

# PART 10

## Department of Transport and Main Roads

### Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget \$'000	2010-11 Est. actual \$'000	2011-12 Estimate \$'000
2-116	Department of Transport and Main Roads - controlled	3,655,789	4,017,804	4,467,818
	Department of Transport and Main Roads - administered	992,722	1,075,976	1,071,422
2-138	RoadTek	488,083	644,836	688,999
2-145	TransLink Transit Authority	1,383,804	1,384,687	1,514,129

Note:

1. Explanations of variances are provided in the financial statements.

## DEPARTMENTAL OVERVIEW

### MINISTERIAL RESPONSIBILITY

The Minister for Transport and Multicultural Affairs and the Minister for Main Roads, Fisheries and Marine Infrastructure are responsible respectively for the transport and roads functions of the Department of Transport and Main Roads.

### STRATEGIC ISSUES

The department's purpose is to plan, deliver and manage a transport system that connects Queensland.

A well-developed integrated transport system is essential to the continued growth and maintenance of a healthy robust economy – connecting communities, providing access to services and supporting the conduct of commerce and industry throughout the State. The objectives of the department as stated in the *Transport and Main Roads Corporate Plan 2011- 2015* are:

- inclusive transport services linking people to employment, education, services and their communities
- a sustainable transport system which promotes economic growth and enhances liveability
- a safe transport system leading to improved health and wellbeing for Queenslanders
- transport-related impacts on the natural, cultural and built environments managed for the community
- enhanced capability of people involved in the transport, logistics and supply chain industry
- enhanced leadership and stakeholder relationships, improving transport outcomes for Queensland
- contemporary people, processes and systems, enabling us to achieve our corporate objectives.

Working to achieve these objectives assists the department to respond to a range of strategic challenges:

- provide transport options to achieve economic and social outcomes across a resilient transport system
- increase people's knowledge and understanding about transport system policies and investment choices
- ensure the department's contribution to Queensland's economy remains a key driver of decision making
- manage the impacts of climate change on the transport system
- encourage the uptake of vehicles, or travel alternatives, that increase resilience to rising oil prices and reduce emissions
- enhance capability and capacity of the department and the transport and logistics-related industries.

The department is committed to addressing the following priorities:

- deliver our programs and services
- improve investment decisions to make the best use of available resources to support Queensland's economic development and quality of life
- engage community and stakeholders about choices to be made within the transport system
- increase the preparedness and resilience of the transport system to significant events

- embrace current and emerging technologies to improve the transport system and customer service
- create an organisation and workforce that leads transportation into the future
- ensure safety underpins everything we do.

The department contributes to all five of the *Toward Q2: Tomorrow's Queensland* ambitions (strong, green, smart, healthy and fair) as outlined in the Corporate Plan 2011- 2015.

## 2011-12 HIGHLIGHTS

Significant activities provided for in the 2011-12 Budget include:

- delivery of the Transport Network Reconstruction Program by the newly-established State-wide Program Office that will manage the enormous task of delivering the department's reconstruction efforts following the flooding and cyclone events across the State in the 2010-11 summer. Projects funded under the program for 2011-12 include:
  - national highway freight access project – Warrego and Landsborough Highways;
  - cotton industry freight access for roads around St. George;
  - Bruce Highway repairs between Gin Gin and Benaraby;
  - reconstruction of sections of the Peak Downs Highway; and
  - West Moreton Coal System (including Toowoomba Range).
- continued construction of the Gold Coast Rapid Transit System, a light rail project from Southport to Broadbeach
- commence construction of a new dual track rail line from Richlands to Springfield, including new stations at Springfield and Springfield Lakes
- continued construction of the Keperra to Ferny Grove duplication and Ferny Grove Station upgrade
- continued development of marine infrastructure to enhance the safety of vessels and their operations in an environment of significant growth
- continued development and implementation of the Vessel Traffic Service strategy that addresses current and anticipated port developments like those resulting from the LNG industry in Gladstone
- continued construction of the Northern Busway between Enoggera Creek and Kedron extending the existing busway from the Royal Brisbane Women's Hospital to Sadler Street, Kedron
- completion of the Eastern Busway between the South East Busway and Main Avenue including bus stations at Stones Corner and Langlands Park
- commence work on the City Place Bus Station in Cairns, as a part of the Cairns Transit Mall and Public Transport Network Upgrade
- construction of 60 new bus stops at Barron River
- installation of additional noise barriers along the rail corridor from Yeerongpilly to Corinda as identified in the Network Noise Management Plan
- completion of construction of the Townsville Marine Precinct at the Port of Townsville to provide a dedicated marine facility for the local industrial and commercial marine industries
- continued upgrading Berth 10 at the Port of Townsville to better accommodate the Royal Australian Navy and cruise vessels in the Townsville Ocean Terminal
- upgrading of the Bruce Highway between Ingham and Innisfail on the Cardwell Range
- commence construction of overtaking lanes on the Bruce Highway from Bajool to Gavial between Benaraby and Rockhampton
- continued upgrading of the Ipswich Motorway between Dinmore and Goodna

- continued upgrading of the Port of Brisbane Motorway (Port Connect) duplication of the existing two-lane motorway and construction of a three kilometre extension from the Gateway Motorway to Pritchard Street
- commence duplication from two to four lanes at Temples Lane-Farrellys Lane, on the southern approach to Mackay
- completion of the widening to four lanes of the Douglas Arterial on the Bruce Highway (Townsville Ring Road)
- continued upgrading of the Pacific Motorway between Springwood South and Daisy Hill
- completion of widening the Pacific Motorway from four to six lanes between Nerang and Stewart Road
- continued upgrading of the Bruce Highway (Cooroy to Curra) from Sankeys Road to Traveston Road
- continued pavement widening and culvert repairs and replacements on various sections of the Eidsvold to Theodore Road
- continued widening of sections of the Warrego Highway between Roma and Mitchell
- continued upgrading of the Kennedy Developmental Road between Hughenden and Winton
- continued construction of new recreational boating facilities across the State to ensure that future infrastructure demands can be met as the recreational boating population continues to grow
- commence early works of the Moreton Bay Rail Link with the first trains expected to start operating in 2016
- launching the *2011-2021 Queensland Road Safety Strategy* aligning Queensland with the new *National Road Safety Strategy 2011-2020* and setting the strategic direction to reduce the State's road toll
- implementation of a range of initiatives in the *Queensland Taxi Strategic Plan 2010-2015*
- continue to host the National Heavy Vehicle Regulator, as a new body to regulate the licensing, registration and use of all Australian road vehicles larger than 4.5 tonnes from 1 January 2013, under a single national system of laws
- continuation of a program to introduce upgraded vehicles into school bus fleets across Queensland
- continued rollout of New Queensland Driver Licence equipment to approximately 223 licence issuing centres across Queensland, expected to be completed by mid 2012
- continued roll out of the TravelSmart Schools program to over 100 schools to provide opportunities for students to develop life long sustainable travel habits travel, promote greener, healthier travel to and from school, and to reduce traffic congestion in the school environment
- introducing new arrangements for commercial management of advertising billboards in State-controlled road corridors with revenue used to improve road safety outcomes
- continued delivery of new cycleway projects including the Cairns to Aeroglen Cycleway in co-operation with Cairns City Council and the ongoing investment in cycle infrastructure in South East Queensland through the Cycle Network Program
- offering up to five year 12 students scholarships in science and engineering based fields as part of the ongoing Indigenous Scholarship Scheme helping to 'close the gap' for indigenous students.

The department will maintain its proud record of delivering Government objectives efficiently and effectively while achieving its purpose to plan, deliver and manage a transport system that connects Queensland. All department projects and activities will contribute directly to improving transport safety.

