# NATIONAL PARTNERSHIP ON INFRASTRUCTURE PROJECTS IN WESTERN AUSTRALIA

An agreement between:

- n the Commonwealth of Australia; and
- n Western Australia.

This Agreement will contribute to boosting jobs and economic growth in Western Australia through additional investment in land transport infrastructure.

## National Partnership on Infrastructure Projects in Western Australia

INTERGOVERNMENTAL AGREEMENT
ON FEDERAL FINANCIAL RELATIONS

#### **PRELIMINARIES**

- 1. This National Partnership (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR. It replaces the National Partnership on Infrastructure Projects in Western Australia of 10 May 2016.
- In entering this Agreement, the Commonwealth and Western Australia recognise that they
  have a mutual interest in improving outcomes through additional investment in land transport
  infrastructure, and need to work together to achieve those outcomes.
- 3. This Agreement will contribute towards boosting jobs and economic growth in Western Australia through additional investment in land transport infrastructure projects.
- 4. The Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects listed in clause 11 of this Agreement are subject to the provisions of both the National Partnership on Land Transport Infrastructure Projects and this Agreement. Consequently, this Agreement must be read in conjunction with the National Partnership on Land Transport Infrastructure Projects.
- 5. The Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road), Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program listed in clause 11 of this Agreement are subject to the provisions of this Agreement.
- 6. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, if any inconsistences between the terms and conditions of this Agreement and the National Partnership on Land Transport Infrastructure Projects arise, then the terms of the National Partnership on Land Transport Infrastructure Projects will prevail.

#### PART 1 - FORMALITIES

## Parties to this Agreement

7. This Agreement is between the Commonwealth of Australia (the Commonwealth) and Western Australia (the State).

## Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and Western Australia sign the Agreement and will expire on 30 June 2019, or on completion of the projects, including final performance reporting.

## PART 2 - OBJECTIVES, OUTCOMES AND OUTPUTS

## **Objectives**

9. The objective of this Agreement is safe, sustainable land transport infrastructure that boosts jobs and economic growth in Western Australia.

#### **Outcomes**

- 10. This Agreement will facilitate the achievement of the following outcomes:
  - (a) improved land transport infrastructure that boosts jobs and economic growth in Western Australia;
  - (b) improved connectivity for communities, regions and industry; and
  - (c) improved transport safety.

## **Outputs**

- 11. The objectives and outcomes of this Agreement will be achieved by:
  - (a) constructing new interchanges at the Tonkin Highway Tonkin Highway Grade Separations (part of the NorthLink WA project);
  - (b) constructing the Swan Valley Bypass section (part of the NorthLink WA project);
  - (c) widening of the southbound carriageway of the Kwinana Freeway (Roe Highway to Russell Road) Widening Southbound;
  - (d) constructing a grade-separated interchange at the intersection of the Roe Highway and Berkshire Road;
  - (e) constructing a grade-separated interchange at the intersection of Wanneroo Road and Joondalup Drive;
  - (f) extending the Mitchell Freeway Burns Beach Road to Hester Avenue;
  - (g) upgrading the Reid Highway Malaga Drive intersection grade separation, duplication between Erindale Road and Duffy Road, and widening between Duffy Road and Marmion Avenue;
  - (h) increasing the capacity of the Russell Road bridge and improving intersections on Russell and Gibbs Road Aubin Grove Train Station Precinct;
  - (i) upgrading of the Great Eastern Highway between Bilgoman Road and Mundaring;
  - (j) widening Roe Highway between Tonkin Highway and Welshpool Road.;

<sup>&</sup>lt;sup>1</sup> As the Perth Freight Link project is not proceeding, Commonwealth funding for the project has been re-allocated to the Roe Highway (Tonkin Highway to Welshpool Road) project, which was previously Section 3 of the Perth Freight Link.

- (k) constructing the Forrestfield-Airport Link from Bayswater to Forrestfield via Perth Airport including new stations at Airport West, Consolidated Airport Terminal and Forrestfield;
- (I) constructing a dual carriageway on Wanneroo Road from Joondalup Drive to Flynn Drive;
- (m) constructing a grade-separated interchange at the intersection of Roe Highway and Kalamunda Road;
- (n) constructing a dual carriageway on the Reid Highway from Altone Road to West Swan Road;
- (o) constructing an access road from Kwinana Freeway and Roe Highway to the Murdoch Activity Centre;
- (p) constructing a dual carriageway on Karel Avenue from Farrington Road to Berrigan Drive; and
- (q) implementing the Traffic Congestion Management Program.

