. A list of publications produced in 2005–06, many of which designed to inform various stakeholders, can be found in **Appendix 17**.

FUTURE CHALLENGES

Customer Service

- Focus on the use of technology to simplify processes and minimise the need for customers to visit a motor registry in person.
- Further enhance the security of customer information.
- Subject to final evaluation and approval, pilot a centralised open standards desktop mode during 2006–07, and later deploy widely.

Improving our business

- Continue to work on current key projects involving substantial redesign of the systems of work, structures, jobs and business processes in technical services, environment, legal services and human resources.
- Continue to develop of an integrated corridor based approach to road management planning.
- Better integrate the planning and delivery of RTA's road, bridge and traffic infrastructure programs.

- Establish new strategic directions and identify opportunities to drive improvements to the traffic management and engineering functions.
- Design and implement programs to develop leadership capability and enable management to more effectively deliver RTA's programs, projects and services.
- Identify further opportunities to simplify business processes and reduce administrative support and overhead costs.
- Further the development of the alliance model with Road Services.

Governance and risk management

- Implement a revised suite of executive performance measures to enhance transparency and performance.
- Revise the organisational corporate plan.
- Align RTA's priorities to the NSW State Plan (to be released late 2006).

Our staff

- Maintain a skilled workforce.

Partnerships

- Improve relations with the Aboriginal community through targeted road safety programs and consultation during major project development.
- Following the recommendations of the Parliamentary Inquiry on the Pacific Highway, implement a communications kit for RTA work on private property.
- Work closely with project approval authorities to make sure community involvement satisfies both local community and government needs.
- Emphasise website and electronic media as a tool for information and feedback.
- Train and assist project managers in their processes of negotiation with communities.
- Improve community understanding of the tradeoffs required to maintain the current road network and to prioritise new infrastructure.



FINANCIAL STATEMENTS

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GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT
ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Roads and Traffic Authority of New South Wales (the Authority):

- presents fairly the Authority's and the consolidated entity's (defined below) financial position as at 30 June 2006 and their performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 45E of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

My opinion should be read in conjunction with the rest of this report.

Scope

The Financial Report and Chief Executive of the Roads and Traffic Authority of New South Wales's Responsibility

The financial report comprises the operating statements, statements of changes in equity, balance sheets, cash flow statements, the program statement - expenses and revenues, the summary of compliance with financial directives and accompanying notes to the financial statements for the Authority and consolidated entity, for the year ended 30 June 2006. The consolidated entity comprises the Authority and the entities it controlled during the financial year.

The Chief Executive of the Roads and Traffic Authority of New South Wales is responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Chief Executive of the Roads and Traffic Authority of New South Wales in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.
- about the future viability of the Authority or its controlled entities,
- that they have carried out their activities effectively, efficiently and economically,
- about the effectiveness of their internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



A T Whitfield, FCA
Acting Auditor-General

SYDNEY
21 September 2006

ROADS AND TRAFFIC AUTHORITY

YEAR ENDED 30 JUNE 2006

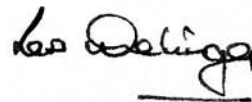
Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983, we declare that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the Authority's financial position as at 30 June 2006 and transactions for the year then ended
2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005, the Treasurer's Directions and the directives of the Financial Reporting Code.

Further we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Brett Skinner
Director, Finance
20 September 2006



Les Wielinga
Chief Executive
20 September 2006

BEGINNING OF AUDITED FINANCIAL STATEMENTS

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Notes	Consolidated			Parent	
		Budget	Actual	Actual	Actual	Actual
		2006	2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000	\$'000
Expenses excluding losses						
Operating Expenses						
– Employee Related	2(a)	397,603	267,356	401,555	267,356	401,555
– Other Operating Expenses	2(b)	476,547	514,921	512,827	514,921	512,827
Maintenance	2(b)	568,978	571,557	592,369	571,557	592,369
Depreciation and Amortisation	2(c)	717,619	690,225	704,179	690,225	704,179
Grants and Subsidies	2(d)	85,013	18,242	35,984	18,242	35,984
Finance costs	2(e)	62,427	63,582	66,854	63,582	66,854
Total Expenses excluding losses		2,308,187	2,125,883	2,313,768	2,125,883	2,313,768
Less:						
Revenue						
Sales of Goods and Services	3(a)	252,939	274,309	249,537	274,309	249,537
– Investment Income	3(b)	10,150	2,508	8,123	2,508	8,123
– Grants and Contributions	3(c)	50,487	61,272	50,785	61,272	50,785
– Other Revenue	3(d)	71,192	65,777	55,746	65,777	55,746
Total Revenue		384,768	403,866	364,191	403,866	364,191
Gain/(loss) on disposal	4(a)	64	17,261	17,357	17,261	17,357
Other gains/(losses)	4(b)	(550)	(76,744)	(53,506)	(76,744)	(53,506)
Net Cost of Services	24	1,923,905	1,781,500	1,985,726	1,781,500	1,985,726
Government Contributions						
– Recurrent Appropriation	6	1,475,806	1,475,806	1,398,816	1,475,806	1,398,816
– Capital Appropriation	6	1,037,323	1,037,323	1,093,685	1,037,323	1,093,685
Total Government Contributions		2,513,129	2,513,129	2,492,501	2,513,129	2,492,501
SURPLUS / (DEFICIT) FOR THE YEAR	26	589,224	731,629	506,775	731,629	506,775

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	Notes	Consolidated			Parent	
		Budget 2006 \$000	Actual 2006 \$000	Actual 2005 \$000	Actual 2006 \$000	Actual 2005 \$000
Net increase/(decrease) in asset revaluation reserve	19	–	(1,645,505)	3,300,082	(1,645,505)	3,300,082
Decrease in fair value of Private Sector Provided Infrastructure – change in accounting policy	19	–	–	(115,181)	–	(115,181)
Financial instruments – first time adoption	19	–	(22,298)	–	(22,298)	–
Other net increases/(decreases) in equity	19	–	41,637	65,002	41,637	65,002
Total income and expense recognised directly in equity		–	(1,626,166)	3,249,903	(1,626,166)	3,249,903
Surplus/(Deficit) for the Year	19	589,224	731,629	506,775	731,629	506,775
Total income and expense recognised for the year		589,224	(894,537)	3,756,678	(894,537)	3,756,678
Effect of changes in Accounting Policy and Correction of Errors						
Accumulated Funds	19	–	–	(115,181)	–	(115,181)
	19 and 26	–	–	(500,701)	–	(500,701)
Reserves	1(z)(iv)	–	–	(993,182)	–	(993,182)
	19 and 26	–	–	(96,330)	–	(96,330)

The accompanying notes form part of these financial statements.

BALANCE SHEET
AS AT 30 JUNE 2006

	Notes	Consolidated			Parent	
		Budget 2006 \$000	Actual 2006 \$000	Actual 2005 \$000	Actual 2006 \$000	Actual 2005 \$000
ASSETS						
Current Assets						
Cash and cash equivalents	9	234,435	140,975	185,264	140,975	185,264
Receivables	10(a)	117,814	105,439	133,256	105,439	133,256
Inventories		6,013	7,646	7,440	7,646	7,440
Other	12(a)	7,142	5,703	6,273	5,703	6,273
Non-current assets held for sale	13	–	38,282	37,265	38,282	37,265
Total Current Assets		365,404	298,045	369,498	298,045	369,498
Non-Current Assets						
Other financial assets	10(b)	76,071	83,801	96,305	83,801	96,305
Property, Plant and Equipment						
– Land and Buildings	11(a)	3,253,412	2,845,071	3,383,178	2,845,071	3,383,178
– Plant and Equipment	11(b)	68,700	100,761	102,652	100,761	102,652
– Infrastructure Systems	11(c)	66,763,538	67,835,492	68,314,009	67,835,492	68,314,009
Intangible assets	12(c)	–	28,329	29,181	28,329	29,181
Other	12(b)	1,007,866	903,350	827,535	903,350	827,535
Total Non-Current Assets		71,169,587	71,796,804	72,752,860	71,796,804	72,752,860
Total Assets		71,534,991	72,094,849	73,122,358	72,094,849	73,122,358
LIABILITIES						
Current Liabilities						
Payables	14	470,906	465,316	446,660	465,316	446,660
Borrowings	15	28,617	145,973	160,586	145,973	160,586
Provisions	17	95,978	252,739	245,047	252,739	245,047
Other	18	88,593	140,902	89,344	140,902	89,344
Total Current Liabilities		684,094	1,004,930	941,637	1,004,930	941,637
Non-Current Liabilities						
Borrowings	15	723,632	685,810	661,800	685,810	661,800
Provisions	17	580,262	197,868	386,811	197,868	386,811
Other	18	727,169	725,682	757,014	725,682	757,014
Total Non-Current Liabilities		2,031,063	1,609,360	1,805,625	1,609,360	1,805,625
Total Liabilities		2,715,157	2,614,290	2,747,262	2,614,290	2,747,262
Net Assets		68,819,834	69,480,559	70,375,096	69,480,559	70,375,096
EQUITY						
Reserves	19	27,287,747	27,829,667	29,475,173	27,829,667	29,475,173
Accumulated Funds	19	41,532,087	41,650,892	40,899,923	41,650,892	40,899,923
Total Equity		68,819,834	69,480,559	70,375,096	69,480,559	70,375,096

The accompanying notes form part of these financial statements.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Notes	Consolidated			Parent	
		Budget 2006 \$'000	Actual 2006 \$'000	Actual 2005 \$'000	Actual 2006 \$'000	Actual 2005 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee Related		(389,875)	(483,332)	(438,051)	(483,332)	(438,051)
Grants and Subsidies		(85,784)	(19,031)	(36,755)	(19,031)	(36,755)
Finance costs		(57,600)	(58,892)	(61,175)	(58,892)	(61,175)
Other		(1,230,653)	(1,229,751)	(1,312,909)	(1,229,751)	(1,312,909)
Total Payments		(1,763,912)	(1,791,006)	(1,848,890)	(1,791,006)	(1,848,890)
Receipts						
Sale of Goods and Services		253,493	296,785	228,132	296,785	228,132
Interest		10,150	2,138	7,878	2,138	7,878
Other		218,313	272,825	268,857	272,825	268,857
Total Receipts		481,956	571,748	504,867	571,748	504,867
Cash Flows from Government						
Recurrent Appropriation		1,475,806	1,475,806	1,398,816	1,475,806	1,398,816
Capital Appropriation		1,037,323	1,037,323	1,093,685	1,037,323	1,093,685
Net Cash Flows from Government		2,513,129	2,513,129	2,492,501	2,513,129	2,492,501
NET CASH FLOWS FROM OPERATING ACTIVITIES	25	1,231,173	1,293,871	1,148,478	1,293,871	1,148,478
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		32,624	41,188	59,269	41,188	59,269
Advance repayments received		–	19,163	–	19,163	–
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(1,203,734)	(1,398,424)	(1,219,682)	(1,398,424)	(1,219,682)
Advances made		(2,019)	–	–	–	–
Other		–	(3,721)	–	(3,721)	–
NET CASH FLOWS FROM INVESTING ACTIVITIES		(1,173,129)	(1,341,794)	(1,160,413)	(1,341,794)	(1,160,413)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings and advances		8,290	3,634	–	3,634	–
Repayment of borrowings and advances		(82,400)	–	(80,238)	–	(80,238)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(74,110)	3,634	(80,238)	3,634	(80,238)
NET INCREASE /(DECREASE) IN CASH		(16,066)	(44,289)	(92,173)	(44,289)	(92,173)
Opening Cash and Cash Equivalents		250,501	185,264	277,437	185,264	277,437
CLOSING CASH AND CASH EQUIVALENTS	9	234,435	140,975	185,264	140,975	185,264

The accompanying notes form part of these financial statements.

PROGRAM STATEMENT

EXPENSES AND REVENUES

FOR THE YEAR ENDED 30 JUNE 2006

	Road Network Infrastructure*		Road Safety, Licensing and Vehicle Management		Traffic and Transport		M4/M5 Cashback Scheme		Not Attributable		Total	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Expenses excluding losses												
Operating Expenses												
– Employee Related	106,949	199,123	117,252	179,227	43,155	23,205	–	–	–	–	267,356	401,555
– Other Operating Expenses	95,116	88,440	254,233	254,785	83,772	91,285	81,800	78,317	–	–	514,921	512,827
Maintenance	422,579	416,648	–	325	148,978	175,396	–	–	–	–	571,557	592,369
Depreciation and Amortisation	680,756	695,885	8,085	7,048	1,384	1,246	–	–	–	–	690,225	704,179
Grants and Subsidies	8,151	25,624	9,244	9,532	847	828	–	–	–	–	18,242	35,984
Finance costs	63,582	66,854	–	–	–	–	–	–	–	–	63,582	66,854
Total Expenses excluding losses	1,377,133	1,492,574	388,814	450,917	278,136	291,960	81,800	78,317	–	–	2,125,883	2,313,768
Revenue												
Sales of Goods and Services	147,101	136,001	117,292	105,686	9,916	7,850	–	–	–	–	274,309	249,537
Investment Income	2,005	6,470	158	734	345	919	–	–	–	–	2,508	8,123
Grants and Contributions	30,207	24,807	4,722	6,432	26,343	19,546	–	–	–	–	61,272	50,785
Other Revenue	65,749	55,597	13	69	15	80	–	–	–	–	65,777	55,746
Total Revenue	245,062	222,875	122,185	112,921	36,619	28,395	–	–	–	–	403,866	364,191
Gain/(Loss) on disposal	17,261	17,357	–	–	–	–	–	–	–	–	17,261	17,357
Other gains/(losses)	(54,027)	(37,697)	(14,404)	(10,024)	(8,313)	(5,785)	–	–	–	–	(76,744)	(53,506)
Net Cost of Services	1,168,837	1,290,039	281,033	348,020	249,830	269,350	81,800	78,317	–	–	1,781,500	1,985,726
Government Contributions**									2,513,129	2,492,501	2,513,129	2,492,501
NET EXPENDITURE/ (REVENUE) FOR THE YEAR	1,168,837	1,274,969	267,751	348,020	241,517	269,350	81,800	78,317	(2,513,129)	(2,492,501)	(731,629)	(506,775)

ADMINISTERED REVENUE

	Road Network Infrastructure*		Road Safety, Licensing and Vehicle Management		Traffic and Transport		M4/M5 Cashback Scheme		Not Attributable		Total	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Administered revenues												
Transfer receipts												
Consolidated Fund												
– Taxes, Fees and Fines									434,688	419,793	434,688	419,793
– Other									567,817	587,489	567,817	587,489
Total Administered Revenues	–	–	–	–	–	–	–	–	1,002,505	1,007,282	1,002,505	1,007,282

* The description and objectives of each program are summarised in Note 8.

** Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions are included in the "Not Attributable" column.

**SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES
FOR THE YEAR ENDED 30 JUNE 2006**

	2006				2005			
	Recurrent Appropriation	Expenditure/ net claim on consolidated fund	Capital Appropriation	Expenditure/ net claim on consolidated fund	Recurrent Appropriation	Expenditure/ net claim on consolidated fund	Capital Appropriation	Expenditure/ net claim on consolidated fund
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Original Budget Appropriation/ Expenditure								
– <i>Appropriation Act</i>	1,467,398	1,467,398	1,022,587	1,022,587	1,400,219	1,393,417	1,015,172	1,015,172
– Additional Appropriations								
– s21A PF&AA – special appropriation								
– s24A PF&AA – transfers of functions between departments								
– s26A PF&AA – Commonwealth specific purpose payments	–	–	7,756 6,980	7,756 6,980	–	–	53,212	53,212
Other Appropriation/ Expenditure								
– Treasurer's advance	–	–	–	–	878	878	8,000	8,000
– Section 22 – expenditure for certain works and services								
– Section 22A(2) – <i>Motor Vehicle Taxation Act</i> (hypothecation of motor vehicle tax)	11,248	11,248	–	–	4,543	4,543	17,301	17,301
– Section 225 – <i>Roads Act</i> (hypothecation of heavy vehicle overloading fines)	1,189	1,189	–	–	515	515	–	–
– Transfers to/from another agency (s28 of the <i>Appropriations Act</i>)	(588)	(588)	–	–	(537)	(537)	–	–
– Other adjustments	(3,441)	(3,441)						
Total Appropriations/ Expenditure/Net Claim on Consolidated Fund (includes transfer payments)	1,475,806	1,475,806	1,037,323	1,037,323	1,405,618	1,398,816	1,093,685	1,093,685
Amount drawn down against Appropriation		1,503,856		1,037,323		1,398,816		1,093,685
Liability to Consolidated Fund		28,050		–		–		–

The summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first.

Consolidated funding for the RTA's Road Program is classified as recurrent and capital appropriation based upon the way in which the appropriations are expended.

The Program, as part of its appropriation, receives all the revenue from motor vehicle taxes in accordance with the *Motor Vehicle Taxation Act*, with the level of the funds from the motor vehicle taxes not known until 30 June each year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS OF THE ROADS AND TRAFFIC AUTHORITY FOR THE YEAR ENDED 30 JUNE 2006

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Roads and Traffic Authority (RTA), as a reporting entity comprising all the entities under its control, namely the Roads and Traffic Authority Division of the Government Service of New South Wales, is responsible for:

- Testing and licensing drivers and registering and inspecting vehicles.
- Managing road usage to achieve consistent travel times, particularly during peak periods, by reducing congestion delays and helping the community use the road system more effectively.
- Improving road safety by encouraging better road user behaviour; ensuring compliance with regulations, improving roads and enhancing vehicle standards.
- Arterial road development, construction and maintenance, to meet community, environmental, regulatory and economic needs.
- Administration of the M4/M5 Cashback Scheme.

The RTA is a NSW Government department. The reporting entity is consolidated as part of the NSW Total State Sector Accounts, except in regard to the reporting of Land Under Roads. The RTA is a not-for-profit reporting entity for accounting purposes and it has no cash generating units.

These financial statements have been authorised for issue by the Audit Committee on 15 September 2006.

(b) Basis of Preparation

The RTA's financial statements are a general purpose financial report which has been prepared in accordance with:

- Applicable Accounting Standards and urgent issues group interpretations (which include Australian equivalents to International Financial Reporting Standards (AEIFRS)) and in particular Australian Accounting Standard AAS31 *Financial Reporting by Governments*.
- The requirements of the *Public Finance and Audit Act 1983 and Regulation*.
- The Financial Reporting Directions published in the Financial Reporting Code (FRC) for Budget Dependent General Government Sector Agencies or issued by the Treasurer under Section 9(2) (n) of the Act.

In the event of any inconsistency between accounting standards and legislative requirements, the latter are given precedence.

Except for the revaluation of certain non-current assets and financial instruments, the financial statements are prepared in accordance with the historical cost convention. Cost is based on the fair value of the consideration given in exchange for assets.

Judgements, estimates and associated assumptions about carrying values of assets and liabilities that are not readily apparent from other sources are based on historical experience and various other factors that are believed to be reasonable under the circumstance. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. Judgements, estimates and assumptions made by management are disclosed in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability.

Unless otherwise stated all amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The consolidated and parent entity financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, unless otherwise permitted.

In accordance with AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* and Treasury Mandates, the date of transition to AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* has been deferred to 1 July 2005 and, as a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005. Under previous Accounting Standards, financial instruments were recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund Investments, which were measured at fair value.

UIG 9 has been early adopted effective 1 July 2005 regarding the reassessment of embedded derivatives.

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the RTA. The following is a list of these standards:

- AASB 7 – *Financial Instruments: Disclosure* (issued August 2005)
- AASB 119 – *Employee Benefits* (issued December 2004)
- AASB 2004-3 – *Amendments to Australian Accounting Standards* (issued December 2004)
- AASB 2005-1 – *Amendments to Australian Accounting Standards* (issued May 2005)
- AASB 2005-5 – *Amendments to Australian Accounting Standards* (issued June 2005)
- AASB 2005-9 – *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2005-10 – *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2006-1 – *Amendments to Australian Accounting Standards* (issued January 2006)

The initial application of these standards will have no impact on the financial results of the RTA. The Standards are operative for annual reporting periods beginning on or after 1 January 2006.

Reconciliations of AEIFRS equity and surplus or deficit for 30 June 2005 to the balances reported in the AGAAP 2004–05 financial report and detailed in Note 26. This note also includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB 132 and AASB 139.

(d) Principles of Consolidation

This financial report has been consolidated in accordance with Australian Accounting Standard AASB 124 *Consolidated and Separate Financial Statements* and includes the assets, liabilities, equities, revenues and expenses of the RTA including those entities controlled by the RTA.

On 17 March 2006 the Government proclaimed the *Public Sector Employment Legislation Amendment Act 2006*. This Act made fundamental changes to the employment arrangements of many statutory corporations through amendments to the *Public Sector Employment and Management Act 2002* (PSEMA) and other Acts. The result of the changes is that the status of RTA employees has been changed. They are now employees of the Government of New South Wales in the service of the Crown. RTA employees have been assigned to a Division of the Government Service titled 'Roads and Traffic Authority Division

of the Government Service of New South Wales' (the Division). The Division is a controlled entity of the RTA and all transactions and balances between the RTA and the Division have been eliminated.

(e) Administered Activities

The RTA administers, but does not control, the collection of various fees, fines and levies on behalf of the Crown Entity. Monies collected on behalf of the Crown Transactions Entity are not recognised as the RTA's revenues but are separately disclosed in the Program Statement – Expenses and Revenues. The RTA is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of its own objectives.

Expenses incurred in collecting monies on behalf of the Crown Entity are recognised as the RTA's expenses and are reported within the Road Safety Licensing and Vehicle Management Program.

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of administered revenues.

(f) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Income is recognised when the RTA has control of the good or right to receive, it is probable that the economic benefits will flow to the RTA and the amount of the income can be measured reliably. Additional comments regarding the accounting policies for the recognition of income are discussed below:

(i) *Parliamentary Appropriations and Contributions from other Bodies*

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when the RTA obtains control over the assets comprising the appropriations and contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as a liability rather than revenue.

The split between recurrent and capital appropriations is based on the way the appropriations are to be spent.

In relation to the right to receive infrastructure assets, the recognition is on a progressive basis relative to the contract period.

(ii) Sale of Goods and Rendering of Services

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets. User charges are recognised as revenue when the RTA obtains control of the assets that result from them.

Revenue from the rendering of services is recognised when the service is provided or by reference to the stage of completion.

(iii) Investment Income

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(iv) Gains and Losses (in the Operating Statement)

Gains and losses generally arise from adjustments to the measurement of assets and liabilities. They include gains and losses on asset disposals and fair value adjustments to physical and financial assets, and to derivative assets.

(v) Emerging Interests in Private Sector Provided Infrastructure (PSPI) projects

The value of the emerging right to receive the PSPI asset is treated as the compound value of an annuity that accumulates as a series of equal annual receipts together with a calculated notional compound interest. The discount rate used is the NSW 10-year government bond at the commencement of the concession period.

(vi) Amortisation of Deferred Revenue on PSPI Projects

Reimbursement of development costs in the form of up front cash payments are treated as deferred revenue with an annual amortisation amount recognised over the life of the concession period.

(g) Employee Benefits and Other Provisions

(i) Salaries and Wages, Annual Leave, Sick Leave and Oncosts

Liabilities for salaries, wages (including non-monetary benefits) and annual leave are recognised and measured in respect of employees' services up to the reporting date where it is probable that settlement will be required and where they are capable of being measured reliably on an undiscounted basis.

Sick leave accrued by employees of the RTA is all non-vesting and does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. Workers compensation that may be applicable to leave entitlements has not been recognised as this expense is based on actual premiums paid, determined from past claims history, and not as a general percentage raised on salaries and wages.

(ii) Long Service Leave and Superannuation

Long service leave is measured on a short hand basis. The short hand method is based on the remuneration rates at year end for all employees with five or more years of service together with an estimate for employees with less than five years service, based on the percentage who are expected to remain employed by the RTA long enough to be entitled to long service leave. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 5.335% are used to discount long term annual leave.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions. The final expense is adjusted at 30 June each year to take account of any actuarial assessment.

(iii) Other Provisions

Other provisions exist when: the agency has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(h) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, in accordance with Treasury's mandate to general government sector agencies.

(i) Insurance

The RTA's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance scheme for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience. CTP Insurance is arranged with a private sector provider by NSW Treasury. The RTA, from October 2001, introduced a Principal Arranged Insurance Scheme, which provides cover for all parties involved in its construction projects. This will ensure that these parties have appropriate insurance cover in place.

An outstanding liability also exists in respect of the former Department of Motor Transport self-insured scheme.

(j) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- The amount of GST incurred by the RTA as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- Receivables, payables, accruals and commitments are stated with the amount of GST included.

(k) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the RTA. Cost is the amount of cash or cash equivalents paid for the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, ie the deferred payment amount is effectively discounted at an asset-specific rate.

(l) Asset Management Policy

The RTA's asset valuation and depreciation policies are summarised below.

The cost of assets constructed for own use includes the cost of materials, direct labour, attributable interest, other financing costs and foreign exchange gains and losses arising during construction as well as an appropriate proportion of variable and fixed overhead costs that can be reliably attributed to the assets.

Plant and equipment costing above \$5,000 individually (or forming part of a network costing more than \$5,000) are capitalised. From 1 January 2006, the threshold was revised to \$10,000.

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 05-03). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

Where an asset is specialised, or the market buying price and market selling price differ materially because the asset is usually bought and sold in different markets, or the asset would only be sold as part of the sale of the cash-generating operation of which the asset is a part, fair value is measured at its market buying price. The best indicator of an asset's market buying price is the replacement cost of the asset's remaining future economic benefits.

The RTA re-values each class of property, plant and equipment at least every five years or with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

Otherwise, any balances of accumulated depreciation existing at revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve, in respect of that asset, is transferred to accumulated funds.

Assets acquired or constructed since the last revaluation are valued at cost.

(i) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the RTA is effectively exempted from AASB 136 *Impairment of assets and impairment testing*. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(ii) Plant and Equipment and Intangible Assets

Asset	Valuation Policy	Depreciation/Amortisation Policy
Plant, Equipment and Vehicles <i>(Minimum capital value \$5,000. From 1 January 2006 – \$10,000)</i>	Written down historic cost	Depreciated on the straight line method over the estimated useful life of between 5 and 20 years
Computer Hardware and Intangible Assets <i>(Minimum capital value of \$1,000 and \$5,000 respectively. From 1 January 2006 – \$10,000)</i>	Written down historic cost	Depreciated/amortised on the straight line method over the estimated useful life of between 3 and 10 years
Electronic Office Equipment <i>(Minimum capital value \$5,000 From 1 January 2006 – \$10,000)</i>	Written down historic cost	Depreciated on the straight line method over the estimated useful life of 10 years

The written down historic cost is considered to reflect the fair value of these assets.

Depreciation and valuation policies in respect of operational assets are subject to annual review.

Estimates of useful life for depreciation and amortisation purposes have been determined with due regard to a number of factors including the expected retention period by the entity and the underlying physical, technical and commercial nature of the assets as defined in AAS4 *Depreciation*. In accordance with this standard the shortest alternative useful life is applied. Approximately \$72.246 million 25.6% (2004–05; \$64.399 million 21.6%) of the RTA's assets in the categories of plant, equipment, vehicles, computer hardware and electronic office equipment are fully depreciated. The percentage of fully depreciated assets should decrease progressively as they are replaced in future years. A stock take and complete review of the anticipated useful lives of operational assets was carried out during the year.

(iii) Land and Buildings

Asset	Valuation Policy	Depreciation Policy
Land and Buildings in Service Works Administration Properties Officers Residences	Land and buildings in service are generally valued at value in use (land) and written down replacement cost (buildings). Where such properties are rented externally they are valued at current market value. Land and Buildings in Service were revalued in the current year and are due to be revalued in 2007–08.	Buildings – Depreciated on the straight line basis over the estimated useful life of 40 years.
Land and Buildings Acquired for Future Roadworks Rentable or Surplus Properties Vacant land	Current Market Value In 2004–05, average Rateable Value Per Hectare of Urban and Rural Areas within each Local Government Area (LGA). In 2005–06 the average Rateable Value Per Hectare was weighted by Local Government Area with no distinction made between urban and rural areas as it was determined to be impractical to quantify the difference. Land and Buildings Acquired for Future Roadworks are revalued progressively over a 3 year cycle. The current revaluation cycle commenced 2002–03.	No depreciation charged as buildings are not purchased to generate revenue but ultimately to be demolished for roadworks.
Leasehold Improvements (Minimum capital value \$5,000. From 1 January 2006 – \$10,000)	Written down historic cost/revalued amount.	Amortised over the period of the lease, or the useful life of the improvement to the RTA, whichever is shorter.

Included in the value of land and buildings in service is an amount of \$12.831 million (2004–05; \$12.831 million) for buildings on Crown land. As the RTA effectively 'controls' this Crown land, it has been included in the RTA's Balance Sheet. Should such Crown land be transferred or disposed of, associated buildings are written off in the year the transfer or disposal takes place.

The RTA's land and buildings are valued by registered valuers. Land and Buildings Acquired for Future Roadworks comprise Untenanted Land for Roads which is revalued annually and Rental Properties and Surplus Properties which are revalued progressively within a three year timeframe. The selection of assets within Land and Buildings Acquired for Future Roadworks to be revalued in each reporting period within the current progressive revaluation is made by reference to the asset's acquisition date or previous revaluation date, to ensure each asset is revalued in the three year progressive revaluation timeframe. To accord with the disclosure requirements of AASB 116 *Property Plant and Equipment* regarding progressive revaluations, the aggregate carrying amount of Land and Buildings Acquired for Future Roadworks comprises:

Commencement date of the current progressive revaluation: 1 July 2005

Completion date of the current progressive revaluation: 30 June 2008

Category of Land and Building Acquired for Future Roadworks	Aggregate carrying amount \$000
Carried at cost of acquisition less, where applicable, any accumulated depreciation.	–
Carried at revalued amounts determined prior to the beginning of the current progressive revaluation less, where applicable, any accumulated depreciation.	–
Revalued as part of the current progressive revaluation and carried at fair value as at 30 June 2006 less, where applicable, any subsequent accumulated depreciation.	1,049,878
Revalued as part of the current progressive revaluation and carried at an amount other than fair value as at 30 June 2005 less, where applicable, any subsequent accumulated depreciation.	–
Carried at recoverable amount less, where applicable, any subsequent accumulated depreciation.	–
Untenanted land for Roads – revalued annually not subject to progressive revaluation.	1,599,895
Land and Building Acquired for Future Roadworks at 30 June 2006 (see note 11(a)).	2,649,773

(iv) Infrastructure Systems

Asset	Valuation Policy	Depreciation Policy
Roads:		
Earthworks	Written down replacement cost	Depreciated over estimated useful life of 100 years
Pavement	Written down replacement cost	Depreciated over estimated useful life dependant on pavement surface 15 years (unsealed) 20-50 years (flush seal/asphalt) 25-50 years (asphalt/concrete) 40-50 years (concrete)
Bridges:		
	Written down replacement cost	Depreciated over estimated useful life dependant on bridge type
Timber structures		60 years
Concrete structures		100 years
Steel structures		100 years
X Trusses (timber and steel)		60 years
High Value Bridges		200 years
Bridge Size Culverts/Tunnels		100 years
Traffic Signals	Written down replacement cost	Depreciated over estimated useful life of 20 years
Traffic Control Network:		
	Written down historic cost	Depreciated over estimated useful life of
Traffic Systems		5-20 years
Transport Management Centre		5-20 years
Variable Message Signs		30 years
Land under roads and within road reserves	In 2004–05, average rateable value per hectare of urban and rural areas within each LGA. In 2005–06 the average Rateable Value Per Hectare was weighted by Local Government Area with no distinction made between urban and rural areas as it was determined to be impractical to quantify the difference.	No depreciation applied as land does not have a limited useful life

The RTA, being responsible for the development and management of the State's road network, has recognised the control aspect of some infrastructure assets and the ownership of other infrastructure assets when formulating policy in respect of the valuation and reporting of infrastructure.

Roads, bridges and traffic signals are initially brought to account at cost.

The valuation policies provide for roads, bridges and the traffic signal network, to be revalued periodically using the modern equivalent replacement cost method. The traffic signal control network including variable message signage is valued at written down historic cost. Each road is assigned a value which equates to the cost of replacing that road to a modern equivalent asset and discounting the estimated value of modern features, such as noise walls, not present in the existing asset. In the case of bridges, such replacement cost is the cost to construct a new bridge to the modern standard. High value bridges are valued on an individual basis. The replacement cost of the traffic control network is based on the current cost to replace the SCATS system computers and peripherals. The replacement cost of the traffic signal network is the cost to reconstruct each site using the number and current cost of lanterns and electronic controllers at each site as the major components to determine the replacement cost.

The determination of unit replacement rates for road, bridge and traffic control signal infrastructure valuations is carried out at least every five years by suitably qualified engineering contractors and employees of the RTA. Roads were revalued during 2003–04. Unit replacement rates for traffic signals were reviewed during 2002–03. All bridges and bridge culverts were revalued during 2002–03.

Assets are recorded initially at construction cost and the annual percentage increase in the Road Cost Index (RCI) is applied each year until the following unit replacement review is undertaken. Subsequent to the review, infrastructure is valued using the unit replacement rates, adjusted by the Road Cost Index as applicable, except for Traffic Control Network.

In respect of land under roads and within road reserves, for 2005–06 valuations the average Rateable Value Per Hectare was weighted by Local Government Area with no distinction made between urban and rural areas, as it was determined to be impractical to quantify the difference. The change in methodology was due to a reassessment of the

definitions of urban and rural roads which had been used in prior year financial statements.

In 2004–05 the data provided by the Local Government Grants Commission and the Valuer General, on which the valuations of average rateable value are ordinarily based, was not available. Accordingly the average rateable values per hectare were estimated to have increased by 5 per cent when compared with 2003–04. This estimate was made by an in house registered valuer.

Major works-in-progress are valued at construction cost and exclude the cost of land, which is currently disclosed as land under roads.

Accounting Standard AASB 116 *Property, Plant and Equipment* outlines factors to be considered in assessing the useful life of an asset for depreciation purposes. These factors include wear and tear from physical use and technological and commercial obsolescence.

Road assets are depreciated on the straight-line basis in accordance with AASB 116 *Property, Plant and Equipment*. The road assets are considered to consist of two components, pavement and non-pavement (comprising earthworks and road furniture), each with a corresponding useful service life.

Depreciation is calculated for each of the current 18,000 (approximately) road management segments and aggregated for each road and pavement type. Bridge assets are assessed by bridge type and depreciation is calculated on a straight line basis.

The respective provisions for depreciation of infrastructure assets recognise the total accumulated depreciation of those assets on a straight-line basis over the assessed useful life of those assets as at the end of the financial year.

(v) *Intangible Assets*

The RTA recognises intangible assets only if it is probable that future economic benefits will flow to the RTA and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised under the straight line method and expensed in the operating statement for the period.

Intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market, the assets are carried at cost less any accumulated amortisation.

Intangible assets are tested for impairment where an indicator of impairment exists and in the case of intangible assets with indefinite lives, annually, either individually or at the cash generating unit level. However, as a not-for-profit entity with no cash generating units, the RTA is effectively exempted from impairment testing (see note 1(l)(i)).

(vi) Private Sector Provided Infrastructure

The RTA has recognised an infrastructure asset in respect of the Sydney Harbour Tunnel. It has been valued at the estimated current written down replacement cost of the Tunnel at the date of transfer to the RTA in 2022 (refer Note 12 (b)).

In respect of the M2, M4, M5 Motorways, the Eastern Distributor, the Cross City Tunnel and the Westlink M7 Motorway (the Lane Cove Tunnel yet to be commissioned), the RTA values each right to receive asset by reference to the RTA's emerging share of the written down replacement cost of each asset apportioned using an annuity approach. Under this approach, the ultimate value of the right to receive the property is treated as the compound value of an annuity that accumulates as a series of equal annual receipts together with an amount representing notional compound interest. The discount rate used is the 10-year NSW government bond rate applicable at the commencement of the concession period (refer note 1(z)).

(vii) Cultural Collection Assets

Cultural Collection items that can be reliably valued have been recognised as assets. Other Cultural Collection items are disclosed by way of a note.

(viii) Leased Assets

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest incurred.

Operating lease payments are recognised as an expense on a straight line basis. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

(m) Major Inspection Costs

The labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(n) Restoration Costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(o) Maintenance and Repairs

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated over the life of the asset.

(p) Financial Assets

(i) Cash and Cash Equivalents

Cash and short term deposits in the balance sheet comprise cash at bank and in hand, short term deposits with an original maturity of three months or less, and deposits in Treasury Corporation's HourGlass managed Fund Cash Facility.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(ii) Receivables

Receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

(iii) Other Financial Assets

Other financial assets consist of non-derivative financial assets which are not valued at fair value either because they are not intended to be held to maturity. These assets are initially recognised at cost. All finance assets except those measured at fair value through the operating statement are subject to annual review for impairment. Changes are accounted for in the operating statement when impaired, derecognised or through an amortisation process.

(q) Provision of Material Assets

No material assets were provided free of charge to the RTA during the financial year. However, at a small number of locations, Crown land was provided at peppercorn rentals.

(r) Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or 'first in first out' method. Inventories consist mainly of raw materials and supplies used for the construction and maintenance of roads, bridges and traffic signals.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the agency would incur to acquire the asset on the reporting date. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(s) Capitalisation of Expenditure

Expenditure (including employee related costs and depreciation) in respect of road development and reconstruction, bridge and tunnel replacement and some road safety and traffic management works are capitalised as part of Infrastructure Systems.

(t) Non-current Assets held for sale

The RTA has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and the sale of the asset is expected to be completed within one year from the date of classification. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

(u) Other Assets

Other assets including prepayments are recognised on a cost basis.

(v) Payables

These amounts represent liabilities for goods and services provided to the RTA and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(w) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Loans are not held for trading and are recognised at amortised cost using the effective interest method. Amortised cost is the face value of the debt less unamortised premiums. The discount or premiums are treated as finance charges and amortised over the term of the debt.

(x) Budgeted amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations under s21A, s24 and/or s26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However in the Balance Sheet the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts: ie per the audited financial statements (rather than carried forward estimates).

(y) Comparative Information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standard (AAS33) as permitted by AASB 136. The transition to AEIFRS for financial instruments information was 1 July 2005. The impact of adopting AASB 132/139 is further discussed in Note 26.

Financial Instruments

The RTA has elected not to restate comparative information for financial instruments within the scope of AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement*, as permitted on the first time adoption of AEIFRS. The accounting

policies applied to accounting for financial instruments in the current financial year are detailed in notes 1(z)(iii). The following accounting policies were applied to accounting for financial instruments in the comparative financial year.

