AUSTRALIAN ROAD FORUM

President's Report 2006/7

The Board noted at its Corporate Planning Workshop in February this year that ARF has successfully addressed the critical survival issues we faced at the creation – finance, membership and formal recognition. Although we must never lose sight of these essentials, the Board rightly concluded that in its next phase our success will be judged by whether ARF exercises influence and provides services which are valuable to members. These important priorities were reflected in an expanded program of activities in 2006/7.

Membership

At last year's AGM I reported that our membership had grown to 43. During 2006/7 membership grew to 49 and, at the time of writing this report, membership now stands at 52 – passing the 50 milestone. ARF joins a small number of industry organisations that represent a sizeable proportion of GNP.

Policy Development and Industry Representation

Your Board initiated a detailed survey of members' expectations and found that the capacity to influence policy outcomes is important for most members. The Board refined and confirmed ARF's policy priorities, including the need to address the skills shortage, the national maintenance backlog, and a range or issues around road funding. It was pleasing to see that ARF was identified with these issues by the Australian Financial Review during the week prior to the recent election.

We also identified new policy areas which may uniquely identify ARF. These include managing our road network in line with best business practice, sustainable transport solutions and congestion management. As a result the Board commissioned a long term policy study in conjunction with Booz Allen Hamilton in relation to road pricing solutions. This is a sensitive and vital issue. The Board has decided to encourage discussion on this issue on an ongoing basis, not as a protagonist but as a Forum for debate.

ARF was actively consulted by both State and Federal Governments during the year. Meetings were held with Ministers and road agency heads across Australia. Recent occasions on which ARF was approached by Government include discussions with the head of the Commonwealth Department of Transport in relation to AusLink and with the head of the Victorian Department of Infrastructure in relation to Victoria's legislative review.

Forum Meetings and Other ARF Events

Our Forum meetings are at the heart of ARF's role as the industry's umbrella body. Forum meetings were held in August 2006 and March 2007, and generously sponsored by the RTA and SKM respectively. Although the speakers at these meetings included the captains of our industry, their distinguishing feature is not the speakers list but the participants. Both of these meetings were attended by representatives of more than sixty companies, government agencies and industry associations. Both meetings were also booked out.

The annual Summit in June was attended by over 200 delegates and sponsored by ARRB and Hyder. The John Shaw dinner on the second evening of the Summit was attended by 270 guests and sponsored by Boral. Dr Ken Michael from Western Australia won the John Shaw medal and it was great to see a strong contingent of former winners in attendance.

The program of other lunches was expanded, including more single table lunches exclusive to members. Highlights included the lunch with the Victorian leader of the Opposition Ted Baillieu, sponsored by Pioneer Road Services. And who could forget the sell out annual lunch at the AGM last year sponsored by Transfield Services? Other important lunches were supported by Queensland Motorways and KBR.

Events were held in all mainland states and were attended by more participants than ever before.

Other Member Services

We launched ARF Insider, a fortnightly news round-up of industry stories. This is now distributed to over 1500 subscribers. It has been a striking success and every week we receive requests to add to the subscription list. ARF has recently called for expressions of interest from members in sponsoring the newsletter. If you are interested in a powerful mechanism for reaching a guaranteed industry audience, we would be pleased to hear from you.

Services to members have also been enhanced with the introduction of a new interactive website which enables members to register and pay on line for ARF events.

International Activity

ARF was also active internationally. In November ARF led a delegation to China comprising representatives of Queensland Main Roads, the Commonwealth Department of Transport and Leighton Asia. This laid the groundwork for regular exchanges with the world's most active new player in roads. The relationship has now blossomed into a prospective international

agreement which may see Chinese engineers coming to Australia for work experience to our mutual benefit. We have received great support from Queensland Main Roads which has carried this initiative forward. ARF has also forged a very co-operative relationship with Austroads in our joint responsibility for the China initiative.

As President I had the honour to continue to serve on the World Executive Board of the International Road Federation (IRF). There were some important positive developments. This year we were successful in nominating Australia's first IRF Fellow in 28 years - Gavan Soward from Queensland Main Roads. ARF's achievement in rebuilding ARF was recognised by the IRF – ARF has recently been awarded the 2007 Global Achievement Award for Advocacy. Four years ago ARF had only ten members – we have come a long way.

Board and Management

As will be apparent from the content of this report, Board and Management pursued an energetic and diverse program in 2006/7. The Board again developed measurable and demanding performance objectives for ARF, covering all significant areas of activity. I congratulate my colleagues and ARF's management that our objectives for 2006/7 were once again exceeded in almost every area by year end.

Next year we will expand the Board slightly to ensure even broader representation of all membership sectors and to strengthen our policy capacity. We will further sharpen our focus on exercising influence and providing services which member's value.

Acknowledgements

Board Members gave generously of their time and industry knowledge. Michael Bresnahan, David Havercroft, Bob Sieffert and David Young retired during the course of year. These Directors all made valuable and enthusiastic contributions. It is appropriate specifically to acknowledge Michael Bresnahan and David Young who were members of the Board which initiated the ARF reformation. Their retirement also brings to an end (for the moment at least) Boral's and Shell's representation on the Board. But I am sure Boral and Shell will be watching us. Both have been long-standing members and Shell has served almost continuously on the Board since 1952. Michael Bresnahan takes with him Shell's 55 years as ARF's most stalwart member.

We welcomed Ken Mathers, Phil Mumford and Peter Walton as new Directors. Neil Doyle, David Stuart-Watt and Tim Boyle continued to provide great support to the Board. During the course of the year Tim Boyle was appointed Chief Operating Officer of SKM. Tim, we are fortunate that despite

your demanding new role you continue to provide your support to the Board, including enhanced Board responsibility.

On the members' behalf I thank the companies and agencies who so generously sponsored ARF's events in 2006/7. Our lunch after today's AGM is being sponsored by B.R.Durham and Sons. I would also like to acknowledge the chief executives of our state and federal road authorities for the support which they give to ARF.

A number of important people have helped ARF behind the scenes. Sarah Hendy does a marvelous job in organizing our events. Our previous John Shaw medalists give support to ARF in many ways which most members seldom see. I think especially of Geoff Youdale whose policy contribution and labours on our behalf deserve special mention. ARF receives generous help from Roads magazine who produce our reports to industry in each issue.

Our chief executive, Ian Webb is to be commended for his leadership during the past year which together with his energy and drive has delivered another year of substantial achievement and growth for the ARF. To you Ian, a special thanks.

Finally I would like to express the Board's and my own appreciation to the members at large who ultimately make ARF what it is.

Ray Fisher President 11 December 2007