

Service Delivery Statements

**Department of Transport
and Main Roads**

2018–19 Queensland Budget Papers

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Appropriation Bills

Budget Highlights

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Service Delivery Statements

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Department of Transport and Main Roads

Summary of portfolio

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Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Transport and Main Roads.

Minister for Transport and Main Roads

The Honourable Mark Bailey MP

Department of Transport and Main Roads

Director-General: Neil Scales

Service area 1: Transport System Investment, Planning and Programming

Service area 2: Transport Infrastructure Management and Delivery

Service area 3: Transport Safety and Regulation

Service area 4: Customer Experience

Service area 5: Passenger Transport Services

The Minister for Transport and Main Roads is also responsible for:

Gold Coast Waterways Authority

Chief Executive Officer: Hal Morris

Objective: To provide better management of, and access to, the Gold Coast waterways.

RoadTek

Acting General Manager: Alister Cullen

Objective: RoadTek provides transport infrastructure solutions, including construction and maintenance services to enable the department to deliver on Government priorities and outcomes for the community.

Additional information about these agencies can be sourced from:

www.tmr.qld.gov.au

www.translink.com.au

www.msq.qld.gov.au

www.gcwa.qld.gov.au

Departmental overview

The Department of Transport and Main Roads' (DTMR) vision is 'Creating a single integrated transport network accessible to everyone' and we are working towards the shared purpose - 'We bring Queensland closer together'. A well planned and managed transport network plays an essential role in the development of a healthy, robust and growing economy - bringing communities closer together, providing access to services and supporting commerce and industry throughout the State.

The department contributes to the Queensland Government's plan to create jobs in a strong economy; keep Queenslanders healthy; protect the Great Barrier Reef; and be a responsive Government. These objectives guide the department's strategic direction. To deliver its planned outcomes, the department focuses on the following strategic priorities and works as one to deliver its objectives as stated in its 2016-2020 (revised for 2018-19) Strategic Plan:

- customer focus - delivering customer-centric solutions in partnership with our stakeholders
- innovation - embracing critical and creative thinking to deliver on our key priorities, now and in the future
- liveable regions and active cities - an accessible network connecting communities and contributing to Queensland's quality of life
- building prosperity - advancing economic prosperity across our cities and regions
- investing in the future - our people and our investments delivering the future transport network.

Key strategies engaged by the department to meet our strategic objectives include (but are not limited to):

- shape deliverables and services with a customer focus
- identify and prioritise problems worth solving
- promote and invest in active transport and accessible public transport solutions
- provide access to important centres of economic activity in our regions and cities
- deliver best value investment through long-term planning and prioritisation
- grow an agile and future ready workforce that is diverse and inclusive.

The department applies a robust risk management framework to manage internal and external strategic and operational risks to counter the effects of uncertainty on the department's objectives. Some of the external opportunities and challenges the department is focusing on include (but are not limited to):

- increasing pace of technological and social change
- changing customer and stakeholder expectations
- increasing volume and complexity of data and the ability to analyse it (Big data)
- a geographically diverse population and transport network.

The department is committed to maintaining safe and cost-efficient transport infrastructure that meets the current needs of Queensland and to deliver new infrastructure in the areas of greatest needs. We will manage the delivery of a substantial capital program in the 2018-19 financial year to meet these priorities. Key programs continuing in 2018-19 and beyond include the:

- \$8.5 billion Queensland and Australian Government funded program to upgrade the Bruce Highway (2013-14 to 2022-23), with more than \$4.1 billion additional federal and state funding committed to continue delivery of the program.
- \$635 million Queensland and Australian Government funded Warrego Highway Upgrade Program (2014-15 to 2018-19).
- \$279.7 million Queensland and Australian Government funded Queensland component of the Northern Australia Roads Program (2016-17 to 2019-20).
- \$260.5 million Queensland and Australian Government funded Cape York Region Package (2014-15 to 2018-19).
- \$76.1 million Queensland and Australian Government funded Queensland component of the Northern Australia Beef Roads Program (2016-17 to 2019-20).

Service performance

Transport System Investment, Planning and Programming

Service area objective

To provide the direction for a single integrated transport network in Queensland, including the policy and planning framework to make informed investment decisions.

Service area description

Responsible transport system planning ensures Queensland's long-term transport needs are met in the most cost effective way and other development impacts are managed effectively. This is achieved through developing and managing the:

- Queensland Transport Policy (QTP) - a 30-year, long-term transport strategy to prepare and position Queensland's transport for the future
- Transport Coordination Plan (TCP) - provides a 10 year framework for strategic planning and management of transport resources in Queensland as required under the *Transport Planning and Coordination Act 1994*
- *Queensland Cycling Strategy 2017-2027* and two year Action Plan - guides and prioritises actions that encourage more cycling, more often in Queensland
- Regional Transport Plans - these define the strategic direction of regional transport systems and guide the planning of Queensland's transport network over the next 15 years
- Transport System Planning Program (TSPP) to coordinate and prioritise planning across all modes of transport
- Queensland Transport and Roads Investment Program (QTRIP) - a four year rolling program of priority transport infrastructure works which is published annually
- Roads and Transport Alliance - the department's strategic funding and engagement partnership with local government and the Local Government Association of Queensland
- Queensland position on state and national transport policy reform agendas
- asset management plans for maintenance, preservation and operation of State-controlled transport infrastructure
- funding submissions to the Australian Government for upgrading nationally significant road and transport networks to improve network safety and support economic development and population growth
- major transport infrastructure project evaluation and assurance to ensure delivery on a value-for-money basis.

The activities of the department delivered under this service area support:

- delivering best value investment in the transport system of the future and creating opportunities for innovation
- maximising the benefits from our investments through long-term (10 year) planning and prioritisation
- connecting and partnering with industry and community to design for the future
- promoting community cohesion, economic development and environmental sustainability
- promoting and investing in active and public transport solutions that support broader community benefits
- preparing for the freight system requirements of the future.

2018-19 service area highlights

The department will build on its achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2018-19 highlights under this service area to include:

- securing Australian Government investment to progress the delivery of priorities on the Bruce Highway, as per the Future-proofing the Bruce election commitments
- negotiating investment priorities with the Australian Government for the next National Partnership Agreement for the National Land Transport Network commencing mid-2019

- working with local governments that have formed 17 Regional Roads and Transport Groups across Queensland under the Roads and Transport Alliance, including the management of the Transport Infrastructure Development Scheme
- working across the department to develop the rolling four year investment and performance plan for maintenance, preservation and operation of the State-controlled road network (QTRIP)
- continuing the roll-out of actions in the *Queensland Cycling Action Plan 2017-19* designed to encourage more cycling more often across Queensland in support of the *Queensland Cycling Strategy 2017-2027*
- implementation of a new four year \$14 million rail trail program to support local governments in transforming disused State-owned rail corridors into recreational facilities for walking, cycling and horse riding
- in keeping with the department's investment priorities of running and maintaining the existing transport network, the Maintenance, Preservation and Operations (MPO) program budget has been increased by \$100 million over the forward estimates period
- implementing *The Future is Electric: Queensland's Electric Vehicle Strategy* including planning for the \$2.5 million expansion for additional electric vehicle charging stations along the Queensland Electric Vehicle Super Highway
- development of Queensland's first state walking strategy
- finalising the program to deliver Regional Transport Plans across Queensland to define the strategic direction of regional transport systems
- implementing the recommendations from the Queensland Auditor-General Report No 4: 2017-18 *Integrated transport planning*
- liaising with Building Queensland to progress business cases for major infrastructure projects, including:
 - M1 Pacific Motorway, Varsity Lakes to Tugun
 - M1 Pacific Motorway, Eight Mile Plains to Daisy Hill
 - Bruce Highway, Townsville Ring Road – Stage 5
 - delivering great roads and public transport through QTRIP 2018-19 to 2021-22.
- commence planning and business case development for the Coopers Plains level crossing
- commence a feasibility study into an upgrade at the Beams Road level crossing at Carseldine
- working with the Queensland Ministerial Freight Council (QMFC), the advisory body of freight and logistics peak bodies, as it guides the development of the draft Queensland Freight Strategy
- advancing master planning for the priority ports of Gladstone, Abbot Point, Townsville and Hay Point/Mackay through our commitment in the *Reef 2050 Long-Term Sustainability Plan* to secure the long-term health and resilience of the Great Barrier Reef.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Transport System Investment, Planning and Programming				
Service standards <i>Effectiveness measures</i> Road system condition (the percentage of urban and rural State-controlled roads with condition better than the specified benchmark):				
Urban		97-99	97-99	97-99
Rural		95-97	95-97	95-97
Road ride quality – traffic weighted roughness (percentage of the network in very poor/poor condition)	1	10.5	10.8	10.7

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
<i>Efficiency measure</i> Administrative cost to plan, develop and manage the QTRIP as a percentage of the overall value of the program	2	1	0.4	1

Notes:

1. The effectiveness of planning for the investment in maintenance, preservation and operation of State-controlled transport infrastructure contributes to the level of service provided to transport infrastructure users. Road ride quality - traffic weighted roughness is a measure of fit-for-purpose service levels provided for State-controlled road infrastructure.
2. QTRIP is a four year rolling program of priority transport infrastructure works published annually. This service standard measures how efficiently QTRIP is being developed and managed. It excludes Queensland Rail and Ports.

Transport Infrastructure Management and Delivery

Service area objective

To construct, maintain and operate an integrated transport network accessible to all.

Service area description

Activities undertaken in this service area relate to stewardship of the State road network and include:

- delivering, managing and maintaining transport infrastructure
- leading innovation in transport infrastructure delivery
- setting value for money standards for transport infrastructure
- managing road operations, including traffic incidents, heavy vehicle operations and traveller and traffic information
- managing use of the road corridor, including environmental preservation and third party road access
- controlling access to and recovering the road network during and following emergency events.