#### PART 3 - ROLES AND RESPONSIBILITIES OF EACH PARTY

To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities as outlined below.

### Role of the Commonwealth

- 13. The Commonwealth agrees to be accountable for the following roles and responsibilities:
  - (a) providing a financial contribution to Western Australia to support the implementation of this Agreement; and
  - (b) monitoring and assessing the performance in the delivery of projects under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframes.

#### Role of Western Australia

- 14. Western Australia agrees to be accountable for the following roles and responsibilities:
  - (a) for the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road), Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program, providing a financial contribution to support the implementation of this Agreement<sup>2</sup>;
  - (b) monitoring and assessing performance of the delivery of projects under this Agreement;
  - (c) delivering on the outcomes and outputs of this Agreement;

<sup>&</sup>lt;sup>2</sup> Western Australia provides a financial contribution to the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects under the National Partnership on Land Transport Infrastructure Projects.

- (c) reporting on the delivery of outcomes and outputs as set out in Part 4 Performance Monitoring and Reporting; and
- (d) developing and implementing Indigenous workforce strategies, including the promotion of accreditation and training pathways for Indigenous people in affected regions, and the use of Indigenous suppliers where possible.
- 15. Western Australia is also responsible for submitting any infrastructure project seeking more than \$100 million in payment from the Commonwealth for assessment by Infrastructure Australia, and is working with Infrastructure Australia on its assessment of the Mitchell Freeway and Forrestfield-Airport Link projects.<sup>3</sup>.

## Local industry participation<sup>4</sup>

- 16. For the Mitchell Freeway, Reid Highway, Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road) and Murdoch Activity Centre access road projects, and the Traffic Congestion Management Program, Western Australia agrees to develop and implement a Local Industry Participation Plan (LIPP) where projects are in receipt of Commonwealth payments over \$20 million.
- 17. The development and implementation of a LIPP remains a requirement of Commonwealth funding in circumstances where a State's Local Industry Participation Policy would not normally require a LIPP. Where the State has local industry participation policies, it may rely on those instead of developing additional plans.
- 18. Western Australia must confirm the development of a LIPP in writing to the Department of the Treasury and the Department of Infrastructure and Regional Development.

## Shared roles and responsibilities

- 19. The Commonwealth and Western Australia agree to be jointly accountable for participating in consultations as appropriate regarding the implementation of this Agreement.
- 20. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## PART 4 - PERFORMANCE MONITORING AND REPORTING

## Reporting arrangements

21. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, Western Australia will report in accordance with the requirements of the National Partnership on Land Transport Infrastructure Projects.

<sup>&</sup>lt;sup>3</sup> Infrastructure Australia completed an assessment of the Mitchell Freeway project in April 2016 and the Forrestfield-Airport Link project on 7 September 2016.

<sup>&</sup>lt;sup>4</sup> 'Local Industry Participation Plan' (LIPP) means a written plan based on the National Framework which was agreed between the Commonwealth and the States in 2001 to promote, develop and maintain a sustainable Australian industry capability by encouraging competitive Australian industry participation in investment projects (see www.innovation.gov.au for more information).

- 22. For the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road), Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program, Western Australia will provide the Commonwealth Departments of the Treasury, and Infrastructure and Regional Development with:
  - (a) the necessary assurances required under clause 26 of this Agreement;
  - (b) an Annual Financial Statement and Audit Report by 31 December for the previous financial year; and
  - (c) a post-completion report within 12 months of completion of each project.
- 23. Annual Financial Statements and Audit Reports will be consistent with those submitted to the Department of Infrastructure and Regional Development under the National Partnership on Land Transport Infrastructure Projects. Post-completion reports will be consistent with those submitted to the Department of Infrastructure and Regional Development under the National Partnership on Land Transport Infrastructure Projects during the post-completion phase of the project.