(i) Receivables:

Receivables were recognised and carried at cost, based on the original invoice amount less a provision for any uncollectible debts.

(ii) Payables:

Payables were recognised when the consolidated entity became obliged to make future payments resulting from the purchase of goods and services.

(iii) Borrowings:

All borrowings were valued at their current capital value. Any finance lease liability was determined in accordance with AAS17 *Leases*. Interest expense was recognised on an accrual basis.

(z) Changes in Accounting Policy and Correction of Errors

(i) Private Sector Provided Infrastructure

The RTA has a number of contractual arrangements under which the private sector has responsibility for supplying and operating infrastructure that traditionally would have been provided by the RTA. The RTA refers to these arrangements as Private Sector Provided Infrastructure projects or PSPI's. Under the various PSPI's the RTA has arranged for the private sector to provide the infrastructure and associated services for an agreed period known as the concession period. At the end of concession period ownership of the asset is returned to the RTA. This right to receive the infrastructure at the end of the concession period is recognised as revenue and an asset whose value emerges during the concession period. The accumulated value of the right at the end of the concession period equates to the written down replacement cost of the infrastructure at that time.

Previously, the emerging value has been accounted for during the concession period with reference to the estimated written down value of the project indexed by the NSW Road Cost Index and allocated proportionally by comparing the time expired since the commencement date of the project to the total concession period. NSW Treasury Guideline and Policy Paper 06-08 'Accounting for Privately Financed Projects' requires the accounting method to be changed to an annuity approach to more accurately reflect the long life of these projects and the diminishing value of money over this time.

Under an annuity approach, the ultimate value of the right to receive the infrastructure asset is now treated as the compound value of an annuity that accumulates as a series of equal annual receipts together with a calculated notional compound interest. The discount rate used has been the NSW 10-year government bond at the commencement of the concession period.

This change in accounting policy affects the following PSPI projects:

- M2
- M4
- M5
- M7 Western Sydney Orbital
- Eastern Distributor
- Cross City Tunnel

The value of the Sydney Harbour Tunnel (SHT) has not been affected by this change in accounting policy. It has previously been determined that as the RTA ensures the revenue stream to the operator of the SHT it has essentially assumed the risks of ownership of the asset. Consequently the RTA has recognised the full value of the SHT as an asset with a corresponding liability in the balance sheet. The movement in the indexed SHT asset value is taken to the asset revaluation reserve.

(ii) Amortisation of Deferred Revenue on PSPI Projects

With respect to the M7, Cross City Tunnel and the Lane Cove Tunnel, the RTA has received reimbursements of certain development costs in the form of up-front cash payments. Previously, these payments were treated as revenue upon receipt. NSW Treasury Guideline and Policy Paper 06-08 'Accounting for Privately Financed Projects' now requires these payments to be accounted for as deferred revenue with an annual amortisation amount recognised as revenue over the life of the concession period. (Refer to Note 12(b) for specific amounts).

(iii) Financial Instruments

Due to the first time adoption of AASB 139 *Financial Instruments: Recognition and Measurement*, the following financial instruments were revalued as 1 July 2005. (Refer to Note 3(d) for specific amounts)

- Sydney Harbour Tunnel Loan
- M2 and M5 Promissory Notes

(iv) *Prior Period Errors*

An error in accounting for the land under some PSPI projects has resulted in an adjustment to the prior year financial statements. Certain sections of road previously valued as roads in their own right are now accounted for as part of PSPI assets. These sections of road have now been written down to nil with a consequent decrease in road valuation and asset revaluation reserve of \$993 million (refer to note 11(c) for specific residual values). The write down in the value of the emerging interests in PSPI projects and decreases in PSPI revenue as a result of accounting policy changes have also been accounted for in 2005. (Refer to note 12 (b) for specific restated values).

2 EXPENSES EXCLUDING LOSSES

The RTA capitalises a significant portion of expenditure, including employee related costs and depreciation to Infrastructure Systems.

(a) Employee Related Expenses

Employee related expenses comprise the following specific items:

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Salaries and Wages (including recreation leave)	472,696	451,226	336,710	451,226
Long Service Leave	37,305	37,697	26,573	37,697
Superannuation – defined benefit plan	(141,756)	55,307	(100,975)	55,307
Workers Compensation Insurance	11,787	7,815	8,396	7,815
Payroll Tax and Fringe Benefits Tax	32,105	30,542	22,869	30,542
Personnel services	–	–	121,067	–
Other	8,701	2,289	6,198	2,289
	420,838	584,876	420,838	584,876
Allocation of Employee Related Expenses to Programs				
– Capitalised to Infrastructure	153,482	183,321	153,482	183,321
– Operating Programs (including maintenance)	267,356	401,555	267,356	401,555
	420,838	584,876	420,838	584,876

(b) Other Operating Expenses

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Registry Customer Services*	129,450	105,942	129,450	105,942
Driver and Vehicle Management*	51,405	55,402	51,405	55,402
Road Safety*	58,919	81,077	58,919	81,077
Traffic and Transport*	75,428	97,873	75,428	97,873
Ensured Revenue Stream Payments	37,061	30,988	37,061	30,988
M4/M5 Cashback Scheme	81,800	78,317	81,800	78,317
Other	80,858	63,228	80,858	63,228
	514,921	512,827	514,921	512,827

* These expense categories exclude employee related expenses and depreciation incurred in providing these services.

(i) Auditor's Remuneration

During 2005–06 an expense of \$0.556 million (2004–05 \$0.526 million), excluding GST, was incurred for the audit of the financial statements by the Audit Office of NSW.

(ii) Cost of sales

During 2005–06 the cost incurred in relation to the sales of goods was \$20.680 million (2004–05 \$19.677 million).

(iii) Bad and Doubtful debts

The bad and doubtful debts expense for 2005–06 was credited with \$0.913 million (2004–05; an expense of \$1.979 million).

(iv) Operating lease rental expense

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Property	24,418	22,954	24,418	22,954
IT Equipment	41,208	45,749	41,208	45,749
Light Motor Vehicles	27,206	28,005	27,206	28,005
Heavy Motor Vehicles	745	519	745	519
	93,577	97,227	93,577	97,227

(v) Infrastructure Maintenance

Maintenance expenditure relates to the maintenance of roads, bridges and the traffic signal control network and includes employee related costs. Major reconstruction of road segments are capitalised and as such not charged against maintenance expenditure. The RTA capitalised \$143.304 million of such works (2004–05 \$87.400 million).

The RTA expended \$42.339 million in 2005–06 (2004–05; \$16.877 million) on natural disaster restoration works from State funds. The total cost of natural disaster restoration work in 2005–06 was \$42.339 million (2004–05; \$19.961 million), which was included as part of maintenance expenditure.

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Maintenance expense included on operating statement	571,557	592,369	571,557	592,369
Maintenance related employee expenses included in Note 2(a)	161,791	182,757	161,791	182,757
Total maintenance expenses included in Note 2(a) and 2(b)	733,348	775,126	733,348	775,126

(c) Depreciation and Amortisation

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Depreciation Raised against Operational and Property Assets (excludes depreciation capitalised as Infrastructure)	22,957	14,527	22,957	14,527
Depreciation raised against Infrastructure	662,479	689,652	662,479	689,652
Amortisation of Intangible Assets	4,789	–	4,789	–
	690,225	704,179	690,225	704,179

In addition, operational assets and intangible assets were written down by \$5.931 million in 2005–06 (2004–05: \$3.593 million).

(d) Grants and Subsidies

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Capital Grants – to Councils for Regional Roads	7,304	24,796	7,304	24,796
Grants Under Road Safety Program	10,091	10,360	10,091	10,360
Other	847	828	847	828
	18,242	35,984	18,242	35,984

(e) Finance Costs

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Interest	55,959	58,908	55,959	58,908
Debt Guarantee	3,000	3,000	3,000	3,000
Amortisation of discount on borrowings with T-Corp	4,623	4,946	4,623	4,946
	63,582	66,854	63,582	66,854

3 REVENUE

(a) Sale of Goods and Services

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
<i>Sale of Goods</i>				
– Number Plates	57,795	54,254	57,795	54,254
<i>Rendering of Services</i>				
– Third Party Insurance Data Access Charges	12,533	11,730	12,533	11,730
– Toll Revenue (Sydney Harbour Bridge) adjusted	76,746	74,786	76,746	74,786
– Heavy Vehicle Permit Fees	1,049	928	1,049	928
– Sanction Fees Payable under the <i>Fines Act</i>	7,303	8,306	7,303	8,306
– Rental Income	19,472	20,647	19,472	20,647
– Minor Sales of Goods and Services	99,411	78,886	99,411	78,886
	274,309	249,537	274,309	249,537

(b) Investment income

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Interest	2,508	8,123	2,508	8,123

(c) Grants and Contributions

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
NSW Government Agencies				
– Department of Transport	23,205	23,962	23,205	23,962
– Other	12,821	4,130	12,821	4,130
Local Government	6,068	4,660	6,068	4,660
Other Government Agencies	11,893	10,225	11,893	10,225
Private Firms and Individuals	7,285	7,808	7,285	7,808
	61,272	50,785	61,272	50,785

(d) Other Revenue

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Amortisation of Deferred Revenue on PSPI projects (note 1(z))	5,321	–	5,321	–
Value of Emerging Interest of Private Sector Provided Infrastructure				
– M2 (Refer Note 12(b))	3,700	3,437	3,700	3,437
– M4 (Refer Note 12(b))	17,949	16,431	17,949	16,431
– M5 (Refer Note 12(b))	10,120	9,329	10,120	9,329
– Eastern Distributor (Refer Note 12 (b))	3,037	2,830	3,037	2,830
– Cross City Tunnel (Refer Note 12 (b))	8,146	–	8,146	–
– Western Sydney Orbital M7 (Refer Note 12 (b))	11,060	–	11,060	–
– Loan to Sydney Harbour Tunnel Company (i)				
Adjustment to Opening Balance	23,945	–	23,945	–
Other Revenue	(19,163)	23,043	(19,163)	23,043
M2 and Eastern Distributor Promissory Notes (i)				
Adjustment to Opening Balance	(5,045)		(5,045)	
Other Revenue	6,659	446	6,659	446
Diesel Fuel Grant	48	230	48	230
	65,777	55,746	65,777	55,746

(i) Due to the first time adoption of AASB 139 *Financial Instruments: Recognition and Measurement* these financial instruments were revalued as at 1 July 2005 based on the standard. This resulted in an adjustment to accumulated funds as reflected in Note 19. Other revenue recognised relates to the movement in the net present value of the financial instrument during the current year.

4 GAINS/(LOSSES) ON DISPOSAL

(a) Gain/(Loss) on Disposal

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Gain on Sale of Property, Plant and Equipment				
– Proceeds from Sale	41,188	59,269	41,188	59,269
– Written Down Value of Assets Sold	(23,927)	(41,912)	(23,927)	(41,912)
Net Gain on Sale of Non-Current Assets	17,261	17,357	17,261	17,357

(b) Other Gains/(Losses)

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Future Value Gain on Derivatives	140	–	140	–
Written Down Value of Infrastructure Assets Written Off	(76,884)	(53,506)	(76,884)	(53,506)
Total Other Gains/(Losses)	(76,744)	(53,506)	(76,744)	(53,506)

5 CONDITIONS ON CONTRIBUTIONS

Contributions received during 2005–06 were recognised as revenue during the financial year and were expended in that period with no balance of those funds available at 30 June 2006.

6 APPROPRIATIONS

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Recurrent Appropriation				
Total recurrent drawdowns from Treasury (per Summary of Compliance)	1,503,856	1,398,816	1,503,856	1,398,816
Less: Liability to Consolidated Fund (per Summary of Compliance)	(28,050)	–	(28,050)	–
	1,475,806	1,398,816	1,475,806	1,398,816
Capital Appropriation				
Total capital drawdowns from Treasury (per Summary of Compliance)	1,037,323	1,093,685	1,037,323	1,093,685
Less: Liability to Consolidated Fund (per Summary of Compliance)	–	–	–	–
	1,037,323	1,093,685	1,037,323	1,093,685

7 INDIVIDUALLY SIGNIFICANT ITEMS

(a) Superannuation Expense

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
(Decrease)/Increase in Superannuation Expense due to Tax, Actuarial and Interest Adjustments	(170,799)	(28,365)	(121,665)	(28,365)

(b) Write-Down of Infrastructure Assets

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Infrastructure Assets Written Down	76,884	53,506	76,884	53,506

The following infrastructure assets were deleted during 2005–06 (see note 11(c)).

	Replacement Costs \$000	Accumulated Depreciation \$000	WDRC \$000
Roads	95,767	35,002	60,765
Bridges	25,189	9,644	15,545
Traffic Signals Network	751	178	573
Traffic Control Network	1,423	1,422	1
	123,130	46,246	76,884

8 PROGRAMS/ACTIVITIES OF THE AGENCY

(a) Road Network Infrastructure

Network Development

Description: Planning, designing, scheduling and organising the development of road and bridge works.

Objectives: To develop the State's road network focusing on strategic routes to promote economic growth, improve road safety, encourage greater use of public transport and meet environmental targets.

Maintenance

Description: Manage the primary arterial road network infrastructure as a long-term renewable asset through a program of maintenance and reconstruction works. Provide financial assistance grants to local government to assist councils manage their secondary arterial road network. Manage the provision of disaster repairs for public roads.

Objective: To maintain the RTA's roads and bridges to ensure reliability, safety and retained value. Support councils' management of their secondary arterial road network.

(b) Road Safety, Licensing and Vehicle Management

Description: Implementing initiatives to increase safe road use behaviour, ensure that drivers and cyclists are eligible and competent, ensure that vehicles meet roadworthiness and emission standards, and ensure that a high standard of customer service is maintained.

Objective: To reduce the trauma and cost to the community of road deaths and injuries. To reduce adverse impacts of vehicles on roads and the environment. To ensure compliance with driver licensing and vehicle registration requirements.

(c) Traffic and Transport

Description: Improving road network performance through traffic control systems, managing incidents and route management strategies. Providing priority access for buses, improving facilities for cyclists and pedestrians and maintaining traffic facility assets.

Objective: To maximise the efficiency of moving people and goods by better managing the road network and encouraging the use of alternatives to the motor car.

(d) M4 / M5 Cashback Scheme

Description: Reimbursing motorists directly for the toll component paid using electronic toll tags on the M4 and M5 Motorways when driving NSW privately registered cars and motorcycles.

Objective: To reimburse tolls to motorists driving NSW privately registered vehicles on the M4 and M5 Motorways.

9 CURRENT ASSETS—CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
RTA Operating Account	27,062	62,844	27,062	62,844
Trust Funds	33,043	26,296	33,043	26,296
Remitting Account, Cash in Transit and Cash on Hand	29,150	27,235	29,150	27,235
Tcorp—Hour Glass Cash Facility	48,735	1,320	48,735	1,320
On Call Deposits	2,658	66,974	2,658	66,974
Other	327	595	327	595
	140,975	185,264	140,975	185,264

For the purposes of the Cash Flow Statement, cash and cash equivalents include all the above categories of cash and cash equivalents.

Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

Cash and cash equivalents (per Balance Sheet)	140,975	185,264	140,975	185,264
Closing cash and cash equivalents (per Cash Flow Statement)	140,975	185,264	140,975	185,264

10 CURRENT ASSETS / NON-CURRENT ASSETS–RECEIVABLES

(a) Current

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Sale of Goods and Services (i)	31,149	26,779	31,149	26,779
Goods and Services Tax–Claimable from the Commonwealth	19,422	25,876	19,422	25,876
Other (including cost recoveries relating to motor vehicle accident damage to RTA property and road clearing)	2,048	1,738	2,048	1,738
	52,619	54,393	52,619	54,393
Less: Allowance for impairment	(2,439)	(3,352)	(2,439)	(3,352)
	50,180	51,041	50,180	51,041
Unissued debtors	34,411	33,690	34,411	33,690
Dishonoured credit cards	394	264	394	264
	84,985	84,995	84,985	84,995
Accrued Income				
– Interest	698	591	698	591
– Property Sales	17,417	45,596	17,417	45,596
– Other	2,339	2,074	2,339	2,074
Total Current	105,439	133,256	105,439	133,256

The allowances for impairment primarily relate to amounts owing as a result of commercial transactions (eg debts raised for performance of services or goods) and tenants who vacate premises without notice whilst in arrears.

(i) The average credit period on sales of goods is 38 days. No interest is charged on the trade receivables. An allowance has been made for estimated recoverable amounts from the sale of goods, determined by reference to past default experience. The movement in the allowance of \$0.913 million was recognised in the profit or loss for the current financial year.

(b) Other Financial Assets

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Non-Current Financial Assets (at amortised cost)				
Loan to Sydney Harbour Tunnel Company	75,160	94,323	75,160	94,323
Promissory Notes	8,641	1,982	8,641	1,982
	83,801	96,305	83,801	96,305

Repayment of the interest free \$222.6 million Net Bridge Revenue Loan by the Sydney Harbour Tunnel Company is due on 31 December 2022. The Loan has been assessed as recoverable as at 30 June 2006 and the receivable is valued using the effective interest method (refer Note 1(z)).

The loan is considered to be part of the RTA's interest in the Tunnel and, as at 30 June 2006, has been assessed at \$75.161 million (30 June 2005; \$94.323 million).

Promissory Notes relate to amounts receivable under the Private Sector Road Toll agreement in respect of the M2 Motorway and the Eastern Distributor. The promissory notes are redeemable at the earlier of the achievement of certain Internal Rate of Return (IRR) or the end of the respective concession period. The redeemables are valued using the effective interest rate method (refer Note 12(b)).

II NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

Consolidated and Parent	Land and Buildings \$000	Plant and Equipment \$000	Infrastructure Systems \$000	Total \$000
As at 1 July 2005				
Gross Carrying Amount	3,397,844	212,388	81,764,488	85,374,720
Accumulated Depreciation	(14,666)	(109,736)	(13,450,479)	(13,574,881)
Net Carrying Amount at Fair Value	3,383,178	102,652	68,314,009	71,799,839
As at 30 June 2006				
Gross Carrying Amount	2,865,751	214,041	81,886,691	84,966,483
Accumulated Depreciation	(20,680)	(113,280)	(14,051,199)	(14,185,159)
Net Carrying Amount at Fair Value	2,845,071	100,761	67,835,492	70,781,324

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

(a) Land and Buildings – Consolidated and Parent

	Works		Land and Buildings Acquired for Future Roadworks	Leasehold Improvements	Total
	Administration Properties and Officers Residences				
	Land \$000	Buildings \$000	\$000	\$000	\$000
<i>Balance 1 July 2005</i>	75,938	130,158	3,175,684	16,064	3,397,844
Additions	14	585	76,040	2,771	79,410
Disposals	–	(1,867)	(20,523)	(1,619)	(24,009)
Reclassifications	(1,710)	(1,635)	1,976	1,369	–
Adjustments/WIP	–	20	–	–	20
Transfer to Infrastructure	–	–	(203,227)	–	(203,227)
Transfers to assets held for sale	(918)	–	–	–	(918)
Revaluation on Transfers	–	–	72,918	–	72,918
Revaluations	1	(3,192)	(453,096)	–	(456,287)
<i>Balance 30 June 2006</i>	73,325	124,069	2,649,772	18,585	2,865,751
Accumulated Depreciation					
<i>Balance 1 July 2005</i>	–	6,651	–	8,015	14,666
Depreciation expense	–	4,265	–	3,707	7,972
Write Back on Disposal	–	(339)	–	(1,619)	(1,958)
<i>Balance 30 June 2006</i>	–	10,577	–	10,103	20,680
Written Down Value					
As at 30 June 2006	73,325	113,492	2,649,772	8,482	2,845,071
As at 1 July 2005	75,938	123,507	3,175,684	8,049	3,383,178

Land and buildings for future roadworks comprise untenanted land for road works (average rateable value \$1,600 million) surplus properties (market value – \$636 million) and rentable properties (market value – \$414 million).

(b) Plant and Equipment – Consolidated and Parent

	Plant Equipment and Motor Vehicles \$000	Computer Hardware and Software \$000	Electronic Office Equipment \$000	Total \$000
<i>Balance 1 July 2005</i>	188,946	18,436	5,006	212,388
Additions	16,474	3,422	550	20,446
Disposals	(13,822)	(4,550)	(322)	(18,694)
Transfer to Plant and equipment held for sale	(99)	–	–	(99)
<i>Balance 30 June 2006</i>	191,499	17,308	5,234	214,041
Accumulated Depreciation				
<i>Balance 1 July 2005</i>	99,593	6,291	3,852	109,736
Depreciation expense	10,537	3,728	720	14,985
Write Back on Disposal	(10,288)	(990)	(163)	(11,441)
<i>Balance 30 June 2006</i>	99,842	9,029	4,409	113,280
Written Down Value				
As at 30 June 2006	91,657	8,279	825	100,761
As at 1 July 2005	89,353	12,145	1,154	102,652

(c) Infrastructure Systems

Infrastructure systems are valued as follows

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Roads – Written Down Replacement Cost				
Opening Balance – Replacement Cost	36,244,068	36,168,855	36,244,068	36,168,855
Correction of Error (note 1(z)(iv))	–	(1,267,054)	–	(1,267,054)
Restated Opening Balance	36,244,068	34,901,801	36,244,068	34,901,801
Additions at cost	386,713	497,606	386,713	497,606
Deletions	(95,767)	(74,297)	(95,767)	(74,297)
RCl and other adjustments	1,525,315	918,958	1,525,315	918,958
	38,060,329	36,244,068	38,060,329	36,244,068
Less: Accumulated Depreciation				
Opening Balance (note 1(z)(iv))	11,680,585	11,399,831	11,680,585	11,399,831
Correction of Error	–	(273,872)	–	(273,872)
Restated Opening Balance	11,680,585	11,125,959	11,680,585	11,125,959
Write Back on Deletions	(35,002)	(42,496)	(35,002)	(42,496)
Current Year Expense	587,307	597,122	587,307	597,122
Other Adjustments	(15,513)	–	(15,513)	–
	12,217,377	11,680,585	12,217,377	11,680,585
Roads – Written Down Value	25,842,952	24,563,483	25,842,952	24,563,483
Land Under Roads and Within Road Reserves				
Opening Balance	36,289,193	34,354,414	36,289,193	34,354,414
Transfer in from 'Land and Buildings acquired for Future Roadworks'	203,227	195,740	203,227	195,740
Revaluation	(3,074,005)	1,739,039	(3,074,005)	1,739,039
Total Land under Roads and Within Road Reserves	33,418,415	36,289,193	33,418,415	36,289,193

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Bridges – Written Down Replacement Cost				
Opening Balance – Replacement Cost	7,759,881	7,063,284	7,759,881	7,063,284
New Bridges at cost	298,776	336,560	298,776	336,560
RCl and other adjustments	245,654	410,925	245,654	410,925
Deletions	(25,189)	(50,888)	(25,189)	(50,888)
Closing Balance	8,279,122	7,759,881	8,279,122	7,759,881
Less: Accumulated Depreciation				
Opening Balance	1,656,013	1,606,696	1,656,013	1,606,696
Current Year Expense	56,253	79,193	56,253	79,193
Write Back on Deletions	(9,644)	(29,876)	(9,644)	(29,876)
	1,702,622	1,656,013	1,702,622	1,656,013
Bridges – Written Down Value	6,576,500	6,103,868	6,576,500	6,103,868

New bridges at cost includes bridges constructed during the year and existing bridges (not previously brought to account) identified by a timber Bridge Survey undertaken during the year.

Traffic Signals Network – Written Down Replacement Cost

Opening Balance – Replacement Cost	282,872	269,319	282,872	269,319
New Traffic Signals at cost	6,600	8,519	6,600	8,519
Deletions	(751)	(443)	(751)	(443)
RCl and other adjustments	26,446	5,477	26,446	5,477
Closing Balance	315,167	282,872	315,167	282,872
Less: Accumulated Depreciation				
Opening Balance	88,268	75,029	88,268	75,029
Current Year Expense	14,521	13,382	14,521	13,382
Write Back on Deletions	(178)	(143)	(178)	(143)
	102,611	88,268	102,611	88,268
Traffic Signals Network – Written Down Value	212,556	194,604	212,556	194,604

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Traffic Control Network – Written Down Historic Cost				
Opening Balance – Replacement Cost	57,476	47,999	57,476	47,999
Additions at unit replacement rates	3,302	10,070	3,302	10,070
Deletions	(1,423)	(593)	(1,423)	(593)
Other adjustments	262	–	262	–
	59,617	57,476	59,617	57,476
Less: Accumulated Depreciation				
Opening Balance	25,613	18,544	25,613	18,544
Current Year Expense	4,398	7,269	4,398	7,269
Write Back on Deletions	(1,422)	(200)	(1,422)	(200)
	28,589	25,613	28,589	25,613
Work-in-Progress	4,067	4,399	4,067	4,399
Traffic Control Network – Written Down Value	35,095	36,262	35,095	36,262
Major Works in Progress				
Opening Balance	1,126,599	961,025	1,126,599	961,025
Additions at cost	1,145,492	933,874	1,145,492	933,874
Transfers out on completion	(522,117)	(768,300)	(522,117)	(768,300)
Major Works in Progress	1,749,974	1,126,599	1,749,974	1,126,599
Total Infrastructure Systems	67,835,492	68,314,009	67,835,492	68,314,009

The network was improved during the year with a number of major projects being opened to traffic. These included the Sea Cliff Bridge on Lawrence Hargrave Drive, the North Kiama Bypass, the railway crossing at Gerogery and a new bridge over the Murray River at Euston.

The depreciation expense in respect of roads \$587.307 million (2004–05: \$597.122 million) reflects the loss of service potential based on straight-line depreciation methodology.

Traffic signals and all bridges were subject to a full revaluation in 2002–03. Roads were revalued in 2003–04.

(d) **Cultural Collection Assets**

At 30 June 2006, no Cultural Collection Assets, including original art works, have been brought to account during the current year (2004–05; \$nil million).

Other Cultural Collection items, including prints, drawings and artefacts, were also identified as being under the control of the RTA, but could not be reliably valued.

12 CURRENT/NON-CURRENT ASSETS – INTANGIBLE ASSETS AND OTHER

(a) **Current**

These comprise:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Prepayments	5,703	6,273	5,703	6,273

(b) Non-current

The RTA's Other Non Current Assets are represented by Private Sector Provided Infrastructure:

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Sydney Harbour Tunnel				
Carrying amount at start of year	605,385	589,174	605,385	589,174
Revaluation	21,803	16,211	21,803	16,211
Less: Calculation adjustment from previous year	–	–	–	–
Carrying amount at end of year	627,188	605,385	627,188	605,385
M2 Motorway				
Carrying amount at start of year	21,526	61,384	21,526	61,384
Decrease – accounting policy change *	–	(43,295)	–	(43,295)
Annual Increment – Emerging Right to Receive	3,700	3,437	3,700	3,437
Carrying amount at end of year	25,226	21,526	25,226	21,526
M4 Motorway				
Carrying amount at start of year	124,652	103,707	124,652	103,707
Increase – accounting policy change *	–	4,514	–	4,514
Annual Increment – Emerging Right to Receive	17,949	16,431	17,949	16,431
Carrying amount at end of year	142,601	124,652	142,601	124,652
M5 Motorway				
Carrying amount at start of year	61,638	101,301	61,638	101,301
Decrease – accounting policy change *	–	(48,992)	–	(48,992)
Annual Increment – Emerging Right to Receive	10,120	9,329	10,120	9,329
Carrying amount at end of year	71,758	61,638	71,758	61,638
Eastern Distributor				
Carrying amount at start of year	14,334	38,912	14,334	38,912
Decrease – accounting policy change *	–	(27,408)	–	(27,408)
Annual Increment – Emerging Right to Receive	3,037	2,830	3,037	2,830
Carrying amount at end of year	17,371	14,334	17,371	14,334
Cross City Tunnel				
Carrying amount at start of year	–	–	–	–
Annual Increment – Emerging Right to Receive	8,146	–	8,146	–
Carrying amount at end of year	8,146	–	8,146	–
Western Sydney Orbital (M7)				
Carrying amount at start of year	–	–	–	–
Annual Increment – Emerging Right to Receive	11,060	–	11,060	–
Carrying amount at end of year	11,060	–	11,060	–
	903,350	827,535	903,350	827,535

* The change in accounting policy (Note 1(z)(i)) with respect to the valuation of the emerging interests in certain PSPI projects has resulted in an aggregate write down of \$115.181 million in 2005 now with an associated reduction in revenue recognised in that year of \$15.070 million.

Sydney Harbour Tunnel

The RTA's interest in the Sydney Harbour Tunnel has been valued based on the RTA's right to the time share of its ownership, total service potential and remaining useful life at the date of its transfer to the RTA in 2022. At the date of this transfer, the value will equate to the current written down replacement cost of the Tunnel. The cost of constructing the Tunnel was \$683.300 million. The current written down replacement cost of the Tunnel is \$627.186 million (2004–05; \$605.385 million).

In separately classifying the Sydney Harbour Tunnel as an infrastructure asset, the RTA recognises that the contractual arrangements relating to the Tunnel are unique.

The construction of the Tunnel was financed by 30 year inflation linked bonds issued by the Sydney Harbour Tunnel Company to the private sector in the amount of \$486.700 million, Sydney Harbour Tunnel Company shareholders' loans (repaid in 1992) of \$40 million, and an interest free, subordinated loan (the Net Bridge Revenue Loan) provided by the RTA of \$222.600 million, based on the projected net toll revenue from the Sydney Harbour Bridge during the construction period. Under the Ensured Revenue Stream Agreement (ERS), the Government has agreed to make ERS payments (net of tolls collected from the Tunnel) to enable the SHTC to meet financial obligations arising from the operation and maintenance of the Tunnel and repayment of principal and interest on funds borrowed by it for the design, construction and operation of the Tunnel.

During the year ended 30 June 2006, tolls collected from the Tunnel amounted to \$44.060 million (2004–05; \$46.009 million). These tolls were applied to the financial obligations of the Tunnel and resulted in a reduction in ERS payments from \$87.455 million to \$43.395 million (2004–05; \$88.786 million to \$42.777 million).

From 1993 the RTA listed a possible tax liability as a contingent liability in the annual accounts until the liability crystallised during the 2002–03 financial year. Following negotiations between interested parties including the Australian Tax Office, a settlement agreement was entered into between the RTA, the State Government, the Sydney Harbour Tunnel Company Limited and Tunnel Holdings Pty Limited. The past and future tax liabilities are disclosed at net present value in Note 18.

The RTA however now revalues the Tunnel each year. Based on movements in the Road Cost Index during the 2005–06 reporting period, the RTA's interest in the Tunnel was \$627.188 million as at 30 June 2006, which equated to an increase in the

value of the Tunnel during 2005–06 of \$21.803 million (2004–05; \$16.211 million).

M2 Motorway

To facilitate the financing, design and construction of the Motorway, the RTA leased land detailed in the M2 Motorway Project Deed for the term of the Agreement.

Until the project realises a real after tax internal rate of return of 12.25 percent per annum, the rent is payable, at the Lessee's discretion, in cash or by promissory note. On achievement of the required rate, the rent is payable in cash. Under the terms of the lease, the RTA must not present any of the promissory notes for payment until the earlier of the end of the term of Agreement or the achievement of the required rate of return.

Payments for the rents for the Trust Lease and the Trust Concurrent Lease for the year ended 30 June 2006 have been made by promissory notes in the value of \$7.071 million and \$1.768 million respectively. The RTA, as at 30 June 2006, has received promissory notes for rent on the above leases totalling \$78.071 million. The term of the Agreement ends on the forty fifth anniversary of the M2 commencement date (ie 26 May 2042), subject to the provisions of the M2 Motorway Project Deed. The net present value of these promissory notes, as at 30 June 2006, is \$3.524 million.

The RTA has, from the date of completion of the M2 Motorway on 26 May 1997, valued the asset by reference to the RTA's emerging share of the written down replacement cost of the asset at date of handback over the concession period calculated using the effective interest rate method (refer Note 1(f)(v)).

Under the terms of the Project Deed, ownership of the M2 Motorway will revert to the RTA on the earlier of the achievement of specified financial returns outlined in the Deed or 45 years from the M2 commencement date of 26 May 1997. The conservative period of 45 years has been used to calculate the RTA's emerging share of the asset.

M4 and M5 Motorways

The RTA has valued the infrastructure assets in respect of the M4 and M5 Motorways by reference to the RTA's emerging share of the written down replacement cost of each asset apportioned over the period of the respective concession agreement calculated using the effective interest rate method (refer Note 1(f)(v)).

Ownership of the M4 Motorway and M5 Motorway will revert to the RTA in 2010 and 2023 respectively. The initial concession period for the M5 Motorway was for the period 14 August

1992 to 14 August 2022. In consideration for Interlink Roads undertaking construction of an interchange at Moorebank (M5 Improvements), the initial concession period was extended by 1.11 years to 23 September 2023.

The M5 Motorway Call Option Deed provides that if, after at least 25 years from the M5 Western Link commencement date of 26 June 1994, the RTA determines that the expected financial return has been achieved, the RTA has the right to purchase either the business from ILR or the shares in ILR from Infrastructure Trust of AustralAsia Ltd (ITA) and the Commonwealth Bank of Australia (CBA). The exercise price under the M5 Call Option Deed will be based on open market valuation of the business or shares.

Eastern Distributor

An agreement was signed with Airport Motorway Limited (AML) in August 1997 to finance, design, construct, operate, maintain and repair the Eastern Distributor which was opened to traffic on 18 December 1999.

In consideration of the RTA granting to AML the right to levy and retain tolls on the Eastern Distributor, AML is required to pay concession fees in accordance with the Agreement. From the date of Financial Close, which occurred on 18 August 1997, AML has paid \$135 million by way of promissory notes (being \$15 million on Financial Close and \$15 million on each anniversary of Financial Close). A further \$2.2 million was received in cash six months after Financial Close and \$8 million in cash on the third anniversary of Financial Close. Under the Agreement, the promissory notes show a payment date (subject to provisions in the Project Deed) of 31 December 2042 and, as at 30 June 2006, the promissory notes have a net present value of \$5.117 million.

Under the terms of the Project Deed, ownership of the Eastern Distributor will revert to the RTA on the earlier of the achievement of specified financial returns outlined in the Deed or 48 years from the Eastern Distributor Commencement Date of 18 December 1999. The conservative period of 48 years has been used to calculate the RTA's emerging share of the asset.

Cross City Tunnel

An agreement was signed with the Cross City Motorway (CCM) in December 2005 to design, construct, operate and maintain the Cross City Tunnel. Major construction started on 28 January 2003. The Cross City Tunnel was completed and open to traffic on 28 August 2005.

The construction cost was \$642 million with the cost being

met by the private sector. Under the terms of the agreement, CCM will operate the motorway for a total of 30 years and two months from the opening of the Tunnel to traffic, after which the motorway will be transferred back to the Government.

The RTA values the asset by reference to the RTA's emerging share of the written down replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(f)(v)).

Reimbursement of certain development costs were received by the RTA from the operator in the form of an upfront cash payment. The amount of this payment was \$96.860 million.

Westlink M7 Motorway

An agreement was signed with the Westlink consortium in February 2003 to design, construct, operate and maintain the Westlink M7 Motorway. Major construction started on 7 July 2003 and the completed motorway was opened to traffic on 16 December 2005.

The construction cost was \$1.54 billion. The Australian Government contributed \$356 million towards the cost of the project with the remainder of the cost being met by the private sector. The RTA had responsibility under the contract for the provision of access to property required for the project. Under the terms of the agreement, the Westlink Consortium will operate the motorway for a total of 31 years to February 2037, after which the motorway will be transferred back to the Government.

The RTA values the asset by reference to the RTA's emerging share of the written down replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(f)(v)).

Reimbursement of certain development costs were received by the RTA from the operator in the form of an upfront cash payment. The amount of this payment was \$193.754 million.

Lane Cove Tunnel

An agreement was signed with the Lane Cove Tunnel Company in December 2003 to finance, design, construct, operate and maintain the Lane Cove Tunnel Project. Major construction started on 24 June, 2004 with an anticipated motorway opening date of May 2007.

The anticipated construction cost is \$1.1 billion, with the cost being met by the private sector. The RTA is responsible under the contract for the provision of access to property required for the project, which has been identified by the Project Deed. Under the terms of the agreement, Lane Cove Tunnel

Company will design and construct the motorway and then operate the motorway for the remainder of the term of 33 years and one month. The term commenced on the date the agreement with LCTC became effective, and will end on 10 January 2037 after which the motorway will be transferred back to the Government.

On completion of the Lane Cove Tunnel, the RTA will value the asset by reference to the RTA's emerging share of the written down replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(f)(v)).

Reimbursement of certain development costs were received by the RTA from the operator in the form of an upfront cash payment. The amount of this payment was \$79.301 million.

(c) Other Intangible Assets – Consolidated and Parent

	Software \$000
<i>Balance 1 July 2005</i>	85,060
Additions	3,950
Disposals	(229)
<i>Balance 30 June 2006</i>	88,781
Accumulated Amortisation	
<i>Balance 1 July 2005</i>	55,879
Amortisation expense	4,789
Write Back on Disposal	(216)
<i>Balance 30 June 2006</i>	60,452
Written Down Value	
As at 30 June 2006	28,329
As at 1 July 2005	29,181

13 NON-CURRENT ASSETS HELD FOR SALE

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Assets held for sale				
Land and buildings (i)	37,743	36,825	37,743	36,825
Plant and equipment	539	440	539	440
	38,282	37,265	38,282	37,265

(i) The RTA has an annual sales program for the sale of surplus properties. These are placed on the market through the year. No impairment loss was recognised on reclassification of the land as held for sale as at the reporting date.

14 CURRENT LIABILITIES – PAYABLES

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Trade creditors ⁽ⁱ⁾	127,083	104,878	127,083	104,878
Creditors arising from compulsory acquisitions	35,159	46,640	35,159	46,640
Personnel Services	–	–	4,562	–
Accrued expenses				
– Salaries, Wages and Oncosts	4,562	2,963	–	2,963
– Works contract expenditure	149,360	141,665	149,360	141,665
– Work carried out by councils	43,449	48,201	43,449	48,201
– Interest	12,452	12,385	12,452	12,385
– Other (including non works contracts)	91,463	89,212	91,463	89,212
Other	1,788	716	1,788	716
	465,316	446,660	465,316	446,660

(i) The average credit period on purchases of goods is 30 days. The RTA has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

15 CURRENT/NON-CURRENT LIABILITIES – BORROWINGS

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
At Amortised Cost				
Current				
T-Corp Borrowings	145,590	160,338	145,590	160,338
Treasury advances repayable	362	49	362	49
Other	21	199	21	199
	145,973	160,586	145,973	160,586
Non-Current				
T-Corp Borrowings	675,098	658,941	675,098	658,941
Treasury advances repayable	9,276	1,451	9,276	1,451
Other	1,436	1,408	1,436	1,408
	685,810	661,800	685,810	661,800

Repayment of Borrowings are due as follows:

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
T-Corp				
Within 1 year	145,590	160,338	145,590	160,338
Between 1 and 2 years	191,431	191,945	191,431	191,945
Between 2 and 5 years	161,642	162,246	161,642	162,246
After 5 years	322,025	304,750	322,025	304,750
	820,688	819,279	820,688	819,279

The weighted average interest rate on NSW Treasury Corporation (T-Corp) loan portfolio as at 30 June 2006 is 6.55% (30 June 2005; 6.68%).