Services

- Transport infrastructure management
- Transport infrastructure delivery

2018-19 service area highlights

The department will build on its achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2018-19 highlights under this service area to include:

- continued construction of the \$812.95 million Queensland and Australian Government funded Bruce Highway six-laning upgrade between Caloundra Road and the Sunshine Motorway
- continued construction of the 41km, \$1.606 billion Queensland and Australian Government funded Toowoomba Second Range Crossing
- continued construction of the \$1.143 billion Queensland and Australian Government funded Gateway Upgrade North project
- continued delivery of the Queensland and Australian Government funded Warrego Highway Upgrade Program (WHUP) consisting of 15 projects to upgrade the highway between Toowoomba and Miles
- continued delivery of the Queensland and Australian Government funded Cape York Region Package of works, including \$200 million to seal priority sections of the Peninsula Developmental Road, \$10 million for sealing works on the Endeavour Valley Road through to Hope Vale and \$50.5 million for priority community infrastructure works
- continued construction of the \$190 million Queensland and Australian Government funded Pacific Motorway Upgrade: M1/M3/Gateway merge upgrade project
- continued construction of the \$197.5 million Queensland and Australian Government funded Pacific Motorway Upgrade: Mudgeeraba to Varsity Lakes
- continuing the significant reconstruction program of infrastructure works resulting from Severe Tropical Cyclone Debbie
- continued integration of data across the full asset lifecycle using Building Information Management (BIM) technology. We are piloting the use of BIM on the key transport infrastructure projects, including Ipswich Motorway Upgrade: Rocklea to Darra, Mudgeeraba to Varsity Lakes, Haughton River Bridges and Pacific Motorway M1/M3
- a \$30 million 2-year extension of the Marine Infrastructure Fund (MIF) running from July 2018 to June 2020 to provide new and upgraded recreational boating facilities.
- commencing construction of the \$514.3 million Queensland and Australian Government funded Haughton River Floodplain project on the Bruce Highway, north of Ayr

- continued construction of the \$400 million Queensland and Australian Government funded Ipswich Motorway Upgrade: Rocklea to Darra – stage 1 project
- continued works of the \$26 million Pialba-Burrum Heads Road, Scrub Hill Road and Wide Bay Drive intersection project
- commencing construction on the \$75 million Queensland and Australian Government funded four-laning of the Capricorn Highway between Rockhampton and Gracemere
- continued construction of the \$497.4 million Queensland and Australian Government funded Mackay Ring Road project
- continued construction of the \$118.9 million Queensland and Australian Government funded Bruce Highway (Cattle Creek – Frances Creek) project, including constructing two new bridges to improve flood immunity
- commencing construction of the \$152 million Queensland Government funded Smithfield Bypass project
- ongoing development of the QLDTraffic website and smartphone app, providing dynamic and real-time travel information – empowering customers with access to trusted, reliable, timely, personalised information to make informed travel decisions
- installing variable speed limit signs on the Western Freeway southbound to improve traffic flow and safety during peak times
- continued delivery of New Generation Rolling stock (NGR) passenger service trains.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Transport Infrastructure Management and Delivery				
Service: Transport infrastructure management				
Service standards <i>Effectiveness measures</i> Road network efficiency – Average travel time per 10km:	1, 2, 3			
AM peak		11.3	11.4	11.5
Off peak		10.1	10.2	10.3
PM peak		11.9	11.9	11.9
Road network reliability – Percentage of the road network with reliable travel times:	1, 2, 4			
AM peak		78	77	76
Off peak		89	88	87
PM peak		72	70	68
Road network productivity — Percentage of the road network with good productivity:	1, 2, 4, 5			
AM Peak		70	69	68
Off peak		74	72	72
PM peak		67	65	64

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Arterial intersection performance – Percentage of intersections congested less than 20 minutes per hour:	1, 2, 4			
AM peak		84	83	82
Off peak		93	92	91
PM peak		77	77	76
<i>Efficiency measure</i> Administration/staff costs of operating and delivering the department's Road Operations Program as a percentage of the total value of the Road Operations Program (including operations, maintenance and projects)	6	10	14	12.5
Service area: Transport infrastructure delivery				
Service standards <i>Effectiveness measure</i> Number of fatal crashes on State-controlled roads per 100 million vehicle kilometres travelled where the road condition was likely to be a strong contributing factor		0.05	0.05	0.05
<i>Efficiency measure</i> Administration costs of managing and delivering the QTRIP as a percentage of the current financial years QTRIP allocation		<5.1	3.80	<5.1

Notes:

1. The 2017-18 Estimated Actuals are based on the results for the 12 months up to and including March 2018. These results are used to provide the best estimate of the performance for 2017-18. The results show that there has been an increase in congestion between the Estimated Actual figures and the ambitious 'hold steady' 2017-18 Target/Estimate figures (which were set to match the 2016-17 Estimated Actuals). Considering the high growth of registered vehicles vehicle-kilometre-travelled (VKT), the department's congestion measures, which are deteriorating at a slower rate, are performing relatively well. The number of vehicles on register in Brisbane has increased by an average of 2.3 per cent annually over the last six years, including the most recent annual growth (to March 2018) of 2 per cent (note that the recorded growth for the whole of SEQ was slightly higher). The VKT growth for Brisbane was 2.6 per cent over the last six years, with the most recent annual growth at 2 per cent. The department will continue to deliver a number of motorway and arterial initiatives to mitigate increasing congestion issues driven by increased vehicle usage.
2. The 2018-19 Target/Estimates are set using recent historic growth rates of the measured values (around 1 per cent on average). These growth rates are lower than the most recent growth of both registered vehicles and VKT.
3. This measure is in minutes per 10 km (lower is better).
4. For these measures a higher value indicates better performance.
5. Good road network productivity occurs under two scenarios of performance: (a) speeds are in excess of benchmark values (that is respectively 80 per cent and 65 per cent of the posted speed on motorways and arterials) irrespective of traffic flow; or (b) traffic flow is relatively high (for example 2,000 vehicles/hour/lane on motorways and 900 vehicles/hour/lane on arterials) in combination with moderately degraded speeds.
6. This is a relatively new service standard, initiated by the department to measure how efficiently the Road Operations program is being delivered. For this measure, a lower value indicates better performance. Current data, including the 2017-18 Estimated Actual, illustrates there is higher engagement of the department's people capacity in operating the road transportation system than originally forecast. It should also be noted that there is an expectation of an inflated 2017-18 Estimated Actual given the road operations focus for the Gold

Coast 2018 Commonwealth Games. While the original 2017-18 Target/Estimate remains a long term aspirational target, the 2018-19 Target Estimate represents a more informed target for the department to achieve in the short term. The department will continue to deliver a program of enhancing road operations systems and technology to automate existing workflows with the aim of releasing latent people capacity in operating the system which will also improve our customers' experiences such as journey reliability.

Transport Safety and Regulation

Service area objective

To regulate the transport system safely, economically and sustainably without imposing unnecessary red tape.

Service area description

Safety of transport networks is critical to supporting Queensland's future growth. A safe, secure and resilient transport system aims to protect the lives and property of everyone who interacts with the network for business, employment and leisure.

Regulatory and safety related activities undertaken in this service area include:

- measuring the broad social and economic impacts of road trauma on Queenslanders
- maintaining focus on our long term vision as established in *Queensland's Road Safety Strategy 2015-2021*
- retaining alignment to the safe system principles where the system is safe at every level of road safety management and thereby driving a fundamental change in the culture and attitudes to road safety
- implementing road safety initiatives encompassing education, community engagement, enforcement, new technologies, safer roads and roadsides
- managing the movement of vessels using Queensland's waterways as well as the Great Barrier Reef and Torres Strait
- maritime safety activities for commercial and recreational vessels, pilotage and hydrographic services, and supporting safe port development
- maintaining effective maritime emergency preparedness, response, and recovery capability and capacity
- developing and implementing rail safety initiatives and legislation
- conducting maritime regulatory activities including audits, inspections, accreditation, investigation and education programs
- regulating vehicle safety in accordance with best practice and national vehicle standards
- delivering vehicle and vessel registration, driver and marine licensing and accreditation services.

2018-19 service area highlights

The department will build on its achievements and continue its focus on delivering the Government's commitments for the people of Queensland, under this service area by:

- improving road safety by delivering initiatives in the *Queensland Road Safety Action Plan 2017-19* focused on safer roads for Queenslanders, getting people into safer vehicles, encouraging safer road use, and strengthening our partnerships including our work through the *Heavy Vehicle Safety Action Plan 2016-18*
- delivering safety treatments through the Targeted Road Safety Program, including high risk route actions, flashing school zone signs, discrete site treatments, township entry treatments and targeted safety interventions
- continuing to invest in innovative safety treatments including sign spearing remediation measures and a trial of "hold the red" traffic signals and intelligent transport systems
- continuing to mature our data validation processes and implement data analysis systems to drive decision-making and investments
- continuing to advance rail safety outcomes by driving rail research and national partnership activities, leading the *Queensland Level Crossing Safety Strategy* and managing rail safety projects including innovative level crossing technology trials and chairing the National Level Crossing Safety Committee
- continuing to improve maritime safety and community satisfaction by managing the movement of commercial and recreational vessels in Queensland waters including the protection of the marine environment from ship-sourced pollution

- continuing to educate recreational mariners and increase their awareness of responsibilities leading to safe, clean seas
- contributing to the development and planning of Queensland waters through the implementation of the *Reef 2050 Plan*
- addressing the number of derelict vessels accumulating along Queensland's coastline
- continuing to ensure we have a transport system that is simpler, easier and safer to access and use by the community and industry. We will do this by successfully managing and reforming transport legislation, standards and key policies covering access to and ongoing use of the transport network.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Transport Safety and Regulation				
Service standards				
<i>Effectiveness measures</i>				
Fatalities per 100,000 population on State-controlled roads		3.24	3.14	3.10
Road fatalities per 100,000 population	1	4.70	5.23	4.70
Hospitalised road casualties per 100,000 population	1	121	132	121
Marine fatalities per 100,000 registered vessels regulated in Queensland	2, 3	3.15	2.36	3.19
Percentage of vessel movements without serious incidents:				
Pilotage areas		100	100	100
ReefVTS area		100	100	100
<i>Efficiency measure</i>				
Direct operational cost of Vessel Traffic Services per monitored vessel movement	4	\$483	\$465	\$496

Notes:

1. The 2018-19 Target/Estimate is consistent with the targets outlined in the *Queensland Road Safety Strategy 2015-2021* as well as taking into account historic trends and the economic outlook.
2. Under the National System for Domestic Commercial Vessel Safety, the Australian Maritime Safety Authority has assumed regulatory responsibility for the State's domestic commercial vessels. This service standard excludes vessels that are not regulated under Queensland legislation.
3. The 2017 -18 Estimated Actual reduction relates to one fatality less than the 2017-18 Target/Estimate forecasts. Target/Estimates are forecast based on almost two decades of actual data.
4. The 2017-18 Estimated Actual includes increased vessel movements primarily relating to port projects in Weipa. The increased estimate in 2018-19 is due to an anticipated decrease in vessel movements compared to 2017-18.

Customer Experience

Service area objective

To put customers at the centre of the delivery of the department's products and services to understand their expectations, improve their experience and reduce rework.

Service area description

The department is committed to delivering services with a 'customers first' approach, engaging with customers to better understand their needs and behaviours with regard to: roads usage; maritime safety information; licensing services; registration services; and passenger transport services.

We provide flexible delivery methods and channels for customers; including the ability to self-serve online 24/7. This includes undertaking customer research and insights activities to consider customer perspectives, motivations and expectations upfront to guide the development of all product and service delivery across the department in the future.