## PART 5 - FINANCIAL ARRANGEMENTS

#### Financial contributions

- 24. The Commonwealth will provide a total financial contribution to the State of \$1,215.1 million in respect of this Agreement for the projects specified in clause 11. All payments are exclusive of GST.
- 25. Commonwealth funding is conditional on:
  - (a) for projects that have a contract in place prior to 2 December 2016, in accordance with the Fair Work (Building Industry) Act 2012, financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2005, only being made where a builder or builders accredited under the Australian Government Building and Construction Industry WHS Accreditation Scheme is contracted;
  - (b) for projects that have a contract in place from 2 December 2016, in accordance with the Building and Construction Industry (Improving Productivity) Act 2016, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited under the Australian Government building and construction industry WHS Accreditation Scheme is contracted;
  - (c) for projects for which the contractor bid between 16 June 2015.<sup>5</sup> and 2 December 2016, compliance with the Building Code 2013;
  - (d) for projects for which the contractor bid from 2 December 2016, compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016); and

<sup>&</sup>lt;sup>5</sup> The date on which this Agreement commenced.

- (e) for the 2015-16 funding allocated to the Forrestfield-Airport Link, Infrastructure Australia completing an assessment of the relevant project proposal.
  - i. In the event that the Forrestfield-Airport Link project does not proceed, then the Parties will agree alternative projects to which the funding will be applied, in accordance with clause 41 of this Agreement<sup>6</sup>.
- 26. Accordingly, Western Australia is responsible for ensuring that:
  - (a) only a builder or builders accredited under the Australian Government Building and Construction Industry WHS Accreditation Scheme or its replacement is contracted, and providing the necessary assurances to the Commonwealth;
  - (b) for projects for which the contractor bid between 16 June 2015.<sup>7</sup> and 2 December 2016, compliance with the Building Code 2013 is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth; and
  - (c) for projects for which the contractor bid from 2 December 2016, compliance with the Building Code 2016 is made a condition of tender for and performance of building work for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth.8
- 27. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, requirements for the accreditation of builders and compliance with the Building Code 2013 are in accordance with the National Partnership on Land Transport Infrastructure Projects.

#### Interest earned on payments in advance

- 28. For the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway, Murdoch Activity Centre access road and Karel Avenue projects and the Traffic Congestion Management Program, all interest earned on Commonwealth payments made in advance must be separately identified as required under clause 22(b) of this Agreement. Such interest earned may be used on the project or redistributed to other land transport projects in receipt of Commonwealth funding under either this Agreement or the National Partnership on Land Transport Infrastructure Projects within the State, noting that this will reduce Western Australia's share of funding of current and/or future projects. Interest earned will be additional to the Commonwealth's total funding contribution to the project.
- 29. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, arrangements for interest earned on payments in advance are in accordance with the National Partnership on Land Transport Infrastructure Projects.

<sup>&</sup>lt;sup>6</sup> Infrastructure Australia completed an assessment of the Forrestfield-Airport Link project on 7 September 2016 and the project is proceeding.

<sup>&</sup>lt;sup>7</sup> The date on which this Agreement commenced.

<sup>&</sup>lt;sup>8</sup> Contractors and subcontractors performing building work on the same project may be subject to the Building Code 2013 or the Building Code 2016 depending on when they bid for the work.

#### Project savings and cost increases

- 30. For the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway, Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program:
  - (a) where the final cost of the project is less than the combined Commonwealth and State contributions, the savings will be divided on a pro-rata basis and the Commonwealth's share will be redistributed to another project or projects in Western Australia by written agreement with the Commonwealth; and
  - (b) where the final cost of the project is more than the combined Commonwealth and State contributions, Western Australia will be responsible for all additional costs from its own-source funds.
- 31. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, arrangements for project savings and cost increases are in accordance with the National Partnership on Land Transport Infrastructure Projects.