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Other Loan Borrowings				
Repayable within 1 year	21	199	21	199
Between a and 5 years	719	179	719	179
After 5 years	717	1,229	717	1,229
	1,457	1,607	1,457	1,607

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Treasury Advances				
Repayable within 1 year	362	49	362	49
Between 1 and 5 years	3,960	610	3,960	610
After 5 years	5,316	841	5,316	841
	9,638	1,500	9,638	1,500

Come and Go Facility

The Come and Go Facility valued at \$100 million has current approval to 30 June 2007 for cash management purposes. This year the facility was used regularly to fund shortfalls incurring a total interest charge of \$2.500 million (2004–05; \$0.004 million).

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Financing arrangements				
Unrestricted access was available at the balance sheet date to the <i>Come and Go</i> facility				
Total facility	100,000	100,000	100,000	100,000
Used at balance sheet date	–	–	–	–
Unused at balance sheet date	100,000	100,000	100,000	100,000

16 FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The RTA is exposed to interest rate risk as it borrows at fixed and floating interest rates. The risk is managed by entering into forward interest rate contracts. The RTA's exposure to interest rate risks and the effective interest of financial assets and liabilities at the balance sheet date are as follows:

(a) Interest Rate Risk

Financial Instrument	Floating Interest Rate		Fixed Interest Rate			
	2006	2005	1 Year or Less		Over 1 to 5 years	
			2006	2005	2006	2005
	\$0	\$0	\$0	\$0	\$0	\$0
Financial Assets						
Cash and Cash Equivalents						
Cash	56,211	75,023	–	–	–	–
Treasury Corp Hourglass	62,409	17,747	–	–	–	–
On-call deposits	22,355	23,439	–	54,000	–	–
Loans and Receivables						
Receivables: Sales						
GST						
Other (cost recoveries)						
Unissued debtors						
Accrued Income Property Sales						
Other Accrued Income						
Loan to Sydney Harbour Tunnel						
Promissory Notes (M2 and ED)						
Total – Financial Assets	140,975	116,209	–	54,000	–	–
Financial Liabilities						
Borrowings:						
Treasury Corp	149,893	–	–	160,337	353,073	354,191
Treasury Advance Repayable	9,638	1,500	–	–	–	–
Other	–	–	–	249	362	2,158
Payables						
Trade payables						
Other current payables						
Accrued expenses						
Other payables						
Statutory creditors						
Principal outstanding on bonds issued to private sector						
Sydney Harbour Tunnel Tax Liability						
Holding Accounts						
Contract Security Deposits						
Derivative held for trading						
Total – Financial Liabilities	159,531	1,500	–	160,586	353,435	356,349

More than 5 Years		Non Interest Bearing		Total Carrying Amount as per Balance Sheet		Weighted Average Effective Interest Rate	
2006	2005	2006	2005	2006	2006	2006	2005
\$0	\$0	\$0	\$0	\$0	\$0		
				–	–		
–	–	–	15,055	56,211	90,078		
–	–	–	–	62,409	17,747	5.70%	5.60%
–	–	–	–	22,355	77,439	5.74%	5.66%
				–	–		
		31,149	26,779	31,149	26,779		
		19,422	25,876	19,422	25,876		
		2,048	1,738	2,048	1,738		
		34,411	33,690	34,411	33,690		
		17,417	45,596	17,417	45,596		
		3,036	2,665	3,036	2,665		
		75,160	94,323	75,160	94,323		
		8,641	1,982	8,641	1,982		
–	–	191,284	247,704	332,259	417,913		
317,722	304,751	–	–	820,688	819,279	6.55%	6.68%
–	–	–	–	9,638	1,500		
1,095	700	–	–	1,457	3,107	6.63%	5.76%
		127,083	104,878	127,083	104,878		
		35,159	46,640	35,159	46,640		
		301,286	294,426	301,286	294,426		
		1,794	716	1,794	716		
		20,387	24,850	20,387	24,850		
		344,674	358,680	344,674	358,680		
		25,896	23,542	25,896	23,542		
		51,253	39,218	51,253	39,218		
		–	1,737	–	1,737		
		–	161	–	161		
318,817	305,451	907,532	894,848	1,739,315	1,718,734		

(b) Credit Risk

Credit Risk is the risk of financial loss arising from another party to a contract or financial obligation. The RTA's maximum exposure to credit rate risk is represented by the carrying amounts of the financial assets net of any provisions for doubtful debts included in the Balance Sheet. The repayment of the Sydney Harbour Tunnel Loan ranks behind all creditors to be paid. Redemption of the M2 and Eastern Distributor promissory notes is dependent upon counterparties generating sufficient cash flows to enable the face value to be repaid.

	Banks		Governments		Other		Total	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Financial Assets								
Cash	56,211	75,023	–	–	–	15,055	56,211	90,078
Receivables	–	–	19,422	25,876	88,061	110,468	107,483	136,344
Investments	84,764	94,590	–	–	–	596	84,764	95,186
Total – Financial Assets								
Assets	140,975	169,613	19,422	25,876	88,061	126,119	248,458	321,608

(c) Net Fair Values

The carrying value of debtors, investments, creditors and borrowings approximate net fair value. The future cash flows of the Sydney Harbour Tunnel loan and M2 and Eastern Distributor promissory notes are discounted using standard valuation techniques at the applicable yield having regard to the timing of the cash flows.

(d) Liquidity risk management

The RTA manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(e) Interest rate swap contracts

The borrowings of the RTA are managed by the NSW Treasury Corporation (Tcorp) in accordance with a Memorandum of Understanding. The interest rate risk relating to these borrowings is also managed by Tcorp and accordingly the RTA enters into interest rate swaps. At 30 June 2006 it is obliged to receive interest at variable rates and to pay interest at fixed rates under these swap contracts. The swap contracts are settled on a net basis and the net amount receivable or payable at the reporting date is included in other debtors or creditors.

Swaps currently in place cover approximately 2.14% (2004–05; 2.00%) of the loan principal outstanding. The fixed interest rate is 6.30% (2004–05; 6.30%).

At 30 June 2006, the notional principal amounts, fair value amounts and periods of expiry of the interest rate swap contracts are as follows:

	Notional Principal Amounts				Fair Value			
	Consolidated		Parent		Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Within 1 year	14,500	–	14,500	–	14,500	–	14,500	–
Between 1 and 2 years	–	14,500	–	14,500	–	14,500	–	14,500
	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500

17 CURRENT/NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Employee Benefits and related On-costs				
Current				
Superannuation	20,108	19,464	–	19,464
Annual Leave (i)	43,596	41,836	–	41,836
Long Service Leave (ii)	189,035	183,747	–	183,747
Personnel Services	–	–	252,739	–
	252,739	245,047	252,739	245,047
Non-Current				
Superannuation	197,326	386,224	–	386,224
Workers Compensation (liability under the former Department of Motor Transport self-insured scheme)	542	587	–	587
Personnel Services	–	–	197,868	–
	197,868	386,811	197,868	386,811
Total Provisions	450,607	631,858	450,607	631,858
Aggregate Employee Benefits and related On-costs				
Provisions – current	252,739	245,047	252,739	68,213
Provisions – non-current	197,868	386,811	197,868	563,645
Accrued salaries, wages and on-costs (Note 14)	4,562	2,963	4,562	2,963
	455,169	634,821	455,169	634,821

(i) The value of annual leave expected to be taken within twelve months is \$30.327 million and \$13.269 million after twelve months.

(ii) The value of long service leave expected to be taken within twelve months is \$6.542 million and \$182.493 million after twelve months. The RTA has not disclosed the unconditional long service leave liability separately as the amount was not available as at the date of this report.

Provision for Superannuation – Consolidated

For the first time, superannuation statements include both employer and employee superannuation assets and liabilities as prescribed by AASB 119 *Employee Benefits*.

General description of the plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the schemes are closed to new members.

Actuarial gains and losses are recognised in profit or loss in the year they occur.

The following information has been prepared by the scheme actuary.

Reconciliation of the assets and liabilities recognised in the balance sheet

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Present value of defined benefit obligations	471,698	70,059	750,583	1,292,340
Fair value of plan assets	(370,708)	(34,720)	(669,479)	(1,074,907)
	100,990	35,339	81,104	217,433
Surplus in excess of recovery available from schemes	–	–	–	–
Unrecognised past service cost	–	–	–	–
Net (asset)/liability to be disclosed in balance sheet	100,990	35,339	81,104	217,433

	SASS Financial Year to 30 June 2005 A\$000	SANCS Financial Year to 30 June 2005 A\$000	SSS Financial Year to 30 June 2005 A\$000	Total
Present value of defined benefit obligations	453,865	71,750	803,018	1,328,633
Fair value of plan assets	(290,221)	(53,818)	(578,906)	(922,945)
	163,644	17,932	224,112	405,688
Surplus in excess of recovery available from schemes	–	–	–	–
Unrecognised past service cost	–	–	–	–
Net (asset)/liability to be disclosed in balance sheet	163,644	17,932	224,112	405,688

All fund assets are invested by STC at arm's length through independent fund managers.

Movement in net liability/asset recognised in balance sheet

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Net (asset)/liability at start of year	163,644	17,932	224,112	405,688
Net expense recognised in the income statement	(12,769)	(4,666)	(124,321)	(141,756)
Contributions	(49,885)	22,073	(18,687)	(46,499)
Net (asset)/liability to be disclosed in balance sheet	100,990	35,339	81,104	217,433

	SASS Financial Year to 30 June 2005 A\$000	SANCS Financial Year to 30 June 2005 A\$000	SSS Financial Year to 30 June 2005 A\$000	Total
Net (asset)/liability at start of year	161,881	17,283	194,401	373,565
Net expense recognised in the income statement	38,308	5,736	70,960	115,004
Contributions	(36,545)	(5,087)	(41,249)	(82,881)
Net (asset)/liability to be disclosed in balance sheet	163,644	17,932	224,112	405,688

Total expense recognised in income statement

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Current service cost	12,813	4,059	7,859	24,731
Interest on obligation	26,334	3,552	43,881	73,767
Expected return on plan assets	(21,524)	(4,020)	(43,912)	(69,456)
Net actuarial losses (gains) recognised in year	(30,392)	(8,258)	(132,149)	(170,799)
Change in surplus in excess of recovery available from scheme	–	–	–	–
Past service cost	–	–	–	–
Losses (gains) on curtailments and settlements	–	–	–	–
Total included in 'employee benefits expense'	(12,769)	(4,667)	(124,321)	(141,757)

	SASS Financial Year to 30 June 2005 A\$000	SANCS Financial Year to 30 June 2005 A\$000	SSS Financial Year to 30 June 2005 A\$000	Total
Current service cost	12,485	3,944	7,699	24,128
Interest on obligation	25,263	3,697	42,087	71,047
Expected return on plan assets	(17,499)	(3,426)	(36,185)	(57,110)
Net actuarial losses (gains) recognised in year	18,060	1,521	57,359	76,940
Change in surplus in excess of recovery available from scheme	–	–	–	–
Past service cost	–	–	–	–
Losses (gains) on curtailments and settlements	–	–	–	–
Total included in “employee benefits expense”	38,309	5,736	70,960	115,005

Actual return on plan assets

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Actual return on plan assets	44,630	7,827	90,214	142,671

	SASS Financial Year to 30 June 2005 A\$000	SANCS Financial Year to 30 June 2005 A\$000	SSS Financial Year to 30 June 2005 A\$000	Total
Actual return on plan assets	31,072	6,107	64,128	101,307

Valuation method and principal actuarial assumptions at the reporting date

a) **Valuation Method**

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) **Economic Assumptions**

	30 June 2006	30 June 2005
Discount rate at 30 June	5.9% pa	–
Expected return on plan assets at 30 June	7.6%	7.0%
Expected salary increases	4.0% pa to 2008; 3.5% pa thereafter	4.0%
Expected rate of CPI increase	2.5% pa	2.5%

Arrangements for employer contributions for funding

The following is a summary of the 30 June 2006 financial position of the Fund calculated in accordance with AAS 25 – *Financial Reporting by Superannuation Plans*.

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Accrued benefits	451,422	66,565	635,010	1,152,997
Net market value of Fund assets	(370,708)	(34,720)	(669,479)	(1,074,907)
Net (surplus)/deficit	80,714	31,845	(34,469)	78,090

	SASS Financial Year to 30 June 2005 A\$000	SANCS Financial Year to 30 June 2005 A\$000	SSS Financial Year to 30 June 2005 A\$000	Total
Accrued benefits	413,862	63,087	626,225	1,103,174
Net market value of Fund assets	(290,221)	(53,818)	(578,906)	(922,945)
Net (surplus)/deficit	123,641	9,269	47,319	180,229

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
multiple of member contributions	% member salary	multiple of member contributions
2.80	3.00	4.10

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The economic assumptions adopted for the current actuarial review of the Fund are:

Weighted-Average Assumptions	30 June 2006	30 June-005
Expected rate of return on Fund assets	7.3% pa	7.0% pa
Expected salary increase rate	4.0% pa	4.0% pa
Expected rate of CPI increase	2.5% pa	2.5% pa

Nature of asset/liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

18 CURRENT/NON-CURRENT LIABILITIES – OTHER

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Current				
Statutory Creditors	20,387	24,850	20,387	24,850
Principal Outstanding on Bonds Issued to Private Sector	14,938	14,006	14,938	14,006
Unearned Rent on M4 and M5 Motorways	3,105	3,105	3,105	3,105
Sydney Harbour Tunnel Tax Liabilities	1,678	1,599	1,678	1,599
Income Received in Advance	11,248	6,566	11,248	6,566
Liability to the Consolidated Fund	28,050	–	28,050	–
Holding Accounts	51,254	39,218	51,254	39,218
Deferred Revenue – Reimbursement on Private Sector Provided Infrastructure	10,242	–	10,242	–
	140,902	89,344	140,902	89,344
Non-current				
Principal Outstanding on Bonds Issued to Private Sector	329,736	344,674	329,736	344,674
Unearned Rent on M4 and M5 Motorways	17,376	20,481	17,376	20,481
Sydney Harbour Tunnel Tax Liabilities	24,218	21,943	24,218	21,943
Deferred Revenue – Reimbursement on Private Sector Provided Infrastructure	354,352	369,915	354,352	369,915
	725,682	757,013	725,682	757,013

The liability in respect of the Sydney Harbour Tunnel has been recognised at the Net Present Value (NPV) of the Ensured Revenue Stream Agreement (ERS). This has been calculated at \$344.674 million (2004–05; \$358.680 million), being the principal outstanding as at 30 June 2006 on the bonds issued by the Sydney Harbour Tunnel Company to the private sector.

Since 1993 the RTA has disclosed a possible tax liability as a contingent liability in its annual accounts. This liability crystallised during the 2002–03 tax year. Following negotiations between interested parties including the Australian Taxation Office, a settlement was entered into between the RTA, the State Government, the Sydney Harbour Tunnel Company Limited and Tunnel Holdings Pty Ltd (refer note 12(b)).

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Current				
Sydney Harbour Tunnel Past Tax Liability	1,340	1,260	1,340	1,260
Sydney Harbour Tunnel Future Tax Liability	338	339	338	339
	1,678	1,599	1,678	1,599
Non-current				
Sydney Harbour Tunnel Past Tax Liability	15,874	14,206	15,874	14,206
Sydney Harbour Tunnel Future Tax Liability	8,344	7,737	8,344	7,737
	24,218	21,943	24,218	21,943

Under the M4 lease agreement, \$46.615 million was received from Statewide Roads Pty Ltd (SWR) as rent in advance. In accordance with generally accepted accounting principles, this revenue is brought to account over the period of the lease. This treatment is summarised as follows:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Rent earned in prior years	35,620	33,245	35,620	33,245
Rent earned in current year	2,375	2,375	2,375	2,375
Unearned rent as at 30 June 2006	8,620	10,995	8,620	10,995
	46,615	46,615	46,615	46,615

The land acquisition loan of \$22.000 million, based on the cost of land under the M5 originally purchased by the RTA, was repaid in June 1997 by Interlink Roads Pty Ltd (ILR). The repayment of the loan is considered to be a prepayment of the remaining rental over the period of the concession agreement. In accordance with AASB 117, this revenue is brought to account over the period of the lease.

In consideration for ILR undertaking construction of an interchange at Moorebank (M5 Improvements) on the M5 Motorway, the original concession period (to 14 August 2022) has been extended by 1.11 years to 23 September 2023.

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
The treatment is summarised as follows:				
Rent earned in prior years	9,408	8,678	9,408	8,678
Rent earned in current year	731	731	731	731
Unearned rent as at 30 June 2006	11,861	12,591	11,861	12,591
	22,000	22,000	22,000	22,000

Under the various Private Sector Provided Infrastructure \$369.915 million was received following the letting of the Lane Cove Tunnel, Cross City Tunnel and Western M7 Motorway contracts as reimbursement of development costs. NSW Treasury have mandated the adoption of TPP 06-08 'Accounting for Privately Funded Projects', which requires revenue to be brought to account over the period of the concessions. The treatment is summarised as follows.

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Amortisation of deferred revenue in prior years				
Amortisation of deferred revenue in current year	5,321	595	5,321	595
Unearned reimbursement as at 30 June 2006	364,594	369,320	364,594	369,320
	369,915	369,915	369,915	369,915

19 CHANGES IN EQUITY

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Reserves				
Accumulated Funds	41,650,892	40,899,923	41,650,892	40,899,923
Asset Revaluation Reserve	27,829,667	29,475,173	27,829,667	29,475,173
	69,480,559	70,375,096	69,480,559	70,375,096

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Balance at beginning of the financial year	40,899,924	40,944,029	40,899,924	40,944,029
Decrease in fair value of the PSPI projects – change in accounting policy	–	(115,181)	–	(115,181)
Correction of Errors				
AEIFRS adjustments (see Note 26)		(500,701)		(500,701)
AASB 139 first-time adoption	(22,298)	–	(22,298)	–
Restated balance at the beginning of the financial year	40,877,625	40,328,147	40,877,625	40,328,147
Surplus/Deficit for Year	731,629	506,775	731,629	506,775
Increment/Decrement on				
- Land and Buildings	–	–	–	–
- Authority Infrastructure	–	–	–	–
Transfers from Asset Revaluation Reserve for asset disposals	41,637	65,002	41,637	65,002
Balance at the end of the financial year	41,650,892	40,899,923	41,650,892	40,899,923

The RTA has changed the valuation model used for reporting Private Sector Provided Infrastructure to comply with NSW Treasury Policy Paper 06-8 Accounting for Privately Financed Projects. The financial impact of this change is that the value of the assets were reduced by \$115.181m to \$190.123 as at 1 July 2004 and the emerging interest revenue was reduced by \$15.070m to \$32.027m in 2004–05 (Note 12(b)).

Asset Revaluation				Total Equity			
Consolidated		Parent		Consolidated		Parent	
2006	2005	2006	2005	2006	2005	2006	2005
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
29,475,173	27,264,603	29,475,173	27,264,603	70,375,097	68,208,632	70,375,097	68,208,632
						(115,181)	(115,181)
	(993,182)		(993,182)		(993,182)		(993,182)
	(96,330)		(96,330)		(597,031)		(597,031)
–	–	–	–	(22,298)	–	(22,298)	–
29,475,173	26,175,091	29,475,173	26,175,091	70,352,799	66,503,238	71,345,980	66,503,238
–	–	–	–	731,629	506,775	731,629	506,775
(383,370)	274,503	(383,370)	274,503	(383,370)	274,503	(383,370)	274,503
(1,220,499)	3,090,581	(1,220,499)	3,090,581	(1,220,499)	3,090,581	(1,220,499)	3,090,581
(41,637)	(65,002)	(41,637)	(65,002)	–	–	–	–
27,829,667	29,475,173	27,829,667	29,475,173	69,480,559	70,375,097	69,480,559	70,375,096

20 COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Payable no later than 1 year				
– Value of work to be completed	898,877	1,142,545	898,877	1,142,545
Payable later than 1, but not later than 5 years				
– Value of work to be completed	242,526	525,964	242,526	525,964
Payable later than 5 years	29,174	34,583	29,174	34,583
	1,170,577	1,703,092	1,170,577	1,703,092

(b) Other Expenditure Commitments

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Payable no later than 1 year				
– Value of work to be completed	132,760	322,496	132,760	322,496
Payable later than 1, but not later than 5 years	82,243	82,248	82,243	82,248
Payable later than 5 years	107,774	38,459	107,774	38,459
	322,777	443,203	322,777	443,203

(c) Operating Lease Commitments

Operating Lease Commitments relate to Property, IT Equipment and Light and Heavy Motor Vehicles. Operating lease commitments are not recognised in the financial statements as liabilities. Total Operating Lease Commitments are as follows:

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Not later than 1 year	56,136	70,272	56,136	70,272
Later than 1 year and not later than 5 years	58,872	123,514	58,872	123,514
Later than 5 years	14,582	16,304	14,582	16,304
	129,590	210,090	129,590	210,090

In respect of Property Leases, the RTA has various lessors with leases that have specific lease periods ranging from one year to 20 years. The Property Operating Lease Commitments are as follows:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Not later than 1 year	25,042	25,288	25,042	25,288
Later than 1 year and not later than 5 years	38,414	41,335	38,414	41,335
Later than 5 years	14,582	16,304	14,582	16,304
	78,038	82,927	78,038	82,927

IT Equipment Operating Leases have been negotiated with Dell Computer Pty Ltd, Fujitsu Australia Ltd and Macquarie IT Pty Ltd.

The IT Operating Lease Commitments are as follows:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Not later than 1 year	8,341	12,567	8,341	12,567
Later than 1 year and not later than 5 years	4,382	11,676	4,382	11,676
Later than 5 years	–	–	–	–
	12,723	24,243	12,723	24,243

The Light Motor Vehicle Lease is with State Fleet Services and is financed by Macquarie Bank. The lease is scheduled to cease in September 2008.

The Light Motor Vehicle Operating Lease Commitments are as follows:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Not later than 1 year	18,394	29,392	18,394	29,392
Later than 1 year and not later than 5 years	5,963	63,681	5,963	63,681
Later than 5 years	–	–	–	–
	24,357	93,073	24,357	93,073

The Heavy Motor Vehicle Lease is held and financed with Orix. The lease is scheduled to cease in July 2007.

The Heavy Motor Vehicle Operating Lease Commitments are as follows:

	Consolidated		Parent	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Not later than 1 year	4,359	3,025	4,359	3,025
Later than 1 year and not later than 5 years	10,113	6,822	10,113	6,822
Later than 5 years	–	–	–	–
	14,472	9,847	14,472	9,847

21 CONTINGENT ASSETS

The total commitments detailed above include GST input tax credits of \$147.540 million (2004–05; \$214.217 million) that are expected to be recoverable from the ATO.

22 CONTINGENT LIABILITIES

There are two claims (2004–05; three claims) for damage or injury currently being litigated with an estimated total contingent liability to the RTA of \$1.12 million (2004–05; \$1.38 million). Any claims resulting from incidents which have occurred since 1 July 1989 are not included in the above figures as costs for such claims are now covered by the RTA's Insurance with the Treasury Managed Fund.

There are five significant contractual disputes (2004–05: 8 disputes) with an estimated total contingent liability of \$42.925 million (2004–05: \$38.211 million).

The RTA has certain obligations under contracts with private sector parties with the performance of these obligations guaranteed by the State. The current guarantees outstanding are for the Sydney Harbour Tunnel, the M2 Motorway, The Eastern Distributor, the Cross City Tunnel, the Western Sydney Orbital and the Lane Cove Tunnel. There is no reason to believe that these guarantees are ever to be exercised.

Following a Modification Approval from the Minister for Planning, the RTA made changes to certain traffic arrangements in the Sydney CBD that had been implemented for the Cross City Tunnel project. Some of the changes may entitle Cross City Motorway Pty Ltd to claim compensation from the RTA. No claim has yet been made and the potential quantum is not known.

23 NATIVE TITLE

The Commonwealth's legislation (*Native Title Act*) and the New South Wales statute (*Native Title (New South Wales) Amendment Act*) have financial implications for NSW government agencies generally.

In this regard the RTA has undertaken an assessment of the impact on its financial position. This assessment indicates as at 30 June 2006 there were no Native Title claims, which had been initiated against the RTA.

24 BUDGET REVIEW

(a) Net Cost of Services

The actual net cost of services of \$1,781.500 million was \$142.405 million less than budget. The variance was primarily due to general increases in retained revenue together with primarily decreases in depreciation and employee related expenses.

(b) Assets and Liabilities

Net Assets have increased by \$660.725 million as compared to budget. This is principally due to an increase in the value of the RTA's general infrastructure.

The value of land and buildings held decreased by \$408.341 million as compared to budget. Current assets decreased by \$67.359 million. A decrease in cash and cash equivalents of \$93.460 million was partially offset by the reclassification of some assets held for sale as current.

The change in net assets is also impacted by a decrease in total liabilities of \$100.867 million compared to the budget. This is principally due to decreases in provisions of \$226 million partly offset by an increase in borrowings of \$80 million.

(c) Cash Flows

Net cash flow from operating activities is \$63 million more than the budget. This was mainly due to an increase in receipts of \$90 million.

Net cash outflow in relation to investing activities is \$169 million more than the budget due to primarily purchases of land and buildings, plant and equipment and infrastructure systems being \$195 million more than the budget. This was offset by asset sales being \$9 million more than budget together with advance payments received of \$19 million.

A variance of \$65 million in respect of the opening cash as compared to the budget has occurred due to the fact that the 2005–06 budget was prepared prior to the finalisation of 2004–05 financial statements.

25 RECONCILIATION OF CASH FLOWS FROM NET COST OF SERVICES TO OPERATING ACTIVITIES

	Consolidated		Parent	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Net Cost of Services	(1,781,500)	(1,985,726)	(1,781,500)	(1,985,726)
Depreciation and amortisation	690,225	698,785	690,225	698,785
(Decrease)/Increase in Provisions and Entitlements	(190,228)	(92,704)	(190,228)	(92,704)
Rent Revenue in respect of M4 and M5 Motorways	(3,105)	(3,181)	(3,105)	(3,181)
Amortisation of deferred revenue	(5,321)	–	(5,321)	–
Sydney Harbour Tunnel Loan	(4,782)	–	(4,782)	–
Promissory Notes	(1,615)	–	(1,615)	–
Value of Emerging Interest of Private Sector Provided Infrastructure	(54,012)	(32,038)	(54,012)	(32,038)
ERS payments utilised to redeem current principal portion of bonds issued to Private Sector	(14,938)	(14,295)	(14,938)	(14,295)
Increase/(Decrease) in Payables and Other Liabilities	56,000	(2,476)	56,000	(2,476)
(Increase) in Receivables and Other Assets	28,387	(4,419)	28,387	(4,419)
Gain on Sale of Assets	(17,261)	38,851	(17,261)	38,851
Other (gains)/losses	76,744	53,506	76,744	53,506
Increase in inventory	(206)	(336)	(206)	(336)
Sydney Harbour Tunnel Tax Liabilities	2,354	–	2,354	–
Recurrent and Capital Appropriation	2,513,129	2,492,501	2,513,129	2,492,501
Net Cash used on Operating Activities	1,293,871	1,148,478	1,293,871	1,148,478

Reconciliation of cash flows from the net cost of services as reported in the Operating Statement to the net cash used on Operating Activities.

26 THE FINANCIAL IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AEIFRS)

The RTA has applied the AEIFRS for the first time in the 2005–06 financial report. The key areas where changes in accounting policies have impacted are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS that were not available or not applied under previous AGAAP. The RTA has adopted the options mandated by NSW Treasury for all NSW public sector agencies. The impacts disclosed below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and surplus as reported under previous AGAAP are shown below. There are no material impacts on the RTA's cash flows.

(a) Reconciliation of Key Aggregates

		30 June 2005 ²			1 July 2004 ¹		
		\$000		\$000	Asset		
	Notes	Accumulated	Revaluation	Total Equity	Accumulated	Revaluation	Total Equity
		Funds	Reserve		Funds	Reserve	
Total equity under AGAAP	19	41,536,838	30,564,685	72,101,523	40,944,029	27,264,603	68,208,632
Derecognition of intangible assets	*	(15,000)	–	(15,000)	(15,000)	–	(15,000)
Defined benefit superannuation adjustment for change in discount rate	**	(121,748)	(96,330)	(218,078)	(113,084)	(96,330)	(209,414)
Write back of PSPI upfront payments previously recognised as revenue	***	(369,915)	–	(369,915)	(369,915)	–	(369,915)
Assets held for sale	****	–	–	–	(2,702)	–	(2,702)
Sub-total		(506,663)	(96,330)	(602,993)	(500,701)	(96,330)	(597,031)
Total equity under AEIFRS	19	41,030,175	30,468,355	71,498,530	40,443,328	27,168,273	67,611,601

1 = adjustments as at the date of transition

2 = adjustments as at the date of transition plus the year ended 30 June 2005

Reconciliation of surplus/(deficit) under AGAAP to surplus/(deficit) under AEIFRS

Year ended 30 June 2005	\$000
Surplus under AGAAP	527,807
Defined benefit superannuation	(8,664)
Reversal of assets held for sale - sale costs	2,702
Restatement of emerging interest on PSPI projects	(15,070)
Surplus under AEIFRS	506,775

Based on the above, if AEIFRS were applied in 2004–05, Net Cost of Services would increase from \$1,965 million to \$1,971 million.

* AASB 138 *Intangible Assets* requires all research costs to be expensed and restricts the capitalisation of development costs. Previous AGAAP permitted some research and development costs to be capitalised when certain criteria were met. As a result, some currently recognised intangible assets have been derecognised.

** AASB 119 *Employee Benefits* requires the defined benefit superannuation obligation to be discounted using the government bond rate as at each reporting date, rather than the long-term expected rate of return on plan assets. The RTA's superannuation obligation is not assumed by the Crown; accordingly this has increased the defined benefit superannuation liability and changed the quantum of the superannuation expense.

*** NSW Treasury has mandated the adoption of TPP 06-08 policy 'Accounting for Privately Funded Infrastructure' the principles of which have been endorsed by the Heads of Treasury Advisory and Reporting Committee. TPP 06-08 requires that upfront payments received in respect of a Private Sector Provided Infrastructure (PSPI) project should be recognised over the concession period.

**** AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* requires non-current assets classified as 'held for sale' to be reclassified as current and recognised at the lower of the carrying amount and their fair value less costs to sell.

**(b) Financial Instruments – 1 July 2005
first time adoption impacts**

As discussed in Note 1(c), the comparative information for the 2004–05 for financial instruments has not been restated and is presented in accordance with previous AGAAP (refer Note 1(c)). AASB 132 and AASB 139 have been applied from 1 July 2005.

(c) Grant recognition for not-for-profit entities

As a not-for-profit entity, the RTA has applied the requirements in AASB 1004 *Contributions* regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 *Financial Reporting by Local Governments* and ED 147 *Revenue from Non-Exchange Transactions (Including Taxes and Transfers)*. If the ED 125 and ED 147 approach is applied, revenue and/or expense recognition will not occur until either the RTA supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 and ED 147 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

End of Audited Financial Statements



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

ROADS AND TRAFFIC AUTHORITY DIVISION OF THE GOVERNMENT SERVICE OF NEW SOUTH WALES

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Roads and Traffic Authority Division of the Government Service of New South Wales (the Division)

- presents fairly the Division's financial position as at 30 June 2006 and its performance for the period 17 March 2006 to 30 June 2006, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 41B of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

My opinion should be read in conjunction with the rest of this report.

Scope

The Financial Report and Chief Executive of the Roads and Traffic Authority Division of the Government Service of New South Wales's Responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for the Division, for the period ended 30 June 2006.

The Chief Executive of the Roads and Traffic Authority Division of the Government Service of New South Wales is responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Chief Executive of the Roads and Traffic Authority Division of the Government Service of New South Wales in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



A T Whitfield, FCA
Acting Auditor-General

SYDNEY
21 September 2006

ROADS AND TRAFFIC AUTHORITY DIVISION OF THE
GOVERNMENT SERVICE OF NSW

YEAR ENDED 30 JUNE 2006

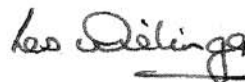
Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983, we declare that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the Division's financial position as at 30 June 2006 and transactions for the year then ended
2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005 and the Treasurer's Directions.

Further we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Brett Skinner
Director, Finance
20 September 2006



Les Wielinga
Chief Executive
20 September 2006

**INCOME STATEMENT
FOR THE PERIOD 17TH MARCH TO 30TH JUNE 2006**

	17 March 2006 to 30 June 2006 \$000
Income	
Personnel Services	121,067
Total Income	121,067
Expenses	
Salaries and Wages (including recreation leave)	135,986
Long Service Leave	10,732
Superannuation – defined benefit plan	(40,781)
Workers Compensation Insurance	3,391
Payroll Tax and Fringe Benefits Tax	9,236
Other	2,503
Total expenses	121,067
Operating Result	–

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 17TH MARCH TO 30TH JUNE 2006**

	17 March 2006 to 30 June 2006 \$000
Total Income and Expenses recognised directly in equity	–
Operating Result	–
Total Income and expense recognised for the year	–

**BALANCE SHEET
AS AT 30TH JUNE 2006**

	30 June 2006	
	Notes	\$000
Assets		
Receivables	2	455,169
Total Assets		455,169
Liabilities		
Current Liabilities		
Payables	3(a)	4,562
Provisions	3(b)	252,739
Total Current Liabilities		257,301
Non-current Liabilities		
Provisions	3(c)	197,868
Total Non-current Liabilities		197,868
Total Liabilities		455,169
Net Assets		–
Equity		
Accumulated Funds		–
Total Equity		–

**CASH FLOW STATEMENT
FOR THE PERIOD 17TH MARCH TO 30TH JUNE 2006**

17 March 2006 to 30 June 2006
Note \$000

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Employee Related —

Total Payments —

Receipts

Sale of Services —

Total Receipts —

**NET CASH FLOWS FROM
OPERATING ACTIVITIES** 4 —

**CASH FLOWS FROM
INVESTING ACTIVITIES** —

**CASH FLOWS FROM
FINANCING ACTIVITIES** —

**NET INCREASE / (DECREASE)
IN CASH** —

Opening Cash and Cash Equivalents —

**CLOSING CASH AND
CASH EQUIVALENTS** —

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS OF THE ROADS AND TRAFFIC AUTHORITY DIVISION OF THE GOVERNMENT SERVICE OF NSW

FOR THE PERIOD 17 MARCH TO 30 JUNE 2006

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The RTA Division of the Government Service of NSW (The Division) is a Division of the Government Service, established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002*. It is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at 260 Elizabeth Street Surry Hills NSW.

The Division's objective is to provide personnel services to the Roads and Traffic Authority of NSW (RTA).

The Division commenced operations on 17 March 2006 when it assumed responsibility for the employees and employee-related liabilities of the RTA. The assumed liabilities were recognised on 17 March 2006 together with an offsetting receivable representing the related funding due from the former employer.

These financial statements have been authorised for issue by the Audit Committee on 15 September 2006.

(b) Basis of Preparation

The Division's financial statements are a general purpose financial report which has been prepared in accordance with:

- Applicable Accounting Standards and (which include Australian equivalents to International Financial Reporting Standards (AIFRS)).
- The requirements of the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2005*.
- Specific directions issued by the Treasurer.

This is the first financial report prepared on the basis of Australian equivalents to International Financial Reporting Standards.

Generally, the historical cost basis of accounting has been adopted and the financial statements do not take into account changing money values or account valuations. However certain provisions are measured at fair value. The accrual basis of accounting has been adopted in the preparation of the financial statements, except for cash flow information.

Management's judgements, key assumptions and estimates are

disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Comparative information

As this is the Division's first financial report, comparative information for the previous period is not provided.

(d) Income

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(e) Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future cash flows from it expire or are transferred.

Receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

(f) Payables

Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(g) Employee benefit provisions and expenses

Provisions are made for liabilities of uncertain amount or uncertain timing of settlement.

Employee benefit provisions represent expected amounts payable in the future in respect of unused entitlements accumulated as at the reporting date. Liabilities associated with, but that are not, employee benefits (such as payroll tax) are recognised separately.

Superannuation and leave liabilities are recognised as expenses and provisions when the obligations arise, which is usually through the rendering of service by employees.

Long-term annual leave (ie that is not expected to be taken within twelve months) is measured at present value using a discount rate equal to the market yield on government bonds.

Superannuation and long service leave provisions are actuarially assessed prior to each reporting date and are measured at the present value of the estimated future payments.

All other employee benefit liabilities (ie for benefits falling due wholly within twelve months after reporting date) are assessed by management and are measured at the undiscounted amount of the estimated future payments.

The amount recognised for superannuation and long service leave provisions is the net total of the present value of the defined benefit obligation at the reporting date, minus the fair value at that date of any plan assets out of which the obligations are to be settled directly.

The amount recognised in the income statement for superannuation and long service leave is the net total of current service cost, interest cost, the expected return on any plan assets, and actuarial gains and losses. Actuarial gains or losses are recognised as income or expense in the year they occur.

The actuarial assessment of superannuation and long service leave provisions uses the Projected Unit Credit Method and reflects estimated future salary increases and the benefits set out in the terms of the plan. The liabilities are discounted using the market yield rate on government bonds of similar maturity to those obligations. Actuarial assumptions are unbiased and mutually compatible and financial assumptions are based on market expectations for the period over which the obligations are to be settled.

(h) Accounting standards issued but not yet effective

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the RTA. The following is a list of these standards:

- AASB 7 – *Financial Instruments: Disclosure* (issued August 2005)
- AASB 119 – *Employee Benefits* (issued December 2004)
- AASB 2004-3 – *Amendments to Australian Accounting Standards* (issued December 2004)
- AASB 2005-1 – *Amendments to Australian Accounting Standards* (issued May 2005)
- AASB 2005-5 – *Amendments to Australian Accounting Standards* (issued June 2005)
- AASB 2005-9 – *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2005-10 – *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2006-1 – *Amendments to Australian Accounting Standards* (issued January 2006)

The initial application of these standards will have no impact on the financial results of the RTA. The Standards are operative for annual reporting periods beginning on or after 1 January 2006.