2018-19 service area highlights

The department will build on its achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2018-19 highlights to include:

- improving our existing online services from a customer perspective, using customer insights to implement improvements to navigation, information and general usability
- delivering the Queensland Compliance Information System which provides our Compliance Officers with the ability to easily record vehicle intercept information and have integrated access to registration and licensing information in the field through mobile tablet devices
- improving knowledge management tools for staff, to ensure that we provide the right advice first time for our customers
- improving customer flow management tools in our Customer Service Centres across the state, contributing to improving levels of service and enabling focused improvement for specific customer segments and services
- continued focus on the delivery of 'real-time passenger information' which in 2017-18 showed ever-increasing use and a high level of satisfaction with public transport customers
- ongoing monitoring and application of emerging technologies to improve mobility and enhance the overall experience of our public transport customers.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service Area: Customer Experience				
Service standards <i>Effectiveness measures</i> Overall customer satisfaction with transactional services (on a scale of 1 to 10)		8	8.2	8
Customer satisfaction ratings of public transport by service type (using a 0 - 100 index – 100 being excellent):				
South East Queensland (SEQ):				
Bus		≥70	72	≥70

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Rail		≥70	70	≥70
Ferry		≥70	80	≥70
Rest of Queensland Regional urban bus		≥70	76	≥70
Customer service complaints in SEQ per 10,000 trips		<3	2.7	<3
<i>Efficiency measures</i>				
Average unit cost per transaction in a Customer Service Centre	1	\$18.87	\$19.97	\$20.47
Average cost per customer enquiry - TransLink Contact Centre	2	\$4.70	\$4.63	\$4.80

Notes:

1. The 2018-19 Target/Estimate is calculated based on the actual 2016-17 average unit cost of \$19.48 and assumes a 2.5 per cent CPI for the 2017-18 Estimated Actual of \$19.97 plus a 2.5 per cent CPI increase for the 2018-19 Target/Estimate of \$20.47. Costs include training, travel administration expenses and nominal cost for information technology, accommodation, shared services provider and labour (salaries and wages).
2. The lower than expected 2017-18 Estimated Actual figure is due to an increase in shorter average handling time (AHT) calls such as Journey Planner calls to 13 12 30. Recent modelling shows a trend toward more complex calls with longer AHT, resulting in a higher 2018-19 Target/Estimate cost of \$4.80.

Passenger Transport Services

Service area objective

To connect Queensland through the delivery of customer focussed passenger transport services.

Service area description

Activities associated with this service area are undertaken to facilitate passenger mobility across the State and aim to provide a single integrated and safe transport network allowing fair access to everyone. Key transport activities managed by this service area include:

- providing funding for fair access to public transport to deliver economic, social and community benefits for Queenslanders
- connecting with customers and delivery partners to improve service integration, passenger information and ticketing products
- driving customer focused outcomes through network optimisation and next generation service contracts
- supporting public transport patronage increases by maximising our service offering, extending the passenger transport network and delivering innovative ticketing products
- overseeing and funding the School Transport Assistance Scheme.

2018-19 service area highlights

The department will build on its achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2018-19 highlights under this service area to include:

- commencement of the design and build of an upgraded public transport ticketing system to be implemented across the TransLink network and urban buses in 18 regional centres
- implementation of 'short term' actions within the *Disability Action Plan 2018-2022* to improve the accessibility of the passenger transport network for people with disabilities, such as:
 - establishing an Accessible Transport Networks team which reports directly to the department's Director-General
 - continuing to provide funding through dedicated programs to upgrade existing and provide new, accessible passenger transport infrastructure
 - providing passenger transport concessions for people with disability, in accordance with the concessions framework
 - providing the Taxi Subsidy Scheme to assist eligible people with disability with the cost of accessible transport options.
- continuing to deliver the School Transport Assistance Scheme which provides financial assistance for Queensland school students to get to and from school
- continuing to provide concessional fares to ensure a reasonable level of mobility and access for those in the community who are disadvantaged through age, disability, income and isolation
- continuing implementation of the five-year *Strategic Plan for Personalised Transport Services 2016-2021* ensuring Queenslanders have safe, reliable and affordable personalised transport services and a sustainable and competitive industry to deliver them, including:
 - establishing a Personalised Transport Ombudsman, subject to Parliamentary passage of legislation
 - developing and implementing a personalised transport services reform evaluation and monitoring framework.
- continuing delivery of election commitments for Northern and Eastern Transitways to improve efficiency and reliability of passenger transport services, which will help to attract more customers to passenger transport and manage urban congestion:
 - Northern Transitway will provide bus priority measures on Gympie Road between Kedron and Chermside, improving safety and capacity of this important transport corridor

- Eastern Transitway will provide cost-effective bus priority measures on Old Cleveland Road between Coorparoo and Carindale, aimed at improving bus service reliability and travel times in peak periods.
- continuing delivery of election commitments for approximately 2,300 new park 'n' ride spaces across south-east Queensland, which will allow more customers to connect with high frequency services
- delivery of key projects committed in the 2018-19 Passenger Transport Infrastructure Investment Program, including election commitments relating to transitways and park 'n' ride facilities
- implement the recommendations outlined in the Queensland Bus Driver Safety Review including the State-wide installation of driver barriers on high risk services, and anti-shatter film state-wide and to develop and implement a public awareness campaign.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Passenger Transport Services				
Service standards				
<i>Effectiveness measures</i>				
Patronage on Government contracted services (millions):				
SEQ:	1	182.12	182.46	186.36
Bus	2	114.21	113.67	115.67
Rail		52.42	52.69	53.55
Tram	3	8.72	9.23	10.20
Ferry		6.78	6.87	6.94
Rest of Queensland:		12.01	11.82	11.90
Regional air		0.16	0.17	0.16
Long distance bus	4	0.06	0.06	0.06
Regional urban bus	5	11.45	11.25	11.33
TravelTrain		0.34	0.34	0.35
Average on-time running performance in peak times - CityTrain		95%	95%	95%
Percentage of scheduled services delivered - CityTrain		99.5	99.5	99.5
<i>Efficiency measure</i>				
Cost per passenger trip to administer state-wide Government contracted passenger transport services	6	New measure	New measure	\$12.07

Notes:

1. The 2018-19 Target/Estimate is expected to be 3.9 million above the 2017-18 Estimated Actual due to a number of factors: population growth, additional patronage associated with a full year of operation of the extended tram line to Helensvale, the continued upward trend in use of public transport and lower public transport fares introduced in the fairer fares package.
2. The Estimated Actual result is below the 2017-18 target due to driver industrial action between July and September 2017 on Brisbane City Council buses when an estimated 1.2 million trips were not recorded.
3. The 2017-18 Estimated Actual of 9.23 million trips for Tram is anticipated to be above the 2017-18 Target of 8.72 million trips due to the earlier than expected commencement of the Tram line extension to Helensvale.
4. The 2018-19 Target/Estimate will see stagnant growth in patronage on Long Distance Coach Services. While contracted operators continue to implement marketing strategies to maintain current patronage and attract new passengers, commercial operators are continuing to refine services and timetables particularly between Brisbane – Miles due to the decline in the resources sector, infrastructure projects and the ongoing impact of drought.

5. The 2018-19 Target/Estimate will see estimated patronage numbers on Regional Urban Bus service remain stable due to a decline in the resources sector and regional economic conditions.
6. This new measure has been introduced for *Service Delivery Statement* 2018-19 to show the department's investment in mobility across the State on Queensland's passenger transport network. The major cost items included in the calculation are: payments to outsourced service delivery partners (bus, rail, ferry, tram and air), TransLink Division labour costs, depreciation and payments to the ticketing system and call centre operators. The number of passenger trips is derived from total annual patronage on Government contracted bus, rail, tram, ferry, tram and air services, state-wide.

Discontinued measures

Performance measures included in the 2017-18 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Transport Infrastructure Management and Delivery				
Percentage of QTRIP projects >\$5 million:				
commencing no later than four months after the programmed commencement date	1	90	90	Discontinued measure
completed no more than four months after the programmed construction period	1	90	90	Discontinued measure
costing less than 10 per cent over the published QTRIP figure	1	90	90	Discontinued measure
Service area: Customer Experience				
Customer satisfaction ratings of public transport by service type (using a 0 - 100 index – 100 being excellent): Whole-of-Queensland: Taxi	2	≥67	..	Discontinued measure
Service Area: Passenger Transport Services				
Average subsidy per passenger on Government contracted services:	3			
Regional air		\$49.44	\$44.67	Discontinued measure
Regional urban bus		\$3.34	\$3.76	Discontinued measure
Long distance bus		\$105.39	\$92.58	Discontinued measure
TravelTrain		\$570.78	\$555.00	Discontinued measure
Average cost of subsidy per passenger trip in SEQ – bus, rail, tram and ferry	3, 4	\$7.73	\$7.11	Discontinued measure
Average subsidy per trip provided through the Taxi Subsidy Scheme	3	\$8.50	\$7.67	Discontinued measure
Wheelchair accessible taxi response times compared to conventional taxi fleet response times:	2			Discontinued measure
Peak Percentage within 18 minutes: Conventional		85	85	Discontinued measure

Department of Transport and Main Roads	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Wheelchair		85	85	Discontinued measure
Peak Percentage within 30 minutes: Conventional		95	95	Discontinued measure
Wheelchair		95	95	Discontinued measure
Off peak Percentage within 10 minutes: Conventional		85	85	Discontinued measure
Wheelchair		85	85	Discontinued measure
Off peak Percentage within 20 minutes: Conventional		95	95	Discontinued measure
Wheelchair		95	95	Discontinued measure

Notes:

1. These measures have been discontinued as they do not meet the requirements of service efficiency and/or effectiveness as per the Queensland Government Performance Management Framework requirements. These measures will continue to be reported and monitored as part of internal departmental performance reports for 2018-19.
2. The Queensland Government is in the process of delivering significant reform to the personalised transport industry. The intent of the reforms is to ensure Queensland residents have access to safe, accessible, affordable and accountable personalised transport services. The reform process has been underway since mid-2016. Given the significant changes in the personalised transport sector and in the department's role as regulator of the industry, the department will discontinue reporting taxi measures. As taxi customer satisfaction survey data was not collected for most of 2017-18, a reliable 2017-18 Estimated Actual result is not available.
3. These measures have been discontinued as they do not report on the cost of producing the service, or providing the subsidy and therefore cannot demonstrate the impact of new systems, staff training or other innovations in improving the efficiency of delivering the service. Subsidy rates will continue to be monitored internally within Department of Transport and Main Roads.
4. The 2017-18 Estimated Actual for Average cost of subsidy per passenger trip in SEQ – bus, rail, tram and ferry of \$7.11 is below the 2017-18 target of \$7.73 mainly as a result of lower costs than budgeted.

Administered items

Administered activities are those undertaken by departments on behalf of the Government.

The Department of Transport and Main Roads administers funds on behalf of the State which include the State-wide driver licensing system, marine licensing system and vehicle and vessel registration systems. The aim of these activities is to manage access to, and use of, the transport network including protection of the network from misuse.

Recent achievements:

- Major administered revenue items for 2017-18 were:
 - vehicle registration (\$1.761 billion)
 - transport and traffic fees (\$422.8 million).

Future developments:

- Major administered revenue items for 2018-19 are:
 - vehicle registration (\$1.836 billion)
 - transport and traffic fees (\$443.7 million).

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.