#### **Project funding withdrawals**

- 32. For the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road), Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program, Western Australia may withdraw Commonwealth funding from the project prior to the awarding of a construction contract, subject to the written agreement of the Commonwealth, where:
  - (a) more recent cost estimates significantly exceed the previous cost estimates; or
  - (b) the timetable for a project cannot be agreed by Western Australia and the construction contractor; or
  - (c) significant delays occur against the timetable for preparing the project for construction; or
  - (d) there are significant changes to the scope of the project.
- 33. If Western Australia proposes to withdraw funding from a project referred to in clause 32, it must:
  - (a) notify the Commonwealth in writing;
  - (b) obtain the written agreement of the Commonwealth to reallocate the Commonwealth's share of funding to another project or projects in Western Australia; and
  - (c) meet the cost of any necessary payments to affected tenderers from its own-source funds.
- 34. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, arrangements for project funding withdrawals are in accordance with the National Partnership on Land Transport Infrastructure Projects.

#### **Project cancellations**

- 35. For the Mitchell Freeway, Reid Highway, Aubin Grove, Great Eastern Highway (Bilgoman Road to Mundaring), Roe Highway (Tonkin Highway to Welshpool Road), Forrestfield-Airport Link, Wanneroo Road (Joondalup Drive to Flynn Drive), Roe Highway (Kalamunda Road), Reid Highway (Altone Road to West Swan Road), Murdoch Activity Centre access road and Karel Avenue projects, and the Traffic Congestion Management Program, the Parties recognise there may be a need to cancel a project where:
  - (a) more recent cost estimates significantly exceed previous cost estimates; or
  - (b) the timetable for a project cannot be agreed by Western Australia and the construction contractor; or
  - (c) significant delays occur against the agreed timetable for preparing the project for construction; or
  - (d) there is agreement that the project has been superseded.
- 36. If Western Australia proposes to cancel a project referred to in clause 35, it must:
  - (a) notify the Commonwealth in writing;
  - (b) obtain the written agreement of the Commonwealth to reallocate the Commonwealth's share of funding to another project or projects in Western Australia; and
  - (c) meet the cost of any necessary payments to affected tenderers from its own-source funds.
- 37. For the Tonkin Highway, Swan Valley Bypass, Kwinana Freeway (Roe Highway to Russell Road Southbound), Roe Highway (Berkshire Road) and Wanneroo Road (Joondalup Drive) projects, arrangements for project cancellations are in accordance with the National Partnership on Land Transport Infrastructure Projects.

#### **Estimated financial contributions**

- 38. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to Western Australia paid in accordance with Schedule D Payment Arrangements of the IGA FFR, are shown in Table 1.
- 39. Table 2 outlines the allocation of interest earned and project savings in accordance with clauses 28 and 30 of this Agreement, as at 30 April 2017. This is not additional to Commonwealth funding of \$1,215.1 million provided under this Agreement.

Table 1: Estimated financial contributions under this Agreement (a)

Table 1: Estimated financial contributions un	der this	<b>Agreem</b>	ent <sup>(a)</sup>	
(\$ million)	2014-15	2015-16	2016-17	Total
Estimated total budget	582.5	1,861.0	293.9	2,737.4
Estimated National Partnership payment	499.1	490.0	226.0	1,215.1
Projects that are also funded under the National Partnership on Land Transport Infrastructure Projects <sup>(b)</sup>				
NorthLink WA – Tonkin Highway Grade Separations	84.4	-	-	84.4
NorthLink WA – Swan Valley Bypass section	54.4	-	-	54.4
Kwinana Freeway (Roe Highway to Russell Road) – Widening Southbound	23.2	-	-	23.2
Roe Highway (Berkshire Road) Grade Separated Interchange	8.8	-	-	8.8
Wanneroo Road (Joondalup Drive) – Grade Separated Interchange <sup>(c)</sup>	-	-	-	-
Projects that are not funded under the National Partnership on Land Transport Infrastructure Projects				
Mitchell Freeway – Burns Beach Road to Hester Avenue	189.1	-	-	189.1
Reid Highway – Malaga Drive Intersection Grade Separation, duplication between Erindale Road and Duffy Road, and widening between Duffy Road and Marmion Avenue	61.2	-	-	61.2
Aubin Grove Train Station Precinct – Traffic Congestion Solution	20.0	-	-	20.0
Great Eastern Highway – Bilgoman Road to Mundaring	9.6	-	-	9.6
Roe Highway (Tonkin Highway to Welshpool Road) – Widening <sup>(d)</sup>	26.0	-	-	26.0
Forrestfield-Airport Link	-	490.0	-	490.0
Wanneroo Road (Joondalup Drive to Flynn Drive) – Dual Carriageway	-	-	24.8	24.8
Roe Highway (Kalamunda Road) – Grade Separated Interchange	-	-	68.8	68.8
Reid Highway (Altone Road to West Swan Road) – Dual Carriageway	-	-	56.0	56.0
Murdoch Activity Centre access road – Kwinana Freeway and Roe Highway	-	-	64.4	64.4
Karel Avenue (Farrington Road to Berrigan Drive) – Dual Carriageway	-	-	12.0	12.0
Traffic Congestion Management Program	22.4	-	-	22.4
Commonwealth own purpose expense	-	-	-	-
Total Commonwealth contribution	499.1	490.0	226.0	1,215.1
Balance of non-Commonwealth contributions	83.4	1,371.0	67.9	1,522.3