2 CURRENT ASSETS – RECEIVABLES

	30 June 2006
	\$000
Inter entity receivable – RTA	455,169

3 CURRENT LIABILITIES/NON-CURRENT LIABILITIES

(a) Payables

	30 June 2006
	\$000
Accrued expenses	4,562

(b) Provisions – current

	30 June 2006
	\$000
Superannuation	20,108
Annual Leave (i)	43,596
Long service leave (ii)	189,035
	252,739

(c) Provisions – non-current

	30 June 2006
	\$000
Superannuation	197,326
Workers Compensation (Liabilities under the former Department of Motor Transport self-insured scheme)	542
	197,868

(i) The value of annual leave expected to be taken within twelve months is \$30.327 million and \$13.269 million after twelve months.

(ii) The value of long service leave expected to be taken within twelve months is \$6.542 million and \$182.493 million after twelve months. The RTA Division has not disclosed the unconditional long service leave liability separately as the amount was not available as at the date of this report.

Provision for Superannuation

For the first time, superannuation statements include both employer and employee superannuation assets and liabilities as prescribed by AASB 119 *Employee Benefits*.

General description of the plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS).
- State Superannuation Scheme (SSS).
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

Actuarial gains and losses are recognised in profit or loss in the year they occur.

The following information has been prepared by the scheme actuary.

RECONCILIATION OF THE ASSETS AND LIABILITIES RECOGNISED IN THE BALANCE SHEET

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Present value of defined benefit obligations	471,698	70,059	750,583	1,292,340
Fair value of plan assets	(370,708)	(34,720)	(669,479)	(1,074,907)
	100,990	35,339	81,104	217,433
Surplus in excess of recovery available from schemes	–	–	–	–
Unrecognised past service cost	–	–	–	–
Net (asset)/liability to be disclosed in balance sheet	100,990	35,339	81,104	217,433

All Fund assets are invested by STC at arm's length through independent fund managers.

MOVEMENT IN NET LIABILITY/ASSET RECOGNISED IN BALANCE SHEET

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Net (asset)/liability at start of year	163,644	17,932	224,112	405,688
Net expense recognised in the income statement	(12,769)	(4,666)	(124,321)	(141,756)
Contributions	(49,885)	22,073	(18,687)	(46,499)
Net (asset)/liability to be disclosed in balance sheet	100,990	35,339	81,104	217,433

TOTAL EXPENSE RECOGNISED IN INCOME STATEMENT

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Current service cost	12,813	4,059	7,859	24,731
Interest on obligation	26,334	3,552	43,881	73,767
Expected return on plan assets	(21,524)	(4,020)	(43,912)	(69,456)
Net actuarial losses (gains) recognised in year	(30,392)	(8,258)	(132,149)	(170,799)
Change in surplus in excess of recovery available from scheme	–	–	–	–
Past service cost	–	–	–	–
Losses (gains) on curtailments and settlements	–	–	–	–
Total included in 'employee benefits expense'	(12,769)	(4,667)	(124,321)	(141,756)

ACTUAL RETURN ON PLAN ASSETS

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Actual return on plan assets	44,630	7,827	90,214	142,671

VALUATION METHOD AND PRINCIPAL ACTUARIAL ASSUMPTIONS AT THE REPORTING DATE

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	30 June 2006
Discount rate at 30 June	5.9% pa
Expected return on plan assets at 30 June	7.6%
Expected salary increases	4.0% pa to 2008; 3.5% pa thereafter
Expected rate of CPI increase	2.5% pa

ARRANGEMENTS FOR EMPLOYER CONTRIBUTIONS FOR FUNDING

The following is a summary of the 30 June 2006 financial position of the Fund calculated in accordance with AAS 25 – Financial Reporting by Superannuation Plans.

	SASS Financial Year to 30 June 2006 A\$000	SANCS Financial Year to 30 June 2006 A\$000	SSS Financial Year to 30 June 2006 A\$000	Total
Accrued benefits	451,422	66,565	635,010	1,152,997
Net market value of Fund assets	(370,708)	(34,720)	(669,479)	(1,074,907)
Net (surplus)/deficit	80,714	31,845	(34,469)	78,090

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
multiple of member contributions	% member salary	multiple of member contributions
2.80	3.00	4.10

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The economic assumptions adopted for the current actuarial review of the Fund are:

Weighted-Average Assumptions	2006
Expected rate of return on Fund assets	7.3% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

NATURE OF ASSET/LIABILITY

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

4 RECONCILIATION OF CASH FLOWS FROM OPERATING RESULT TO OPERATING ACTIVITIES

17 March 2006 to 30 June 2006

\$000

Operating Result	–
Increase/(Decrease) In Payables and Other Liabilities	455,168
(Increase)/ Decrease in Receivables and Other Assets	(455,168)
Net Cash used on Operating Activities	–

5 RELATED PARTY TRANSACTION

(a) Relationship between RTA and the Division

As a result of the recent *Public Sector Employment Legislation Amendment Act 2006* (PSELAA), from 17 March 2006 previous employees of the RTA are now employees of the RTA Division of the Government Service of New South Wales (the Division).

The Division is a controlled entity of the RTA and its only function is to provide personnel services in the form of employee related activity to the RTA.

(b) Transactions between RTA and the Division

RTA Division provides personnel services to RTA. Information related to personnel services is as follows

(i) Personnel services provided	\$121.067 million
(ii) Receivable due from the RTA	\$455.168 million

The receivable is unsecured and the consideration to be provided on settlement will be equal to the total payables and provisions of the Division. No provision for doubtful debts relating to the receivable has been raised nor has an expense been recognised during the period in respect of bad or doubtful debts due from the RTA.

END OF AUDITED FINANCIAL STATEMENTS

APPENDICES

ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES APPENDICES FOR THE PERIOD ENDED 30 JUNE 2006

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MAJOR WORKS

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
WESTERN SYDNEY TRANSITWAYS					
North-West T-way Network Stage I	Parramatta Rouse Hill Blacktown-Parklea	2007	524,000	113,636	199,162
SYDNEY MOTORWAY NETWORK					
Cross City Tunnel and Associated Works (private sector funding)*	Sydney	Completed 2005	680,000	8,234*	75,357*
Westlink M7 Motorway (federal and private sector funding)*	Prestons-West Baulkham Hills	Completed 2005	1,500,000	24,745*	325,243*
Lane Cove Tunnel and associated road improvements (private sector funding)*	Lane Cove	2007	1,100,000	16,004*	53,918*
M4 East (planning)	Strathfield Haberfield	NA	NA	1,300	9,481
F3 Freeway to M2 Motorway Link (planning, federal funding)	Wahroonga Carlingford	NA	NA	170	5,620
SYDNEY WEST AND NORTH WEST					
Sunnyholt Road, James Cook Drive to Quakers Hill Parkway, widen to six lanes (state and private sector funding)*	Glenwood	Completed 2005	30,000	6,688*	11,022*
Old Windsor Road, Norwest Boulevard, grade separated intersection	Seven Hills	2006	40,000	17,614	13,424
Windsor Road, Roxborough Park Road to Norwest Boulevard and Acres Road to Old Windsor Road, widen to four lanes	Baulkham Hills Kellyville	2006	120,000	85,325	24,945
Windsor Road, Mile End Road to Boundary Road, widen to four lanes	Rouse Hill	2006	100,000	43,264	21,681
Windsor Road, Boundary Road to Henry Road, widen to four lanes	Vineyard	2006	40,000	17,548	18,738
Windsor Road, South Creek Flood Evacuation Route	Mulgrave	2007	120,000	44,689	9,266

* Note: Expenditure does not include any private sector expenditure

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
SYDNEY SOUTH WEST AND SOUTH					
Cowpasture Road, Main Street to Hoxton Park Road, widen to four lanes	Hoxton Park	2006	39,000	17,716	12,342
Camden Valley Way, Bernera Road to M5 Motorway, widen to four lanes	Prestons	Completed 2005	21,500	8,579	10,227
Camden Valley Way, Cowpasture Road to Bernera Road, widen to four lanes (planning and preconstruction)	Edmondson Park	NA	NA	935	1,889
F5 Hume Highway, south facing ramps at Ingleburn (federal and local government funding)	Ingleburn	2006	13,700	7,376	3,955
F5 Hume Highway Camden Valley Way to Brooks Road. Widen southbound carriageway (federal funding)	Ingleburn	Completed 2005	23,000	12,560	7,331
Narellan Rd, extend from Camden Valley Way to The Northern Road	Harington Park	2007	20,000	3,676	611
Narellan Rd, replace existing roundabouts with signals at two intersections (Waterworth Drive and Mount Annan Drive)	Currans Hill	Completed 2006	14,000	13,964	1,700
The Horsley Drive, Cowpasture Road north, intersection upgrade	Wetherill Park	Completed 2005	5,000	2,313	3,791
Alfords Point Bridge duplication	Alfords Point	2007	25,000	439	1,746
SYDNEY INNER METROPOLITAN AND NORTH					
South Sydney Roads Program, Southern Cross Drive, South facing ramps at Gardeners Road	Eastlakes	NA	NA	365	656
Spit Bridge and approaches, widen by two lanes	Mosman	2009	50,000	1,594	1,438
GREAT WESTERN HIGHWAY					
Woodford to Hazelbrook, Stage I, Winbourne Road to Ferguson Avenue, widen to four lanes	Woodford, Hazelbrook	2008	45,000	12,353	9,019
Lawson Section I, Ferguson Avenue to Honour Avenue, widen to four lanes (planning and preconstruction)	Lawson	NA	NA	2,366	5,569
Lawson Section 2, Honour Avenue to Ridge Street, widen to four lanes (planning)	Lawson	NA	54,000	1,718	6,894

I MAJOR WORKS

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
GREAT WESTERN HIGHWAY continued					
Lawson Section 2, Honour Avenue to Ridge Street, widen to four lanes (planning)	Lawson	NA	54,000	1,718	6,894
Wentworth Falls East, Tableland Road to Station Street, widen to four lanes (planning)	Wentworth Falls	NA	NA	403	787
Leura to Katoomba, Stage 1, Mount Hay Road to East View Avenue, widen to four lanes	Leura, Katoomba	Completed 2006	82,000	20,924	54,946
Leura to Katoomba, Stage 2, East View Avenue to Bowling Green Avenue, widen to four lanes (planning)	Leura, Katoomba	2008	25,000	812	619
PACIFIC HIGHWAY					
F3 to Raymond Terrace (planning)	Hexham	NA	NA	1,252	1,511
Karuah to Bulahdelah Section 1, dual carriageways (state and federal funding)	Bulahdelah	2006	114,000	35,007	45,539
Karuah to Bulahdelah Sections 2 and 3, dual carriageways (state and federal funding)	Bulahdelah	2009	227,000	3,090	8,128
Bulahdelah Bypass, dual carriageways (planning)	Bulahdelah	NA	NA	758	9,081
Bundacree Creek to Possum Brush, dual carriageways (state and federal funding)	Nabiac	2006	115,000	37,758	54,248
Failford Road to Tritton (planning)	Failford	NA	NA	615	374
Cooperook Deviation, dual carriageways including new bridge over Landsdowne River	Cooperook	Completed 2006	69,000	18,150	44,665
Cooperook to Moorland, dual carriageways (planning)	Moorland	NA	NA	2,628	2,785
Moorland to Herons Creek, dual carriageways (planning)	Kew	NA	NA	1,204	6,657
Herons Creek to Stills Road (planning)	Herons Creek	NA	NA	529	412
Oxley Highway to Kempsey (planning)	Port Macquarie	NA	NA	2,309	2,063
Kempsey to Eungai (planning)	Kempsey	NA	NA	2,744	11,001
Macksville to Urunga (planning)	Nambucca	NA	NA	650	3,296
Bonville Bypass, dual carriageways (state and federal funding)	Bonville	2008	245,000	10,349	12,393
Coffs Harbour Bypass (planning, state and federal funding)	Coffs Harbour	NA	NA	2,694	5,693
Coffs Harbour (Sapphire) to Woolgoolga (planning, state and federal funding)	Coffs Harbour, Woolgoolga	NA	NA	5,230	6,216

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
PACIFIC HIGHWAY					
Woolgoolga to Wells Crossing (planning)	Woolgoolga	NA	NA	2,107	1,602
Wells Crossing to Harwood (planning)	Harwood	NA	NA	2,190	2,011
Harwood to Iluka Road (planning)	Harwood	NA	NA	247	266
Iluka Road to Woodburn (planning)	Woodburn	NA	NA	1,388	905
Woodburn to Ballina (planning)	Ballina	NA	NA	4,432	4,273
Ballina Bypass, dual carriageways (planning and pre-construction, state and federal funding)	Ballina	NA	331,000	5,462	15,630
Tintenbar to Ewingsdale (planning)	Bangalow	NA	NA	5,330	2,174
Brunswick Heads to Yelgun, dual carriageways (state and federal funding)	Billinudgel	2007	256,000	100,853	50,352
Banora Point upgrade, including Sexton Hill (planning, state and federal funding)	Tweed Heads	NA	NA	1,857	3,292
Northern Pacific Highway Noise Abatement Program	Various	2007	18,000	6,249	7,265
PRINCES HIGHWAY					
New intersection with Lawrence Hargrave Drive (planning)	Bulli	NA	20,000	680	1,196
Wollongong Northern Distributor extension (pre-construction)	Bellambi	2009	72,000	3,278	12,251
Oak Flats to Dunmore dual carriageways (planning)	Dunmore	2009	130,000	2,877	6,677
North Kiama Bypass, dual carriageways (state and federal funding)	Kiama	Completed 2005	179,000	30,491	153,678
Kiama Ramps (planning)	Kiama	2008	14,000	336	233
Pambula Bridge and approaches (state and federal funding)	Pambula	2008	17,000	622	256
South Nowra to Jervis Bay road safety upgrade (planning, federal funding)	South Nowra	NA	15,000	2,200	NA
HUNTER					
National Highway extension, F3 Freeway to New England Highway west of Branxton (planning, federal funding)	Beresfield	NA	765,000	6,607	27,670
Newcastle Inner Bypass, Shortland to Sandgate (planning)	Sandgate	NA	NA	220	798
Nelson Bay Road, Bobs Farm to Anna Bay dual carriageway, Stage 2	Salt Ash	2007	9,000	1,434	1,892

I MAJOR WORKS

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
HUNTER					
Nelson Bay Road, Tourle Street Bridge replacement (planning)	Mayfield	2007	37,000	750	1,159
Five Islands Road, Booragul to Speers Point duplicate existing road	Teralba	2007	49,000	19,776	19,015
Hunter River 3rd Crossing (planning)	Maitland	NA	NA	1,165	989
New England Highway, Weakley's Drive Interchange (planning, federal funding)	Beresfield	2008	41,000	6,461	1,370
New England Highway, realignment at Halcombe Hill (federal funding)	Aberdeen	2007	17,800	405	830
CENTRAL COAST					
The Entrance Road, Terrigal Drive to Carlton Road, widen to four lanes	Erina	2007	15,000	4,080	2,069
The Entrance Road, Ocean View Drive to Tumbi Road, widen to four lanes (planning)	Wamberal	2008	30,000	2,565	3,268
Pacific Highway, Tuggerah to Wyong Stage I, Anzac Road to Mildon Road, dual carriageway	Wyong	2007	18,000	3,279	4,371
Avoca Drive, Stage I, The Entrance Road to Sun Valley Road, widen to four lanes	Kincumber	2007	9,000	297	368
Pacific Highway, Glen Road to Burns Road, Ourimbah, Stage I, Dog Trap Road	Ourimbah	2007	15,000	748	0
ILLAWARRA AND SOUTH COAST					
Lawrence Hargrave Drive, reconstruction between Clifton and Coalcliff	Clifton, Coalcliff	Completed 2005	49,000	14,022	51,365
MR92, Nowra to Nerriga upgrade (state, federal and local government funding)	Nowra	NA	80,000	3,429	7,233
Queanbeyan Northern Heavy Vehicle Route upgrade (state and federal funding)	Queanbeyan	Complete 2006	6,800	4,683	3,227
NORTH COAST AND NORTHERN NSW					
Oxley Highway, upgrade from Wrights Road to Pacific Highway (planning)	Port Macquarie	NA	NA	1,474	5,805
Summerland Way, second bridge over Clarence River at Grafton (planning)	Grafton	NA	NA	65	996

PROJECT	LOCATION	ANNOUNCED COMPLETION DATE	ESTIMATED TOTAL COST \$000	2005-06 EXPENDITURE \$000	PREVIOUS YEAR'S EXPENDITURE \$000
NORTH COAST AND NORTHERN NSW					
Bruxner Highway, Alstonville Bypass (state and federal funding)	Alstonville	NA	NA	2,060	12,302
New England Highway, Devils Pinch Realignment (federal funding)	Black Mountain	Completed 2006	24,800	8,823	15,002
Newell Highway, Moree Bypass (federal funding)	Moree	2008	56,000	2,777	10,033
Newell Highway, Wallumburrawang Deviation (federal funding)	Coonabarabran	2006	14,500	11,432	1,893
Newell Highway, Bogan to Coobang Realignment (federal funding)	Parkes	2007	17,500	5,470	1,306
SOUTH WESTERN NSW					
Hume Highway, safety improvements at Towrang Road and Carrick Road (planning, federal funding)	Towrang	2007	6,600	275	361
Hume Highway, West Street Interchange, North Gundagai (federal funding)	Gundagai	2006	8,900	4,691	646
Hume Highway, Tarcutta truck parking facility (state and federal funding)	Tarcutta	2006	6,500	669	1,373
Hume Highway, Albury Wodonga Hume Freeway Project (federal funding)	Albury	2007	518,000	143,793	45,931
Olympic Highway, grade separated rail crossing at Gerogery	Gerogery	Completed 2005	18,500	5,682	16,904
Newell Highway, Ardlethan Realignment (federal funding)	Ardlethan	Completed 2005	11,000	7,329	4,179
Murray River, new bridge and approaches at Euston, Robinvale (state and federal funding)	Euston	2006	50,800	18,609	19,536
Murray River, new bridge and approaches at Echuca, Moama (planning, state and federal funding)	Echuca	NA	NA	7	323
WESTERN NSW					
Castlereagh Highway, reconstruction between Lidsdale and Coxs River including widening of bridge over Coxs River	Lidsdale	Completed 2005	22,000	4,375	20,115

2 THREATENED SPECIES RECOVERY PLANS

The RTA is required by legislation to report on Threatened Species Recovery Plans (4) and their progress for the year. As per last financial year two draft Threatened Species Recovery Plans are included.

RTA action to implement measures from the four final and two draft Threatened Species Recovery plan are tabled below:

ACACIA PUBESCENS (DOWNY WATTLE) RECOVERY PLAN

Measures	Action taken to implement measures	Status
Identify existing and potential threats to the <i>A. pubescens</i> population at Beverly Hills/Narwee on the M5 (north of Windarra Street).	RTA representative visited sites, identified threats, mapped the populations and included this on the Roadside Corridor Management Plans.	No work required in 2005.
Develop and implement a threat and habitat management program for the <i>A. pubescens</i> population at Beverly Hills/Narwee on the M5 (north of Windarra Street).	Asset Services to develop a threat and habitat management program to be incorporated into the Maintenance Plan for the F5, with advice from Environmental Services Representative. Asset Services to ensure that the program is implemented.	Interlink Roads have incorporated threat and habitat management of the species into landscaping management plans for the M5 Motorway at a cost of \$1500.
Monitor the <i>A. pubescens</i> population at Beverly Hills/Narwee on the F5 on a regular basis and assess the effectiveness of the threat and habitat management programs.	Environmental Services Representative to conduct at least an annual inspection of the population, including photographic survey. Following each inspection compare records and initiate corrective action if required.	Inspection completed for 2005, estimated cost \$525.
Assess development activities with reference to the recovery plan, the EIA Guidelines for <i>A. pubescens</i> and future advice from NPWS.	Environmental Services incorporated species location into the Roadside Corridor Management Plans. This information is regularly referred to during the EIA stage.	Project Manager of the F5 widening and the M5 were advised of location of <i>A. pubescens</i> . Individuals were not located within the study area for either project.
Prepare or review any relevant environmental policies or management plans with reference to the recovery plans and any future advice from the NPWS.	During next review of the Maintenance EMP for the M5, Asset Services to add references to <i>A. pubescens</i> Recovery Plan with advice from Environmental Services Representative.	Management Plans implemented. Cost for the 2005–06 financial year approximately \$750.
Forward information on all planning decisions which affect populations of <i>A. pubescens</i> , including decisions that protect habitat as well as those that lead to reduction of habitat and/or individuals, to the NPWS.	Environmental Services Representative to advise Project Manager of this requirement. RTA Project Manager to forward the information to NPWS.	No activity has been proposed in 2005–06 that may have an impact on the species.

GREVILLEA CALEYI THREATENED SPECIES RECOVERY PLAN

Measures	Action taken to implement measures	Status
Control of drainage runoff from Ryland Track in Ku-ring-gai Chase National Park.	Investigations undertaken with NPWS in 2001 to determine controls of runoff from the other side of road.	No further action required at this stage.
Sympathetic management of plants on roadways.	Inform maintenance contractor of appropriate maintenance techniques for minimising damage to <i>G. caleyi</i> .	Known locations of <i>G. caleyi</i> are included on the Roadside Corridor Management Plans.

DARWINIA BIFLORA THREATENED SPECIES RECOVERY PLAN

Measures	Action taken to implement measures	Status
Endorsement of the <i>D. biflora</i> Threatened Species Recovery Plan.	Comments on draft recovery plan provided to NPWS.	Recovery Plan approved October 2004.
Public authorities will implement threat and habitat management programs on public lands.	Threat and habitat management plan prepared for population adjacent F3 Freeway at Mt Colah.	Management plan prepared, the population is relatively secure and is not under threat from any RTA activities.
Informed environmental assessment and planning decisions will be made.	EIA guidelines to be used when considering any activity that may impact on the species.	No activity has been proposed in 2005–06 that may have an impact on the species.
NPWS to be advised of any consents or approvals which affect <i>D.biflora</i> .	Advise NPWS when RTA proposals will affect <i>D.biflora</i> .	No activity has been proposed in 2005–06 that will have an impact on the species.

DUFFYS FOREST ENDANGERED ECOLOGICAL COMMUNITY DRAFT RECOVERY PLAN

Measures	Action taken to implement measures	Status
Liaise with NPWS, Warringah Council, Pittwater Council and Ku-ring-gai Council to develop the Duffys Forest Endangered Ecological Community Recovery Plan.	RTA Recovery Team member to share information with other Recovery Team members to develop action plans.	Ongoing RTA in-kind support to the Recovery Team.
Public authorities will implement threat and habitat management programs on public lands.	Identification of threats to populations on RTA controlled lands. Manage threats appropriately.	Areas of Duffys Forest within RTA controlled lands have been identified. Sites to be included on the Roadside Corridor Management Plans.

2 THREATENED SPECIES RECOVERY PLANS

MICROTIS ANGUSII (ANGUS ONION ORCHID) THREATENED SPECIES RECOVERY PLAN

Measures	Action taken to implement measures	Status
Consider the impact of any activities undertaken within areas under control of the RTA that are known to contain <i>M.angusii</i> or are potential habitat.	RTA environment staff to advise Project Manager and assessment staff of this species.	No activity has been proposed in 2005–06 that may have an impact on the species.
Liaise with NPWS, Warringah Council, Pittwater Council and Ku-ring-gai Council to achieve and maintain a permanent record of the location of <i>M.angusii</i> populations and potential habitats.	RTA Recovery Team member to share information with other Recovery Team members and update records accordingly.	Ongoing RTA involvement in Recovery Team.
Ensure that roadworks/maintenance will not cause destruction or degradation to populations of <i>M.angusii</i> .	Environmental Services Representative to advise relevant Project Manager of this requirement prior to any activity that may impact on this species.	No activity has been proposed in 2005–06 that may have an impact on the species.
Ensure that all relevant environmental personnel are familiar with the location of <i>M.angusii</i> .	RTA Environmental Services to establish central database for sensitive sites, including known and potential locations of <i>M. angusii</i> locations. RTA Recovery Team to brief Environmental Services Branch on location of <i>M.angusii</i> populations and potential habitat.	Locations of sensitive sites to be included on the Roadside Corridor Management Plans. Environmental Services Branch staff briefed on location of populations and potential habitat.
Ensure that all site personnel are familiar with the location of <i>M.angusii</i> populations and potential habitat.	RTA Recovery Team member to provide information to maintenance contractors regarding identification of <i>M. angusii</i> , known and potential locations of <i>M.angusii</i> populations and preferred weed control methods.	Maintenance contractors advised of location, potential habitat and preferred weed control in population locations. Approximate cost for 2005–06 financial year \$750.
Ensure that EIA surveys in areas that may impact on <i>M.angusii</i> are conducted between May and October.	Environmental Services Representative to advise relevant Project Manager of this requirement prior to any activity that may impact on this species. Project Manager to advise EIA Consultant of this requirement.	No activity has been proposed in 2005–06 that may have an impact on the species.
Notify NPWS of any new <i>M.angusii</i> populations discovered.	RTA Recovery Team member to notify NPWS when new populations of this species	No new populations have been identified by the RTA.

ISOODON OBESULUS (SOUTHERN BROWN BANDICOOT) DRAFT THREATENED SPECIES RECOVERY PLAN

Measures	Action taken to implement measures	Status
Endorsement of the <i>I. obesulus</i> Threatened Species Recovery Plan.	Formal notification to NPWS.	Pending sign off by Minister for the Environment. Plan was publicly exhibited from 10 January to 4 March 2005.
Liaise with NPWS, Hornsby Council, Warringah Council, Pittwater Council and Ku-ring-gai Council to manage areas with known Southern Brown Bandicoot populations.	RTA Recovery Team member to share information with other Recovery Team members to develop action plans.	Ongoing RTA involvement in Recovery Team.
Ensure that EIA surveys are conducted between May and October.	Environmental Services Representative to advise relevant Project Manager of this requirement prior to any activity that may impact on this species. Project Manager to advise EIA Consultant of this requirement.	No activity has been proposed in 2005–06 that may have an impact on the species.

3 WASTE REDUCTION AND PURCHASING POLICY

BACKGROUND

The NSW Government's Waste Reduction and Purchasing Policy (WRAPP) was instigated in 1997 to minimise the waste generated across all government sectors and help increase the market for materials containing recycled content. The RTA's WRAPP plan was submitted to the NSW Department of Environment and Conservation (DEC) in 1998 to document the steps that the RTA was taking to implement the WRAPP.

The RTA has a statutory requirement under the *Waste Avoidance and Resource Recovery Act 2001* to report on WRAPP implementation within the RTA annual report. The *RTA Annual Report 2006* is the fifth such report with this mandatory requirement and covers the 2005–06 financial year.

CONSTRUCTION AND MAINTENANCE

Avoidance

The RTA has implemented a number of initiatives to avoid the production of waste from construction and maintenance activities. Avoidance initiatives are outlined within standard RTA specifications, identified within the Environmental Impact Assessment process or may have become standard practices for some contractors. Examples of avoidance initiatives include:

■ A Quality approach

Contractors are required to implement a quality system approach for implementing RTA contracts. This maximises the likelihood of project works being performed as required, thus minimising waste associated with rework or failure of works before the end of design life. RTA specifications are commonly used by others within the road industry, such as local councils, providing additional waste avoidance benefits across NSW.

■ Balancing of earthworks

During the initial and detailed design processes for a project, all attempts are made to balance the amount of material required for road fills with the amount of spoil generated from cutting activities. This reduces the need for importing additional fill or exporting spoil from a project.

■ Pavement stabilisation

Stabilisation is the addition of binders to a road pavement material, enhancing the material's ability to perform its function. It can provide considerable economic and environmental benefits when used in pavement construction and rehabilitation. Stabilising existing materials preserves natural resources and reduces the transportation of materials to and from sites. Stabilisation also utilises industrial by-products such as ground granulated blast furnace slag and fly ash from coal-fired power stations.

3 WASTE REDUCTION AND PURCHASING POLICY

REUSE AND RECYCLING

Initiatives to reuse excess materials from construction and maintenance activities include:

■ North Kiama Bypass

The 7.6 kilometre North Kiama Bypass construction project demonstrated significant reuse of excess site materials and wastes from local industry. The design of the bypass included a major cutting through high quality basalt. Whilst the material could have been crushed and used in the works, the quantity was far in excess of the project's needs and the inefficiency of mobile crushers meant that on-site use of the materials was not feasible. Approximately one million tonnes of high quality basalt was excavated from the project and exported for higher value local reuses including the reconstruction of the Lake Illawarra entrance, construction of the Shell Cove marina, manufacture of rail ballast and reuse at nearby quarries.

The project imported approximately 750,000 tonnes of recycled materials from local industry. Approximately 455,000 tonnes of waste quarry fines were imported from local quarries for use within the project's select material zone, reinforced soil walls and embankment fill. These quarry fines, a by-product of the crushing process, had a very limited market and were effectively a quarry industry waste product. This quarry waste did not require stabilisation, saving approximately 2,000 tonnes of lime.

The project imported significant quantities of blast furnace slag, a by-product of the Port Kembla steel making process. Approximately 70,000 tonnes of slag aggregate was used within the asphalt pavement surface, providing greater skid resistance than asphalt utilising the most common natural aggregate (basalt). 170,000 tonnes of crushed slag was also used in the pavement layers below the asphalt surface.

■ Reuse of spoil – Lane Cove Tunnel

Thiess John Holland, the company constructing the tunnel and associated works, provided the following information regarding the project's spoil management:

- In total, the project works during the reporting period (July 2005 to June 2006) produced 991,723 tonnes of Virgin Excavated Natural Material (VENM). 977,408 tonnes (98.56 per cent) were transported to and reused at a number of facilities (including spoil storage sites and construction sites). 14,316 tonnes (1.44 per cent) of VENM were reused within project worksites as part of construction works. Therefore the project's key performance indicator (KPI) of 100 per cent reuse of VENM has been achieved during this reporting period.
- In total 280,215 tonnes of inert waste were produced during the reporting period. 278,278 tonnes (99.31 per cent) were reused outside of the project and transported to and reused at a number of facilities (including spoil storage sites, construction sites, collieries and quarries). 1,937 tonnes (0.69 per cent) of inert waste were reused within the project at various worksites. Therefore the project's KPI of > 80 per cent reuse of spoil other than VENM has been achieved during this reporting period.
- There were no volumes of spoil that required disposal to landfill during the reporting period.

■ Reuse of Reclaimed Asphalt Pavement (RAP) wastes

Considerable amounts of RAP wastes are produced during maintenance works on asphalt road surfaces. An estimated 233,107 tonnes of RAP were generated during maintenance works by, or on behalf of, the RTA during 2005–06. Approximately 224,548 tonnes of this material was reused/recycled. Maintenance contractors are contractually bound to take ownership of RAP wastes and must develop waste management plans that minimise waste where permitted. RAP has multiple potential reuses including within new asphalt mixes, in blended road products as natural aggregate replacements and as fill and road shoulders.

ESTIMATES OF THE MAJOR WASTE MATERIALS PRODUCED AND REUSED/RECYCLED

(Data is not available for all construction and maintenance projects)

Material	Estimated quantity of waste produced(tonnes)	Estimated quantity recycled or reused (tonnes)	Comments
Vegetation waste	31,412	17,641	Includes: <ul style="list-style-type: none"> ■ 28,931 tonnes from maintenance projects (52% reused). ■ 2,481 tonnes of construction project vegetation wastes were mulched. No information was available for the total amount of vegetation cleared for construction projects.
Concrete	24,252	4,799	No information was available for construction projects.
Fill/ VENM	3,443,047	3,332,192	Includes all excavated materials – information not available on VENM component of excavation. These figures estimate the total amount of materials excavated within projects. Road designers endeavour to balance earth works so that there is no spoil (excess of excavated material) or import (material that needs to be brought to the site). The quantity of material that is excavated on a road project is designed to be as close as possible to the quantity that is required to be placed on the project, including landscaping quantities and utilising any unsuitable material where possible. Materials extracted from cuts located and sized to meet specific fill requirements within a project are considered by the RTA to be materials excavated for use (not 'reuse') within projects. However these materials have been identified in this table as 'waste produced' and 'waste reused' for reporting purposes.
Asphalt	238,016	229,276	Nearly all reported asphalt wastes were from maintenance activities.

CONSTRUCTION AND MAINTENANCE SPECIFICATIONS

RTA construction and maintenance specifications promote waste minimisation and the purchase of materials with recycled content, as follows:

- G34 specification for maintenance works – requires contractors to propose materials and products with recycled content where cost and performance competitive and environmentally preferable to the non-recycled alternative.
- G35 and G36 for construction works – requires contractors to propose recycled-content materials where cost and performance competitive and at least the environmental equivalent of the non-recycled alternative. The cost competitiveness of a product or material must be assessed on a project lifecycle basis, considering issues such as impacts on construction practices and future maintenance and disposal requirements.

RTA specifications with specific allowances for the use of recycled materials, or greater material recyclability at end-of-life, include:

- RTA R116 specification allows up to 15 per cent RAP within asphalt. RTA issued a Technical Direction in August 2005 to allow for an increase from 15 per cent to 20 per cent in the proportion of RAP within asphalt other than surface layers. Further increases beyond this will be considered when performance implications of the current amendment are demonstrated.

- RTA 305 I/3052 specification allows for the use of recycled materials within base and sub-base of pavements.
- RTA 3071 specification allows for recycled content within selected formation material.
- RTA 3252 specification allows use of scrap rubber within certain modified binder classes.
- RTA M525 allows for the use of slag (a by-product of the iron making process), crushed concrete, crushed bricks and crushed reclaimed asphalt pavement within road shoulders.
- RTA R178 allows stockpiling and reuse of soil from site and the use of cellulose fibre mulch, which must be produced from *pinus radiata* plantation timber or from recycled paper.
- Various concrete specifications allow for the use of fly ash, slag and silica fume within concrete mixes.
- RTA R50 allows for the use of slag/lime blends for stabilisation of earthworks.
- RTA R73 for heavily bound pavement course permits the use of recycled materials as aggregates and binders at depths of around 170 to 300 mm within pavements.

3 WASTE REDUCTION AND PURCHASING POLICY

- RTA R75 allows mechanical incorporation of existing pavement with binding agents (by-products of the steel and electricity industries).
- RTA G38 and G39 allows for the use of recovered water for road projects.
- RTA R63 permits the use of recycled materials in the manufacture of geotextiles.
- RTA R141 allows for the use of recycled glass reflective beads for road linemarking.
- RTA M317 and M318 require reuse of onsite materials for landscaping, with any shortfall made up by waste woodchips.
- RTA specification 2380 Timber for Bridges has been revised to minimise the use of treated timbers.

For further information on these and other RTA specifications, please visit www.rta.nsw.gov.au/doingbusinesswithus/specifications/

Research and development

RTA research and development projects for 2005–06 included:

- Scrap rubber asphalt

The RTA and DEC commenced a joint project in 2003 to develop a Code of Practice and specification for the manufacture and handling of asphalt containing finely ground scrap rubber and to promulgate its commercial application. Once finalised, the Code of Practice and specification are expected to provide an industry-wide standard that would enable uptake of this

valuable and technically proven technology. It is particularly suitable for use in overlaying fatigued/cracked pavements, and can also be used as a durable crack resistant asphalt surface on new construction works. RTA field trials and studies have demonstrated that scrap rubber asphalt not only extends road life and enables thinner pavements but may also reduce road traffic tyre noise.

- Manufactured sands

Traditional sources of natural sands continue to diminish so there is increasing need to consider alternative materials such as industrial by-products and recycled materials. This project's objective is to revise specification acceptance criteria and associated test procedures for natural and manufactured sands for asphalt and concrete mixes. During 2005–06 extensive laboratory trials continued on a range of concrete mixes to assess the acceptability of selected test methods. In 2006–07 testing will expand to include testing of manufactured sands that are used in asphalt applications.
- Recycled crushed glass within concrete

This joint project with DEC commenced in 2005 to assess the performance of recycled crushed glass fines as partial cement and sand replacements within concretes used for road pavement construction and related civil works. Laboratory trials have demonstrated that crushed glass may be used as a partial sand replacement at rates of up to 300 kg per cubic metre of road pavement concrete without a significant reduction in the concrete's technical performance. Laboratory trials of glass as a partial cement replacement are in progress. The project may establish a significant high-value, high volume market for glass fine wastes that are currently landfilled (estimated up to 100,000 tonnes per year in the greater Sydney region).

ESTIMATED PURCHASING OF MATERIALS

The following table provides estimated quantities of materials purchased for construction and maintenance (data is not available for all construction and maintenance projects).

Material	Estimated quantity purchased/ used (tonnes)	Estimated total total quantity purchased/ used with recycled content (tonnes)	Comments
Landscaping materials	4,506	3,322	Includes 4,421 tonnes from maintenance projects (67% was reported as recycled content). It has been assumed that straw mulch and hydromulch contain 100% recycled content.
Concrete	112,393	Not available	Excludes concrete pipes. More than 90% of the concrete used within pavements contains fly ash, averaging 3.4% of the total concrete mass.
Fill/VENM	719,560	Not available	Information was not available on the recycled content of imported fill and VENM materials.
Asphalt	695,120	353,560	Assumed density of asphalt is 1.65 tonnes per m ³ .

OFFICES

Avoidance

■ Internet and intranet sites

The RTA has well established and popular internet and intranet sites. Receiving more than 11 million visits in 2005–06, the RTA website provides the public with access to RTA publications in an electronic format, reducing paper use and travel to attend motor registries. Online services include renewal of vehicle registration, ordering of customised number plates, booking licence tests, changing address details, checking demerit points and an interactive practice test of road rules. Numerous information sources such as annual reports, educational materials, safety brochures and environmental impact statements are also available on the website. The following table highlights some of the most popular RTA publication downloads. If customers choose not to print the downloaded documents, there is the potential to avoid tonnes of paper usage.

Most popular RTA publication downloads (January – June 2006)

- Driver Knowledge Test Questions – Class C (Car) Licence
- Road User Handbook – English
- Hazard Perception Handbook
- Driver Qualification Handbook (screen version)
- Driver Qualification Handbook (print version)
- Heavy Vehicle Drivers' Handbook

The RTA's intranet site is a key tool for internal RTA communications with document search, corporate news, phone directories and other information available online, reducing the need for paper documents.

Reuse and recycling

■ Toner recycling

The RTA collected and sold 763 toners for remanufacture during 2005–06. An additional 2,137 kg of printing materials such as toners, bottles, drums and ribbons were collected from around the state and sent for recycling.

■ RTA computer use

1,160 personal computers and 1,371 monitors were returned to the lessor company. Twenty-two owned personal computers and seven monitors were sent to auction. No other disposal methods were used during 2005–06.