Departmental budget summary

The table below shows the total resources available in 2018-19 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Transport and Main Roads	2017-18 Adjusted Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	(46,434)	(52,048)	33,582
Balance of service appropriation	5,112,629	4,955,452	5,097,895
Other revenue	1,011,501	1,006,076	942,945
Total income	6,077,696	5,909,480	6,074,422
Expenses			
Transport System Investment, Planning and Programming	220,586	279,768	133,447
Transport Infrastructure Management and Delivery	2,101,587	2,008,736	2,102,922
Transport Safety and Regulation	254,207	264,694	268,100
Customer Experience	383,968	386,088	386,504
Passenger Transport Services	2,852,192	2,788,920	2,994,733
Total expenses	5,812,540	5,728,206	5,885,706
Operating surplus/deficit	265,156	181,274	188,716
Net assets	73,930,085	67,254,113	68,495,277
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	..	..	..
Other administered revenue	2,503,340	2,510,387	2,640,755
Total revenue	2,503,340	2,510,387	2,640,755
Expenses			
Transfers to government	2,503,340	2,510,387	2,640,755
Administered expenses	..	..	..
Total expenses	2,503,340	2,510,387	2,640,755
Net assets	261,544	268,569	268,569

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2018-19 Budget					
Department of Transport and Main Roads	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Transport System Investment, Planning and Programming	133,447	87,845	35,237	..	10,365
Transport Infrastructure Management and Delivery	2,102,922	1,931,111	41,434	117,564	201,529
Transport Safety and Regulation	268,100	29,421	162,661	..	76,018
Customer Experience	386,504	377,428	4,768	..	4,308
Passenger Transport Services	2,994,733	2,588,108	395,478	..	11,147
Total	5,885,706	5,013,913	639,578	117,564	303,367

Notes:

1. Explanations of variances are provided in the financial statements.
2. Total cost includes the budgeted surplus of \$188.716 million.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2017-18 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Department of Transport and Main Roads	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Revenue measures					
Administered	..	(273)	1,012	971	997
Departmental	(228)	(488)	(527)	(567)	(608)
Expense measures¹					
Administered	..	..	..	..	..
Departmental	(22,895)	181,925	292,145	379,145	432,634
Capital measures					
Administered	..	..	..	..	..
Departmental	7,272	178,137	385,632	709,365	945,845

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)*, including the whole-of-government expense measure 'Reprioritisations'.

Departmental capital program

Transport and Main Roads is committed to creating a single integrated transport network accessible to everyone. This is consistent with a key priority of the state to deliver infrastructure that meets the growing needs of Queenslanders, industry and local government. This budget delivers on that objective.

In line with commitments made at the time of the 2017 State election, this budget includes:

- \$75 million to construct northern and eastern transitways to relieve congestion and to provide a safer and easier commute for bus passengers and motorists around south-east Queensland.
- \$30 million two-year extension of the Marine Infrastructure Fund to provide new and upgraded recreational boating facilities.
- \$26 million to upgrade the Stafford Road and South Pine Road intersection, Everton Park, to improve traffic flow, improve safety and relieve congestion.
- \$25.5 million to upgrade Park 'n' Ride facilities at Greenbank and Eight Mile Plains allowing locals to connect with public transport and avoid congestion and expensive inner city parking.
- \$20 million to upgrade the Mount Lindesay Highway between Camp Cable Road and the Tamborine/Johanna Street intersection, increasing it to four lanes while raising the road to improve flood immunity.
- \$16 million to upgrade intersections at Ruthven Street and North Street (Toowoomba), Peachester Road and Old Gympie Road (Beerwah) and Rothwell (Petrie) as part of the \$35 million Roads Renewal Fund.

This Budget also provides funding for other Queensland Government commitments, to fund the following priority infrastructure projects:

- \$160.8 million towards the Beerburrum to Nambour rail duplication project to address the infrastructure and capacity constraints on this section of the North Coast Line. Detailed design will commence in 2018-19, with construction to be delivered in stages based on further negotiations with the Australian Government. The Australian Government has provided an initial \$390 million over five years towards this project.
- \$152 million to construct the Smithfield Bypass, a new 3.8 kilometre road running parallel with the Captain Cook Highway, providing an alternative route between the McGregor Road intersection and Yorkeys Knob Road intersection.
- \$65 million to upgrade the Centenary Motorway Sumners Road overpass bridge.
- \$45 million to construct Stage E of the Veloway (V1) cycleway between Birdwood Road and Gaza Road.
- \$30 million to upgrade the Petrie Roundabout on Redcliffe Road and Anzac Avenue.
- \$25 million to improve the interchange Exit 57 at Oxenford on the Pacific Motorway to improve traffic flow.

Further, the Budget reflects significant new investment on the M1 Pacific Motorway and Bruce Highway, including:

- \$1.03 billion to upgrade the Pacific Motorway (M1) between Varsity Lakes and Tugun from four to six lanes, with the Queensland Government providing \$515 million, \$206 million of which was committed during the 2017 State Election. (Indicative total project cost subject to business case development. Project timing and funding arrangements subject to negotiations with the Australian Government).
- \$1 billion to construct Cooroy to Curra - Section D, a new 26 kilometre section of the Bruce Highway, including a bypass of Gympie, with the Queensland Government providing \$200 million.
- \$749 million to widen the Pacific Motorway and extend the busway from Eight Mile Plains to Daisy Hill, with the Queensland Government providing \$374.5 million. (Indicative total project cost subject to business case development. Project timing and funding arrangements subject to negotiations with the Australian Government).

Capital budget

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
Capital purchases	1			
Total land, buildings and infrastructure		2,769,938	3,064,696	3,151,246
Total plant and equipment		11,887	11,887	11,354
Total other capital		22,402	22,402	23,223
Total capital purchases		2,804,227	3,098,985	3,185,823

Note:

- For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.

Staffing^{1, 2}

Department of Transport and Main Roads	Notes	2017-18 Adjusted Budget	2017-18 Est. Actual	2018-19 Budget
Transport System Investment, Planning and Programming	3, 4	739	743	632
Transport Infrastructure Management and Delivery		2,360	2,365	2,371
Transport Safety and Regulation		653	659	653
Customer Experience	5, 6	2,190	2,204	2,209
Passenger Transport Services	7, 8	330	314	343
TOTAL		6,272	6,285	6,208

Notes:

1. Full time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Decrease between the 2017-18 Adjusted Budget and 2018-19 Budget relates to temporary FTEs provided for the Gold Coast 2018 Commonwealth Games (GC2018).
4. Decrease between 2017-18 Estimated Actual and 2018-19 Budget relates to temporary FTEs provided for GC2018.
5. Increase between 2017-18 Adjusted Budget and 2017-18 Estimated Actual is due to a transfer of FTEs from the Department of Justice and Attorney-General (DJAG) for Queensland Government Agency Program (QGAP) Offices.
6. Increase between the 2017-18 Adjusted Budget and 2018-19 Budget relates to transfer of FTEs from DJAG for QGAP Offices.
7. Increase between 2017-18 Adjusted Budget and 2018-19 Budget relates to temporary FTEs provided for Passenger Transport Projects.
8. Increase between 2017-18 Estimated Actual and 2018-19 Budget relates to temporary FTEs provided for Passenger Transport Projects.

Budgeted financial statements

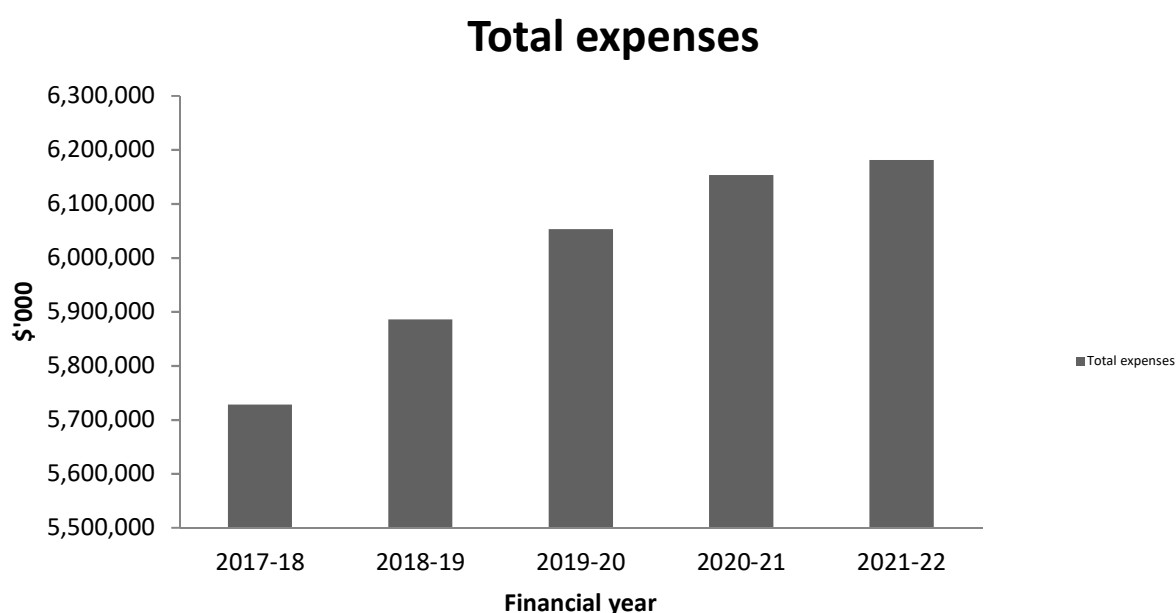
Analysis of budgeted financial statements

An analysis of the department's budgeted financial position, as reflected in the department's financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$5.886 billion in 2018-19, an increase of \$157.5 million from the 2017-18 financial year. The increase is mainly due to a budget reduction in 2017-18 due to the earlier than anticipated delivery of some works in 2016-17 which has been matched by an expenditure reduction in 2017-18 that is not expected to recur in 2018-19, additional operational and maintenance expenses associated with the continued delivery of the New Generation Rollingstock under a public private partnership (PPP) arrangement, increased expenditure under the transport service contract with Queensland Rail and routine maintenance funded from registration revenue. This is partially offset by decreased expenditure as a result of a reprioritisation measure applied to TMR in 2018-19 and for transport services for the 2018 Commonwealth Games which will not recur in 2018-19

Chart: Total departmental expenses across the Forward Estimates period



In 2019-20, the increase is primarily due to additional operational and maintenance expenses associated with contractual payments for the Toowoomba Second Range Crossing project and the delivery of New Generation Rollingstock under public private partnership (PPP) arrangements, increased expenditure under the transport service contract with Queensland Rail and allowance for an enterprise bargaining increase, partially offset by the completion of grants programs associated with the Cape York Regional package.

In 2020-21, the increase is mainly due to increased expenditure under the transport service contract with Queensland Rail and an allowance for an enterprise bargaining increase.

In 2021-22, the increase is mainly due to increased expenditure under the transport service contract with Queensland Rail and an allowance for an enterprise bargaining increase partially offset by reduced expenditures for Park and Rides recoverable works and grant payments for the Eastern Transitway which are expected to be completed in 2020-21.

Departmental balance sheet

The value of the department's assets in 2018-19 is estimated to total \$71.296 billion. This is primarily comprised of the value of transport infrastructure (\$65.244 billion) and land (\$4.584 billion). Over the next three years it is expected that the value of infrastructure assets will increase by 14.6% due to continuing investment in the transport system and that the value of land will increase by 5.5% due to acquisitions for future projects less any land sold that is surplus to requirements.

Total departmental liabilities in 2018-19 are estimated to be \$2.801 billion. This is mainly comprised of payables of \$0.634 billion and borrowings and finance lease liabilities of \$1.791 billion. Total liabilities are anticipated to decrease over the next three years to \$2.713 billion. Payables are expected to remain at about the same level over the next three years while debt is expected to initially increase in 2019-20 due to finance liabilities associated with the acquisition of New Generation Rollingstock and then start to decrease from 2020-21 onwards as debt repayments are made.