<sup>(</sup>a) All estimated financial contributions in Table 1 are exclusive of the Commonwealth's and Western Australia's estimated financial contributions under the National Partnership on Land Transport Infrastructure Projects.

<sup>(</sup>b) Under the National Partnership on Land Transport Infrastructure Projects, the Commonwealth is estimated to contribute \$777.8 million in National Partnership Payments for these projects, and Western Australia is estimated to contribute \$237.4 million. These estimates are subject to change as Western Australia's Implementation Plan under National Partnership on Land Transport Infrastructure Projects is updated annually.

Table 2: Allocation of interest earned and savings

(\$ million)	2016-17
Interest earned	
Interest earned to 30 June 2016	10.04
Interest earned to 30 April 2017	4.57
Total interest earned to 30 April 2017 (1)	14.61
Project savings <sup>(a)</sup>	
Kwinana Freeway (Roe Highway to Russell Road) – Widening Southbound	6.50
Mitchell Freeway – Burns Beach Road to Hester Avenue	16.00
Reid Highway – Malaga Drive Intersection Grade Separation, duplication between Erindale Road and Duffy Road, and widening between Duffy Road and Marmion Avenue	3.40
Total project savings from 10 May 2016 to 30 April 2017 (2)	25.90
Total interest earned and project savings to 30 April 2017 (3) = (1) + (2)	40.51
Allocation of interest earned and project savings	
Great Eastern Highway – Bilgoman Road to Mundaring	5.06
Wanneroo Road (Joondalup Drive) – Grade Separated Interchange	7.35
Murdoch Activity Centre access road – Kwinana Freeway and Roe Highway	28.10
Total allocation of interest earned and savings	40.51

<sup>(</sup>a) Reallocated project savings reduce the Commonwealth's original funding contribution to the Kwinana Freeway (from \$23.2 million to \$16.7 million), Mitchell Freeway (from \$189.1 million to \$173.1 million) and Reid Highway (from \$61.2 million to \$57.8 million).

#### PART 6 - GOVERNANCE ARRANGEMENTS

## **Enforceability of the Agreement**

40. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

## Variation of the Agreement

- The Agreement may be amended at any time by agreement in writing by the Commonwealth and Western Australian Treasurers, on behalf of both the Parties.
- 42. Amendments to individual projects under this Agreement that have no impact on the Commonwealth's estimated financial contribution to that project may be agreed in writing by Commonwealth and Western Australian Treasury senior officials, following consultation with senior officials of the Commonwealth Department of Infrastructure and Regional Development.
- 43. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

<sup>(</sup>c) The Wanneroo Road (Joondalup Drive) – Grade Separated Interchange is funded from interest earned and project savings, detailed in Table 2.

<sup>(</sup>d) As the Perth Freight Link project is not proceeding, Commonwealth funding for the project has been re-allocated to the Roe Highway (Tonkin Highway to Welshpool Road) project, which was previously Section 3 of Perth Freight Link.

## Dispute resolution

- 44. Either Party may give notice to the other Party of a dispute under this Agreement.
- 45. Officials of both Parties will attempt to resolve any dispute in the first instance.
- 46. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth

of Australia by

The Hon Scott Morrison MP

Treasurer of the Commonwealth of Australia

June 2017

**Signed** for and on behalf of the State of Western Australia by

The Non Ben Wyatt MLA

Treasurer of the State of Western Australia

June 2017