PURCHASE OF RECYCLED CONTENT MATERIALS

The majority of the RTA's office products were ordered through a single supply contract during the year. This allowed easy compilation of the majority of office consumable purchases for this report. However, consumables purchased directly from other equipment suppliers – such as toners ordered directly from printer suppliers – have not been included within the table below.

Office Consumable	Total quantity purchased	Total quantity purchased with recycled content	Total quantity percentage with recycled content	Comments
Printing and publications paper	621 tonnes	39 tonnes	6.3%	Figures were available for the seven months commencing December 2005 (when new supply contracts commenced). These figures were pro-rated to estimate 12 month totals.
A4 paper	86,319 reams	10,676 reams	12.4%	Note that the recycled content of A4 paper is expected to significantly increase in 2006–07 because a new supply contract for multifunction printer/copier/fax devices will use 60% recycled content paper.
A3 paper	2,288 reams	0	0%	
Coloured or tinted paper	1,311 items	0	0%	Coloured paper is not available with recycled content.
Diaries	4,176 items	0	0%	No diaries available with recycled content
A4 pads and notebooks	13,559 items	1,077	8%	
Toner cartridges	9,534 cartridges	108	1.1%	This includes fax, inkjet cartridges and printer ribbons.
Post-it Notes	2,150 packets of 12	17 packets of 12	0.8%	
Envelopes	18,322 boxes of 500	820 boxes of 500	4.5%	Some figures were available for the seven months commencing December 2005 (when new supply contracts commenced). These figures were pro-rated to estimate 12 month totals.

3 WASTE REDUCTION AND PURCHASING POLICY

The RTA has recently entered into a contract for the supply of multifunctional devices that provide an integrated photocopy, printer and fax. A key requirement of this contract is the supply of consumables associated with these devices, such as paper and toners. It is a contractual requirement for the supplier to use Australian made recycled paper with 60 per cent recycled content, dramatically increasing the RTA's use of recycled content paper. Imported yellow paper with recycled content will be used for faxes. Specialty paper (which may not have recycled content) may be used in certain circumstances such as colour printing.

All other office products, including an 'environmentally friendly' range, are available on the current centralised office consumables contract. Where these products have a comparable use and costing they have been hard-substituted.

CONCLUSION

The RTA is progressing its efforts to:

- Increase purchases of recycled content construction/maintenance and office products, where economically and technically viable.
- Undertake research and development and guideline development to improve the ability of the RTA and others to maximise reuse of materials in construction/maintenance activities.
- Improve the management of excess office and construction/maintenance materials.

The RTA will report annually to the public on our success in promoting the efficient use, reuse and recycling of resources and the minimisation of waste.

4 COMMITTEES AND SIGNIFICANT ADVISORY GROUPS

RTA staff are members of various committees and advisory groups. A list of significant committees and advisory groups can be found below.

The **Value for money** chapter details information on Austroads and the Australian Transport Council.

The Road Freight Advisory Council (previously reported) did not meet during 2005–06.

ROADS AND TRAFFIC ADVISORY COUNCIL (RTAC)

Established under the *Transport Administration Act 1988*, the RTAC advises the RTA and the Minister for Roads on:

- The promotion of traffic safety.
- Improvements in the movement of traffic.
- Improvements in the movement of freight.
- Requirements of vehicle drivers.
- Requirements for roads and vehicles.
- Promotion of industrial development, primary production and tourism in relation to roads and traffic.
- Protection of the environment in relation to roads and traffic.
- Roads and traffic legislation.
- Any other matter relating to roads and traffic that the council considers appropriate.

Membership of the RTAC is by appointment by the Minister for Roads and comprises representatives from various organisations. As at 30 December 2005, the council comprised:

- Councillor Allan Smith (Chair) representing the Local Government Association of NSW and Shires Association of NSW.
- Mr David Anderson representing the NSW road freight industry.
- Mr Peter Steele representing the NRMA Limited.
- Mr Warrick Irvine representing the Labor Council of New South Wales.
- Emeritus Professor Ron Huckstep representing the medical profession.

Ex-officio members:

- Chief Executive of the Roads and Traffic Authority.
- Director-General of the Department of Planning.
- Director-General of the Ministry of Transport.
- Commissioner of New South Wales Police Service.

Note. These appointments expired on 31 December 2005.

ROAD SAFETY TASK FORCE

The Road Safety Task Force was established by the Minister for Roads in January 2001 following an increase in fatalities in 2000, and especially a sharp increase in the Christmas/New Year period that year. It was convened to bring individual views, experience, knowledge and skills from a group of road safety experts, and to make recommendations for improving the effectiveness of road safety interventions and initiatives to reduce the road toll over time.

Members:

- Mr Mike Hannon, Roads and Traffic Authority (Chair).
- Mr Peter Steele, NRMA Motoring and Services.
- Mr David Bowen, Motor Accidents Authority.
- Mr Les Tree, Ministry for Police.
- Chief Superintendent John Hartley, NSW Police.
- Professor Danny Cass, Children's Hospital Westmead.
- Dr Jane Elkington, Health consultant.
- Dr Julie Hatfield, University of New South Wales.
- Mr Brad Welsh, Youth Advisory Council (from February 2005).

GOVERNMENT AGENCIES ROAD SAFETY COUNCIL (GARS)

GARS was established to:

- Coordinate government road safety initiatives consistent with the goals outlined in the Road Safety 2010 strategy.
- Keep abreast of road safety developments in partner agencies that may have an impact on member organisations.
- Monitor and evaluate against road safety goals and targets.
- Examine the analysis of up-to-date trends of road deaths and injuries and crash-related problems and discuss the potential for joint countermeasures.

As at 30 June 2006, the Council comprised:

- Mr Mike Hannon, Roads and Traffic Authority (Chair).
- Mr John Feneley, Attorney General's Department.
- Chief Superintendent John Hartley, NSW Police Service.
- Ms Pam Albany, NSW Health.
- Ms Caroline Boden, Independent Transport Safety and Reliability Regulator.
- Mr David Bowen, Motor Accidents Authority.
- Mr Rob Randall, Department of Education and Training.
- Mr Garry Payne, Department of Local Government.
- Mr Michael Bushby, Roads and Traffic Authority.
- Dr Soames Job, Roads and Traffic Authority.

- Mr Luke Grant, Department of Corrective Services.
- Ms Jenny Thomas, NSW WorkCover.
- Ms Gillian Calvert, NSW Commission for Children and Young People.
- Mr Steve Merritt, NSW Department of Aboriginal Affairs.
- Mr Ken Browne, NSW Department of Gaming and Racing.

NSW BICYCLE ADVISORY COUNCIL (NSW BAC)

The Bicycle Advisory Council was established to advise the Minister for Roads, through the RTA Chief Executive, on all matters concerning bicycle use, cyclist safety and bicycle facilities.

The NSW BAC was originally composed of officio members with the exception of the Chair:

- Chairman (independent member; also representing local government).
- Bicycle NSW.
- Newcastle Cycleways Movement.
- NSW Police.
- A senior officer of the RTA.
- A senior officer of the Department of Transport.

The chair of the BAC is appointed by the Minister for Roads with the right of direct access to the Minister as well as to the Chief Executive of the RTA. The current Chairman is Cr Patricia Gould (Albury City Council) who also represents the Local Government and Shires Association.

LOCAL GOVERNMENT LIAISON COMMITTEE

The RTA Local Government Liaison Committee's role is to enhance communication and promote cooperation between the RTA and local government on road and traffic issues of mutual interest.

During 2005–06 the Committee discussed a broad range of issues including funding assistance for Regional Roads, AusLink, the Roads to Recovery Program, clustering and a road classification review. The Committee also received regular updates on the progress of the Single Invitation Contract arrangements and benchmarking of road maintenance.

Membership comprises:

- Mr Mike Hannon, Acting RTA Chief Executive (chair).
- Mr Brian Watters, Acting Director, Road Network Infrastructure.
- Dr Soames Job, General Manager, Road Safety Strategy Branch representing Director, Road Safety, Licensing and Vehicle Management.
- Mr Phil Margison, Acting Director, Traffic and Transport.
- Mr David Stuart-Watt, Director, Operations and Services.
- Councillor Genia McCaffery, Local Government Association of NSW President.
- Councillor Col Sullivan OAM, Shires Association of NSW President.

4 COMMITTEES AND SIGNIFICANT ADVISORY GROUPS

- Councillor Barry Johnston OAM, Chairperson of the Associations' Roads and Transport Committee.
- Bill Gillooly AM, Executive Director of the Local Government Association of NSW and the Shires Association of NSW.

STATE ROAD AUTHORITIES PROJECT MANAGEMENT EXECUTIVE

The executive's purpose is to provide mutual support to State Road Authorities (SRAs) to ensure the cost effective delivery of projects to the community. This executive has a membership of senior executives of all SRAs including New Zealand and the Australian Capital Territory.

AUSTRALIAN ROAD FORUM

The Australian Road Forum (ARF) is a national peak body for Australia's roads. It is the Australian affiliate of the International Road Federation and provides a forum for information exchange, policy development and advocacy for stakeholders within the Australian Road Sector. Membership includes SRAs such as the RTA and Qld Main Roads. Private industry groups such as Boral, Shell and Transurban are also represented.

TRANSPORT CERTIFICATION AUSTRALIA LIMITED

Transport Certification Australia Limited (TCA) is a public company whose purpose is to support the development and implementation of the Intelligent Access Program (IAP) and ensure that IAP service providers are certified and audited.

TCA has a membership that comprises Australian state and territory road transport and traffic authorities and the federal Department of Transport and Regional Services. It is governed by a board of directors who are responsible for setting the strategic direction, supporting strategies and operating performance objectives of the TCA. The RTA's Michael Bushby, Director, Road Safety, Licensing and Vehicle Management, is the TCA board member for NSW.

ARRB GROUP LTD

The ARRB Group Ltd. was created to serve the Australian national research, technical information and technology development needs of its members.

Organisations that provide membership for ARRB Group Ltd are:

- Roads and Traffic Authority of New South Wales.
- VicRoads (the Roads Corporation of Victoria).
- Department of Infrastructure, Energy and Resources, Tasmania.
- Transport South Australia.
- Department of Main Roads, Queensland.
- Main Roads, Western Australia.
- Commonwealth Department of Transport and Regional Services.
- Department of Infrastructure, Planning and Environment, Northern Territory.
- Department of Urban Services, Australian Capital Territory.
- Australian Local Government Association.
- Transit New Zealand.

5 SENIOR EXECUTIVE PERFORMANCE STATEMENTS

RTA SENIOR EXECUTIVE SERVICE PROFILE OF POSITIONS

SES Level	2002-03	2003-04	2004-05	2005-06
CEO under S.11A#	1	1	1	1
Level 6	2	2	5	6
Level 5	4	4	2	2
Level 4	7	8	10	10
Level 3	14	15	14	14
Level 2	16	14	12	12
Level 1	0	0	0	0
Other	0	0	0	0
Total	44	44	44	45*

Note: The number of SES positions occupied by women in the current year was five, of which one left in December 2005.

#CEO position is listed under S.11A of the *Statutory and Other Officers Remuneration Act 1975*.

* One of these is a short term position for a fixed period only.

Name:	Mike Hannon
Position:	Acting Chief Executive
Level:	8
Period in position:	October 2005 – June 2006
Total remuneration package:	\$335,201

Mr Hannon assumed the acting role of Chief Executive on 28 October 2005 and acted in this position until 30 June 2006. During the period Mr Hannon continued to focus on delivering a safe, sustainable and efficient road transport system. He directed a range of significant policy and infrastructure activities in support of the NSW Government priorities and led improvements to the RTA's internal business operations.

Mr Hannon oversaw the enhancement of the strategic partnership with the Australian Government that has resulted in the signing of a Memorandum of Understanding between the Australian and NSW Governments for the \$800 million duplication of the southern section of the Hume Highway and a package of works totalling \$160 million on the Pacific Highway. He also led the implementation of the AusLink Development and Maintenance Program on major routes throughout the State.

Mr Hannon led the RTA's involvement with other transport and planning agencies such as the Ministry of Transport, the Department of Planning and the Department of Environment and Conservation to ensure that a whole

of government focus was placed on providing infrastructure as part of a sustainable land use system, particularly in the north western and south western growth areas of Sydney.

Mr Hannon ensured the delivery of a range of major infrastructure projects such as the Westlink M7 project, the Taree to Cooperook section and Cooperook Bypass sections of the Pacific Highway and the North Kiama Bypass on the Princes Highway. He also oversaw the completion and opening of the Sea Cliff Bridge on Lawrence Hargrave Drive.

Under Mr Hannon's leadership the \$798 million Infrastructure Maintenance Program delivered resurfacing, patching, and rehabilitation of road pavements; as well as rest area, slope stability and drainage improvements and bridge works.

Mr Hannon continued the RTA's traffic management initiatives with the enhancement of incident response and network management systems to provide consistent travel times for motorists, particularly in peak times. He managed the rapid expansion in the use of electronic toll tags that improve traffic flow and reduce travel times at toll plazas. As at June 2006 357,000 RTA electronic toll tags were in use.

Mr Hannon facilitated implementation of the first of 43 strategic bus corridors between Miranda and Hurstville and Bankstown and Liverpool. He also oversaw continuing construction of the North-West T-way.

Mr Hannon supervised the delivery of enhanced facilities for bicycles and pedestrians. The opening of the Westlink M7 project included 38 overpasses and underpasses to maintain local access for pedestrians, cyclists and motorists and almost 40 kilometre of off-road pedestrian and cycle path. Construction commenced on pedestrian bridges at Canterbury Road, Canterbury and King Georges Road, Wiley Park.

Mr Hannon led the delivery of a range of road safety programs. The combination of engineering, enforcement and education programs have resulted in a 2005 calendar year road toll of 508 and fatality crash rate of 7.5 per 100,000 population.

Mr Hannon has overseen the implementation of Australian-first technology that will allow the speed limit on the F3 Freeway between the Hawkesbury River and Mount White to be automatically varied depending on the weather. This section of road has a history of wet weather crashes.

The sponsorship of the NSW cricket team, the SpeedBlitz Blues continued. This sponsorship is aimed at raising awareness of the dangers of speeding, particularly among young males – who remain the most at-risk group on the roads. The SpeedBlitz Blues On the Road program has visited more than 12,500 students at more than 60 high schools across NSW since it began in 2003. This program complements a range of behavioural marketing campaigns focussing on driver fatigue, speeding and drink driving. 2006 saw the launch of the Paranoia commercial that taps into the fear and guilt that drink drivers experience and explores their anxiety, restlessness and fear of getting caught.

Improvements in child road safety were overseen by Mr Hannon with the

5 SENIOR EXECUTIVE PERFORMANCE STATEMENTS

development of a package of safety enhancements for school zones. Additional road safety initiatives included review of fines and demerit points to improve the current scheme, and opening of a new RTA Crashlab facility at Huntingwood to provide world-class vehicle and safety equipment research and testing services.

Mr Hannon also drove improvements in the delivery of customer service to RTA clients. In particular the enhancements to the RTA website as a key public communication and business channel has seen significant, sustained growth in online transactions. In 2005–06 the RTA conducted about 17 million licensing and registration transactions.

Mr Hannon actively led the reform of the RTA's structure and business process. He oversaw changes to make RTA's structure more integrated and efficient, including amalgamation of technical services functions, introduction of an internal alliance arrangement for maintenance works and establishment of a new Camera Enforcement Branch. He led a suite of improvements to the planning and implementation of major infrastructure projects and oversaw the streamlining and simplifying of financial and administrative operating processes.

Mr Hannon was the NSW representative attending meetings of the Standing Committee of Transport and the Austroads Council. Mr Hannon facilitated the hosting of the Australian Transport Council meeting held in Sydney in June 2006. He was a member of the Chief Executives Committee and was actively involved in the Chief Executive Network meetings.

Name:	Paul Forward
Position:	Chief Executive
Level:	8
Period in position:	1 July 2005 – 27 October 2005
Total remuneration:	\$372,350

Mr Forward served as Chief Executive from 1 July until he stepped aside from his position on 27 October 2005.

Under Mr Forward's leadership, the RTA continued to focus on delivering a safe, sustainable and efficient road transport system. Mr Forward directed a range of significant policy and infrastructure activities in support of the NSW Government priorities and led various improvements to the RTA's internal business operations.

Mr Forward led the continued development of key routes, including the Pacific Highway, Great Western Highway, Princes Highway and Windsor Road. He oversaw the continued construction of the Sea Cliff Bridge near Wollongong under innovative alliance contracting arrangements. Mr Forward also facilitated a competitively selected alliance model on Windsor Road to mitigate the potential risks to delivery that exist under a conventional contract.

Under Mr Forward's leadership work continued on major public-private partnership projects. Construction was completed on the Cross City Tunnel and continued on the Westlink M7 and the Lane Cove Tunnel. Mr Forward

also represented the RTA at the Parliamentary Inquiry into the Cross City Tunnel.

Mr Forward further developed the strategic partnership with the Australian Government and oversaw the development of the AusLink agreement which was signed on 29 September 2005.

Mr Forward oversaw the efficient management of daily traffic incidents and special events, utilising advanced technology such as the Sydney Coordinated Adaptive Traffic System (SCATS) to improve travel time reliability for NSW commuters. Traffic management initiatives and network development activity have ensured that travel times across Sydney have remained consistent despite annual increases in traffic volumes. Mr Forward ensured coordinated involvement with other transport agencies in implementing priority routes for buses with the greatest potential for growth in patronage.

Mr Forward led various initiatives to improve road safety. In particular the implementation of two key initiatives from the Young Driver Discussion paper that will enhance the safety of young drivers – limiting disqualified provisional drivers to carrying one passenger for a twelve month period from the reissue of a licence, and restricting provisional drivers from driving certain vehicles. These include eight-cylinder and turbo-charged petrol vehicles.

Mr Forward oversaw the successful development of the new compliance and enforcement provisions for heavy vehicles. Key to these reforms was the implementation of provisions that will hold all parties in the transport chain accountable for compliance of heavy vehicles and their drivers. Mr Forward also oversaw the development of legislation to apply sanctions to heavy vehicle operators who allow their vehicles to travel at excess speed due to faulty or non-functioning speed limiters.

Mr Forward led the RTA's participation in the development and implementation of the Intelligent Access Program. This Program will improve compliance and reduce the risk to road infrastructure and road safety of specific vehicle combinations. Mr Forward served as the inaugural chairman of the National Intelligent Access Program certifying body Transport Certification Australia.

Under his direction development continued on a new RTA Crashlab, which will provide state of the art testing facilities for investigations into motor vehicle safety.

Mr Forward oversaw the continuing business reform activities and led the drive for greater internal efficiencies by introducing significant changes to streamline processes and reduce duplication and waste.

Mr Forward actively led the RTA's drive to deliver best practice internal and external communications. He oversaw further development of the RTA's website which has become the most visited State government website in Australia.

As the NSW representative, Mr Forward attended meetings of the Standing Committee and National Transport Agency Chief Executive Committee. He was the Chairman of Austroads, a member of the Chief Executives Committee and was actively involved in the Chief Executive Network meetings.

Name: Mike Hannon
Position: Director,
 Road Network Infrastructure
Level: 6
Period in position: 1 July – 27 October 2005
Total remuneration package: \$257,000

Mr Hannon occupied his substantive role for the first four months of the reporting period following which he acted as Chief Executive of the RTA. During this period Mr Hannon continued to focus on the RTA's strategic direction and government priorities, overall management of the Road Network Infrastructure (RNI) programs, and the implementation of appropriate links between programs within RNI and with other directorates.

He further developed and maintained strategic partnerships with the Australian Government, contractors, consultants and industry associations. Specifically he coordinated successful negotiations with the federal Department of Transport and Regional Services on the AusLink bilateral agreement which was signed on 29 September 2005. He managed the impacts of AusLink on RNI's programs. Mr Hannon oversaw management of key road planning strategies to develop sustainable land use and transport solutions in consultation with the Department of Planning, Department of Environment and Conservation and transport agencies.

Mr Hannon also led and managed the directorate's involvement in major projects such as T-ways, major works on the Pacific, Princes and the Great Western Highways and on the Windsor Road project. Strategic projects completed during his tenure included Castlereagh Highway, Lidsdale to Coffs River (October 2005). Other strategic projects that he led close to completion during this period included:

- Sunnyholt Road, James Cook Drive to Quakers Hill Parkway (completed December 2005).
- Camden Valley Way, Bernera Road to M5 Motorway (completed December 2005).
- F5 Hume Highway, Camden Valley Way to Brooks Road, southbound carriageway (completed December 2005).
- Lawrence Hargrave Drive, reconstruction between Clifton and Coalcliff (completed December 2005).
- Princes Highway, North Kiama Bypass (completed December 2005).
- Olympic Highway, Gerogery rail overpass (completed December 2005).

His continuing management of the \$798 million Infrastructure Maintenance Program ensured road infrastructure is maintained to meet community needs. Major ongoing initiatives under Mr Hannon's leadership include the directorate's involvement in delivering the Asset Renewal Program, the Rebuilding Country Roads Program, and the NSW Government Road Maintenance Reform Package. The completion of the new Sea Cliff Bridge by the Lawrence Hargrave Drive Alliance was a major achievement under this program. Damage restoration resulting from recent natural disasters was also completed at a cost of over \$40 million.

Mr Hannon chaired the Maintenance Contracting Reference Committee,

comprising representatives from the Local Government Shires Association, Institute of Public Works Engineers Australia, Municipal Employees Union and the RTA, managing implementation of Single Invitation Contracts for the maintenance of State Roads.

He led and managed the development of the RTA's urban design policy. Further initiatives to promote this policy in 2005–06 included developing RTA urban design frameworks for the Great Western Highway and Windsor Road, Camden Valley Way and Richmond Road.

Under Mr Hannon's leadership, initiatives in 2005–06 included implementing the Lawrence Hargrave Drive Alliance to develop a solution to the reopening of Lawrence Hargrave Drive; the Windsor Road Upgrade, a competitively selected alliance; and progressing tenders and contracts for significant projects being delivered by the DCM model.

Mr Hannon also resolved a number of contract disputes escalated to him in his role as principal.

Name: Brian Watters
Position: Acting Director,
 Road Network Infrastructure
Level: 6
Period in position: 28 October 2005 – 30 June 2006
Total remuneration package: \$237,801

Mr Watters assumed the acting role of Director, Road Network Development four months into the reporting period. He continued a focus on the RTA's strategic direction and government priorities, overall management of the Road Network Infrastructure (RNI) programs and implementation of appropriate links between programs within RNI and other directorates.

He maintained strategic partnerships with the Australian Government, contractors, consultants and industry associations. Mr Watters managed implementation of the AusLink development and maintenance programs. In addition he negotiated a Memorandum of Understanding between both governments for the \$800 million duplication of the southern Hume Highway, and a \$160 million acceleration of the Pacific Highway upgrade.

Mr Watters also led and managed the directorate's involvement in major projects such as transitways, major works on the Pacific, Princes and the Great Western Highways and on the Windsor Road program. Strategic projects completed under Mr Watters' leadership include:

- Sunnyholt Road, James Cook Drive to Quakers Hill Parkway (December 2005).
- Camden Valley Way, Bernera Road to M5 Motorway (December 2005).
- F5 Hume Highway, Camden Valley Way to Brooks Road, southbound carriageway (December 2005).
- Narellan Road, replacing roundabouts with signals at Wentworth Drive and at Mount Annan Drive (February 2006, April 2006).
- Pacific Highway, Coopernook deviation (March 2006).
- Lawrence Hargrave Drive, reconstruction between Clifton and Coalcliff (December 2005).

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- Princes Highway, North Kiama Bypass (December 2005).
- Queanbeyan Northern Heavy Vehicle Route (April 2006).
- Olympic Highway, Gerogery rail overpass (December 2005).
- New England Highway, Devils Pinch realignment (April 2006).
- Newell Highway, Ardlathan realignment (February 2006).

He continued to lead the management of the \$798 million Infrastructure Maintenance Program to ensure the road infrastructure is maintained to meet community needs. Major initiatives that continued under Mr Watters' leadership include RNI's involvement in the delivery of the Asset Renewal Program, the Rebuilding Country Roads Program and the NSW Government Road Maintenance Reform Package. The completion of the new Sea Cliff Bridge by the Lawrence Hargrave Drive Alliance was a major achievement under this program. Restoration of damage resulting from recent natural disasters was also completed at a cost of over \$40 million.

He continued to lead and manage the development of the RTA's urban design policy. Initiatives to promote this policy in 2005–06 included developing the RTA Noise Wall Design Guidelines and continuing the development of RTA urban design frameworks for the Great Western Highway and Windsor Road, Camden Valley Way and Richmond Road. The RTA's urban design policy was applied on all road and motorway projects, with the recently completed Westlink M7, North Kiama Bypass and the Sea Cliff Bridge (Lawrence Hargrave Drive) demonstrating how engineering, urban design and environmental criteria can be successfully integrated.

Under Mr Watters' leadership improvements to project management were accomplished by:

- Development and enhancement of systems, procedures and policies for the delivery of road projects.
- Enhancement of the skills of project managers.
- Providing specialised advice and support in the areas of estimating and road construction.
- The review of estimates for major projects.

Mr Watters led the RTA's contributions to whole of government planning initiatives such as the Metropolitan Strategy and the State Infrastructure Strategy.

Name:	Michael Bushby
Position:	Director, Road Safety, Licensing and Vehicle Management
Level:	6
Period in Position:	2005–06
Total Remuneration Package:	\$252,551

Several significant road safety initiatives have been implemented under Mr Bushby's direction. These include the introduction of compliance and enforcement legislation to improve road transport safety responsibility

through the *Road Transport (General) Act 2005*. The improvements enforce load restraint, mass and dimension requirements for heavy vehicles, as well as fatigue and driving hours obligations. Other initiatives included a trial of reduced speed limits in wet weather; evaluations of the in-car digital speed cameras and flashing lights in school zones and reviews of speed limits and 40 km/h school zones.

Improvements in child road safety were overseen by Mr Bushby with the development of a strategic plan for school zones and flashing lights. In addition school crossing supervisors became permanent employees of the RTA. Additional road safety initiatives included the release of a young driver discussion paper that led to new laws to improve the safety of younger drivers, a review of fines and demerit points to improve the current scheme and opening of a new RTA Crashlab facility at Huntingwood to provide world-class vehicle and safety equipment research and testing services.

In 2005–06, Mr Bushby continued to lead a range of State funded crash related, mass action improvements across NSW, including blackspot treatments. This program continued to implement improvements to road safety that yield high economic returns and provide a road network that is designed, built, and maintained to stringent safety standards.

The enhanced enforcement program continued to operate successfully under Mr Bushby's management. NSW Police were given support to extend the hours of visible police enforcement activity to deter drivers and other road users from unsafe behaviour.

Mr Bushby played a significant role in improving the safety of road freight transport in NSW. The *Road Transport Legislation (Speed Limiters) Amendment Act 2005* was proclaimed on 24 November 2005. This Act places sanctions on operators who allow their heavy vehicles to travel at excess speed due to faulty or nonfunctioning speed limiters. An amendment to the *Road Transport (General) Regulation 2005* was also completed. It allows for penalty notices to be issued for breached of mass requirements on bridges and roads.

Improved efficiencies in road freight in NSW developed under Mr Bushby's leadership including the introduction of the Intelligent Access Program. This program is an agreed expansion of the Higher Mass Limits network between the Australian and NSW Governments as part of the AusLink funding agreement. Other heavy vehicle initiatives included a \$2.78 million replacement of heavy vehicle testing equipment at 14 Heavy Vehicle Inspection Stations across NSW and a new electronic interface for transferring traffic infringement notices to the Infringement Processing Bureau.

Customer service enhancements under Mr Bushby's supervision included extending several online services to 24 hours a day, seven days a week the successful rollout of online self service kiosks at seven motor registries and international information security standard accreditation for the Newcastle Call Centre. There was also a successful pilot of 'Dealer Online' in a rollout to 50 Authorised New Vehicle Inspection Scheme motor dealers, enabling the processing of certain registry transactions online and a 52 per cent expansion of the online agency network for local councils.

Mr Bushby oversaw the introduction of the NSW Photo Card as a form of

identification for those without a NSW driver licence, changes to eyesight testing for all C and R licence holders and the establishment of a specialist proof of identity group to help discourage identity fraud. In addition the Centrelink online validation system, introduced into motor registries and council agencies, ensures customers receive appropriate benefits, and has resulted in significant savings.

Other strategic initiatives under Mr Bushby's leadership in the areas of vehicle emissions and number plates included completion of the Diesel Retrofit Demonstration project for older heavy vehicles and Clean Fleet pilot program to reduce vehicle emissions. A new range of metallic number plates were released in August 2005.

In 2005–06, Mr Bushby chaired the Workforce Capability Committee and participated on:

- Technology and Innovation Committee.
- Government Agencies Road Safety Council.
- Road Safety Task Force.
- Transport Certification Australia Ltd Board as Director.

Mr Bushby is also the Program Manager for the Austroads Registration and Licensing Task Force and a Director of Transport Certification Australia Ltd.

Name	Brett Skinner
Position:	Director, Finance
Level:	6
Period in Position:	2005–06
Total Remuneration Package:	\$285,925

Under Mr Skinner's leadership, investment planning and results for the RTA continued as a key business focus. Initiatives included refinement and implementation of the Investment Decision Framework as an integrated assessment tool to support allocation of the 2006–07 program budget. This will enable funding allocation decisions to be linked with the Road Network Management Plan, Capital Investment Plans, and other mandatory funding requirements.

The Strategic Risk Framework advanced significantly during the period. Strategic risks reported in the Results and Services Plan were updated to reflect the outcomes of workshops to identify key risks held across the RTA. Management of strategic risks has also been integrated in the RTA's business planning process for 2006–07. The Corporate Risk Register and Risk Profile are being developed and will be integrated into the RTA governance structure by the end of 2006.

RTA corporate governance was further supported through implementation of the strategic Audit Plan. The charter for the Audit and Risk Committee was reviewed during the year to strengthen and align the focus of the Audit Plan on strategic risk.

A major business reform initiative to review and simplify RTA internal financial processes commenced in 2005–06. Since 1 July, 2005 a number of significant changes have been introduced to streamline workflows and improve the way business is done within the RTA. These have included

fewer purchase and sales orders, a simpler internal billing process, a single timesheet process, consolidation of cost centre charging and reporting. The Finance Simplification project will significantly reduce administration for a broad range of internal processes.

Unqualified accounts for 30 June 2005 were signed by the NSW Auditor-General. In addition, all Treasury and other target dates and deadlines have been met for the International Accounting Standard Harmonisation and the RTA is positioned for a seamless transition.

Mr Skinner was involved in providing financial advice on private sector infrastructure proposals during the period. These included a number of refinancing proposals and financial advice was also provided on a range of issues relating to the Cross City Tunnel and Lane Cove Tunnel. Advice was also provided on refining and developing a number of current commercial initiatives including e-tolling, special number plates and outdoor advertising.

Under Mr Skinner's direction, Finance generated gross revenue of \$52.9 million from sale of surplus property and leasing of residue property. Outdoor advertising revenue showed a pleasing result and progress was made to identify further advertising opportunities with potential for significant revenue returns for the RTA.

In addition to participating on a broad range of RTA working groups for major business projects, Mr Skinner contributed to the executive leadership of the RTA through his involvement on a number of Executive Steering Committees, including:

- Finance Strategy Committee.
- Audit and Risk Committee.
- Business Services Advisory Committee.
- Procurement Steering Committee.

Mr Skinner is also a member of the Audit Committee for the Attorney-General's Department and represents the RTA on the Senior Officers' Group of the Government Asset Management Committee.

Name:	Les Wielinga
Position:	Director, Motorways
Level:	6
Period in the Position:	2005–06
Total Remuneration Package:	\$286,925

The Motorways Directorate is responsible for the delivery of motorways infrastructure, administration of operational tollways and the management of road tunnel design, safety and air quality issues.

Mr Wielinga provided leadership in providing high quality motorway related management services including:

- Preparation of route strategies.
- Management of motorways.
- Development, construction, operation and maintenance.
- Project management and contract administration.

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Mr Wielinga continued to oversee the major motorway construction program. In Sydney this includes the Westlink M7, and Lane Cove Tunnel as well as traffic changes in response to community concerns following the opening of the Cross City Tunnel.

The NSW motorways development program includes the following major projects completed as part of the Pacific Highway upgrade.

- Cooperook Bypass – 4.2 kilometre dual carriageway bypass of Cooperook.
- Taree to Cooperook – 7.5 kilometre dual carriageway upgrade from the northern end of the Taree Bypass to the southern end of the Cooperook Bypass.

Development works for the Pacific Highway upgrade progressed with tenders awarded for the Bonville Upgrade and the tender assessment process continuing for Karuah to Bulahdelah Sections 2 and 3. Preconstruction work for the Ballina Bypass was also developed further. Substantial construction work is underway for Brunswick Heads to Yelgun and Bundacree Creek to Possum Brush and Karuah to Bulahdelah Section 1.

Mr Wielinga also oversaw coordination between motorways including electronic tolling interoperability and other customer services as well as managing the RTA's association with tollway concessionaires.

Mr Wielinga led the development of policy and advice on tunnel ventilation, tunnel air quality and tunnel safety. He is a member of the World Road Association's Technical Committee on Road Tunnel Operations.

Mr Wielinga developed relationships with key stakeholders including other government agencies, public utility authorities, contractors and suppliers, landowners and community groups.

Mr Wielinga also provided high level strategic advice on motorway strategies, programs, projects and funding.

As a member of the RTA Executive Mr Wielinga contributed to the overall direction of the RTA through input to planning and policy development processes, continuous improvement and change management.

Name: Chris Ford
Position: Director, Traffic and Transport
Level: 5
Period: 2005–06
Total Remuneration Package: \$237,800

Mr Ford has made a major contribution to fulfilling the RTA's role in managing traffic and transport to achieve significant outcomes this financial year.

Mr Ford has focused on improving network management to provide consistent travel times for motorists, particularly in peak hours. Incident response and information systems to motorists have been enhanced through the Transport Management Centre to assist in more efficient response to planned events and unplanned incidents.

Intersection treatments and operational changes to major roads also assisted

traffic flow. The Sydney Coordinated Adaptive Traffic System (SCATS) which coordinates traffic signal timings now includes active priority for buses. Another major enhancement to SCATS was delivered in August 2005 with an improved interface, which will enable further new applications. A measure of the success of SCATS is the continued growth of its use in Australia and 84 cities throughout the world.

The NSW Government's Review of Bus Services identified 43 strategic bus corridors in Sydney. Mr Ford has led the implementation of works to provide priority for buses on these corridors, commencing with Miranda-Hurstville, Bankstown-Liverpool and Parramatta-Sydney CBD. To ensure maximum effectiveness from bus lanes, Mr Ford has led the implementation of new enforcement cameras specifically for use with bus lanes, and other initiatives to improve motorists' compliance with the rules governing the use of bus lanes.

In 2005–06, achievements led by Mr Ford included improvement in the network of off-road and on-road cycleways to connect people and destinations. Support also continued for bicycle promotions such as the Big Ride, Portfolio Partners Sydney Spring Cycle, MS Sydney to the Gong ride, Walk to Work Day and Walk Safely to School Day. Mr Ford directed programs to identify and improve facilities for pedestrian mobility and safety. Pedestrian bridges were constructed at Canterbury Road, Canterbury and King Georges Rd, Wiley Park. Construction is also underway at Hume Highway, Yagoona and planning is well advanced for a site at Princes Highway, Blakehurst.

Mr Ford was instrumental in achieving rapid expansion in electronic toll tag use, in particular the flexible tags issued for one motorway that can be used on all motorways in eastern Australia. By June 2006, 357,000 RTA electronic toll tags were in use. The take-up of the technology is being used to improve traffic flow through the toll plazas on the Sydney Harbour Bridge and Tunnel.

Mr Ford continued to help define the functional requirements of major works such as the Westlink M7, Cross City Tunnel and Lane Cove Tunnel and to specify traffic arrangements and provision for public transport, bicycles and pedestrians, during and after construction.

Mr Ford has led programs to maintain efficient and cost effective management of traffic facilities. Energy efficient LED (Light Emitting Diode) traffic signal lamps have been introduced and bulk replacement of existing high voltage lamps has commenced.

Name: David Stuart-Watt
Position: Director, Operations and Services
Level: 5
Period in Position: 2005–06
Total Remuneration Package: \$248,951

Mr Stuart-Watt's major focus for this period has been managing the efficient delivery of client programs and projects including direct delivery of works by the RTA's Road and Fleet Services and the integration of the new Operations and Services Directorate. Under Mr Stuart-Watt's leadership, the core programs of road development, road maintenance, road safety and

traffic management, amounting to \$1.4 billion, were delivered to meet community needs across the State.

Significant accomplishments for Mr Stuart-Watt include:

- Completion of the Lawrence Hargrave Drive project.
- North Kiama Bypass between Dunmore and Bombo opened to traffic.
- Commencement of construction on the Albury-Wodonga Freeway project.
- Commencement of work on the Hume Highway at Kyemba Curves.
- Completion of work at Five Mates Crossing on the Olympic Highway at Gerogery.
- Deviation on the Pacific Highway at Cooperook opened to traffic.
- Commissioned the first stage of the Parramatta Transport Interchange.
- Operations commenced on the Patrick Street tunnel and bus station.
- Completion of the Lidsdale deviation on the Castlereagh Highway.
- Completion of the Devil's Pinch deviation on the New England Highway.

The directorate also successfully delivered road works and fleet management services to the value of \$588 million with a record surplus. Road and Fleet Services won a total of \$44 million from external clients, \$11 million up on 2004–05. This external work has improved resource use and productivity, with benefits for internal and external clients. Road Services strengthened existing and developed new relationships with other government agencies.

Mr Stuart-Watt has led significant improvements in process enhancements and managed the integration of programs at the local level. Vehicle Regulations operations have been successfully integrated within Operations and Services Directorate. Excellent progress has been achieved through the alliance contracting process covering the delivery of road development, road maintenance, road safety and traffic management works, resulting in enhanced teamwork and improved planning and scoping of work.

The directorate provided increased opportunities for secondments and rotations. 2005–06 also witnessed a strong emphasis on OHS issues resulting in an excellent performance improvement. Lost time injury reduction targets were exceeded in Road and Fleet Services. Mr Stuart-Watt is also overseeing a major transformation to the RTA's technical resources.

The directorate continued to deliver road safety programs that contribute to reduced fatalities and injuries, including the AusLink Blackspot program and the formation of alliances and partnerships with Police Local Area Commands to coordinate police enforcement with road safety campaigns. The Princes Highway Safety Scheme continued and the integration of road safety into construction projects was facilitated through road safety audits, crash investigations and road safety design advice. The Pacific Highway safety proposals were completed on schedule.