Controlled income statement

Department of Transport and Main Roads	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,9,14	5,066,195	4,903,404	5,131,477
Taxes		..	..	..
User charges and fees	2,10	614,979	648,012	639,578
Royalties and land rents		..	..	..
Grants and other contributions	3,11,15	266,979	212,347	176,430
Interest		1,563	2,882	1,590
Other revenue	4,16	125,480	140,335	122,847
Gains on sale/revaluation of assets		2,500	2,500	2,500
Total income		6,077,696	5,909,480	6,074,422
EXPENSES				
Employee expenses	5,12	510,243	541,078	543,402
Supplies and services	6,17	3,683,072	3,535,622	3,681,607
Grants and subsidies		451,782	450,307	465,197
Depreciation and amortisation	7,13	887,269	1,064,306	1,031,765
Finance/borrowing costs	8,18	116,831	98,626	124,297
Other expenses		17,796	24,022	24,316
Losses on sale/revaluation of assets	7,13	145,547	14,245	15,122
Total expenses		5,812,540	5,728,206	5,885,706
OPERATING SURPLUS/(DEFICIT)		265,156	181,274	188,716

Controlled balance sheet

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	19,25	326,170	472,789	457,924
Receivables		133,563	124,040	124,968
Other financial assets		..	..	..
Inventories		3,244	3,511	3,644
Other	26,32	587,814	586,732	13,981
Non-financial assets held for sale		2,000	6,000	5,000
Total current assets		1,052,791	1,193,072	605,517
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		601	601	601
Property, plant and equipment	20,27,33	75,073,144	68,388,937	70,583,918
Intangibles		97,990	97,827	105,100
Other		1,784	1,191	1,191
Total non-current assets		75,173,519	68,488,556	70,690,810
TOTAL ASSETS		76,226,310	69,681,628	71,296,327
CURRENT LIABILITIES				
Payables	21,28	480,394	629,627	633,770
Accrued employee benefits		21,003	20,996	21,099
Interest bearing liabilities and derivatives	22,29,34	568,327	474,147	238,052
Provisions	23,30	238,604	187,794	187,794
Other		78,907	82,582	83,728
Total current liabilities		1,387,235	1,395,146	1,164,443
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		5,256	5,402	5,402
Interest bearing liabilities and derivatives	24,31,35	868,862	948,803	1,553,041
Provisions	23,30	34,872	78,164	78,164
Other		..	..	..
Total non-current liabilities		908,990	1,032,369	1,636,607
TOTAL LIABILITIES		2,296,225	2,427,515	2,801,050
NET ASSETS/(LIABILITIES)		73,930,085	67,254,113	68,495,277
EQUITY				
TOTAL EQUITY	20,27,33	73,930,085	67,254,113	68,495,277

Controlled cash flow statement

Department of Transport and Main Roads	Notes	2017-18 Budget* \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	36,44,51	5,066,195	4,930,619	5,131,477
User charges and fees		696,797	709,407	700,973
Royalties and land rent receipts		..	..	..
Grants and other contributions	45,52	266,979	256,997	176,430
Interest received		1,563	2,882	1,590
Taxes		..	..	..
Other	37,46	677,880	784,884	769,346
Outflows:				
Employee costs	38,47	(510,140)	(540,975)	(543,299)
Supplies and services	39,48,53	(4,230,710)	(4,170,925)	(4,323,344)
Grants and subsidies		(451,782)	(450,307)	(465,197)
Borrowing costs	40,54	(116,831)	(98,626)	(124,297)
Other		(100,939)	(86,742)	(87,036)
Net cash provided by or used in operating activities		1,299,012	1,337,214	1,236,643
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		58,000	44,700	52,000
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	41,49,55	(2,209,597)	(2,569,195)	(2,345,069)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(2,151,597)	(2,524,495)	(2,293,069)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	42,49,55	2,170,557	2,549,735	2,335,308
Outflows:				
Borrowing redemptions		(67,251)	(67,140)	(54,576)
Finance lease payments	43,50,56	(318,704)	(276,730)	(416,505)
Equity withdrawals		(822,567)	(816,667)	(822,666)
Net cash provided by or used in financing activities		962,035	1,389,198	1,041,561
Net increase/(decrease) in cash held		109,450	201,917	(14,865)
Cash at the beginning of financial year		216,720	270,872	472,789
Cash transfers from restructure		..	..	..
Cash at the end of financial year		326,170	472,789	457,924

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Administered income statement

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue		..	..	..
Taxes		..	..	..
User charges and fees	58,60	2,315,393	2,334,953	2,435,527
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		50	50	50
Other revenue	57,59,61	187,897	175,384	205,178
Gains on sale/revaluation of assets		..	..	..
Total income		2,503,340	2,510,387	2,640,755
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies		..	..	..
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		2,503,340	2,510,387	2,640,755
Total expenses		2,503,340	2,510,387	2,640,755
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	62,63	13,796	56,444	56,535
Receivables		36,844	36,775	36,876
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		50,640	93,219	93,411
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		261,311	268,335	268,335
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		261,311	268,335	268,335
TOTAL ASSETS		311,951	361,554	361,746
CURRENT LIABILITIES				
Payables	62,63	7,401	44,418	44,426
Transfers to Government payable		37,325	42,820	42,940
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		5,681	5,747	5,811
Total current liabilities		50,407	92,985	93,177
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		50,407	92,985	93,177
NET ASSETS/(LIABILITIES)		261,544	268,569	268,569
EQUITY				
TOTAL EQUITY		261,544	268,569	268,569

Administered cash flow statement

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		..	..	..
User charges and fees	66,69	2,317,856	2,337,416	2,437,990
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		50	50	50
Taxes		..	..	..
Other	64,67,70	187,877	175,364	205,158
Outflows:				
Employee costs		..	..	..
Supplies and services		20	20	20
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(2,492)	(2,492)	(2,492)
Transfers to Government		(2,503,220)	(2,510,267)	(2,640,635)
Net cash provided by or used in operating activities		91	91	91
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	65,68	18,250	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	65,68	(18,250)	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		91	91	91
Cash at the beginning of financial year		13,705	56,353	56,444
Cash transfers from restructure		..	..	..
Cash at the end of financial year		13,796	56,444	56,535

Explanation of variances in the financial statements

The operating surplus in the Income Statement represents revenues received from local governments, developers and other parties towards the cost of capital projects (including Gateway Upgrade North project, Gold Coast Light Rail Stage 2 project and Waterford Tamborine Road Upgrade project). It also includes reimbursements from the Queensland Reconstruction Authority (QRA) for Natural Disaster Relief and Recovery Arrangements (NDRRA) capital works.

Income statement

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

1. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
2. Variance is mainly due to an unanticipated contribution from the Gold Coast 2018 Commonwealth Games Corporation for the Event Transport Management Services and higher than anticipated revenue from recoverable works.
3. Variance reflects lower than anticipated reimbursement from QRA due to a reduction in the estimated cost of restoration works associated with Severe Tropical Cyclone Debbie partially offset by a higher than anticipated contribution for 2018 Commonwealth Games delivery.
4. Increase primarily reflects increased dividend from RoadTek due to an increased program of works and higher than anticipated revenue received from unclaimed go card balances and deposits on unused cards.
5. Increase primarily reflects a change in the mix of employees associated with project planning and higher than anticipated temporary staff expenses for 2018 Commonwealth Games transport services.
6. Variance primarily reflects a lower than anticipated operating expense component of construction works, a budget reduction in 2017-18 due to the earlier than anticipated delivery of some works in 2016-17, decreased expenditure for the New Generation Rollingstock project due to the delay in delivery of the train sets, and decreased expenditure due to a change in the mix of employees associated with project planning partially offset by increased expenditure for 2018 Commonwealth Games.
7. Variance is due to a change in accounting treatment for decommissioned assets which are now fully depreciated at the time of their replacement.
8. Decrease primarily reflects reduced finance lease payments associated with New Generation Rollingstock due to the delay in delivery of the train sets.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

9. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
10. Variance primarily reflects higher than anticipated pilotage revenue due to an increase in piloted vessel movements, additional revenue from transport and traffic fees and an increase in public transport fare revenue including the full year impact of Gold Coast Light Rail Stage 2.
11. Variance reflects lower than anticipated reimbursement from QRA due to a reduction in the estimated cost of restoration works associated with Severe Tropical Cyclone Debbie and decreased contributions towards the cost of 2018 Commonwealth Games transport services and the Gateway Upgrade North project which will not recur in 2018-19.
12. Increase is due to the budgeted enterprise bargaining increase and a change in the mix of employees associated with project planning.
13. Variance is due to a change in accounting treatment for decommissioned assets which are now fully depreciated at the time of their replacement.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

14. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
15. Variance reflects decreased contributions towards 2018 Commonwealth Games transport services expenditure and the Gateway Upgrade North project which will not recur in 2018-19 partially offset by increased reimbursement from QRA for expenditure incurred for NDRRA works related to 2017-18 natural disaster events.

16. Decrease primarily reflects an estimated reduction in RoadTek dividend in 2018-19 due to a lower volume of work undertaken and decreased revenue received from developers' contributions.
17. Variance primarily reflects additional expenditure for the transport service contract with Queensland Rail, operations and maintenance payments for the New Generation Rollingstock units, road maintenance and the operating component of project expenditure partially offset by decreased expenditure for transport services for the 2018 Commonwealth Games which will not recur in 2018-19.
18. Variance primarily reflects an increase in the finance lease interest cost for New Generation Rollingstock due to the number of train sets scheduled to be delivered in 2018-19 and the recognition of the finance lease interest cost for Toowoomba Second Range Crossing project in 2018-19.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

19. Increase primarily reflects the timing of future planned transport operations and maintenance expenditure and the timing of the delivery of prior year capital works expenditure partially offset by decreased expenditure associated with restoration of the road network following recent natural disaster damage.
20. Variance primarily reflects a revaluation of infrastructure and land assets that occurred in 2016-17 which was not known at the time of budget preparation.
21. Increase is mainly due to a higher volume of transport operations, maintenance expenditure and infrastructure works undertaken in 2016-17.
22. Decrease primarily reflects a reduction in finance lease payments due to the delay in the delivery of the New Generation Rollingstock train sets and the correct reclassification of a portion of the Queensland Treasury Corporation (QTC) loans to the non-current liability (refer Note 24).
23. Variance reflects a reclassification of the value of land resumptions between current and non-current provisions.
24. Increase is primarily due to the correct recognition of the non-current liability component for the QTC loans which was previously recognised as a current liability (also refer Note 22) and the recognition of the non-current portion of the New Generation Rollingstock finance lease liability which was not previously required to be recognised based on the delivery schedule for the train sets.

Major variations between 2017-18 Budget and 2018-19 Budget include:

25. Increase primarily reflects the timing of future planned transport operations and maintenance expenditure and the timing of the delivery of prior year capital works expenditure partially offset by decreased expenditure associated with restoration of the road network following recent natural disaster damage.
26. Decrease predominately reflects a transfer of capital contributions to the finance lease liability due to the expected completion in 2018-19 of the Toowoomba Second Range Crossing project.
27. Variance primarily reflects a revaluation of infrastructure and land assets that occurred in 2016-17 which was not known at the time of budget preparation offset by the continued investment in transport infrastructure.
28. Increase is mainly due to a higher volume of infrastructure works.
29. Variance is primarily due to a decreased finance lease payments for the Gold Coast Light Rail Stage 2 and New Generation Rollingstock projects in 2019-20.
30. Variance reflects a reclassification of the value of land resumptions between current and non-current provisions.
31. Increase is primarily due to the recognition of the finance lease liabilities for Toowoomba Second Range Crossing and New Generation Rollingstock projects.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

32. Decrease predominately reflects a transfer of capital contributions to the finance lease liability due to the expected completion of the Toowoomba Second Range Crossing project.
33. Increase reflects the continued investment in transport infrastructure.
34. Variance is primarily due to a decreased finance lease liability for the Gold Coast Light Rail Stage 2 and New Generation Rollingstock projects in 2019-20.
35. Increase is primarily due to the recognition of the finance lease liabilities for Toowoomba Second Range Crossing and New Generation Rollingstock projects partially offset by the repayment of loans.

