

**Accelerated Great Northern, Great  
Eastern and Eyre Highways Upgrade  
Package**

**Memorandum of Understanding between  
the Commonwealth of Australia and the  
State of Western Australia**

**Memorandum of Understanding (MOU)**  
**Between the Commonwealth of Australia and the State of Western**  
**Australia in Respect of the Accelerated Great Northern, Great Eastern**  
**and Eyre Highways Upgrade Package**

1. Upon signing this MOU, the Commonwealth of Australia ('the Australian Government') will pay \$323 million ('the Funding') to the State of Western Australia (Western Australia) before 30 June 2006, for the works specified in Attachment A to this MOU which collectively form the Accelerated Great Northern, Great Eastern and Eyre Highways Upgrade Package ('the Package').
2. The Australian Government will provide Western Australia with the Funding and Western Australia will implement the Package in accordance with:
  - (a) the *AusLink (National Land Transport) Act 2005* (Cth) (the Act);
  - (b) the Project Approval Instrument under subsections 9(1) and 17(1) of the Act;
  - (c) the parts of the *Notes on Administration for the Auslink Investment Programme* issued in March 2006 ('Notes on Administration'), as amended from time to time, specified in paragraph 3(f) below;
  - (d) the parts of the agreement between the Australian Government and the State of Western Australia for the *Implementation of the AusLink National Land Transport Plan in the period 2004-2009* ('the Bilateral Agreement'), specified in paragraph 3(i) below; and
  - (e) this MOU.
3. **The following matters are agreed between the parties to this MOU:**
  - (a) With the exception of the application of the final seal where works require this, Western Australia will complete the works in the Package that are on the Great Eastern Highway and the Eyre Highway by 31 December 2009 and will use its best endeavours to complete the works in the Package that are on the Great Northern Highway by 31 December 2009.
  - (b) Subject to paragraph 3(e) below, Western Australia will ensure that the Funding, and any interest earned on the Funding, is only expended on the works set out in Attachment A.
  - (c) Western Australia will hold the Funding in such a way as to enable the Funding, and any interest earned, to be separately identifiable.
  - (d) The Australian Government will not provide any further funding to Western Australia for completion of the Package and Western Australia will bear any costs over \$323 million, and any interest earned on the Funding, that may be required to complete the Package.
  - (e) After the Package is completed, Funding and any interest earned on the Funding that remains unspent is, subject to the Australian Government's

agreement, available to any other works, on the AusLink National Network in Western Australia. In such a case, the Australian Government will issue a new project approval instrument or vary an existing project approval instrument under the Act.

- (f) Western Australia will comply with the reporting requirements set out in Appendices B, D and E in the Notes on Administration. Western Australia will also provide monthly reports in the form set out in Appendix C, although as Funding will have already been provided no payments will be made.
  - (g) In addition, Western Australia will provide statements of expenditure and details of the balance of funding at any time the Australian Government requests such statements.
  - (h) The parties agree to cooperate in the joint evaluation of the works specified in Attachment A so as to facilitate continuous improvement of investment decision making.
  - (i) The following clauses of the Bilateral Agreement will apply to Western Australia in respect of the Package:
    - i. Clause 24 which deals with eligible and ineligible costs (with the clarification that for the purposes of this MOU that land acquisition will be an eligible cost);
    - ii. Sub-Clause 28 (a) (provision of an expenditure budget by 28 February each year);
    - iii. Clause 45 which deals with the National Code of Practice for the Construction Industry and Implementation Guidelines;
    - iv. Clauses 47 to 54 and Schedule C which deal with recognition arrangements with the added requirement that a media events schedule will also be prepared for the Package, which will include a six-monthly joint public announcement on progress with the Package;
    - v. Clause 58 which deals with the Australian Government's right to participate in project planning and/or to review project delivery. (For the purposes of this MOU this could be the Package and/or works included in the Package.);
    - vi. Clause 84 which deals with notification and resolution of issues.
4. Western Australia will comply with all relevant Commonwealth and State legislation and statutory requirements, including environment and heritage legislation and local government planning approvals and the tender requirements regarding the Free Trade Agreement set out in the Bilateral Agreement.
5. In the event that Western Australia does not comply with the terms of this MOU the Australian Government:

- (a) may recover part or all of the funding to the extent it has not already been properly expended or committed on the Package, on condition that the funding recovered is directly related and proportional to that non-compliance; and/or
  - (b) take this into account when considering future land transport infrastructure funding for the States and Territories.
6. This MOU may be amended with the agreement of both parties. Any amendments will be in writing.



**ATTACHMENT A – ACCELERATED UPGRADE PACKAGE.**

<b>PROJECT</b>	<b>DESCRIPTION</b>	
<b>PERTH-DARWIN CORRIDOR – Great Northern Highway and Victoria Highway</b>		
<b>Great Northern Highway – Muechea to Wubin</b>	Reconstruct and upgrade 30 kms of Great Northern Highway between Bindoon Hill and New Norcia, including realignments at Longbridge Gully, Hay Flat Road and Seven Mile Hill.	
<b>Great Northern Highway Lennard Street to Muechea</b>	Complete planning, design and land acquisition for upgrade works between Lennard Street and Apple Street. Reconstruct & widen the remaining 8 kms of this section of Great Northern Highway.	
<b>Great Northern Highway and Victoria Highway Pilbara &amp; Kimberley Regions Rehabilitation</b>	Rehabilitate a minimum of 30 km of Great Northern Highway and Victoria Highway, between : <ul style="list-style-type: none"> <li>• Meekatharra to Newman</li> <li>• Port Hedland to Fitzroy Crossing</li> <li>• Wyndham Turnoff and W/NT Border</li> </ul>	
<b>Great Northern Highway Fitzroy Crossing – Gogo</b>	Reconstruct and widen a minimum of 11 km of roadworks including floodways and 2 bridges	
<b>Great Northern Highway Halls Creek to Victoria Highway</b>	Reconstruct and widen a minimum of 20 km of Great Northern Hwy between Halls Creek and the Victoria Hwy intersection.	
<b>Victoria Highway – Kununurra Bypass</b>	Complete planning, preliminary design, environmental clearances, statutory clearances and land acquisition for the western leg of the Kununurra Bypass.	
<b>TOTAL PERTH DARWIN CORRIDOR.</b>		<b>\$234m</b>
<b>PERTH-ADELAIDE CORRIDOR – Great Eastern Highway and Eyre Highway</b>		
<b>Great Eastern Highway Tammin to Waigoolan</b>	Reconstruct and widen various sections of the Highway between Booran and Waigoolan	\$14m
<b>Eyre Highway Upgrade program</b>	Reconstruct and widen a minimum of 70 km of Eyre Highway between 45 and 250 kms east of Norseman	\$75m
<b>TOTAL PERTH-ADELAIDE CORRIDOR</b>		<b>\$89m</b>
<b>TOTAL ALLOCATION</b>		<b>\$323m</b>