Mr Stuart-Watt has led the development of strong relationships and effective communications with government planning, regulatory agencies, utilities and incident management partners regarding regional programs and projects. He has chaired the State Road Authorities Project Management Executive, represented the RTA as a Director of the Australian Road Forum and appointed a Director of the ARRB Group Ltd. Mr Stuart-Watt also chaired the RTA's Technology and Innovation Steering Committee and represented the RTA on the NSW Counter Terrorism Coordination Group.

Name	Mr Paul Willoughby
Position	Director, Communications and Corporate Relations
Level	6
Period in position	2005–06
Total remuneration	\$294,300

Mr Willoughby occupied his substantive role from 1 July 2005 to 9 April 2006.

During his time at the RTA, Mr Willoughby led the agency's public communication activities and its relationships with key stakeholder groups. His work spanned all of the RTA's responsibilities, including road maintenance and construction, road safety, traffic management, driver licensing and vehicle registration. Mr Willoughby continued to lead RTA initiatives to make roads-related information more publicly accessible and the RTA more responsive to community comments. These improvements occurred at the same time as ongoing efficiencies and savings were delivered in relation to RTA advertising and other public communication.

With the opening of Sydney's first two motorways with full electronic tolling, Mr Willoughby led the implementation of public awareness campaigns to advise motorists, including those in regional areas of NSW. This included liaison with the owners of the Cross City Tunnel, Westlink M7 and Lane Cove Tunnel over public communication in relation to full electronic tolling.

Mr Willoughby's directorate also continued to play a significant role in growing public participation in RTA infrastructure projects, including on the Pacific Highway, Windsor and Old Windsor Roads, the Lawrence Hargrave Drive project and the opening of the new Sea Cliff Bridge.

Mr Willoughby provided leadership in the growing use of the RTA's website as a key public communication and business channel, with nine consecutive months of increases in online vehicle registrations. The RTA's website is now firmly entrenched as the most visited State government website in Australia.

Mr Willoughby led the development and implementation of a range of road safety public education campaigns, including in relation to random breath testing and the introduction of compliance and enforcement legislation to improve safety in the road transport industry.

Mr Willoughby led RTA activities in relation to freedom of information, privacy, Ministerial correspondence and media enquiries. He was the RTA's main media spokesperson.

As a member of the RTA Executive, Mr Willoughby contributed to the overall direction of the agency through input to planning and policy development processes, continuous improvement and change management.

6 INDUSTRIAL RELATIONS

IMPACT OF WORKCHOICES

The NSW Parliament passed the *Public Sector Employment Legislation Amendment Act 2006* in March to insulate the public sector from the impact of WorkChoices. All RTA staff are now employed in the RTA division of the Government Service of NSW, set under the *Public Sector Employment and Management Act 2002*. These changes do not affect the working conditions of staff who are now covered by the NSW Industrial Relations System, including engineers who were earlier employed under a federally registered Enterprise Agreement.

AWARDS/ENTERPRISE AGREEMENTS

Consent Awards or Enterprise Agreements now cover all staff salaries, wages and conditions to 30 June 2008. The Salaried Staff, Wages Staff and School Crossing Supervisor Awards were varied to give effect to the secure employment test case, handed down by the NSW Industrial Relations Commission (NSW IRC). Awards were varied for salaried, wages, school crossing supervisor, toll plaza officers, and traffic signals staff to give effect to the NSW IRC's family provisions test case.

COMMUNICATION AND CONSULTATION

The Peak Consultative Committee continues to be the point of consultation with associations covering salaried staff and the RTA's business reform program. The agreed consultative process to discuss crucial industrial issues with all unions/associations continues. Forums and committees are convened periodically to address specific issues. A single bargaining unit continues to be the main negotiation and consultation forum for wages staff.

MOVEMENTS IN SALARIES, WAGES AND ALLOWANCES

Salaried and wages staff received a four per cent increase in salaries from the first full pay after 1 July 2005 in accordance with the public sector Memorandum of Understanding effective until 2008.

INDUSTRIAL RELATIONS POLICIES AND PRACTICES

A survey of all motor registry and call centre staff was undertaken to ascertain staff views on rostering and conditions of employment. The Road Safety, Licensing and Vehicle Management Directorate has set up project teams to address issues arising from the survey.

INDUSTRIAL RELATIONS COMMISSION

The RTA was involved in 15 disputes lodged with the IRC. Eleven were settled by conciliation, three were discontinued, whilst the remaining one was set down for arbitration. Three unfair dismissal applications were lodged. One was settled by conciliation and the remaining two are yet to conclude.

LOST TIME DUE TO INDUSTRIAL ACTION

The equivalent to 203 days were lost to industrial action mainly due to a protest against the Australian Government's Industrial Relations reforms.

GREAT APPEALS – PROMOTIONAL

Six promotional appeals were lodged with the Government and Related Employees Appeal Tribunal (GREAT). Three appeals were withdrawn, one was disallowed, there was no jurisdiction to hear one appeal, and one is yet to be heard.

DISCIPLINARY

No disciplinary appeals were heard before GREAT.

TOTAL EFFECTIVE FULL-TIME EMPLOYEES BY CATEGORY FISCAL YEARS 2003 TO 2006

Year	Salaried staff	Wages Staff	Casual Staff	Total Staff
2002–03	4,797	1,629	92	6,518
2003–04	5,225	1,636	46	6,907*
2004–05	5,228	1,615	26	6,869
2005–06	5,150	1,750	22	6,922#

* From 2003–04 the effective full-time (EFT) count includes additional time worked by part-time motor registry staff.

School Crossing Supervisors became part of the RTA workforce effective October 2005.

7 EQUAL EMPLOYMENT OPPORTUNITY

Responsibilities for diversity and EEO outcomes are included in the performance agreements of directors and general managers and within the Diversity and Equity Plan. Detail about staff development initiatives are in the **Value for money** chapter of this report. Other relevant appendices include **Appendix 6: Industrial Relations**, **Appendix 8: NSW Action Plan for Women**, **Appendix 9: Ethnic Affairs Priorities Statement and Plan**, and **Appendix 10: Disability Plan**.

ACTIONS 2005–06

- In 2005–06 the Diversity and Equity Plan (DEP) was reviewed and a discussion document for comments incorporating the DEP, Disability Action Plan, and Ethnic Affairs Priority Statement and Plan was prepared and enhanced with input from planning staff across the RTA.
- The revised RTA Aboriginal Action Plan 2006–2010 was approved.
- The Community Language Allowance Scheme (CLAS) and associated policy was reviewed. Payment of the CLAS allowances for some languages no longer in demand by RTA customers was discontinued and expressions of interest among front line staff were called for 21 new languages.
- A capability based model with its focus on integrating the human resources related activities of recruitment and selection, job design and evaluation, career development, performance, talent and succession management was implemented across the organisation. Capability based position profiles were designed for the new Environment Branch and environment positions in the Operations and Services Directorate.
- The RTA continued to recruit and provide development opportunities to improve staff diversity profile. Eighteen trainees were employed in motor registries and seven of these trainees won substantive positions in registries. Twenty five Newcastle Call Centre trainees graduated and were appointed as telephone service officers. Graduates included three trainees with a disability, recruited through a targeted employment program administered by the Premier's Department. Three Road Safety trainees including an Aboriginal trainee also started in 2006.
- Four Aboriginal trainees were employed by the RTA after completing their two-year traineeship and gaining qualifications in Certificate II and III Business.
- The RTA continued to support Aboriginal employment in road related construction and maintenance throughout the State, both directly and through subcontractors. For example, the Coobang project employed three Aboriginal persons for an estimated 60 person days. The RTA's latest intake of Aboriginal trainee construction workers celebrated the conclusion of their 12 month certificate in civil construction. The four Aboriginal men were among 50 trainees to go through the civil construction trainee program.
- The RTA's employment programs targets the recruitment of graduates, trade apprentices, trainees, and provides both financial support and work experience to undergraduate university students. These initiatives are designed to assist meet the RTA's future workforce capability and diversity needs. Details are in the **Value for money** chapter under 'Attracting, Developing and Retaining Staff'.
- The RTA administered the apprentice registration rebate of \$100, introduced by the NSW Government to address serious skill shortages in the traditional trades by helping make apprenticeships more attractive to young people. This rebate is available for first and second year apprentices registered with the Department of Education and Training.
- In 2006 the RTA Upward Feedback survey was rolled out to directors, branch managers and managers for the first time online. Coordinators were nominated to administer the process in each directorate. The overall response rate was 78 per cent. 40 branch managers and 249 managers were appraised by their direct reports. A total of 1,461 direct reports responded. All participating managers received an Upward Feedback report and 86 per cent met with their direct reports to discuss the results and develop strategies based on outcomes.
- Aboriginal Cultural Heritage Advisors continued to focus on increasing employment through implementing the Aboriginal Participation in Construction Guidelines and RTA Aboriginal Programs Advisors continued to focus on Aboriginal employment in their respective regions. Two senior officer positions continue to enhance our ability to meet the needs of Aboriginal communities and government objectives in the areas of Road Safety and Licensing.
- The RTA in partnership with the Motor Accident Authority and Attorney General's Department has funded an evaluation of On the Road, an Aboriginal Driver Education program delivered through Adult Community Education, North Coast, to assist Aboriginal people in the Lismore and surrounding areas gain a class C driver's licence which also improves their employment prospects.
- The RTA extends all print advertisements to include the Aboriginal media of Koori Mail, National Indigenous Times and Deadly Vibe.
- A customer satisfaction survey and a pilot motor registry staff survey were conducted. A review of key operational processes was undertaken to ensure efficient delivery of registration and licensing services such as rostering and technology.
- A project team, comprised of representatives from across the organisation, created a consistent policy development process and framework for use throughout the RTA. A number of draft policy tools, templates, new policies and procedures and a policy framework were developed and tested over a 12 month pilot period. Over 70 policies and procedures have now been developed using these tools and templates. A new development tools web site was also set up on the main intranet home page.
- Family responsibility provisions in RTA Awards were varied to include enhanced paid maternity and adoption leave provisions (increased from nine weeks to 14 weeks) and the introduction of one week's paid parental leave. Further Award enhancements included a right to request an additional 12 months unpaid leave, part-time work until the child reaches school age and an obligation for the employer to communicate with an employee on maternity, adoption or parental leave about their position.
- Recruitment, Selection and Appointment Policy and Guidelines and

7 EQUAL EMPLOYMENT OPPORTUNITY

associated training course were reviewed to ensure adherence to merit selection processes. A new Probation Policy and Procedure was implemented following the application of mandatory periods of probation to all RTA positions.

- A revised Financial Assistance for Part Time Tertiary Study Policy and Guidelines provided significantly enhanced levels of monetary assistance to facilitate professional development and a high performance organisation.
- The Secondment Policy was revised to provide information to staff seeking secondments within the NSW public sector or elsewhere.
- The Temporary Employment Policy was revised to provide guidelines for temporary staff engaged by the RTA for specific periods.
- The Transfer Policy was revised to provide improved procedures for compassionate transfers and transfer between positions and work location.
- Where a specific position is affected by a redundancy program a job swap may be permitted where feasible.
- Casual staff who are employed on a regular and ongoing basis are now eligible for a salary packaging arrangement.
- Family responsibility provisions in RTA Awards were enhanced to cover casual staff with an expectation of ongoing employment. Changes include an entitlement to be absent for maternity, adoption or parental leave purposes or due to family responsibilities.
- The online Employee Self Service system was modified to allow salaried staff to process their overtime and about 95 per cent of leave applications with greater privacy and ease. This contributed cost savings for the RTA.
- The RTA implemented the Spokeswomen's Program in 1982 making it one of the first agencies within the NSW government to have such a program. Through a strategic planning process the aim of the program has been formulated, articulated and widely published as: "To provide a support network accessible to all RTA female staff to help them, where practicable, reach their full potential."

Achievements include:

- More than 1,000 women attended annual information sessions.
- Increased representation of women in training including management/leadership training.
- Regional visits program implemented by spokeswomen to reach women unable to attend annual information days.
- Annual surveys were conducted and all information days were evaluated.
- An Aboriginal Liaison Protocol was developed to improve equity and communication with Aboriginal people when developing/assessing projects.
- The names of the new rest areas on the Kiama Bypass were chosen by Aboriginal elders of the local Wadi Wadi tribe, Nungarry (southbound) and Wirriwin (northbound) which mean places of rest and to make camp.
- A survey of all motor registry and call centre staff was undertaken to ascertain staff views on rostering and conditions of employment.

- A leadership survey was conducted with an overall sample size of 2,011. The survey confirmed that a large proportion of this group of staff are older; with around one in three over 50 years of age. The main objectives were to: profile this group in terms of age, education and employment history, determine what staff were intending to do in the next five years, gain a deeper understanding of those who were intending to take on a more senior role at the RTA and determine what key capabilities, skills and professional development activities should be offered to potential leaders whilst meeting RTA's needs.
- The Operations and Services Directorate held an 'Innovation week' during which staff conducted events across the State to brainstorm innovative ideas across five themes: teamwork, staff development, work improvement, waste reduction and application of technology. Over 1,500 ideas were submitted by staff into an online database. These are now being assessed by a steering committee headed by the Director.
- RTA Staff Awards continue with an Equity and Accessibility category to recognise an individual or team for improving access to RTA facilities or services or improving provision of services and facilities to internal and/or external customers. In addition we have two Aboriginal Programs Staff Awards during NAIDOC Week.
- The RTA participated in a national research project looking at how public sector agencies manage the reporting of wrongdoing and the issues and individuals involved. The NSW industry partners were the NSW Ombudsman and the Independent Commission Against Corruption.

PLANNED ACTIONS 2006–07

- Finalise, launch and promote the revised Diversity and Equity Plan.
- Implement the RTA Aboriginal Action Plan 2006–2010.
- Review the 'Employment of people with disabilities' policy.
- Review the operation of the new CLAS arrangements.
- Review policies impacting on pay, expenses and allowances, leave, staff development and workforce planning, performance management and discipline.
- Conduct a review of Human Resources information on the RTA intranet to ensure it can be easily accessed and is written in an easy to read style.
- Incorporate capability based position profiles as part of the Technical Capability Review.
- Review and implement the RTA's Aboriginal Employment Strategy and options for improving the EEO survey response rate of Aboriginal staff.
- Address issues arising from the motor registry and call centre staff survey.
- Provide interpreter services as required and improve access to registry network.
- Assess viability of offering number plates with Aboriginal motif.
- Continue employment of trainees in motor registries, call centre, road safety and Road and Fleet Services.
- Establish a Young Professionals Network in the RTA.

TRENDS IN THE REPRESENTATION OF EEO GROUPS

EEO group	% of total staff ⁽³⁾			
	Benchmark*	RTA 2004	RTA 2005	RTA 2006
Women	50%	30%	31%	34%
Aboriginal People and Torres Strait Islanders	2%	2.2%	3%	1.8%
People whose language first spoken as a child was not English	20%	19%	17%	16%
People with a disability	12%	11%	12%	12%
People with a disability requiring work-related adjustment	7%	3.9%	4%	3.5%

EEO group	Distribution index ^{(3) (4)}			
	Benchmark*	RTA 2004	RTA 2005	RTA 2006
Women	100	76	95	86
Aboriginal People and Torres Strait Islanders	100	89	62	91
People whose language first spoken as a child was not English	100	93	100	105
People with a disability	100	105	91	91
People with a disability requiring work-related adjustment	100	95	84	92

Notes:

1. Staff numbers as at 30 June.
2. Excludes casual staff but includes school crossing supervisors who became part of the RTA workforce effective October 2005.
3. A Distribution Index of 100 indicates that the centre of the distribution of EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by the Premier's Department.
4. The Distribution Index is not calculated where EEO group or non EEO group numbers are less than 20.

*The benchmark is set by the Premiers Department.

8 NSW ACTION PLAN FOR WOMEN

The NSW Action Plan for Women is grounded on the principles of equity, access, rights and participation. The action plan addresses the daily experiences of women: paid and unpaid work; health and housing; violence and safety; justice and legal equality; child care, education and training; decision making and leadership; and access to information.

The RTA supports the NSW Government's aim for a society in which women have full and equal access to every benefit and opportunity in the community, and where women's needs are recognised and addressed in government policies and services.

The nature of the RTA's business is to serve all the people of NSW. The needs of all EEO groups, including women, are addressed in the RTA's policies and programs to ensure equity to all people of NSW.

The RTA's Diversity and Equity Plan identifies a range of actions to achieve equity of representation for women and all other EEO groups.

9 ETHNIC AFFAIRS PRIORITIES STATEMENT AND PLAN (EAPS)

STATEMENT SETTING OUT PROGRESS IN IMPLEMENTING EAPS AND KEY STRATEGIES FOR THE FOLLOWING YEAR

The RTA provides products and services to people and organisations in the most culturally diverse State in Australia. The RTA serves all road users and will continue to ensure easy access and use of services.

The RTA's progress in implementing the Ethnic Affairs Priority Statement in 2005–06 follows.

- Road safety campaigns continued to be developed to include ethnic communities.
- Interpreting services were provided free to licence applicants for computer-based licence tests.
- A feasibility study about interpreting via a teleconferencing system was commenced.
- All materials developed for Early Childhood Road Safety Education included images of children, parents and carers from ethnically diverse backgrounds.
- More than 10 Local Government Road Safety Programs were designed to target ethnic and Aboriginal communities. Projects included young drivers and occupant restraint. There are 86 road safety officers across 101 councils including those with a high ethnic population.
- The video 'The limitations of children in the traffic environment' was developed and included children and adults from diverse cultural backgrounds. Parent information on school safety issues continues to be available to school communities in 22 community languages.
- 176 'Helping Learner Drivers' workshops were conducted. The multilingual RTA Road Users' Handbook was promoted through the supervisor workshops. Interpreters were offered to help parents when required. Youthsafe in consultation with the RTA developed the 'Helping learner drivers become safer drivers' double-sided brochure in Arabic and Chinese.
- We continued to provide audio facility in English and nine major community languages (Arabic, Croatian, Greek, Korean, Mandarin, Serbian, Spanish, Turkish and Vietnamese) for the Driver Knowledge Test (DKT), Hazard Perception Test and Driver Qualification Test. An interactive internet version of the demonstration DKT in nine community languages for all licence classes also continued.
- The Road Users' Handbook and Driver Qualification Handbook are available in 10 community languages (Arabic, Croatian, Greek, Japanese, Korean, Mandarin, Serbian, Spanish, Turkish and Vietnamese). The community language versions of the Road User's Handbook were updated on the website.
- The RTA's cycling events were promoted through the ethnic press media.
- A discussion document, incorporating the Ethnic Affairs Priority Statement and Plan, Diversity and Equity Plan and the Disability Action Plan, was prepared and enhanced following input from planning staff across the RTA.
- The Community Language Allowance Scheme (CLAS) and associated policy were reviewed. Payment of the CLAS allowances for some languages no longer in demand by RTA customers was discontinued and expressions of interest among front line staff were called for 21 new languages.
- Recruitment Guidelines and induction programs continued to have a section on cultural diversity and the RTA's merit selection processes continued to be culturally sensitive.
- The free Employee Assistance Program continued with a 24-hour interpreter service.
- Multilingual documents were provided on the RTA website and at Government Access Centres (GACs). Free multilingual road safety education resources were available for download/order from the RTA website.
- A Community Attitude Survey was undertaken on a representative sample of NSW licence holders to identify key issues relating to driver fatigue. Road safety surveys use interpreters when required.
- Community feedback continued to be embedded in the planning process where appropriate.

FUTURE CHALLENGES

- Ethnic TV, radio and press campaigns will continue.
- Continue to implement road safety campaigns for diverse communities and provide translations on the RTA website.
- Continue to provide interpreting services for licence tests without cost to licence applicants.
- Complete the feasibility study on 'Interpreting via a teleconferencing system'.
- Continue multilingual licence tests with audio facility, maintain relevant services and provide multilingual documents on the RTA website and at GACs.
- Continue to publish and maintain the interactive internet version of the demonstration DKT in community languages for all licence classes.
- Continue Helping Learner Drivers workshops.
- Continue customer satisfaction survey and ensure RTA representation on steering committees and community forums.
- Continue to consider ethnic communities in resource development and include images of ethnically diverse backgrounds in all publications.
- Continue to co-fund local government Road Safety Projects with councils.
- Distribute the video 'The limitations of children in the traffic environment' to parent groups.
- Complete the Cycling Manual with photo images reflecting the cultural diversity of NSW school communities.

10 DISABILITY PLAN

STATEMENT SETTING OUT PROGRESS IN IMPLEMENTING PLANS REQUIRED UNDER THE *DISABILITY SERVICES ACT 1993*

- The RTA continued to implement the Mobility Parking Scheme.
- The RTA's 131 motor registries are accessible and leased premises are progressively being upgraded to full accessibility. Hearing loops are provided at all RTA motor registries.
- An audio facility is available on the RTA Driver Knowledge Test and Hazard Perception Test. This facility ensures vision and colour-impaired persons are not disadvantaged.
- All Mobility Parking Authority Scheme holders receive automatic renewal notices.
- The RTA continues to incorporate Community Attitude Survey feedback from diverse communities in the planning process. Suitable technology continues to be evaluated and adopted to improve participation of staff with a disability in communication processes and meetings.
- Teletext captions are used in all RTA television commercials.
- A dedicated TTY 1800 phone number is provided for hearing-impaired customers. An SMS messaging service available to contact the RTA call centre also targets people with speech impairment.
- The video 'The limitations of children in the traffic environment' was developed and included children with a disability, children and adults from diverse cultural backgrounds and older adults.
- The RTA continued to offer traineeships at our call centre for people with a disability. Three trainees graduated and were employed permanently at the call centre. The RTA also continued to participate in the Corporate Partners for Change program for people with a disability.
- In line with the RTA's preventative approach to workplace incidents which may cause injury and/or disabilities, a Medical Providers Network was established to provide prompt treatment for staff injured at work. The service aims to provide same-day treatment wherever possible and is available to all staff with a work-related injury or illness. Doctors and physiotherapists who make up the network are committed to injury management and to placing injured workers on suitable duties to assist in their return to work. Staff retain the right to choose their own treating doctor. Briefings about this program occurred in 2006.
- With a view to prevent future hearing impairment, the RTA continued to implement hearing conservation programs and hearing testing for staff.
- The RTA web site continued to undergo development to improve accessibility.
- The RTA's customer service delivery channels were further developed with extended online services and an expansion of the online agency network.
- Staff regularly visited community locations to enhance access to services.
- Registration and licensing service solutions are customised based on individual needs.
- The RTA introduced the NSW Photo Card, a voluntary identification card to help people who are unable or choose not to obtain a driver licence and find it difficult to access services that require photo identification. The feasibility of adding an online application form for NSW Photo Cards was investigated to improve accessibility particularly for vision impaired customers who experience difficulty completing a form.
- The RTA continued participation in the 'Accessible Transport Action Plan for NSW Transport Agencies'. Expenditure on accessible transport infrastructure and programs included providing kerb ramps at pedestrian crossing locations, audio-tactile push buttons at traffic signals, the development and implementation of Pedestrian Access and Mobility Plans in partnership with local councils, the Mobility Parking Scheme and new and upgraded pedestrian facilities.
- Network standards relating to rest areas are under continual review and development to ensure improved access to people with a disability. High visibility road markings are used on at least 90 per cent of the NSW road network. 75 per cent of traffic signal sites are fitted with audio-tactile push buttons.
- Emergency roadside telephones and rest areas continue to be progressively upgraded with signage symbols and disabled access. New assets include these features. All designs for rest areas incorporate access and facilities for people with a disability. In 2005–06, 11 new rest areas were built and five upgraded. All facilities on transitways were designed and constructed to meet accessibility standards.
- RTA continued to fund future upgrades to pedestrian level crossings, the design standards for which were developed in consultation with and testing by peak disability groups. In 2005–06, 78 sites were programmed for investigation including 10 for upgrades and the remainder for investigation, concept development and design for upgrade in future years. Any public crossing that is being considered for closure will undergo extensive consultation with the community, council and emergency services and all of the access issues are covered under this process.
- The RTA continued to mandate lifts or ramps for all new pedestrian bridges at schools to Australian Standards for disabled access.
- Project meetings that involve community contact are located at venues that have access for people with a disability.
- Complaints made to the RTA concerning disability issues are included within the normal customer feedback process.
- The RTA continued to provide staff training in disability awareness comprising a video for motor registry staff, one-day Bicycle and Pedestrians for Managers Course and a two-day Designing for Bicycle Riders and Pedestrian Course. Local government staff also attended the Bicycle and Pedestrians courses.

10 DISABILITY PLAN

FUTURE CHALLENGES

- Conduct and use customer research to determine customer expectations and issues with respect to older drivers, pedestrian and bicycle safety.
- Continue to monitor the Mobility Parking Scheme (MPS) in consultation with peak disability groups. Increase the fines for certain MPS offences from penalty level 7 to penalty level 10.
- Evaluate the feasibility of providing a technical enquiries line phone number in alternate formats.
- Introduce a new assessment package for elderly drivers.
- Implement recommendations of the 'Improving safety for young drivers' discussion paper: Progress child safety package and promote improved pedestrian safety.

11 OVERSEAS TRAVEL BY RTA OFFICERS

From 1 July 2005 to 30 June 2006, officers of the RTA travelled overseas on 17 occasions to undertake official duties for the RTA and the NSW Government.

At no cost to the RTA, overseas visits were made by:

- The Manager, Business Process to Kuala Lumpur to provide consulting services to ITS Konsortium.
- The Manager, Client Liaison to attend annual SCATS New Zealand User Group meeting.
- The Manager, Network Performance Development to attend annual SCATS New Zealand User Group meeting.
- A Bitumen Inspector to New Guinea to test and calibrate bitumen sprayers.
- The Austroads Program Officer to New Zealand to attend Austroads Registration and Licencing Task Force meetings.
- The Manager, NEVDIS to New Zealand to attend Austroads Registration and Licencing Task Force meetings.
- The Network Operations Manager, Traffic Management Centre to Hong Kong to deliver SCATS training to ATS Technology.
- The Manager, Client Liaison to Singapore to establish an annual maintenance agreement between RTA and Land Transport Authority (Singapore).
- The Manager, Network Performance Development to New Zealand to develop procedures for the implementation of a SCATS Ramp Metering System.

- The Manager, Client Liaison to Iran to provide expert SCATS consulting services.
- The Asphalt Manager to USA to attend an international workshop and visit road agencies to discuss stone mastic asphalt technology.

Visits during 2005–06, for which all or part of the costs were met by the RTA, were as follows:

- The Manager, Rigid Pavements Unit to USA to attend the 8th International Conference on Concrete Pavements.
- The General Manager, Driver and Vehicle Strategy to New Zealand to attend Austroads Registration and Licencing Task Force meetings.
- The Manager, Customer Management to New Zealand to attend Austroads Registration and Licencing Task Force meetings.
- The Heavy Vehicle Fatigue/Speed Project Manager to New Zealand to attend and present a paper to the Australasian Road Safety Research, Policing and Education Conference.
- The Manager, Road Engineering Programs to New Zealand to attend and present paper to the Australasian Road Safety Research, Policing and Education Conference.
- The Senior Urban Design Advisor to New Zealand to make a presentation to a Transit New Zealand workshop.

12 FREEDOM OF INFORMATION

In 2005–06 the RTA received 1,552 requests for information under the *Freedom of Information Act 1989*, compared with 1,502 in 2004–05. In addition, 273 applications were brought forward from the previous period (compared to 227 in 2004–05), making a total of 1,825 applications to be processed. One hundred and fifty two applications were not completed at the end of the 2005–06 reporting period.

The use of Freedom of Information (FOI) by insurance company and finance company investigators continues to undergo a significant increase. The majority of these applicants use FOI to obtain the identity and address of registered operators of motor vehicles they are trying to trace. The tightening of the availability of registration and licensing data in other jurisdictions and the increasing awareness of the rights of access under FOI and privacy legislation are believed to be a contributing factor in the increase in applications lodged with the RTA. At the same time there has been a significant decrease in the number of people wanting access to their own records through the FOI process.

Of the 1,673 requests completed, 1,111 were granted in full, 54 in part, and 384 were refused, two were transferred to other agencies, two were deferred and 119 were withdrawn. Of those refused in full or in part, 35 were refused on the grounds that the information was otherwise available, 266 were refused as the documents were not held by the RTA and 103 were refused as the applicant did not pay the necessary fees. See table on basis of disallowing or restricting access.

Of those requests not granted in full, 20 applicants sought an internal review of the decision and nine appeals to the Ombudsman were finalised.

There were two appeals completed at the Administrative Decisions Tribunal this year.

Eight hundred and forty-four applications required consultation with a total of 1,080 third parties outside the RTA.

The estimated operating cost of processing FOI requests is \$72,830.25 (\$177,366.03 in 2004–05) and fees received totalled \$86,989.50 (\$64,074.25 in 2004–05). The fees received include application fees of \$45,824.50. This means that the RTA charged \$ 41,165.00 of the estimated \$72,830.25 it cost to process the applications. There were no requests received for amendments to personal records. There were no requests for notations to personal records and no Ministerial certificates have ever been issued.

A total of 657 applications were finalised after the statutory 35-day processing period. One of the contributing factors for this was the continuing high number of applications during the reporting period. In 2001–02 there was a 70.5 per cent increase in applications over the previous period. This was followed by a further 156 per cent increase in applications in the 2002–03 and approximately a 16 per cent increase in the 2005–06 period. In 2005–06 the RTA continued to review the resources available to the area responsible for FOI, Privacy and contract reporting. The RTA will continue to monitor the area over the next 12 months. A number of business solutions have been

introduced to improve the efficiency and effectiveness of the FOI process.

The RTA continued with the identification, computerised recording and the provision of policy documents in accordance with the requirements of the FOI Act. The RTA's Summary of Affairs is published on its website at www.rta.nsw.gov.au.

FOI APPEALS TO THE OMBUDSMAN

Nine appeals to the Ombudsman were completed in the 2005–06 period.

In the first case, on 6 February 2004 an application was made for all documents on a RTA Human Resources file. On 21 January 2005 the RTA determined to release some of documents in question. The applicant lodged an Internal Review application on 10 February 2005. On 24 February 2005, the RTA's Internal Review determination upheld the original determination. The applicant lodged an appeal to the Ombudsman on 21 April 2005. The Ombudsman's Office asked the RTA to reconsider the determination. On 22 June 2005 the RTA advised the Ombudsman and the applicant that it had decided to release some additional documents and withhold others. On 26 July 2005 a further three documents were released.

In the second case, on 15 September 2004 an application was made for reports or assessment of the trials of bus lane cameras placed in Sydney CBD streets. On 14 December 2004 the RTA determined the documents were exempt as they had been prepared for submission to Cabinet. The applicant lodged an Internal Review application on 5 January 2005. On 28 January 2005, the RTA's Internal Review determination upheld the original determination. The applicant lodged an appeal to the Ombudsman on 17 February 2005. It was necessary for the RTA to obtain a Certificate from the Director General, Cabinet Office, under section 22 of the *NSW Ombudsman's Act 1974*. The RTA reconsidered the matter and documents not covered by the Certificate were released on 18 August 2005.

In the third case, on 3 September 2004 an application was made for details of Safe-T-Cam sightings of heavy motor vehicles sighted at Pacific Highway, Currumbin travelling north on a specified date and time. No photographs were available and the only information available was in the form of a report listing the details of the vehicles sighted, the date, time and direction. Between 13 September and 13 October 2004 RTA staff attempted to contact the applicant on five occasions to advise him Safe-T-Cam images were not available and to confirm what the applicant required. Oral advice was received that a report of the vehicle registration numbers was required, but for southbound and not northbound vehicles. A revised report was obtained and released on 27 October 2004. The applicant's client contacted the RTA in January 2005 and complained he had been supplied with the wrong information. An investigation was conducted and the complainant was advised of the circumstances and that the information was no longer available as it had been destroyed 12 months after capture, in accordance with normal practices. The applicant did not lodge an Internal Review. However, the Ombudsman decided to investigate the matter under other powers. On 3 August 2005 the Ombudsman decided not to take any further action.

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In the fourth case, on 17 November 2004 an application was made for the name and address of the current registered operator for a specific motor vehicle. The RTA consulted with the third party registered operator and determined on 20 January 2005 that the document in question was exempt. On 3 February 2005 the applicant lodged an Internal Review with the RTA. On 15 February 2005 the RTA upheld the original determination. The applicant lodged an appeal to the Ombudsman on 29 April 2005. On 4 July 2005 the Ombudsman recommended the RTA review its decision. The RTA reversed its determination and, as the third party did not appeal, the information was released to the applicant on 26 September 2005.

In the fifth case, on 22 December 2004 an application was made for documents relating to the investigation of the complaint made by an RTA customer, including a copy of the letter of complaint and the RTA's reply. The RTA consulted with the third party and determined on 8 March 2005 that the documents should be released. On 4 April 2005 the third party lodged an Internal Review with the RTA. On 14 April 2005 the RTA upheld the original determination. The third party lodged an appeal to the Ombudsman on 1 June 2005. On 11 August 2005 the Ombudsman upheld the RTA's decision. On 26 October 2005 the information was released to the applicant as the third party did not appeal.

In the sixth case, on 13 December 2004 an application was made for amendment to the RTA's records relating to the applicant's employment. The RTA declined to amend the records. On 18 April 2005 the applicant lodged an Internal Review with the RTA. On 23 May 2005 the RTA upheld the original determination. The applicant lodged an appeal to the Ombudsman on 1 July 2005. On 8 September 2005 the Ombudsman decided not to take any further action.

In the seventh case, on 16 May 2005 an application was made for a wide range of documents relating to infringement notices and the operation of speed cameras in Spit Road. On 18 August 2005, the RTA released all available documents but advised the applicant that documents related to part of the application could not be located. On 5 October 2005 the third party lodged an Internal Review with the RTA. On 25 October 2005 the RTA located and released additional documents. Despite this, the applicant lodged an appeal to the Ombudsman on 9 March 2006. On 25 May 2006 the Ombudsman upheld the RTA's decision. The applicant has not made any further approaches to the RTA.

In the eighth case, on 29 July 2005 an application was made for a wide range of documents relating to the cost of completed work and the estimate cost of work to be done to repair/rebuild the sewage effluent treatment and disposal system at the Mundoonan rest area on the Hume Highway. On 23 February 2005 the RTA determined to release some the documents, but the remainder were claimed as exempt as internal working documents as a decision was yet to be made. The applicant lodged an Internal Review on 13 March 2006. On 23 March 2006 the RTA advised the applicant the Internal

Review confirmed the original determination. The applicant lodged an appeal to the Ombudsman on 11 May 2006. On 16 May 2006 the Ombudsman's Office advised the applicant that it had decided to take no further action.

In the ninth case, on 29 July 2005 an application was made for documents relating to pedestrian related matters and the operation of speed cameras near schools. The RTA advised the applicant that processing the application would be an unreasonable diversion of resources, but asked the applicant to revise the application before the RTA was forced to make a determination on those grounds. On 9 November 2005 the applicant lodged an Internal Review with the RTA. On 23 November 2005 the RTA upheld the advance deposit request. The applicant lodged an appeal to the Ombudsman on 3 January 2006. The Ombudsman determined not to continue with any investigations on 25 May 2006.

FOI APPEALS TO THE ADMINISTRATIVE DECISIONS TRIBUNAL (ADT)

There were two appeals to the ADT completed in 2005–06. There were five uncompleted cases to the ADT in the same period.

The first completed case, on 14 June 2004 an application was made to inspect documents related to structural rust and/or lack of proper painting maintenance of the Sydney Harbour Bridge. On 22 July 2004 the RTA determined the applicant would be allowed to inspect the requested documents. The applicant believed there was additional documents and lodged an Internal Review application on 13 August 2004. On 31 August 2004 the RTA advised the applicant the Internal Review upheld the original determination. The applicant lodged an appeal to the Ombudsman and on 29 September 2004 the Ombudsman's Office advised the applicant that it had decided not to take any further action about the complaint. The applicant appealed to the NSW ADT on 26 November 2004. On 18 May 2006 the ADT found in favour of the RTA.

The second completed case, on 18 August 2004 an application was made for a list of attendees at a meeting at a rural town hall on a specified date and any follow up correspondence that may have resulted from that meeting. The RTA determined, on 30 September 2004 to release the document in question. Between 22 and 28 October 2004 three of the third parties lodged Internal Review applications. The RTA made the subsequent internal reviews on 9 November 2004, upholding the claims by the third parties and determining to release part of the document in question and claim the remainder of the document as exempt. The applicant lodged an appeal to the Ombudsman on 31 December 2004. The Ombudsman's Office asked the RTA to reconsider the determination. On 6 May 2005 the RTA advised the Ombudsman and the applicant that it had decided to release some additional information, but withhold the names of the third parties. The applicant appealed to the NSW ADT on 30 May 2005. On 25 November 2005 the ADT determined to release the names and addresses of all but one of the third parties.

Details of the five uncompleted cases are as follows:

In the first case, on 12 August 2004 an application was made to inspect documents concerning the allegations of the waste of public monies related to either premature road pavement failure or unnecessary road pavement rehabilitation by RTA of NSW on road maintenance/construction works. The documents had been requested, and denied as exempt in a previous application by the same applicant. On 16 August 2004 the RTA determined the documents were exempt on the same grounds. The applicant lodged an Internal Review application on 23 August 2004. On 22 September 2004 the RTA advised the applicant the Internal Review upheld the original determination. The applicant lodged an appeal to the Ombudsman and on 29 September 2004 the Ombudsman's Office advised the applicant that it had decided not to take any further action about the complaint. The applicant appealed to the NSW ADT on 26 November 2004. The matter had not been finalised before the ADT prior to 30 June 2006.

The second case is set out in case five of the report concerning the Ombudsman. It was referred to the ADT on 5 September 2005 and had not been finalised before 30 June 2006.

In the third case, on 5 October 2004 an application was made to inspect all documents concerning the construction and maintenance of Mungah rest area. A request for an advance deposit was forwarded on 2 November 2004. The applicant challenged the amount of the advance deposit and lodged an Internal Review application on 22 November 2004. On 8 December 2004 the RTA advised the applicant the Internal Review confirmed the original advance deposit request. The applicant lodged an appeal to the Ombudsman on 4 January 2005. On 10 February 2005 the Ombudsman's Office advised the applicant that it had decided to take no further action as it believed the advance deposit request was reasonable. The advance deposit had actually been paid on 4 January 2005. On 22 March 2005 the RTA determined the applicant would be allowed to inspect part of the requested documents. However, the RTA determined it did not hold some of the requested documents. The applicant believed there was

additional documents and lodged an Internal Review application on 4 April 2005. On 6 May 2005 the RTA advised the applicant the Internal Review upheld the original determination. The applicant appealed to the NSW ADT on 17 June 2005. The matter had not been finalised before the ADT prior to 30 June 2006.