Cash flow statement

Major variations between 2017-18 Budget* and 2017-18 Estimated Actual include:

36. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
37. Variance is primarily due to increased GST refunds from the Australian Taxation Office (ATO) as a result of increased payments to contractors for capital works.
38. Increase primarily reflects a change in the mix of employees associated with project planning and higher than anticipated temporary staff expenses for 2018 Commonwealth Games transport services.
39. Variance primarily reflects a lower than anticipated operating expense component of construction works, a budget reduction in 2017-18 due to the earlier than anticipated delivery of some works in 2016-17, decreased expenditure for the New Generation Rollingstock project due to the delay in delivery of the train sets, and decreased expenditure due to a change in the mix of employees associated with project planning partially offset by increased expenditure for 2018 Commonwealth Games and an adjustment to estimates to more closely reflect the anticipated gross GST outflows.
40. Decrease primarily reflects reduced finance lease payments associated with New Generation Rollingstock due to the delay in delivery of the train sets.
41. Variance primarily reflects better than anticipated capital program delivery.
42. Variance primarily reflects an acceleration of funding to 2017-18 to match the increased project expenditure forecasts as a result of better than anticipated capital program delivery.
43. Variance reflects decreased payments as a result of delays in the delivery of New Generation Rollingstock train sets.

Major variations between 2017-18 Budget* and 2018-19 Budget include:

44. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
45. Variance reflects lower than anticipated reimbursement from QRA due to a reduction in the estimated cost of restoration works associated with Severe Tropical Cyclone Debbie and decreased contributions towards the cost of 2018 Commonwealth Games transport services and the Gateway Upgrade North project which will not recur in 2018-19.
46. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST inflows.
47. Increase is due to the budgeted enterprise bargaining increase and a change in the mix of employees associated with project planning.
48. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST outflows.
49. Movement primarily reflects an increase in the capital program in 2018-19 compared to 2017-18.
50. Variance primarily reflects an increase in finance lease payments for Gold Coast Light Rail Stage 2 in 2018-19 partially offset by lower finance lease payments for the New Generation Rollingstock project in 2018-19.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

51. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
52. Variance reflects decreased contributions towards 2018 Commonwealth Games transport services expenditure and the Gateway Upgrade North project which will not recur in 2018-19 partially offset by increased reimbursement from QRA for expenditure incurred for NDRRA works related to 2017-18 natural disaster events.
53. Variance primarily reflects additional expenditure for the transport service contract with Queensland Rail, operations and maintenance payments for the New Generation Rollingstock units, road maintenance and the operating component of project expenditure partially offset by decreased expenditure for transport services for the 2018 Commonwealth Games which will not recur in 2018-19.
54. Variance primarily reflects an increase in the finance lease interest cost for New Generation Rollingstock due to the number of train sets scheduled to be delivered in 2018-19 and the recognition of the finance lease interest cost for Toowoomba Second Range Crossing project in 2018-19.
55. Variance primarily reflects an acceleration of funding to 2017-18 to match the increased project expenditure forecasts as a result of better than anticipated capital program delivery.

56. Variance primarily reflects an increase in finance lease payments for Gold Coast Light Rail Stage 2 in 2018-19 partially offset by lower finance lease payments for the New Generation Rollingstock project in 2018-19.

Administered income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

57. The decreased revenue reflects the transfer of responsibility for domestic commercial vessels to the national marine safety regulator and a shift away from detecting traffic infringements from manual means to camera based technology.

Major variations between 2017-18 Budget and 2018-19 Budget include:

58. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
59. The increased revenue is mainly due to the upgrading of red light cameras to combined red light/speed cameras and the full year effect of unattended speed camera trailers partially offset by the transfer of responsibility for domestic commercial vessels to the national marine safety regulator and a shift away from detecting traffic fines from manual means to camera based technology.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

60. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
61. The increased revenue is mainly due to the upgrading of red light cameras to combined red light/speed cameras and the full year effect of unattended speed camera trailers.

Administered balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

62. Variance reflects the timing of the Compulsory Third Party insurance premiums collected which are yet to be remitted to the insurers.

Major variations between 2017-18 Budget and 2018-19 Budget include:

63. Variance reflects the timing of the Compulsory Third Party insurance premiums collected which are yet to be remitted to the insurers.

Administered cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

64. The decreased revenue reflects the transfer of responsibility for domestic commercial vessels to the national marine safety regulator and a shift away from detecting traffic infringements from manual means to camera based technology.
65. Variance reflects the cessation of a contribution to Queensland Rail for capital works expenditure.

Major variations between 2017-18 Budget and 2018-19 Budget include:

66. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
67. The increased revenue is mainly due to the upgrading of red light cameras to combined red light/speed cameras and the full year effect of unattended speed camera trailers partially offset by the transfer of responsibility for domestic commercial vessels to the national marine safety regulator and a shift away from detecting traffic fines from manual means to camera based technology.
68. Variance reflects the cessation of a contribution to Queensland Rail for capital works expenditure.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

69. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.

70. The increased revenue is mainly due to the upgrading of red light cameras to combined red light/speed cameras and the full year effect of unattended speed camera trailers.

Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of Transport and Main Roads (excluding Administered);
- RoadTek.

Explanations of variances for each entity are included in the individual budget financial statements located in this Service Delivery Statement.

Reporting entity income statement

Department of Transport and Main Roads	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue		5,066,195	4,903,404	5,131,477
Taxes	
User charges and fees		657,757	705,687	697,116
Royalties and land rents	
Grants and other contributions		266,979	212,347	176,430
Interest		..	1,384	..
Other revenue		106,818	113,979	107,856
Gains on sale/revaluation of assets		3,007	3,215	3,221
Total income		6,100,756	5,940,016	6,116,100
EXPENSES				
Employee expenses		637,774	667,273	673,325
Supplies and services		3,566,475	3,430,635	3,576,011
Grants and subsidies		451,782	450,307	465,197
Depreciation and amortisation		897,494	1,074,627	1,044,144
Finance/borrowing costs		115,071	96,839	122,431
Other expenses		20,552	24,794	25,064
Losses on sale/revaluation of assets		145,952	14,617	15,517
Total expenses		5,835,100	5,759,092	5,921,689
Income tax expense/revenue		5,410	7,457	5,884
OPERATING SURPLUS/(DEFICIT)		260,246	173,467	188,527

Reporting entity balance sheet

Department of Transport and Main Roads	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		421,954	564,371	546,334
Receivables		127,300	86,701	89,014
Other financial assets	
Inventories		10,129	1,432	2,544
Other		588,356	587,274	14,523
Non-financial assets held for sale		2,000	6,000	5,000
Total current assets		1,149,739	1,245,778	657,415
NON-CURRENT ASSETS				
Receivables	
Other financial assets		601	601	601
Property, plant and equipment		75,114,733	68,434,228	70,630,930
Deferred tax assets		6,069	6,186	6,168
Intangibles		97,990	97,827	105,100
Other		1,784	1,191	1,191
Total non-current assets		75,221,177	68,540,033	70,743,990
TOTAL ASSETS		76,370,916	69,785,811	71,401,405
CURRENT LIABILITIES				
Payables		460,512	553,846	559,318
Current tax liabilities		(3,142)	3,547	3,302
Accrued employee benefits		23,390	23,540	23,643
Interest bearing liabilities and derivatives		568,327	474,147	238,052
Provisions		238,604	187,794	187,794
Other		78,907	82,582	83,728
Total current liabilities		1,366,598	1,325,456	1,095,837
NON-CURRENT LIABILITIES				
Payables	
Deferred tax liabilities	
Accrued employee benefits		5,256	5,402	5,402
Interest bearing liabilities and derivatives		868,862	948,803	1,553,041
Provisions		34,872	78,164	78,164
Other	
Total non-current liabilities		908,990	1,032,369	1,636,607
TOTAL LIABILITIES		2,275,588	2,357,825	2,732,444
NET ASSETS/(LIABILITIES)		74,095,328	67,427,986	68,668,961
EQUITY				
TOTAL EQUITY		74,095,328	67,427,986	68,668,961

Reporting entity cash flow statement

Department of Transport and Main Roads	Notes	2017-18 Budget* \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		5,066,195	4,930,619	5,131,477
User charges and fees		743,231	803,227	762,059
Royalties and land rent receipts	
Grants and other contributions		266,979	256,997	176,430
Interest received		..	1,384	..
Taxes	
Other		689,218	788,528	784,355
Outflows:				
Employee costs		(637,763)	(667,762)	(673,222)
Supplies and services		(4,146,054)	(4,121,731)	(4,252,291)
Grants and subsidies		(451,782)	(450,307)	(465,197)
Borrowing costs		(115,071)	(96,839)	(122,431)
Taxation equivalents paid		(5,578)	(6,045)	(6,111)
Other		(103,695)	(87,514)	(87,784)
Net cash provided by or used in operating activities		1,305,680	1,350,557	1,247,285
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		58,052	44,827	53,276
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non-financial assets		(2,219,687)	(2,583,035)	(2,360,159)
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(2,161,635)	(2,538,208)	(2,306,883)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections		2,170,557	2,549,735	2,335,308
Outflows:				
Borrowing redemptions		(67,251)	(67,140)	(54,576)
Finance lease payments		(318,704)	(276,730)	(416,505)
Equity withdrawals		(822,567)	(816,667)	(822,666)
Dividends paid	
Net cash provided by or used in financing activities		962,035	1,389,198	1,041,561
Net increase/(decrease) in cash held		106,080	201,547	(18,037)
Cash at the beginning of financial year		315,874	362,824	564,371
Cash transfers from restructure	
Cash at the end of financial year		421,954	564,371	546,334

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Statutory Body

Gold Coast Waterways Authority

Overview

The Gold Coast Waterways Authority (the Authority) is a statutory body established by the *Gold Coast Waterways Authority Act 2012*. Our vision is to provide a waterways network and facilities that are sustainably managed to support an appropriate balance between recreational, tourism, environmental and economic aspirations and objectives, by:

- improving waterways access through investments that balance diversity of use with the protection of environmental values
- promoting the safe, sustainable and efficient use and enjoyment of the Gold Coast waterways
- providing localised decision-making through the Board and CEO, which is guided by community engagement
- working collaboratively with industry and government agencies and proactively engaging with the community to deliver benefits to current and future Gold Coast residents and visitors.