In the fourth case, on 11 October 2004 an application was made to inspect all documents that refer to any telephone conversations, correspondence or file notes regarding any bias related to the applicant's Government and Related Employees Appeal Tribunal (GREAT) appeal. The same documents had been requested as part of a major FOI application previously lodged by the same applicant on 4 December 2002. The RTA determined on 2 November 2004 the application should be refused as it was attempting to obtain documents by submitting a number of separate FOI applications when the original combined application had been refused as an unreasonable diversion of resources. On 23 November 2004 the applicant lodged an Internal Review with the RTA. On 9 December 2004 the RTA upheld the original determination. The applicant lodged an appeal to the Ombudsman on 4 January 2005. On 10 February 2005 the Ombudsman's Office advised the applicant that it had decided to take no further action as, under the circumstances, it supported the RTA's view to refuse the applicant stating the grounds seemed entirely reasonable. The applicant appealed to the NSW ADT on 31 March 2005. The matter had not been finalised before the ADT prior to 30 June 2006.

In the fifth case, on 17 January 2005 an application was made for documents relating to the cost of construction and closures of the Mungah rest area. The applicant regarded the application as a deemed refusal and lodged an Internal Review application on 11 March 2005. On 28 April 2005 the RTA released all documents that had been located. The applicant believed there were additional documents and lodged an appeal to the NSW ADT on 14 June 2005. The matter had not been finalised before 30 June 2006. This matter was joined with a similar application, as set out in the third uncompleted case.

FOI REQUESTS

	Personal		Other		Total	
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
New (including transferred in)	41	29	1,461	1,523	1,502	1,552
Brought forward (incomplete requests from previous year)	4	7	223	266	227	273
Total to process	45	36	1,684	1,789	1,729	1,825
Completed	33	31	1,279	1,521	1,312	1,552
Transferred out	0	0	3	2	3	2
Withdrawn	4	1	119	118	123	119
Total processed	37	32	1,401	1,641	1,438	1,673
Unfinished (carried forward)	7	4	270	148	277	152

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RESULTS OF FOI REQUESTS

	Personal		Other	
	2004-05	2005-06	2004-05	2005-06
Grant in full	19	15	905	1,096
Grant in part	2	1	84	53
Refused	12	15	287	369
Deferred	0	0	2	2
Completed	33	31	1,278	1,520

BASIS OF DISALLOWING OR RESTRICTING ACCESS

	Personal		Other	
	2004-05	2005-06	2004-05	2005-06
Section 19 (application incomplete, wrongly directed)	0	0	0	0
Section 22 (deposit not paid)	0	2	76	101
Section 25 (1) (a1) (Unreasonable diversion of resources)	0	0	2	1
Section 25 (1) (a) (exempt)	3	3	34	34
Section 25 (1) (b), (b1), (c), (d) (otherwise available)	6	9	18	26
Section 28 (1) (b) (documents not held)	4	3	225	263
Section 24 (2) (deemed refused, over 21 days)	0	0	27	0
Section 31 (4) (released to medical practitioner)	0	0	0	0
Totals	13	17	382	425

DAYS TO PROCESS

Elapsed Time	Personal		Other	
	2004-05	2005-06	2004-05	2005-06
0-21 days	6	10	102	491
22-35 days	1	4	38	390
Over 35 days	26	17	1,137	640
Totals	33	31	1,277	1,521

HOURS TO PROCESS

	Personal		Other	
	2004-05	2005-06	2004-05	2005-06
0-10	32	30	1,264	1,471
11-20	0	1	4	37
21-40	0	0	4	8
Over 40	1	0	4	5
Totals	33	31	1,276	1,521

TYPE OF DISCOUNT ALLOWED ON FEES CHARGED

	Personal		Other	
	2004-05	2005-06	2004-05	2005-06
Public interest	0	0	4	1
Financial hardship – Pensioner/Child	6	11	18	38
Financial hardship – Non profit organisation	0	4	188	253
Totals	6	15	210	292
Significant correction of personal records	4	1	0	0

GROUND ON WHICH INTERNAL REVIEW REQUESTED

	Personal				Other			
	Upheld		Varied		Upheld		Varied	
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
Access refused	0	0	0	0	0	0	2	1
Deferred release	0	0	0	0	0	0	0	0
Exempt matter	3	0	0	0	20	8	8	4
Unreasonable estimate of charges	0	0	0	0	2	5	0	1
Charges unreasonably incurred	0	1	0	0	0	0	0	0
Amendment	2	0	0	0	0	0	0	0
Totals	5	1	0	0	22	13	10	6

13 OMBUDSMAN

During the 2005–06 financial year, the RTA responded to eleven complaints referred by the Ombudsman to the RTA for investigation. This compares to three complaints referred for investigation in the previous financial year.

Complaints were received from the Ombudsman on the following matters:

- A complaint was received in late December 2005 from a person regarding the operation of the South Moorland Service Station/Truck Stop. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid January 2006 from a person regarding the suspension of his P2 provisional driver licence. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid January 2006 from a person regarding the lack of notification to her husband regarding his Habitual Traffic Offender status. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions. The Ombudsman subsequently wrote again with a suggestion for RTA consideration. The RTA advised that the Ombudsman's views would be considered as part of an overall review into the methods in which addresses are recorded and stored.
- A complaint was received in mid January 2006 from a person regarding the release of the customer information policy of the RTA and its impact on privacy legislation. In response to this complaint, the RTA amended its policy in respect of personal information provided to joint registered operators.
- A complaint was received in early February 2006 from a person regarding the expansion of the study area for the Tintenbar to Ewingsdale section of the Pacific Highway upgrade. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions as well as supporting documentation.
- A complaint was received in mid February 2006 from a person regarding the public consultation process for the Wells Crossing to Iluka Road section of the Pacific Highway upgrade. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in late February 2006 from a person regarding RTA methods of collection and storage of customer address details and how the accuracy of these details can affect third parties and law enforcement. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid March 2006 from a person regarding the NSW Alcohol Interlock Program. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid April 2006 from an organisation regarding the level of consultation undertaken for changes to the design of the ventilation system of the Lane Cove Tunnel. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid April 2006 from a person regarding interpretation and enforcement of the Australian Road Rules. The RTA provided detailed answers to all the Ombudsman's questions.
- A complaint was received in mid May 2006 from a person regarding the RTA's handling of his application for conditional registration of his golf buggy. The Ombudsman requested the RTA to provide answers to a number of questions before deciding whether the matter should be formally investigated. The RTA provided detailed answers to all the Ombudsman's questions.

14 CONSUMER RESPONSE

The following table collates customer complaints received by the RTA from 1 July 2005 to 30 June 2006 and in the previous four financial years.

CUSTOMER COMPLAINTS

Issue	Number of complaints				
	2001–02	2002–03	2003–04	2004–05	2005–06
Business Systems	12	5	25	6	9
Driver Licensing	207	125	132	338	401
Vehicle Registration	120	69	324	231	195
Customer Service	310	164	330	271	214
Organisational Direction – management	34	10	19	16	19
Olympics	–	2	1	–	–
Road Asset Provision – environment	251	178	34	7	3
Noise	325	35	451 ⁽¹⁾	513	296 ⁽²⁾
Transport Efficiency	186	67	33	181	628 ⁽³⁾
Road Safety	2,300	1,208	1,537	1,583	476

Notes: (1) Complaints relating to Noise Abatement Program for existing roads.

(2) Total noise complaints compiled in the Noise Abatement Program Geodatabase.

(3) Includes 596 complaints related to clearway towing. These increased from 166 in 2004–05 due to the increased instances of special events.

RTA policy is for all customer complaints to be entered into the corporate record management system. Complaint numbers shown in the table are compiled from that system. The RTA has noted these complaints and improved services appropriately. Details of improved services can be found in the main body of this annual report.

15 LEGAL CHANGE

LEGISLATION ADMINISTERED BY THE RTA ON BEHALF OF THE MINISTER FOR ROADS

Campbelltown Presbyterian Cemetery Act 1984 No. 19

Driving Instructors Act 1992 No 3

Driving Instructors Regulation 2003

Motor Vehicles Taxation Act 1988 No 111

Motor Vehicles Taxation Regulation 2003

Photo Card Act 2005

Photo Card Regulation 2005

Recreation Vehicles Act 1983 No 136 (Parts 4 and 6)

Roads Act 1993 No 33

Roads (General) Regulation 2000

Road Transport (Driver Licensing) Act 1998 No 99

Road Transport (Driver Licensing) Regulation 1999

Road Transport (General) Act 2005

Road Transport (General) Regulation 2005

Road Transport (Mass, Loading and Access) Regulation 2005

Road Transport (Heavy Vehicles Registration Charges) Act 1995 No 72

Road Transport (Heavy Vehicles Registration Charges) Regulation 2001

Road Transport (Safety and Traffic Management) Act 1999

Road Transport (Safety and Traffic Management) (Road Rules) Regulation 1999
(which picks up the Australian Road Rules)

Road Transport (Safety and Traffic Management) (Driver Fatigue) Regulation 1999

Road Transport (Vehicle Registration) Act 1997 No 109

Road Transport (Vehicle Registration) Regulation 1998

Sydney Harbour Tunnel (Private Joint Venture) Act 1987 No 49

Tow Truck Industry Act 1988

Tow Truck Industry Regulation 1999

Transport Administration Act 1988 No 109 (Part)

Transport Administration (General) Regulation 2005 (Part)

Transport Administration (Staff) Regulation 2005 (Part)

NEW LEGISLATION FROM 1 JULY 2005 – 30 JUNE 2006

New Acts

The Road Transport (General) Act 2005 (No 11) was assented to on 14 April 2005 and commenced on 30 September 2005 (except for provisions dealing with search warrants which are linked to the commencement of Part 5 of the *Law Enforcement (Powers and Responsibilities) Act 2002*). The Act repeals and re-enacts the *Road Transport (General) Act 1999* and implements a legislative scheme for the compliance and enforcement of mass, dimension and loading requirements for heavy vehicles based on 'national model provisions' approved by the Australian Transport Council for

national consistency.

The *Photo Card Act 2005* (No 20) commenced on 14 December 2005 (except for a provision that amends s. 80C of the *Licensing and Registration (Uniform Procedures) Act 2002* and a provision that amends s.152A of the *Liquor Act 1982*) and makes provision for the issue of a NSW Photo Card for use as evidence of age and identity of any NSW residents who are 16 years or older and who do not hold a driver licence.

The *Road Transport (Speed Limiters) Amendment Act 2005* (No 36) was assented to on 15 June 2005 and most provisions commenced on 24 November 2005. The Act makes further provision with respect to the speed limiting of certain heavy vehicles.

New Regulations

The *Road Transport (Driver Licensing) Amendment (Demerit Points) Regulation 2005* commenced on 1 July 2005 and establishes new scales for motor vehicle offence demerit points. One scale comprises a national schedule of demerit points applying to similar kinds of offences in NSW and elsewhere. The other scale comprises a schedule of demerit points applying to NSW offences.

The *Road Transport (Safety and Traffic Management) (Road Rules) Amendment (Speed Limit) Regulation 2005* commenced on 1 July 2005 and removes the additional penalties where a person drives a motor vehicle at a speed in excess of 130 km/h.

The *Road Transport (General) (Penalty Notice Offences) Amendment Regulation 2005* commenced on 1 July 2005 and establishes a new scale of penalties for motor vehicle offences that are dealt with by way of penalty notice. The new scale has 15 levels of penalty, ranging from \$50 (level 1) to \$2,350 (level 15).

The *Road Transport (Driver Licensing) Amendment (Provisional Licence Restrictions) Regulation 2005* commenced on 11 July 2005 and imposes conditions on provisional P1 and P2 licences preventing such licence holders from driving certain high performance vehicles, and preventing for 12 months those classes of drivers, following a disqualification, from carrying more than one passenger. Provision is made for exemptions to be granted in exceptional circumstances.

The *Road Transport (General) (Penalty Notice Offences) Amendment (Provisional Licence Restrictions) Regulation 2005* commenced on 11 July 2005 and prescribes certain offences (relating to vehicle and passenger restrictions applying to holders of provisional licences) to be penalty notice offences.

The *Road Transport (Safety and Traffic Management) (Road Rules) Amendment (Security Indicators) Regulation 2005* commenced on 22 July 2005 and amends the requirements for security indicators recorded on images taken by approved traffic lane camera devices (making such requirements similar to those pertaining to speed cameras).

The *Roads (General) Amendment (Miscellaneous) Regulation 2005* commenced on 30 September 2005 and updates references to accord with the *Road Transport (General) Act 2005*.

The *Road Transport (Safety and Traffic Management) (Driver Fatigue) Amendment (Miscellaneous) Regulation 2005* commenced on 30 September 2005 and updates references to accord with the *Road Transport (General) Act 2005*.

The *Road Transport (Vehicle Registration) Amendment (Miscellaneous) Regulation 2005* commenced on 30 September 2005 and makes minor updating amendments to the regulation to update references to road transport legislation, in the wake of legislative reforms in 2005.

The *Road Transport (Safety and Traffic Management) (Road Rules) Amendment (Miscellaneous) Regulation 2005* commenced on 30 September 2005 and makes minor updating amendments to the regulation to update references to road transport legislation, in the wake of legislative reforms in 2005.

The *Road Transport (Driver Licensing) Amendment (Miscellaneous) Regulation 2005* commenced on 30 September 2005 and makes minor updating amendments to the regulation to update references to road transport legislation, in the wake of legislative reforms in 2005.

The *Roads (General) Amendment (Bethanga Bridge Declaration) Regulation 2005* commenced on 30 September 2005 and declares the RTA to be the roads authority for the public road being part of Bethanga Bridge, Lake Hume Village.

The *Road Transport (General) Regulation 2005* commenced on 30 September 2005 and replaces, in consolidated form, the repealed *Road Transport (General) Regulation 1999* and the repealed *Road Transport (General) (Penalty Notice Offences) Regulation 2002* in connection with the commencement of the *Road Transport (General) Act 2005*.

The *Road Transport (Mass, Loading and Access) Regulation 2005* commenced on 30 September 2005 and remakes the repealed *Road Transport (Mass, Loading and Access) Regulation 1996* in connection with the commencement of the *Road Transport (General) Act 2005* (under which this 2005 Regulation is made).

The *Road Transport (Driver Licensing) Amendment (Release of Photographs) Regulation 2005* commenced on 14 October 2005 and authorises the RTA to release (in accordance with any protocol approved by the Privacy Commissioner) driver licence photographs (and any other matter in the driver licence photograph database) to the NSW Crime Commission for the purposes of an investigation or proposed investigation of a terrorist act or the threat of a terrorist act.

The *Road Transport (Driver Licensing) Amendment (Foreign Driver Licence) Regulation 2005* commenced on 14 October 2005 and provides that a visiting driver who holds a current foreign driver licence that authorises the holder to drive a motor vehicle, other than a motor bike or other similar light vehicle, may drive a motor vehicle of the kind that the holder of a NSW drivers licence may drive.

The *Road Transport (General) Amendment (Penalty Notice Offence) Regulation 2005* commenced on 24 November 2005 and prescribes an offence relating to speed limiting of heavy vehicles as a penalty notice offence.

The *Photo Card Regulation 2005* commenced on 14 December 2005 and prescribes a range of matters that facilitate the implementation of the Photo Card program in NSW following the concurrent commencement of the *Photo Card Act 2005*.

The *Road Transport (Driver Licensing) Amendment (Photo Card) Regulation 2005* commenced on 14 December 2005 and deals with certain matters to facilitate the Photo Card program in NSW (such as, amongst others, the need to surrender a Photo Card prior to the issue of a driver licence, and the keeping and interchangeable use of photographs by the RTA). This Regulation is cognate to the *Photo Card Regulation 2005* and is made consequent upon the concurrent commencement of the *Photo Card Act 2005*.

The *Road Transport (Safety and Traffic Management) (Road Rules) Amendment (Photo Card) Regulation 2005* commenced on 14 December 2005 and provides that a photograph taken of an applicant for a mobility parking scheme authority may be kept and used by the RTA for any purpose for which it is legally permissible for the RTA to use a photograph taken for a Photo Card, the issuing or renewal of a driver licence, proof of age card, or in relation to a licence either under the *Firearms Act 1996* or the *Security Industry Act 1997*. This Regulation is cognate to the *Photo Card Regulation 2005* and is made consequent upon the concurrent commencement of the *Photo Card Act 2005*.

The *Road Transport (Driver Licensing) Amendment (Licence Penalties) Regulation 2005* commenced on 16 December 2005 and extends the prohibition on driving high performance vehicles (already on holders of provisional licences first issued after 11 July 2005) to holders of licences issued after the amendments who have previously held a provisional licence and are issued with a provisional licence as a consequence of a disqualification for an offence on or after 11 July 2005. Furthermore, the Regulation increases the demerit points not only on the holders of learner licences and provisional licences for the offence of failing to comply with power and capacity restrictions on motor bikes or motor trikes, but also on provisional licence holders for the offence of failing to comply with restrictions on the number of passengers in a vehicle.

The *Road Transport (Driver Licensing) Amendment (Christmas–New Year 2005–2006 Demerit Points) Regulation 2005* commenced on 16 December 2005 and provides that extra demerit points apply to a range of offences committed during the Christmas–New Year 2005–2006 period (being 23 December 2005 to 2 January 2006 inclusive).

The *Road Transport (Mass, Loading and Access) Amendment (Operators) Regulation 2005* commenced on 27 January 2006 and provides that the operator, as defined in the *Road Transport (General) Act 2005*, as well as the driver, of a Class 1 or Class 3 vehicle is guilty of an offence if the vehicle is driven contrary to a relevant notice or permit.

The *Road Transport (General) Amendment (Penalty Notice Offences) Regulation 2006* commenced on 3 February 2006 and prescribes as penalty notice offences the offences of failure to supply the name and address of a person, and false nomination of another person, who was in charge of a vehicle at the time of a camera recorded offence.

The *Road Transport (General) Amendment (Penalty Notices relating to Mass Requirements) Regulation 2006* commenced on 5 May 2006 and provides, apart from omitting a redundant clause, that the statutory offence concerning contravention of mass limitations conspicuously displayed by notice on certain roads and bridges to be dealt with by penalty notice. This Regulation shows that the penalty for offences dealt with by penalty notice to depend on the

15 LEGAL CHANGE

amount by which the laden mass of the vehicle exceeds the maximum specified.

The **Transport Administration (General) Amendment (Delegation) Regulation 2006** commenced on 5 May 2006 and prescribes a person who is a party to an 'Authorised New Vehicle Inspection Scheme' agreement (ANVIS agreement) as a person of a class to whom the RTA may delegate its functions relating to the registration of vehicles on behalf of the RTA.

The **Roads (General) Amendment (Rail Corporation) Regulation 2005** commenced on 23 June 2006 and prescribes Rail Corporation New South Wales as a 'public authority' for the purposes of the *Roads Act 1993*.

The following seven regulations were published in the NSW Government Gazette on 1 July 2005 and commenced on 1 July 2005 and adjusted fees and fixed penalties payable pursuant to a penalty notice generally in line with movements in the (Sydney) Consumer Price Index (averaged at 2.38 per cent and rounded to the nearest dollar):

- *The Driving Instructors Amendment (Fees) Regulation 2005.*
- *The Road Transport (Driver Licensing) Amendment (Fees) Regulation 2005.*
- *The Road Transport (General) Amendment (Fees) Regulation 2005.*
- *The Road Transport (Mass, Loading and Access) Amendment (Fees) Regulation 2005.*
- *The Road Transport (Safety and Traffic Management) Amendment (TFMS Fee and Tow-away Charge) Regulation 2005.*
- *The Road Transport (Vehicle Registration) Amendment (Fees) Regulation 2005.*
- *The Roads (General) Amendment (Penalty Notice Offences) Regulation 2005.*

The **Road Transport (Heavy Vehicles Registration Charges) Amendment Regulation 2005** commenced on 1 July 2005 and varied the annual registration charges payable under Part 2 of the *Road Transport (Heavy Vehicles Registration Charges) Act 1995*. The Regulation applied a one per cent increase in accordance with advice provided by the National Transport Commission.

The following eight regulations were published in the NSW Government Gazette on 23 June 2006 and commenced on 1 July 2006 and adjust fees and fix penalties payable pursuant to a penalty notice generally in line with movements in the (Sydney) Consumer Price Index (averaged at 2.53 per cent and rounded to the nearest dollar):

- *The Driving Instructors Amendment (Fees) Regulation 2006.*
- *The Photo Card Amendment (Fee and Penalty Notice Offences) Regulation 2006.*
- *The Road Transport (Driver Licensing) Amendment (Fees) Regulation 2006.*
- *The Road Transport (General) Amendment (Penalty Levels) Regulation 2006.*
- *The Road Transport (Mass, Loading and Access) Amendment (Fees) Regulation 2006.*

- *The Road Transport (Safety and Traffic Management) Amendment (Fees and Tow-away Charge) Regulation 2006.*
- *The Road Transport (Vehicle Registration) Amendment (Fees) Regulation 2006.*
- *The Roads (General) Amendment (Penalty Notice Offences) Regulation 2006.*

The **Road Transport (Heavy Vehicles Registration Charges) Amendment Regulation 2006** was published on 30 June 2006 and commenced on 1 July 2006 and varies the annual registration charges payable under Part 2 of the *Road Transport (Heavy Vehicles Registration Charges) Act 1995*. The Regulation applied a 2.7 per cent increase in accordance with advice provided by the National Transport Commission.

SUBORDINATE LEGISLATION ACT 1989

There were no departures from the *Subordinate Legislation Act 1989* other than in the case of the *Road Transport (General) Regulation 2005*. In the making of that Regulation, 'special circumstances' (as envisaged in section 6 of the *Subordinate Legislation Act 1989*) were purportedly established, necessitating the making of the Regulation before a regulatory impact statement was exhibited. No public submissions were received on the last mentioned document.

JUDICIAL DECISIONS AFFECTING THE RTA

NSW Supreme Court

RTA v Koseris [2006] NSWSC 551 (24 May 2006)

The matter concerned the legality of the RTA's practice of imposing an additional period of licence suspension on persons whose driver licences were suspended for exceeding the total permitted demerit points allowed under the *Road Transport (Driver Licensing) Act 1998* (the Act).

Section 33 (1) of the Act, permits the RTA to discretionarily suspend a person's driver licence if the person commits a prescribed speeding offence and pays a penalty notice for that offence. Section 16 (7) of the Act provides in part that upon suspension of a driver's licence for demerit points, all demerit points are 'taken to be deleted' from a person's driving record.

Justice McDougall found that mandatory suspensions under section 16 for the accumulation of demerit points and discretionary suspensions imposed under section 33 of the Act were directed towards different ends and that the language used in each section was specific to that section.

Accordingly, the plaintiff's summons was dismissed with costs.

RTA v Dederer [2005] NSWSC 185 (18 March 2005)

On 31 December 1998 when the plaintiff, a boy of 14 years of age, dived from the Forster–Tuncurry Bridge into the river below, he suffered limited paraplegia. He sued the Foster Tuncurry Local Council and the RTA.

Justice Dunford found that the flat top railing and ledge of the bridge, which were easily accessible, were regularly used as launching pads for jumping and

diving into the water and that Council and the RTA owed a duty of care to persons diving or jumping off the bridge and to take reasonable care to prevent injury to them.

While signs were in place and the plaintiff admitted in evidence that he saw the signs, this was not sufficient to discharge the defendants from their duty of care to the plaintiff.

Damages were agreed at \$1.4 million. The plaintiff was found to have contributory negligence assessed at 25 per cent. Judgment was given to the plaintiff on 75 per cent of the agreed damages with the proportional split of 80 per cent against the RTA and 20 per cent against Council.

Both the RTA and Council have appealed to the NSW Court of Appeal against this decision. The appeal was heard on 20 March 2006 and judgment is reserved.

RTA v McNaughton [2006] NSWSC 115 (23 Feb 2006)

This was an appeal by the RTA against a decision of the Local Court acquitting the defendant of the offence of exceeding the applicable speed limit as detected by a fixed digital speed camera.

At the Local Court hearing the RTA tendered two photographs which show the offending vehicle travelling in 'Lane 3' towards the relevant speed camera. It sought to adduce evidence through its witness that lane 3 as depicted in the photographs was in fact lane 3 on the roadway.

The Magistrate did not allow this evidence to be adduced finding that the RTA witness was not an expert witness for speed cameras. Since there was no other evidence on this point, the defendant was found not guilty.

The RTA appealed this decision to the NSW Supreme Court on the basis that the Magistrate had erred in law in reaching the decision. Mr Justice Adams delivered judgment on 23 February 2006 dismissing the RTA appeal and essentially upholding the Magistrate's decision as a decision of fact and not of law.

RTA v Nichols [2006] NSWSC 946 (22 Dec 2005)

On 12 June 2004 Mr Peter Nichols was detected by a fixed digital speed camera travelling at 85 km/h in a 60 km/h zone on the New England Highway at Murrirundi. He was subsequently issued with a penalty notice and elected to have the matter heard in court.

The Scone Local Court found that the evidence supported a finding that the camera which had in the past gone 'offline' following thunderstorms combined with the evidence from the defendant that he was not speeding at the time of the offence, gave rise to a reasonable doubt that the defendant was guilty of the offence. Accordingly, the defendant was acquitted. The RTA appealed the decision to the NSW Supreme Court.

Justice Hoeben in the NSW Supreme Court delivered judgment in favour of the RTA finding that evidence of camera malfunction had to be 'specific' evidence of malfunction related to the period in which the camera is certified as accurate and reliable pursuant to the statutory scheme under which cameras operate.

RTA v Michell [2006] NSWSC 194 (22 March 2006)

The RTA appealed to the NSW Supreme Court against a decision of the

Local Court acquitting the defendant of a speeding offence.

In the Local Court proceedings the Magistrate found that the RTA as prosecutor had established a prima facie case by tendering photographs that did not bear a security indicator of the kind prescribed by the relevant regulations. The defendant did not tender any 'evidence to the contrary' that the photographs had been altered since they were taken. The Magistrate found that without a security indicator on the photographs, the RTA did not enjoy the benefit of the presumption of non alteration as provided for in section 47 of the *Road Transport (Safety and Traffic Management) Act 1999* (the Act) and he could not be satisfied beyond reasonable doubt that the photographs had not been altered since they were taken. Accordingly, the defendant was acquitted.

The Supreme Court held that in the absence of a security indicator on the photographs tendered in evidence it was open to the Magistrate to find that he could not be satisfied that the photographs had not been altered since they were taken and to acquit the defendant on the basis of reasonable doubt. In addition, Justice Adams considered the phrase 'evidence to the contrary' which is included in section 47 of the Act and commented that any evidence contrary to that depicted or shown on the photograph will displace the evidentiary value of the photograph.

His Honour concluded by saying that "[I]n light of publicity about the effect of this judgment I think I should add that it does not bring into contention, so far as I can see, cases where there has been a plea of guilty or, when the plea was not guilty, where the point has not been taken."

Wojtulewicz v RTA [2006] NSWSC 525 (5 June 2006)

This case involved consideration of the meaning of section 16 of the *Road Transport (Driver Licensing) Act 1998* (the Act) dealing with demerit points suspensions of driver licences.

Following the accumulation of excessive driver licence demerit points, the RTA cancelled the plaintiff's driver licence and notified him accordingly. In response, the plaintiff appealed to the Local Court, however, the Magistrate ruled that he did not have jurisdiction to hear the appeal and dismissed it accordingly. Subsequently, the plaintiff sought an order from the Supreme Court that the Magistrate had erred in law and that the matter be remitted back to the Local Court for determination.

Justice Hidden in the NSW Supreme Court upheld the plaintiff's summons on the basis that the RTA, in taking action to suspend a driver's licence for the accumulation of demerit points, was bound to consider whether it would be unreasonable to do so having regard to the date when any relevant offence was committed.

Prior to the decision in this case the NSW Government had amended the relevant appeal provisions to clarify that there is no right of appeal from a demerit points suspension under section 16 of the Act.

Court of Appeal

RTA ats Edson [2006] NSWCA 68 (7 April 2006)

The plaintiff commenced proceedings in the District Court as a result of injuries sustained when she ran onto the F5 Freeway near Campbelltown. She was struck by two motor vehicles travelling at about 100 km/h. At the

15 LEGAL CHANGE

time of the accident, 28 August 1998, she was 13 years old.

It was common knowledge and practice for people to cross the F5 Freeway in order to access two neighbouring suburbs which were separated by the freeway. Access to the freeway reserve was blocked on the western side by a two metre high, wire mesh fence and on the eastern side by a two metre high, concrete sound wall. At the time of the accident the fence had either been pushed over or cut through and a section of the sound wall had been removed.

On the night of the accident the plaintiff was part of a group of youths that passed through the eastern side of the freeway through the concrete wall and crossed the freeway. She was attempting to cross the freeway from the western side in a state of panic from the presence of a police vehicle when she was struck by two vehicles. She had been with others who had been drinking and they all appeared to be apprehensive about the attitude of the police to them.

On 22 October 2004 Murray AJ in the District Court delivered judgment, finding as outlined for the RTA, he dismissed the proceedings and ordered the plaintiff to pay the costs of the RTA as well as Campbelltown City Council.

His Honour held that the RTA had duty of care to persons in the category in to which the plaintiff fell. The Judge found that the RTA had failed to take steps to build and maintain sufficient fencing to prevent pedestrians entering onto the freeway (there was sufficient evidence to suggest that the RTA was well aware of the problem). Nonetheless, the fact that the plaintiff was a trespasser, her careless behaviour, the obviousness of the risk, and the principles set out in the case law disentitled the plaintiff to a verdict.

The plaintiff appealed from this decision to the Court of Appeal.

The Court of Appeal delivered judgment on 7 April 2006. It found that the RTA had breached its duty of care which was causative of the plaintiff's injuries. Further, the plaintiff was careless of her own safety to a significant degree and in light of the circumstances, which included her age, state of panic and obviousness of the risk it was appropriate to assess the contributory negligence of the plaintiff which was assessed at 40 per cent.

RTA ats McGregor and Anor [2005] NSWCA 388 (11 November 2005)

This matter was an appeal by the RTA and Woollahra Council against a decision of the District Court awarding damages to the plaintiff as a result of a tripping incident which occurred on 1 January 2000 in Darling Point NSW. At the time of the accident the plaintiff tripped on an uneven surface on the footpath surrounding a metal pole.

The plaintiff alleged that the RTA or its predecessor had installed the metal pole in a negligent manner and had over the years failed to rectify the defect or warn persons of the danger.

Judge Bishop in the District Court accepted that the pole had been installed by the RTA or its predecessor in a negligent manner and that the RTA had not rectified the defect or warned persons of the dangers. Accordingly he found the RTA liable.

The Council was also found liable on the basis that it had the care and control of the footpath at the time of the accident and damages were apportioned 60 per cent to the Council and 40 per cent to the RTA.

Both the RTA and the Council appealed against the decision. The RTA appeal was based on the passage of time having extinguished the duty of care it owed to the plaintiff.

The Court of Appeal found that the passage of time did not extinguish the RTA's liability.

Ashfield Municipal Council v RTA and Anor [2004] NSWSC Supreme Court (8 November 2004)

The RTA was involved in a dispute with Ashfield Municipal Council regarding a proposal to carry out preliminary geotechnical investigations on certain roads in Haberfield, in the Ashfield Local Government Area, as part of the preparation of an environmental impact statement for the M4 East Motorway project. Ashfield Municipal Council was the roads authority under the *Roads Act 1993* for each of the relevant roads. Some of the roads in question were classified roads while others were unclassified roads.

The Council commenced proceedings in the Supreme Court seeking to restrain the roadworks. On 8 November 2004, Justice Palmer delivered judgment declaring that as long as the Council remained the appropriate roads authority, the RTA must obtain its consent under section 138 of the *Roads Act 1993* before carrying out the proposed work. The Council denied its consent. Importantly, the Supreme Court held that the RTA, in relation to classified roads, could exercise the functions of Ashfield Municipal Council pursuant to section 138 of the *Roads Act 1993* by exercising those functions pursuant to section 64 of the *Roads Act 1993*. Justice Palmer held that if the RTA chooses to exercise the particular functions with respect to a classified road, it must communicate that decision to the roads authority concerned.

The RTA appealed to the Court of Appeal which overturned Justice Palmer's decision. The Court of Appeal held that sections 64(1), and section 72(1) not only empower the RTA to carry out roadwork on both classified and unclassified roads, but also authorise the actual exercise of that work without the need for consent to be obtained from Ashfield Municipal Council pursuant to section 138(1) of the *Roads Act 1993*. In addition, the Court of Appeal held that Justice Palmer erred in his findings that reference to exemption in the legislation to public authorities needing to obtain an approval under section 138 of the *Roads Act 1993* applies to the RTA.

RTA v Damjanovic [2006] NSWCA 166

The RTA appealed against a decision of the Land and Environment Court (LEC) concerning compensation payable by the RTA for the compulsory acquisition of three parcels of land, located at Eastern Creek, formerly owned by the Damjanovic family. The land was acquired by the RTA in 2004 for the construction of the M7 Westlink. The Damjanovics retained ownership of the adjoining land on which they operate a poultry farm.

Access to the retained land was a significant valuation issue. Before the acquisition, the land had access to Wallgrove Road via three unsealed tracks used for the purpose of the existing poultry egg production business. After

acquisition, the RTA provided an alternative dog-leg access to and from the retained land partly located on land owned by Sydney Water, designed to facilitate the existing poultry egg production business.

The LEC found that the alternative dog-leg access provided by the RTA after acquisition effectively sterilised any use of the retained land for industrial purposes. Accordingly, the LEC held that the highest and best value of the land in the 'after valuation' was, at best, for rural uses and its existing use as a poultry farm with no potential for higher (eg industrial) usage.

The difference between the valuation of the industrial use in the 'before valuation' (\$18.963 million) and the value of the land for its existing use as a poultry farm without any potential for a higher usage in the 'after valuation' (\$3 million), resulted in compensation of \$15.963 million for market value.

The RTA appealed to the Court of Appeal claiming that the LEC had made errors in law by applying incorrect valuation principles in arriving at this decision. The Court of Appeal dismissed the RTA's appeal.

High Court

McNamara v RTA [2005] HCA 55 (29 September 2005)

The RTA took action in the Consumer Trader and Tenancy Tribunal (CTTT) to evict a long standing tenant at 67 Cromwell Street, Croydon Park, whose home was leased to her prior to the commencement of the *Residential Tenancies Act 1987*. The tenant opposed the RTA's action on a number of grounds, arguing that the RTA was bound by the requirements of the *Landlord and Tenant (Amendment) Act 1948* (the protected tenancies legislation) and accordingly, the Tribunal had no jurisdiction to hear the RTA's application. The RTA relied on section 5 of the protected tenancies legislation, which provides that the Act does not bind the Crown in the right of the Commonwealth or of the State. It argued that section 46 of the *Transport Administration Act 1988*, which constitutes the RTA, provides that it is for the purposes of any Act, a statutory body representing the Crown, and therefore as the Crown, it is not bound by the protected tenancies legislation.

The High Court delivered judgment on 29 September 2005. It found that being a statutory body representing the Crown did not necessarily confer upon that body the privileges and immunities which properly belong to the Crown unless Parliament specifically intended that. The RTA did not have

those privileges and immunities to which it claimed to be entitled and the CTTT did not have jurisdiction to determine the matter.

As a result of the High Court Decision the NSW Government has amended the *NSW Interpretation Act 1987* to overcome the decision reached by the High Court in this case.

Batistatos v the RTA [2006] HCA 27 (14 June 2006)

This claim arose from an incident that occurred on 21 August 1965 at Fullerton Street, Stockton. The plaintiff was driving a motor vehicle along Fullerton Street, Stockton when the motor vehicle ran off the road and into a depressed ditch and overturned. As a result of the accident the plaintiff sustained catastrophic injuries including quadriplegia.

The Statement of Claim was filed in the Supreme Court on 21 December 2004 commencing action against both the RTA and Newcastle City Council. The plaintiff claimed the RTA was negligent by failing to warn of the existence of a bend, failing to warn it was unsafe, failing to place posts with reflectors, failing to properly illuminate the bend, failing to construct/maintain the roadway in an adequate manner.

On 25 August 2005 both RTA and Council filed Notices of Motion in the NSW Supreme Court for a permanent stay on the basis that the claim was out of time under the *Limitations Act 1969*. The NSW Supreme Court refused the applications. Both RTA and the Council appealed to the NSW Court of Appeal which granted leave to appeal and stayed the proceedings permanently on the basis that both defendants would have suffered significant prejudice in defending any action brought by the plaintiff.

Subsequently on 9 June 2005 the plaintiff filed an application for special leave to appeal to the High Court which heard the matter on 12 October 2005. The plaintiff was successful in the leave application.

The substantive argument on the issue was heard by the High Court on 1 and 2 February 2006. The High Court delivered judgment on 14 June 2006, by majority dismissing the plaintiff's appeal on the basis that the period of time which had elapsed since the accident was such as to cause prejudice to the defendants.

The consequence of the decision is that the plaintiff is unable to sue both the RTA and the Newcastle Council.

16 LAND DISPOSAL

The RTA owns property for administrative purposes and acquires property for road construction. Properties that are surplus to requirements are disposed of in accordance with government policy.

During 2005–06 contracts were brought to account for the sale of 126 properties for a total value of \$37.6 million (net of GST). Of these, 25 properties were valued at more than \$0.5 million each, with a total value of \$29.2 million.

A property in Lilyfield was sold for \$4.65 million and a property in Calga was sold for \$3.87 million.

No properties were sold to people with a family or business connection between the purchaser and the person responsible for approving the disposal.

Proceeds from property sales are used to improve the State's road network infrastructure.

All documents relating to the disposal of properties are available under the Freedom of Information legislation.

17 PUBLICATIONS

The RTA produces a wide range of publications to assist customers, to promote road safety and new technology, and to fulfil statutory requirements under annual reporting, environmental and freedom of information legislation. Publications on driver licensing, vehicle registration and road safety are available free from motor registries.

Technical and Austroads publications are available for sale from the RTA Information and Reference Services at Pod D Level 1 Octagon Building, 99 Phillip Street, Parramatta (phone 02 8837 0151). The library's collection of books, journals, and CD-ROMs includes extensive coverage in the areas of road and bridge engineering, road safety, environment and management.

The following new or substantially revised titles were issued during 2005–06.

BICYCLES

- Getting around by bike? You need the RTA cycleways map
- Your guide to cycling from Broken Bay to Lake Munmorah
- Your guide to cycling from Catherine Hill Bay to Williamtown, including Lake Macquarie
- Your guide to cycling in Sydney's north and north west

CORPORATE

- Annual Report 2005 and CD-ROM
- Apprenticeship scheme
- Cobb & Co country Moama to Wilcannia
- Drive your career further
- Geared Issue 1, July 2005
- Geared Issue 2, December 2005
- Geared Issue 1, June 2006
- Looking for a career with drive? Graduate Recruitment and Development (GRAD) Program
- Main Roads 1929–1984 Journals of the Department of Main Roads, NSW (DVD library)
- Traineeship scheme

DRIVER AND VEHICLE

- A guide for older drivers
- Braking habits
- Conditional registration: Registration for vehicles with limited road access
- Driver qualification handbook
- Driver qualification test: Qualifying for your full licence
- From 11 July 2005 new conditions apply to new P-plate drivers
- Getting your driver's licence
- Getting your motorcycle rider licence
- Gold or silver yr car: Bling for your favourite thing
- Gold or silver yr car: Dress to impress
- Guide to supervising drivers

- Hazard Perception Test
- How to prove who you are to the RTA
- Introducing new metallic number plates
- Make Yr Car as individual as You R
- Medical and driving tests
- myRTA.com
- National driver licence classes
- New penalties for parking offences from 1 July 2005 (demerits points flyer for councils)
- NSW Driver and Vehicle Statistics 2004
- NSW Photo card: Show who you are
- NSW Photo card: Major features of the new NSW Photo Card
- Photo card fact sheet
- Road user publications (CD-ROM)
- Road Users' Handbook
- Vehicle Inspectors: New inspection fees for Authorised Inspection Stations
- Vehicle Inspectors: Introduction of AIS scheme
- Vehicle Inspectors Bulletin: Inspection of number plates, May 2006
- Worried about the driving ability of an older driver?

ENVIRONMENT

- Heritage drives self-guided tours: The Summerland Way
- RTA Thematic History 2006, 2nd Edition (February 2006)
- Bridge Types in NSW - Historical Overview (June 2006)

HEAVY VEHICLE

- Authorised Unregistered Vehicle Inspection Scheme: Road vehicle descriptors (CD-ROM)
- AUVIS Bulletin: Replacement engines
- Bio-diesel fuel Information Sheet, August 2005
- Chain of Responsibility in NSW: Enforcement strategy for container weight declarations – drivers
- Compliance and enforcement in the transport industry: Chain of responsibility
- Compliance and enforcement in the transport industry: Chain of Responsibility – Consignor/Receiver
- Compliance and enforcement in the transport industry: Chain of Responsibility – Driver
- Compliance and enforcement in the transport industry: Chain of Responsibility – Loader/Packer
- Compliance and enforcement in the transport industry: Chain of Responsibility – Operator/Manager/Scheduler

- Compliance and enforcement in the transport industry: Container weight declaration
- Compliance and enforcement in the transport industry: General information
- Compliance and enforcement in the transport industry: Information for New South Wales
- Compliance and enforcement information about introduction of C&E legislation
- Compliance and enforcement information about introduction of C&E legislation (CD-rom)
- Compliance and enforcement notice: Fatigue management program pilot procedures, April 2006
- Compliance and enforcement notice: Enforcement of container weight declaration
- Compliance and enforcement notice: Survey of truck suspensions in NSW
- Driving hours regulations: Transitional Fatigue Management Scheme for heavy vehicle drivers
- Getting your multi-combination driver licence
- Heavy Vehicle compliance and enforcement: Information for industry in preparing compliance systems and programs, August 2005
- Heavy Vehicle Seat Belt
- Higher Mass Limits network in NSW, February 2006
- Truck Rest Stop List – Hume Highway (internet)
- Vehicle inspectors bulletin: Seat belts missing from Toyota Coaster buses manufactured between July 1992 and June 2004, May 2006
- Working with or around trucks? Free TAFE course
- Camden Valley Way: Widening from Bernera Road to M5/Westlink M7 interchange, Prestons community update, December 2005
- Completing the upgrade of the Pacific Highway community update
- Coobang upgrade of the Newell Highway community update, January 2006
- Coobang upgrade of the Newell Highway community update, June 2006
- Cowpasture Road upgrade: Hoxton Park Road to Main Street community update, August 2005
- Cowpasture Road upgrade: Hoxton Park Road to Main Street, Hoxton Park community update, April 2006
- Cowpasture Road Upgrade: Westlink M7 to North Liverpool Road REF Volume 1 Main Report and Volume 2 Appendices, October 2005 (hard copy and CD-rom)
- Cowpasture Road Upgrade: Westlink M7 to North Liverpool Road community update, October 2005
- Cycleway security upgrade community update, May 2006
- F5 Freeway (Hume Highway) entry and exit ramps at Ingleburn community update, November 2005
- Five Islands Road Upgrade community update, July 2005
- Five Islands Road upgrade community update, October 2005
- Five Islands Road upgrade community update, February 2006
- Five Islands Road upgrade community update, May 2006
- Glebe Island Bridge maintenance works community update, November 2005
- Great Western Highway Upgrade: Leura to Katoomba Section I, Willow Park Avenue to Kings Road, Leura community update, October 2005
- Great Western Highway upgrade: Penrith to Mount Victoria, December 2005
- Great Western Highway Upgrade: Station Street, Woodford to Ferguson Avenue, Hazelbrook including Hazelbrook Parade link community update, October 2005
- Great Western Highway Upgrade: Wentworth Falls East community update, May 2006
- Great Western Highway Upgrade: Wentworth Falls East, Tableland Road to Station Street REF Volume 1 Main Report, Volume 2 Urban Design, Landscape and Visual Assessment Report, Volume 3 Appendices, May 2006 (hard copy and CD-rom)
- Great Western Highway: Leura to Katoomba Section I, Willow Park Avenue to Eastview Avenue, Leura community update, May 2006
- Hinton Bridge over Paterson River: Bridge restoration community update, December 2005
- Improvements of the Pambula River Floodplain Crossing at Pambula Review of Environmental Factors
- Installation of new traffic signals at Canterbury Road and Duke Street, Campsie community update, April 2006

INFRASTRUCTURE

- Alfords Point duplication community update, June 2006
- Ardlethan Realignment community update, January 2006
- Bangor Bypass community update, October 2005
- Bangor Bypass Stage 2 community update, November 2005
- Bangor Bypass Stage 2 community update, December 2005
- Bells Line of Road Corridor Study Summary Report, November 2005
- Bexley Road upgrade: Shaw Street to Kingsgrove Avenue, North Bexley community update, February 2006
- Blackheath Station pedestrian crossing upgrade community update, September 2005
- Blackheath Station pedestrian crossing upgrade: Great Western Highway, Blackheath community update, April 2006
- Bradfield Plaza under the Sydney Harbour Bridge community update, April 2006
- Brunswick Heads to Yelgun community update, April 2006
- Cahill Expressway Bridge maintenance works community update, June 2006

17 PUBLICATIONS

- Jenolan Caves Road, Five Mile Hill project community update, November 2005
- Lane Cove Tunnel Project: Local Area Traffic Management Plans (Roads in Crows Nest, Cammeray and Neutral Bay to be examined by LATM plan) community update
- Lane Cove Tunnel Project: Local Area Traffic Management Plans (Roads in Lane Cove to be examined by LATM plan) community update
- Lane Cove Tunnel Project: Local Area Traffic Management Plans (Roads in Ryde, Hunters Hill and Gladesville to be examined by LATM plan) community update
- Lane Cove Tunnel Project: Local Area Traffic Management Plans (Roads in Artarmon to be examined by LATM plan) community update
- Lawrence Hargrave Drive re opening community walk: Information for walkers
- Main Road 92 Upgrade: Nowra to Nerriga, Planning approval, October 2005
- Morpeth Bridge Maintenance works community update, October 2005
- Newcastle inner city bypass: Sandgate to Shortland REF, May 2006
- North Kiama Bypass: How to use the new road community update, November 2005
- North Kiama Bypass: Your invitation to a fun family day out
- Old Windsor Road / Norwest Boulevard intersection, Bella Vista community update
- Pacific Highway and Dog Trap Road, Ourimbah community update, May 2006
- Pambula River Bridge: Display of the proposal and REF community update, May 2006
- Princes Highway upgrade: Gerringong to Bomaderry community update, March 2006
- Princes Highway upgrade: Princes Highway options and route selection study Gerringong to Bomaderry, community update, May 2006
- Proposed upgrading of Avoca Drive: The Entrance Road to Sun Valley Road, Green Point community update, November, 2005
- Redevelopment of Bradfield Park under the Sydney Harbour Bridge community update
- Road resurfacing work on New South Head Road, Double Bay, Point Piper and Bellevue Hill community update, March 2006
- Southern Cross Drive and Gardeners Road, Eastlakes: Proposed traffic ramps community update
- Swan Hill Bridge rehabilitation community update, June 2006
- Swansea Bridge maintenance program community update, June 2006
- Swansea Bridge planned annual service community update, February 2006
- Sydney Harbour Bridge cycleway community update, December 2005
- Sydney Harbour Bridge repainting community update, May 2006
- The Entrance Road: Upgrading from Ocean View Drive to Tumbi Road, Wamberal community date
- Tom Ugly's Bridge maintenance works community update, May 2006
- Tugun Bypass: Submissions Report/Supplement to the draft Environmental Impact Statement, Volume One Main Report and Volume Two Appendices, October 2005 (hard copy and CD-rom)
- T-ways New Update: North-west T-way Project well underway community update
- Upgrading the Pacific Highway: Ballina bypass progress update no 2, May 2006
- Upgrading the Pacific Highway: Banora Point Review of Option C proposed by Tweed Chamber of Commerce Report, December 2005
- Upgrading the Pacific Highway: Brunswick Heads to Yelgun community update, December 2005
- Upgrading the Pacific Highway: Bulahdelah Upgrade Submissions Report
- Upgrading the Pacific Highway: Bundacree Creek to Possum Brush Project Information community update, March 2006
- Upgrading the Pacific Highway: Coopernook Bypass Official Opening, March 2006
- Upgrading the Pacific Highway: Environmental Assessment, Part 3A
- Upgrading the Pacific Highway: F3 to Raymond Terrace Route options display community update, October 2005
- Upgrading the Pacific Highway: F3 to Raymond Terrace Route Options Report, October 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Failford Road to Tritton Road Concept Design, February 2006
- Upgrading the Pacific Highway: Failford Road to Tritton Road Concept Design Report, February 2006
- Upgrading the Pacific Highway: Herons Creek to Stills Road Report
- Upgrading the Pacific Highway: Herons Creek to Stills Road Concept Design, February 2006
- Upgrading the Pacific Highway: How is noise addressed?
- Upgrading the Pacific Highway: Iluka Road to Woodburn
- Upgrading the Pacific Highway: Iluka Road to Woodburn community update, March 2006
- Upgrading the Pacific Highway: Iluka Road to Woodburn Concept design report, March 2006 (report and CD-rom)
- Upgrading the Pacific Highway: Kempsey to Eungai community update, February 2006
- Upgrading the Pacific Highway: Kempsey to Eungai Project Application Report, May 2006
- Upgrading the Pacific Highway: Kempsey to Eungai Project Application (Support Information), May 2006

- Upgrading the Pacific Highway: Macksville to Urunga Preferred Route Report, November 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Macksville to Urunga community update, November 2005
- Upgrading the Pacific Highway: Macksville to Urunga Preferred Route, November 2005
- Upgrading the Pacific Highway: Meeting environmental needs
- Upgrading the Pacific Highway: Moorland to Herons Creek Submissions Report, June 2006
- Upgrading the Pacific Highway: new planning program Tintenbar to Ewingsdale Route Options Report, May 2006
- Upgrading the Pacific Highway: Oxley Highway to Kempsey Route options display community update, October 2005
- Upgrading the Pacific Highway: Oxley Highway to Kempsey Route Options Report, October 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Oxley Highway to Kempsey Route Options Submissions Report, May 2006
- Upgrading the Pacific Highway: Property acquisition
- Upgrading the Pacific Highway: Tintenbar to Ewingsdale Route options display community update, October 2005
- Upgrading the Pacific Highway: Tintenbar to Ewingsdale Route Options Report, October 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Warrell Creek upgrade community update, November 2005
- Upgrading the Pacific Highway: Wells Crossing to Iluka Road Route options display community update, October 2005
- Upgrading the Pacific Highway: Wells Crossing to Iluka Road Route Options Development Report (hard copy and CD-rom)
- Upgrading the Pacific Highway: Woodburn to Ballina Preferred Route, November 2005
- Upgrading the Pacific Highway: Woodburn to Ballina Preferred Route Report, November 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Woodburn to Ballina Route Options Submissions Report, November 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Woolgoolga to Wells Crossing Route options display community update, October 2005
- Upgrading the Pacific Highway: Woolgoolga to Wells Crossing Route Options Report, October 2005 (hard copy and CD-rom)
- Upgrading the Pacific Highway: Woolgoolga to Wells Crossing Route Options Submissions Report, May 2006
- Upgrading the Princes Highway: How is noise addressed?
- Upgrading the Princes Highway: Meeting environmental needs
- Upgrading the Princes Highway: Property acquisition
- Upgrading Windsor Road: Boundary Road to Level Crossing Road, Vineyard community update, April 2006
- Upgrading Windsor Road: Construction information and community information day, May 2006
- Wallaby Rocks bridge rehabilitation community update, May 2006
- Weakleys Drive interchange: Preferred option community update, October 2005
- Wells Crossing to Iluka Road value management workshop outcomes community update, May 2006
- West Street interchange community update, June 2006
- Widening of the F3 Freeway: Cowan to Mt Colah community update, April 2006
- Widening of the F3 Freeway: Cowan to Mt Colah Review of Environmental Factors, Volume One Main Report and Volume Two Appendices, April 2006
- Windsor Flood Evacuation Route: South Creek community update, August 2005
- Windsor flood evacuation route:, South Creek community update, April 2006
- Windsor Road Upgrade: Mile End Road, Rouse Hill to Boundary Road, Box Hill community update, January 2006
- Windsor Road Upgrade: Roxborough Park Road to Norwest Boulevard, Baulkham Hills community update, December 2005

ROAD SAFETY

- A guide to using a motorised wheelchair
- A Practical Guide to Addressing Road Safety Issues Around Schools (kit)
- Changes in ordering RTA road safety education resources: Primary schools
- Changes in ordering RTA road safety education resources: Secondary schools
- Helping learner drivers become safer drivers workshop: Workshop presenter's manual
- Mobile phones and driving
- Oversize and over mass agricultural combinations: additional requirements (information sheet)
- Road Environment Safety Update, Road safety benefit-cost analysis: Materials for program submissions
- Road Environment Safety: A practitioners reference guide to safer roads
- Road safety for overseas visitors
- Road safety issues around schools Information for parents kit including information sheets A-J
- Road traffic crashes in NSW 2004 report
- Safe school travel tips for parents and carers
- Safety improvements on The Esplanade between Medcalf Street, Warners Bay and Main Road, Speers Point community update, December 2005
- Technical specification: Requirements for warning signs and lights ('wig-wag') on school buses, January 2006
- Technical specification: Devices to assist in reducing the risk to young pedestrians from reversing motor vehicles

17 PUBLICATIONS

- The limitations of children in the traffic environment: RTA school road safety education program (video and DVD)
- Towing trailers: Things you should know
- Vehicle inspectors Bulletin: Registration of new campervans and motorhomes, June 2006
- Vehicle Inspectors Bulletin: Changes to the validity period of light vehicle pink slips and e-Safety Check stations
- Vehicle Inspectors Bulletin: Registration of new campervans and motorhomes
- Vehicle Standards Information: Spray suppression devices for heavy vehicles
- Vehicle Standards Information: Flashing lights and sirens
- Vehicle Standards Information: Guidelines for A-frame towing
- Vehicle Standards Information: Registration of left-hand drive vehicles

TRAFFIC

- Camden Valley Way and Raby Road intersection upgrade community update, May 2006
- Construction of red bus lanes in Anzac Parade, Kensington community update, June 2006
- Guide to parking rules in NSW
- Installation of Traffic Control Signals at Frenchs Forest Road and Baringa Avenue, Seaforth community update, June 2006
- Introducing Sydney's new E-Toll

- Loading Zones
- New pedestrian bridge over Canterbury Road near Church Street, Canterbury community update
- New pedestrian bridge over Hume Highway at Yagoona community update, March 2006
- New pedestrian bridge over King Georges Road at Wiley Park community update, February 2006
- New pedestrian crossing at Edgecliff station community update, February 2006
- Proposed pedestrian bridge over Princes Highway at Dwyer Avenue, Blakehurst community update, January 2006
- Roundabout: A step-by-step guide
- RTA E-Toll ... the easy way to pay

COST OF THIS ANNUAL REPORT

The total external cost of producing this report will be about \$54,500, which includes \$26,000* for design, \$ 14,500* for printing and \$ 14,000* for editing services. The RTA is also producing a summary brochure of the annual report for wider stakeholder distribution. The costs associated with this are not confirmed at the date of publishing.

The report is available on the internet at www.rta.nsw.gov.au (click on Publications, statistics and forms).

* Rounded figures. As the invoice was not yet received by the date of publication, these figures are based on quotes provided by the contractors.

18 PAYMENTS TO CONSULTANTS

Details of the amount paid to consultants in 2005–06 are provided below.

The RTA defines consultants in terms of the Premier's Department's 'Guidelines for the Engagement and Use of Consultants' issued in July 2004.

CONSULTANTS GREATER THAN \$30,000

Project description	Consultant	Amount
Probity audits Pacific Highway and SCAT PAPL Replacement project	Deloitte Touche Tomatsu	\$ 161,995
Total		\$ 161,995

CONSULTANTS LESS THAN \$30,000

Total number of engagements	6
Total cost	\$67,906

The RTA engages contractors for professional services not classified as consultancies, including valuation, legal services, road and bridge design, investigation, construction supervision, preparation of Environmental Impact Statements, as well as contract agency services and personnel.

19 REPORTING OF RTA CONTRACTS WITH THIRD PARTIES

On 27 April 2000 the government issued Premier's Memorandum 2000-11, which requires the disclosure of certain information on government contracts (including panels) with the private sector. This applies to any case where there was an opportunity for a number of parties to tender or express interest in supplying the goods or services.

As a result the Chief Executive issued Corporate Policy Statement No.33, 'Disclosure of details of all RTA contracts with the private sector'. In 2005 this policy became re-identified as Policy Number 003 (PN 003).

Specific information is required for contracts where the value exceeds \$100,000. The Records Access Unit arranges for details of these contracts be placed on the RTA's Internet site under the category: Doing Business With Us.

To date the total value of reported contracts with the private sector for the current financial year exceeds \$795 million.

Any inquiries can be directed to the Privacy and Contract Reporting Coordinator on (02) 9218 3667.

20 ACCOUNTS PAYMENT PERFORMANCE

AGEING OF AMOUNTS UNPAID AT MONTH END

Quarter	Current	<30 days overdue	30-60 days overdue	60-90 days overdue	>90 days overdue
Sep 05	\$32,569,197.44	\$2,415,445.19	-\$25,556.02	\$19,456.79	\$159,811.48
Dec 05	\$25,115,612.98	\$3,789,654.22	\$531,673.13	\$42,793.57	\$55,677.42
Mar 06	\$42,380,773.23	\$1,510,002.32	\$77,134.22	-\$1,510,002.32	\$38,553.89
Jun 06	\$84,874,826.92	\$4,966,030.79	\$2,235,299.21	\$64,889.58	\$14,776.33

* Negative amounts relate to advance payments made under GC21

ACCOUNTS PAYABLE PAYMENT PERFORMANCE

Quarter	Target %	Total accounts paid on time		\$
		Actual %	Total	
Sep 05	86%	90.54%	255,951,577.00	262,831,634.00
Dec 05	86%	96.14%	220,344,898.00	224,476,686.00
Mar 06	86%	93.60%	231,579,682.00	238,163,291.00
Jun 06	86%	95.17%	218,761,735.00	223,328,993.00

Overall performance for the financial year is ahead of target.

The imaging and intelligent character recognition technology in Accounts Payable implemented in the Sydney Business Service Centre has increased processing efficiency. Opportunities are being explored to further utilise the technology.

21 FUNDS GRANTED TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

Project	Description	Recipient organisation	Grant	Program area as per Budget Paper
Safe Cycling Awareness Program 22 August 2005		Parkes Pedallers	\$1,050	Road Safety, Licensing and Vehicle Management
Meet You in Molong MC Awareness Ride 22 August 2005	Awareness ride	Central West Motorcycle Safety and Tourism Group in assoc with Ulysess	\$4,700	Road Safety, Licensing and Vehicle Management
Sharing the Road with trucks brochure 29 September 2005	Design, print and distribution of brochure	Australian Road Train Association	\$7,500	Road Safety, Licensing and Vehicle Management
Bat Bus alternative transport service 5 December 2005	Establishment of service	Dubbo Liquor Licencing Accord	\$12,500	Road Safety, Licensing and Vehicle Management
Parkes and District Cycling Guide 30 May 2006	Design and print of guide	Parkes Pedallers	\$2,210	Traffic and Transport
Promotional poster 11 May 2005	Design and print of poster	Central West Motorcycle Safety and Tourism Group in assoc with Ulysess	\$2,000	Road Safety, Licensing and Vehicle Management
Drink Drive program 22 May 06	Program through the CSU bar and uni radio station	2MCEFM radio station	\$3,500	Road Safety, Licensing and Vehicle Management
Heritage Festival	RTA participation	National Trust	\$30,000	Road Network Infrastructure Maintenance
Roadside Environment Committee	Financial support providing for an Executive Officer; committee costs, research and annual award scheme.	Roadside Environment Committee	\$96,500	Road Network Infrastructure Maintenance
Bicycle NSW Portfolio Partners Sydney Spring Cycle	Promoting cycling	Bicycle NSW	\$130,000	Traffic and Transport
Promoting safe cycling		Bicycle NSW	\$121,000	Traffic and Transport
Promoting safe pedestrian behaviour		Pedestrian Council of Australia	\$30,000	Traffic and Transport

22 PRIVACY MANAGEMENT PLAN

Report on requests, allegations and complaints submitted under the *Privacy and Personal Information Protection Act 1998* (Privacy Act) and the *Health Records and Information Privacy Act 2001* (HRIPA).

Attached is the analysis of information regarding Records Access Unit's involvement in Privacy Act issues during the financial year 2005–06. The information has been collated as required under section 33 (3) of the Privacy Act.

STATEMENT OF ACTION TAKEN BY THE RTA AND RESULTS OF REVIEW

Section 33(3)(a) of the Privacy Act requires the RTA to provide a statement of the action taken in complying with the requirements of the Act.

In order to comply with the Privacy Act the RTA continues to:

- Identify and consider the requirements of the Act – principles, codes, public register provisions and internal reviews.
- Identify collections of personal information for which the RTA is responsible.
- Ensure measures are in place to provide an appropriate level of protection for personal information.
- Review the RTA's first Privacy Management Plan within the RTA, which was placed on the RTA website to ensure it is available to customers.
- Establish mechanisms to ensure RTA staff are aware of their obligations under the Privacy Act and appropriately trained to apply the information protection principles. The RTA is currently developing a training program, which will incorporate privacy issues and be presented to all RTA staff. A series of internal memos have been distributed to staff to highlight the requirements of the Privacy Act.

Part of the role of the Records Access Unit is to address the RTA's responsibilities under the Privacy Act. The Privacy and Contract Reporting Coordinator is responsible for processing any allegations that improper use has been made of personal information. Such allegations are termed, under the Privacy Act, Reviews of Conduct.

The Privacy Act requires the Reviews of Conduct to be finalised within 60 days.

REVIEWS CARRIED OVER FROM FINANCIAL YEAR 2004–2005

No reviews remained unresolved at the end of the reporting year.

REVIEWS – FINANCIAL YEAR 2005–06

Eight Reviews of Conduct were instigated between 1 July 2005 and 30 June 2006. The details are:

Privacy review 05–06/01

On 8 September 2005 a customer sought a review, believing that the RTA breached his privacy when a registry services officer insisted on viewing his driver licence when he purchased a mounting plate for an E-Toll tag.

Following the RTA investigation of access gained to the records involved, it was determined that there had been an unintentional breach on an information protection principle. A review of policy was conducted and the procedure has been changed to ensure such breaches do not recur.

On 11 January 2006 the complainant was advised of the RTA's determination. The customer did not lodge an appeal.

Privacy review 05–06/02

On 9 September 2005 a customer sought a review, believing that the RTA breached his privacy by disclosing to NRMA Insurance his name and address as the registered operator of a vehicle, and further alleged that the insurer misused this information to send the customer unsolicited marketing material.

A review was conducted and the RTA determined the NRMA had breached the Compulsory Third Party agreement.

The RTA sought and obtained assurance the NRMA would cease the practice of sending unsolicited information to customers.

Following the RTA investigation, it was determined that there had been no breach of information protection principles, since the NRMA was entitled to access the complainant's personal information, as it held the Green Slip insurance on the customer's vehicle.

On 9 February 2006 the complainant was advised of the RTA's determination and the NRMA's undertaking. The customer did not lodge an appeal.

Privacy review 05–06/03

On 7 October 2005 a customer sought a review, believing the RTA breached her privacy when a third party not entitled to receive the information obtained her residential address from a motor registry employee.

Following the RTA investigation of access gained to the records involved, it was determined that there had been no breach of an information protection principle. This was based on the fact the complainant's address sighted in the complaint was not the address held by the RTA.

On 23 November 2005 the complainant was advised of the RTA's determination. The customer did not lodge an appeal.

Privacy review 05–06/04

On 8 November 2005 a customer sought a review, believing the RTA breached her privacy when a Registry Services Officer interrupted the service the customer was receiving from another officer and examined the customer's business documents.

An internal investigation was conducted and both RTA employees were interviewed and denied the allegation. It was determined there had been no breach of an information protection principle.

On 28 March 2006 the complainant was advised of the RTA's determination. The customer did not lodge an appeal.

Privacy review 05–06/05

On 19 January 2006 an RTA employee sought a review, believing that the

22 PRIVACY MANAGEMENT PLAN

RTA breached her privacy when her personal information held by the RTA was improperly released by a former RTA officeholder. This information involved the disclosure of a confidential report on work place performance.

An internal investigation was conducted and relevant RTA employees were interviewed. It was determined that there had been no breach of an information protection principle.

On 7 March 2006 the complainant was advised of the RTA's determination. The employee did not lodge an appeal.

Privacy review 05–06/06

On 19 January 2006 the same RTA employee sought a simultaneous review associated with the previous complaint, believing the RTA breached her privacy by not securing personal information held by the RTA's Human Resources Branch.

An internal investigation was conducted in conjunction with the previous complaint. It was determined that there had been no breach of an information protection principle.

On 7 March 2006 the complainant was advised of the RTA's determination. The employee did not lodge an appeal.

Privacy review 05–06/07

On 6 February 2006 a customer sought a review, believing that the RTA breached his privacy by giving to Ford Credit Australia Ltd, information about the surrender of his NSW numberplates in Western Australia.

An internal investigation was conducted and the only access to the customer's information was when records relating to the NSW registration were endorsed to show that the customer's number plates had been surrendered. This was done immediately upon receipt of electronic advice from the Western Australia authorities.

It was determined there had been no breach of an information protection principle.

On 3 March 2006 the complainant was advised of the RTA's determination. The customer did not lodge an appeal.

Privacy review 05–06/08

On 13 April 2006 an RTA employee sought a review, believing the RTA breached her privacy. The complainant alleged that an RTA employee had accessed her personal details held in two data bases operated by the RTA. The allegation was in association with an RTA internal disciplinary investigation concerning the complainant.

An internal investigation was conducted into the complaint, and it was determined that there had been no breach of the information protection principles.

On 23 June 2006 the complainant was advised of the RTA's determination. The complainant did not lodge an appeal.

23 RESEARCH AND DEVELOPMENT

The Research and Development (R&D) program identifies and develops innovative solutions to materials, products, equipment and processes to achieve business improvements.

In 2005–06 over \$1.3 million was devoted to the R&D program which fosters work throughout the RTA but principally in technology areas. Work with external partners is also undertaken.

The RTA's Technology and Innovation Committee coordinates the R&D program. The committee identifies areas of need and issues, promotes R&D internally and provides advice to the Executive on the direction and level of investment in R&D.

Projects under the program were focused around the technical areas of pavements, geotechnology and road and bridge technology. Research was also conducted into road safety.

The RTA also contributes to R&D work by Austroads, see the **Value for money** chapter.

Projects undertaken in 2005–06 included:

- Use of scrap rubber (mostly by recycling tyres) in asphalt.
- Research into manufactured sands as an alternative material in asphalt and Portland concrete.
- Use of reclaimed asphalt pavement material in new asphalt pavements.
- Research into pavement surface characteristics to minimise noise and improve ride quality.
- Research into quieter concrete pavement technology to reduce traffic noise.
- Crash test wire rope safety barrier in combination with kerb.
- Design work in preparation for live crash testing of sign structures.
- Acoustic attributes of profile line marking.

For details on environmental research such as koala monitoring, refer to the **Positive environmental and urban design** chapter.

24 DRIVER AND VEHICLE STATISTICS

OFFENCE TOTALS BY REGION 2005–06

Item	Sydney	Northern	Hunter	Western	Southern	Southwest	Total
Defect notices (including HVIs activities)	23,829	5,827	9,917	6,472	17,354	5,652	69,051
Traffic infringement notices	2,127	1,866	2,609	593	7,948	1,766	16,909
Breaches (weight and other)	1,260	1,524	3,684	79	4,537	185	11,269
							97,229

NUMBER OF VEHICLES REGISTERED IN NSW AS AT 30 JUNE 2006 BY YEAR OF MANUFACTURE

Year of manufacture	No. of vehicles
Pre-1960	8,746
60-64	9,070
65-69	18,469
70-74	61,281
75-79	124,265
80-84	228,017
85-89	474,588
90-94	779,026
95-99	1,197,052
2000	288,606
2001	278,765
2002	303,969
2003	335,368
2004	346,052
2005	346,668
2006	113,364
Unknown	59,525
Total	4,972,831

NUMBER OF VEHICLES REGISTERED IN NSW AS AT 30 JUNE 2006 BY VEHICLE TYPE

Vehicle type	No. of vehicles
Passenger vehicles	2,801,521
Off-road passenger vehicles	508,143
Small buses	33,562
Buses	11,791
Mobile homes	8,670
Motorcycles	120,827
Light trucks	638,358
Heavy trucks	79,190
Prime movers	15,824
Light plant	5,739
Heavy plant	9,959
Small trailers	496,485
Trailers	242,305
Other vehicles	457
Total	4,972,831

24 DRIVER AND VEHICLE STATISTICS

NUMBER OF VEHICLES REGISTERED IN NSW AS AT 30 JUNE 2006 BY VEHICLE USAGE

Vehicle usage	No. of vehicles
Private	3,390,169
Pensioner concession	611,163
Primary producer concession	97,043
Business general	733,018
Taxi	6,172
Public bus and coach	9,434
FIRS	3,404
Other vehicle usages	122,428
Total	4,972,831

NSW DRIVER AND RIDER LICENCES ON ISSUE AS AT 30 JUNE 2006

By licence class	No. of licences	% of total
C	3,932,087	80.3
LR	77,673	1.6
MR	112,657	2.3
HR	211,822	4.3
HC	121,577	2.5
MC	15,357	0.3
R	425,441	8.7
Total	4,896,614	100.0

Note: The total number of licences on issue exceeds the total number of licensed drivers and riders, because people who hold two licence classes (to drive and ride) are counted twice.

NSW LICENSED DRIVERS AND RIDERS AS AT 30 JUNE 2006

By sex	No. of licence holders	% of total
Female	2,144,362	48.0
Male	2,326,298	52.0
Total *	4,474,183	100.0

* Including 3,523 cases where licence holders' sex was not recorded.

NSW LICENSED DRIVERS AND RIDERS BY AGE GROUP

	No. of licence holders	% of total
16	48,765	1.1
17	66,608	1.5
18-25	584,995	13.1
26-29	313,068	7.0
30-39	904,013	20.2
40-49	914,744	20.4
50-59	774,149	17.3
60-69	494,831	11.1
70-79	287,239	6.4
80+	85,771	1.9
Total	4,474,183	100.0

25 INSURANCE

PRINCIPAL ARRANGED INSURANCE

In October 2001 the RTA arranged, via its insurance broker, a Principal Arranged Insurance program (for works and third party liability) for all construction and maintenance related contracts. The program covers the RTA, its contractors and their sub-contractors.

TREASURY MANAGED FUND

The RTA has insurance cover through the Treasury Managed Fund, operated by the NSW Treasury, which includes workers' compensation, motor vehicle accident, property damage, legal liability and miscellaneous (including fidelity guarantee and travel) insurance covers.

WORKERS' COMPENSATION

Frequency of claims has decreased from the level of 9.9 per 100 employees in 2001–02 to a five year low of 8.3 in 2005–06. Based on current estimates and projections of claim costs, the deposit premium remains constant. The 2005–06 premium cost was reduced by \$250,000 as compared with 2004–05. This year the RTA received a \$2.5 million premium rebate for the three year hindsight adjustment on claims performance for 2001–02 and for the first time also received a \$1.79 million for the final fifth year hindsight adjustment for 1999–00.

These adjustments have not been included in the following graphs. This excellent outcome results from the commitment of RTA management and staff to improve workplace safety.

MOTOR VEHICLE

The number of claims per 100 vehicles has remained constant over the past five years at 12 claims. In 2002–03 the rate reduced slightly to 10 claims. The number of claims per 100 vehicles has increased by three per cent for the 2005–06 year, compared to 2004–05.

PROPERTY

The 2005–06 premium decreased by five per cent compared to 2004–05. This decrease is mainly due to the reduction of claims occurring in the 2004–05 and 2005–06 years.

LIABILITY INSURANCE PREMIUM

The 2005–06 premium decreased by 20 per cent compared to 2004–05.

Note: In relation to all the above Treasury Managed Fund insurances, premium costs are expressed as constant 2005–06 dollars using Sydney CPI.

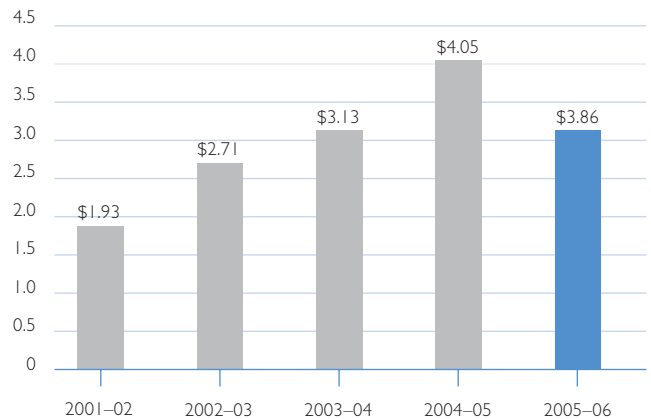
LIABILITY INSURANCE PREMIUM

Premium (current dollar 2005–06)



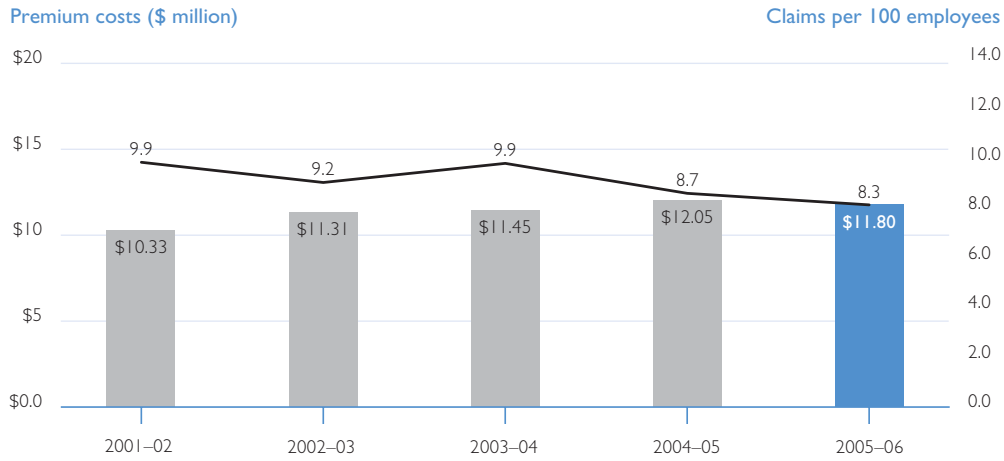
PROPERTY INSURANCE PREMIUM

Premium (current dollar 2005–06)



25 INSURANCE

WORKERS COMPENSATION PREMIUM COST AND CLAIMS FREQUENCY



MOTOR VEHICLE PREMIUM AND MOTOR VEHICLE CLAIMS FREQUENCY



26 COMPLIANCE INDEX

The following lists the RTA's Annual Report 2006 compliance with the NSW Treasury Accounting Policy checklist (<http://www.treasury.nsw.gov.au/annfaq/checklst.pdf>).

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CONTACT THE RTA

Motor registry enquiries: 13 22 13 (8.30am – 5pm Monday to Friday, 8.30am – noon Saturday)

Current traffic information: 132 701 (24 hours)

To report traffic condition and signal faults: 131 700 (24 hours)

Technical enquiries for vehicle regulations: 1300 137 302 (8.30am – 5pm Monday to Friday)

International callers (outside Australia): 61 2 4 925 1805 (8.30am – 5pm Monday to Friday, 8.30am – noon Saturday AEST)

Head Office

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260 Elizabeth St
Surry Hills 2010
PO Box K198
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Tel: 131 782
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DX 13 Sydney

Sydney region

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Blacktown 2148
PO Box 558
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DX 8120 Blacktown

Hunter

59 Darby St
Newcastle 2300
Locked Bag 30
Tel: 131 782
Fax: 02 4924 0344
DX 7813 Newcastle

Northern

31 Victoria St
Grafton 2460
PO Box 576
Tel: 131 782
Fax: 02 6640 1301
DX 7610 Grafton

Southern

Level 4, 90 Crown St
Wollongong 2520
PO Box 477
Wollongong East 2520
Tel: 131 782
Fax: 02 4227 3705
DX 5178 Wollongong

South West

1 Simmons St
Wagga Wagga 2650
PO Box 484
Tel: 131 782
Fax: 02 6938 1183
DX 5407 Wagga Wagga

Western

51 – 55 Currajong St
Parkes 2870
PO Box 334
Tel: 131 782
Fax: 02 6861 1414
DX 520256 Parkes

Transport Management Centre

25 Garden St
Eveleigh 1430
PO Box 1625
Strawberry Hills 2012
Tel: 02 8936 1400
Fax: 02 8936 1425