The Authority recognises the social, economic and environmental values of the Gold Coast waterways and contributes towards delivering on Government plan to:

- create jobs in a strong economy by delivering new infrastructure and investment through the implementation of our Waterways Management Program
- keep Queenslanders healthy by proactively protecting the waterways through planning and facilitating development that maintains the health and resilience of the system over the long term
- keep communities safe by implementing integrated and reliable transport networks that improve and maintain safe navigational access, and providing safe and accessible public marine facilities
- be a responsive Government by delivering quality services and being an initial point of contact on a range of matters affecting Gold Coast waterways users.

Service performance

In 2018-19, the Authority will build on achievements delivered to date, including:

- keeping navigation channels accessible through dredging programs in the Coomera River, Canaipa Passage, Main Channel and Labrador Channel and the completion of the Coomera Dredged Sediment Management Facility
- maintaining and improving boating infrastructure including installing a new pontoon at Alberton and upgrading a pontoon at Paradise Point
- continuing to deliver ongoing improvement works in Doug Jennings Park, complemented by considered decisions for land use permits
- ensuring navigational access is maintained through the Gold Coast Seaway by the efficient operation of the Sand Bypass System, upgrading of the Sand Bypass Jetty Deck and implementing an innovative renewable energy solution
- managing a significant system of beacons, buoys and marine signs to enhance safe navigation of Gold Coast waterways
- identifying opportunities for innovation to facilitate projects that enhance the resilience of the Gold Coast waterways
- delivering better management of water traffic through a targeted anchoring compliance program, considered decisions for aquatic event and buoy mooring authorities and implementation of evidence-based problem solving for waterways issues
- promoting the waterways by participating in, or supporting, events and proactively engaging with the community and key stakeholders.

Service performance

Performance statement

Management of and Access to the Gold Coast Waterways

Service area objective

To provide better management of, and access to, the Gold Coast waterways.

Service area description

The Authority will deliver services to support the safe, sustainable and efficient use and enjoyment of the Gold Coast waterways, including dredging of channels, improving and maintaining navigational access and public marine facilities, management of development and planning approvals, authorisation of aquatic events, and promoting the value of the waterways to Gold Coast residents, visitors and businesses.

Gold Coast Waterways Authority	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service Area: Management of and Access to the Gold Coast Waterways				
Service standards <i>Effectiveness measures</i> Percentage of customer enquiries relating to the better management of and access to the waterways are responded to within customer service standards	1	85	93	85
Percentage of community's overall satisfaction with Gold Coast Waterways Authority's implementation of the 10 year Waterways Management Strategy	2	80	82	80
<i>Efficiency measures</i> Cost per cubic metre of operating the Gold Coast Sand Bypass System	3	\$1.70	\$1.73	\$1.75
Average annual cost to manage and maintain each navigation aid in the Gold Coast waterways	4	\$342	\$341	\$342

Notes:

- Customer service standards are published and outline the quality, timeliness and level of support provided by the Authority when addressing enquiries. Feedback from stakeholders is used to effectively plan and deliver better management of and access to the waterways. Whilst the methodology used has not changed from 2017-18, the wording of this measure has been updated from "Percentage of customer enquiries actioned within customer service standards" so that it better qualifies the relevance of this measure.
- Since the Authority's establishment in 2012, this effectiveness measure has been based on general stakeholder satisfaction feedback which is collected via bi-monthly (i.e. every second month) 'Meet the Board' community consultation sessions, boat show surveys, Facebook and includes measures on quality, staff, outcomes and overall satisfaction. A biennial client satisfaction survey will be conducted during 2018-19 which will be in accordance with the Better Practice Guideline for Measuring Client Satisfaction, published by the Department of the Premier and Cabinet, and will include questions on timeliness, quality, access, staff, outcomes and overall satisfaction.
- Includes all costs to operate the Gold Coast Sand Bypass System, including salaries, maintenance, electricity and any other ancillary costs and is based on an annual average littoral drift of 500,000 m³ of sand per year.

4. Includes costs to manage and maintain 1,973 aids to navigation located in the Gold Coast waterways including salaries, inventory, associated vessel costs and any other ancillary costs. The reduction in navigation aids from 2,095 in 2017-18 to 1,973 is primarily aligned to a rationalisation of marine signs, which are considered less complex structures, and may not affect geographical, human and physical resource costs or impact on the Target/Estimated amount.

Discontinued measures

Performance measures included in the 2017-18 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results.

Gold Coast Waterways Authority	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Management of and access to the Gold Coast Waterways				
Percentage of Waterways Management Program commitments completed on time and on budget	1	80	90	Discontinued measure

Note:

1. This measure is not supported as a measure of effectiveness as it does not meet the Queensland Government Performance Management Framework requirements. This measure is to be discontinued, but will continue to be reported on internally and in the Annual Report.

Staffing¹

Gold Coast Waterways Authority	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Gold Coast Waterways Authority		30	30	30

Note:

1. Full-time equivalents (FTEs) as at 30 June.

Income statement

Gold Coast Waterways Authority	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	3,8	11,585	11,585	13,064
Grants and other contributions		..	..	..
Interest		89	89	89
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		11,674	11,674	13,153
EXPENSES				
Employee expenses	1,4,9	2,870	3,001	3,387
Supplies and services	5,10	3,870	3,833	4,650
Grants and subsidies	2,6,11	250	155	..
Depreciation and amortisation	7,12	3,609	3,609	3,985
Finance/borrowing costs		..	..	..
Other expenses		1,075	1,075	1,131
Losses on sale/revaluation of assets		..	1	..
Total expenses		11,674	11,674	13,153
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Gold Coast Waterways Authority	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	13,17,21	1,885	6,534	4,029
Receivables		295	235	235
Other financial assets		..	..	..
Inventories		132	139	139
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		2,312	6,908	4,403
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		200,753	200,744	204,749
Intangibles	14,18	..	500	500
Other		..	..	..
Total non-current assets		200,753	201,244	205,249
TOTAL ASSETS		203,065	208,152	209,652
CURRENT LIABILITIES				
Payables	15,19	1,631	1,212	1,212
Accrued employee benefits		387	434	434
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		88	45	45
Total current liabilities		2,106	1,691	1,691
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		2,106	1,691	1,691
NET ASSETS/(LIABILITIES)		200,959	206,461	207,961
EQUITY				
TOTAL EQUITY	16,20	200,959	206,461	207,961

Cash flow statement

Gold Coast Waterways Authority	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	25,31	11,585	11,584	13,064
Grants and other contributions		..	..	..
Interest received		89	89	89
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	22,26,32	(2,870)	(3,001)	(3,387)
Supplies and services	27,33	(3,870)	(3,833)	(4,650)
Grants and subsidies	23,28,34	(250)	(155)	..
Borrowing costs		..	..	..
Other		(1,075)	(1,075)	(1,131)
Net cash provided by or used in operating activities		3,609	3,609	3,985
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	24,35	(8,258)	(4,918)	(7,990)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(8,258)	(4,918)	(7,990)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	29,36	5,010	5,010	1,500
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	30,37	(3,609)	(3,609)	..
Net cash provided by or used in financing activities		1,401	1,401	1,500
Net increase/(decrease) in cash held		(3,248)	92	(2,505)
Cash at the beginning of financial year		5,133	6,442	6,534
Cash transfers from restructure		..	..	..
Cash at the end of financial year		1,885	6,534	4,029

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

1. Increase in employee expenses is primarily associated with re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
2. Variance reflects lower than projected expenditure incurred on grants associated with the Authority's Scientific Research Management program.

Major variations between 2017-18 Budget and 2018-19 Budget include:

3. Increase in user charges is primarily attributed to an increase in the level of operational funding provided from the Department of Transport and Main Roads to cover enterprise bargaining increases and depreciation growth and the effect of revenue increases applied to fees which are collected by the Authority.
4. Increase in employee expenses is primarily associated with enterprise bargaining increase and re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
5. Increase in other supplies and services is primarily due to an increase in asset maintenance expenditure.
6. Variance is due to nil expenditure projected in 2018-19 for grants associated with the Authority's Scientific Research Management program.
7. Increase in depreciation reflects the increased value of assets as a result of prior year investments associated with the delivery of the Gold Coast Waterways Management Program.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

8. Increase in user charges is primarily attributed to an increase in the level of operational funding provided from the Department of Transport and Main Roads to cover enterprise bargaining increases and depreciation growth and the effect of revenue increases applied to fees which are collected by the Authority.
9. Increase in employee expenses is primarily associated with enterprise bargaining increase and re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
10. Increase in other supplies and services is primarily due to an increase in asset maintenance expenditure.
11. Variance is due to nil expenditure projected in 2018-19 for grants associated with the Authority's Scientific Research Management program.
12. Increase in depreciation reflects the increased value of assets as a result of prior year investments associated with the delivery of the Gold Coast Waterways Management Program.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

13. Increase in cash assets is a result of capital program carryover funding.
14. Increase in intangibles is associated with the development of an internally generated sand management approvals model and support for the environmental management framework which was capitalised during 2017-18.
15. Decrease in payables is related to a decreased volume of waterways management program related works invoices held as liabilities at end of financial year.
16. Increase is primarily due to an increase in balance of cash.

Major variations between 2017-18 Budget and 2018-19 Budget include:

17. Increase in cash assets is a result of capital program carryover funding.
18. Increase in intangibles is associated with the development of an internally generated sand management approvals model and support for the environmental management framework which was capitalised during 2017-18.

19. Decrease in payables is related to a decreased volume of waterways management program related works invoices held as liabilities at end of financial year.
20. Increase is primarily due to an increase in the cash balance and an increase in the value of property, plant and equipment.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

21. Decrease in cash assets is associated with planned capital program purchases in 2018-19.

Cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

22. Increase in employee expenses is primarily associated with enterprise bargaining increase and re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
23. Variance reflects lower than projected expenditure incurred on grants associated with the Authority's Scientific Research Management program.
24. Decrease is primarily attributed to a design delay associated with a significant project. Project delivery is committed, with delivery to be finalised in early 2018-19.

Major variations between 2017-18 Budget and 2018-19 Budget include:

25. Increase in user charges is primarily attributed to an increase in the level of operational funding provided from the Department of Transport and Main Roads to cover enterprise bargaining increases and depreciation growth and the effect of revenue increases applied to fees which are collected by the Authority.
26. Increase in employee expenses is primarily associated with enterprise bargaining increase and re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
27. Increase in other supplies and services is primarily due to an increase in asset maintenance expenditure.
28. Variance is due to nil expenditure projected in 2018-19 for grants associated with the Authority's Scientific Research Management program.
29. Decrease is due to a reduction in the capital investment program and equity withdrawals have now been offset against equity injections.
30. Decrease is due to equity withdrawals now being offset against equity injections.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

31. Increase in user charges is primarily attributed to an increase in the level of operational funding provided from the Department of Transport and Main Roads to cover enterprise bargaining increases and depreciation growth and the effect of revenue increases applied to fees which are collected by the Authority.
32. Increase in employee expenses is primarily associated with enterprise bargaining increase and re-alignment of project management officers' costs to operational maintenance project delivery, rather than capital project delivery.
33. Increase in other supplies and services is primarily due to an increase in asset maintenance expenditure.
34. Variance is due to nil expenditure projected in 2018-19 for grants associated with the Authority's Scientific Research Management program.
35. Increase is due to a deferral of funding from 2017-18 to 2018-19, primarily due to design delays associated with a significant project.
36. Decrease is due to a reduction in the capital investment program and equity withdrawals have now been offset against equity injections.
37. Decrease is due to equity withdrawals now being offset against equity injections.

Commercialised business units

RoadTek

Overview

As a commercial Government business within the Department of Transport and Main Roads, RoadTek continues to provide transport infrastructure solutions, including construction and maintenance services, to enable the department to deliver on Government priorities and community outcomes. During 2017-18 RoadTek has continued to implement its vision, "being a valued partner delivering transport solutions for Queensland", including the introduction and rollout of a partnering survey process. The partner surveys will be conducted twice a year, with the results and areas for improvement feeding into the business planning process.

RoadTek's value to the department, Government and the community is demonstrated by:

- specialising in the delivery of technically difficult and hard-to-scope projects for the State and local governments
- providing on-the-ground support to communities in times of need (emergency response and disruptive events)
- delivering a range of services including: civil, structural, electrical engineering and line-marking, supported by an internal construction fleet, strong project management and procurement practices
- providing services to most regional and remote locations, allowing our people to develop ongoing relationships with our customers, the community and local businesses (who also contribute to the delivery works as part of the supply chain)
- providing opportunities to develop technical, construction and engineering skills within the department (our teams benefit from real 'hands on' experience in transport infrastructure construction and maintenance through rotation programs across the department)
- developing inclusive leaders and ensuring every employee in our team is well equipped with core skill
- partnering with regional and Indigenous communities to enhance training, development and creating job opportunities.

Key factors impacting RoadTek's performance include, meeting the program delivery requirements, having a highly skilled workforce on hand to meet tomorrow's expectations, and leveraging emerging technologies at the right time.

The priority areas shaping RoadTek's direction in 2018-19, include:

- continuing to build our safety culture
- delivering quality projects and services for our customers
- enabling our people to excel in their jobs today and tomorrow
- collaborating with our partners, customers and stakeholders.

Service summary

RoadTek continues to focus on delivering quality transport infrastructure solutions that benefit the community. Major deliverables and initiatives for RoadTek for 2018-19 include:

- continued delivery of transport infrastructure projects such as the wider Brisbane Road Asset Management Contract and the successful delivery of short term priority packages and State-wide initiatives and programs
- working with regional councils and in remote communities to upskill local crews, create jobs and connect communities, for example, working with the Maranoa Regional Council, and supporting delivery of the Cape York Regional Program in Far North Queensland
- continuing to implement a number of mobile technology solutions to enable in the field data collection in real time to aid in the assessment and monitoring of the performance of the transport system, including bridge and culvert, inspections and identifying and auditing the electrical infrastructure to identify asbestos containing materials
- progressing workforce capability development programs including performance management training, the promotion of diversity and cultural and indigenous initiatives and targeted training across our core capabilities following the release of the 2017 Workforce Capability Assessment results.

Service performance

Performance statement

Transport Infrastructure Construction and Maintenance

Service area objective

RoadTek provides transport infrastructure solutions, including construction and maintenance services to enable the Department of Transport and Main Roads to deliver on Queensland Government priorities and outcomes for the community.

Service area description

As a commercial business unit within the Department of Transport and Main Roads, RoadTek is instrumental in the delivery of numerous projects on the State's extensive road and bridge network. This includes emergency response and related activities as well as the delivery of projects that restore infrastructure and services after natural disasters.

RoadTek	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service Area: Transport Infrastructure Construction and Maintenance				
Service standards				
<i>Effectiveness measures</i>				
Lost Time Injury frequency rate	1	<10	13.9	<10
Customers' and stakeholders' value of RoadTek (on a scale of 1 to 5)	2	>4	4.34	>4
<i>Efficiency measures</i>				
Long term debt / equity	3	11.5%	10.9%	10.9%
Long term debt / total assets	4	8.5%	7.8%	7.8%
Return on equity	5	7.6%	10.0%	7.9%
Return on revenue (after tax)	6	2.5%	3.14%	2.5%
Profit margin (earnings before income tax / user charges)	6	3.5%	4.5%	3.5%

Notes:

1. The Lost Time Injury Frequency Rate is an industry standard measure and is defined by AS 1885.1-1990 as the number of lost time injuries multiplied by one million and divided by the number of person-hours actually worked. The standard defines a Lost Time Injury as an occurrence that results in a fatality, permanent disability or time lost from work of one day/shift or more. This measure is used to compare industry performance and to support the assessment of a company's safety performance as part of tendering and prequalification processes.
2. This measure and result is based on customer surveys completed at the end of projects and or annual contracts with RoadTek's customers (both internal and external to government). The survey facilitates feedback in relation to levels of overall satisfaction with RoadTek's delivery performance, across the four elements of the balance scorecard methodology.
3. Long term debt remains stable against a slightly increased equity position due to a positive trading performance. A reduced ratio for this measure is an improvement.
4. Long term debt remains stable against an improved total asset position due to a positive trading performance. A reduced ratio for this measure is an improvement.
5. A higher than budget trading performance has led to an improved ratio for 2017-18.

6. The above target performance is as a result of positive program delivery with minimal project risks eventuating (wet weather). The performance for 2018-19 is expected to be similar to the 2017-18 Budget figure.

Staffing¹

RoadTek	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
RoadTek		1,218	1,220	1,219

Note:

1. Full-time equivalents (FTEs) as at 30 June.

Income statement

RoadTek	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
User charges and fees	1,4	509,132	549,421	551,845
Grants and other contributions		..	..	..
Interest		1,760	1,787	1,866
Other revenue		1,040	1,248	1,305
Gains on sale/revaluation of assets		507	715	721
Total income		512,439	553,171	555,737
EXPENSES				
Employee expenses		127,531	126,195	129,923
Supplies and services	2,5	351,576	386,759	388,711
Grants and subsidies		..	..	..
Depreciation and amortisation	6,7	10,225	10,321	12,379
Finance/borrowing costs		1,563	1,498	1,590
Other expenses		3,105	3,168	3,123
Losses on sale/revaluation of assets		405	372	395
Total expenses		494,405	528,313	536,121
Income tax expense/revenue	3,8	5,410	7,457	5,884
OPERATING SURPLUS/(DEFICIT)		12,624	17,401	13,732

Balance sheet

RoadTek	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	13	95,784	91,582	88,410
Receivables	14	56,854	60,474	61,949
Other financial assets		..	..	..
Inventories	9,15	23,072	39,112	40,091
Other		542	542	542
Non-financial assets held for sale		..	..	..
Total current assets		176,252	191,710	190,992
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,16	41,589	45,291	47,012
Deferred tax assets		6,069	6,186	6,168
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		47,658	51,477	53,180
TOTAL ASSETS		223,910	243,187	244,172
CURRENT LIABILITIES				
Payables	11,17	40,422	44,223	45,642
Current tax liabilities	12,18	(3,142)	3,547	3,302
Accrued employee benefits		2,387	2,544	2,544
Interest bearing liabilities and derivatives		19,000	19,000	19,000
Provisions		..	..	..
Other		..	..	..
Total current liabilities		58,667	69,314	70,488
NON-CURRENT LIABILITIES				
Payables		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		58,667	69,314	70,488
NET ASSETS/(LIABILITIES)		165,243	173,873	173,684
EQUITY				
TOTAL EQUITY		165,243	173,873	173,684

Cash flow statement

RoadTek	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	19,23,26	512,698	585,476	555,303
Grants and other contributions		..	..	..
Interest received		1,760	1,787	1,866
Other		31,040	31,248	31,305
Outflows:				
Employee costs		(127,623)	(126,787)	(129,923)
Supplies and services	20,24,27	(383,517)	(442,552)	(423,254)
Grants and subsidies		..	..	..
Borrowing costs		(1,563)	(1,498)	(1,590)
Taxation equivalents paid		(5,578)	(6,045)	(6,111)
Other		(3,105)	(3,168)	(3,123)
Net cash provided by or used in operating activities		24,112	38,461	24,473
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		52	127	1,276
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	21,25	(10,000)	(13,750)	(15,000)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(9,948)	(13,623)	(13,724)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Dividends paid	22,28	(17,534)	(25,208)	(13,921)
Net cash provided by or used in financing activities		(17,534)	(25,208)	(13,921)
Net increase/(decrease) in cash held		(3,370)	(370)	(3,172)
Cash at the beginning of financial year		99,154	91,952	91,582
Cash transfers from restructure		..	..	..
Cash at the end of financial year		95,784	91,582	88,410

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

1. The increase in user charges and fees is due to an increase in the number of projects completed, including completion of cyclone damage repairs.
2. The increase in supplies and services is due to additional projects undertaken and completion of cyclone damage repairs.
3. The increase in income tax expense is due to an increased surplus from an increased program of work.

Major variations between 2017-18 Budget and 2018-19 Budget include:

4. The increase in user charges and fees is due to a larger program of work.
5. The increase in supplies and services is due to a larger program of work.
6. The increase in depreciation and amortisation is due to an increased replacement program of plant and equipment.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

7. The increase in depreciation and amortisation is due to an increased replacement program of plant and equipment.
8. The decrease in income tax expense is due to an expected reduction in surplus due to tightening margins.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

9. The increase in inventories is due to the larger than anticipated program of work.
10. The increase in property, plant and equipment is due to an increased replacement program of plant and equipment.
11. The increase in payables is due to the larger than anticipated program of work.
12. The increase in current tax liabilities is due to a higher than anticipated surplus and the variability of tax equivalent instalment rates.

Major variations between 2017-18 Budget and 2018-19 Budget include:

13. The decrease in cash assets is due to an increase in accounts receivable, inventory balances and capital spend.
14. The increase in receivables is due to an increase in the current program of work.
15. The increase in inventories is due to an increase in the program of work.
16. The increase in property, plant and equipment is due to an increased replacement program of plant and equipment.
17. The increase in payables is due to larger program of works.
18. The increase in current tax liabilities is due to variability of instalment rate for tax equivalent payments.

Cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

19. The increase in user charges and fees is due to a higher than anticipated number of projects undertaken, including completion of cyclone damage repairs and the receipt of cash from a higher than anticipated level of receivables at 30 June 2017.
20. The increase in supplies and services is due to a higher than anticipated number of projects undertaken, including completion of cyclone damage repairs and payments from a higher than anticipated level of payables as at 30 June 2017.

21. The increase in payments for non-financial assets is due to an increased replacement program of plant and equipment.
22. The increase in dividends paid is due to a higher surplus as a result of an increased program of works.

Major variations between 2017-18 Budget and 2018-19 Budget include:

23. The increase in user charges and fees is due to an increase in the number of projects expected to be undertaken with an increased program of works.
24. The increase in supplies and services is due to an increase in the number of projects expected to be undertaken from a larger program of works.
25. The increase in payments for non-financial assets is due to an increased replacement program of plant and equipment.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

26. The decrease in user charges and fees is due to less inflows expected in 2018-19 in comparison to 2017-18 estimated cash flows as a result of an anticipated lower level of receivables at 30 June 2018 compared to 30 June 2017 (refer Notes 19).
27. The decrease in supplies and services is due less outflows expected in 2018-19 in comparison to 2017-18 estimated actual outflows as a result of an anticipated lower level of payables at 30 June 2018 compared to 30 June 2017 (refer Note 20).
28. The decrease in dividends paid is due to an expected reduction in surplus.

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the Government in a public sector agency.

Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.



Queensland Budget 2018–19

Service Delivery Statements

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