## RECENT ACHIEVEMENTS

The department played a lead role in reconnecting Queensland both during and after the unprecedented flooding and cyclone events across the State in the 2010-11 summer. Officers from the department worked around the clock:

- re-opening the majority of the 155 roads (9,170km) severed by flooding and damage with crews working to make the network safe and ensure emergency bulk water, food and fuel could get through to communities
- establishing a “one stop shop line” to provide help and information to road freight operators and primary producers trying to move goods around flooded or damaged roads
- coordinating specialist teams to help local councils assess damage and plan their recovery efforts
- working with local port authorities to survey affected waterways, clear dangerous underwater debris and get shipping operations up and running again
- assisting TransLink and Queensland Rail to ensure that passenger and freight transport services resumed as quickly as possible allowing people and vital supplies to move around the State
- ensuring all department customer service centres were open by 17 January 2011.

The day-to-day work of the department during 2010-11 continued to achieve strong results:

- successfully rolled out the New Queensland Driver Licence to a number of Transport and Main Roads and Queensland Police Service driver licence issuing sites with approximately 35,000 new licences issued by the end of May 2011
- signing of a public private partnership to build and operate the Gold Coast Rapid Transit project
- provided 15 new, supervised road crossings across 14 Queensland schools, employing up to 40 crossing supervisors
- provided more than \$7 million to support 21 airport infrastructure projects in rural and remote areas through the Regional Airport Development Scheme
- continued improving access to information on transport services to Queenslanders from culturally diverse communities through the *Transport and Main Roads Multicultural Action Plan 2009-12*
- invested in excess of \$20 million through the School Bus Upgrade Scheme to replace over 150 older buses across Queensland
- improved the quality of life for people with a disability and who experience profound difficulties using other modes of public transport by providing over \$14 million in taxi subsidies
- released the *Queensland Taxi Strategic Plan 2010-2015* and implemented or significantly progressed those of the 47 actions within the plan that have the highest priority
- implemented the Regional Safety and Development Program that provides \$143.4 million of additional funding during 2010-11 to 2013-14 for the upgrade of the regional road network
- released the *Transport and Main Roads Reconciliation Action Plan 2010-2012* to deliver outcomes from the *Queensland Reconciliation Action Plan* and Council of Australian Governments *Closing the Gap* initiative in partnership with Reconciliation Australia
- delivered TravelSmart Communities, the world’s largest travel behaviour change project across Brisbane South, Gold Coast, Sunshine Coast and Caboolture to promote more active and sustainable transport options

- delivered the TravelSmart Schools project across 35 schools in Queensland to assist school communities to ease school-related congestion and increase physical activity levels by adopting sustainable modes of travel such as walking, cycling, carpooling and public transport
- released the draft *Integrated Freight Strategy for Queensland*. This draft strategy will enhance Queensland's ability to respond to future freight growth and the associated issues, challenges and opportunities
- completed the Australian Government funded Boom Gates for Level Crossings Program improving safety for both road and rail users at all 66 high priority crossings
- completed \$3.3 million of works to stabilise areas of the Kuranda Range rail corridor with a high risk of land slides and rock falls
- completed a \$13.6 million refurbishment of the historical Cairns Cruise Liner Terminal and the CityPort district which contributes to tourism in the Cairns region
- introduced a Mobile Customer Service Facility to support the department's customer service delivery functions across the State and to improve remote service delivery
- processed approximately 13 million Customer Service Centre transactions recording good customer satisfaction levels, scoring 7.9 out of 10 in the latest customer survey
- completed the Corinda to Darra Rail Upgrade, which built 5.2 km of additional track between Corinda and Darra stations on the Ipswich line and provided upgrades for Oxley and Darra stations
- introduced Alcohol Interlocks Program to protect lives by keeping serious drink drivers off the road
- signing of the Inter-governmental Agreement on 3 December 2010 for the Moreton Bay Rail Link Project which will deliver a 12.6 km dual-track passenger rail line between Petrie and Kippa-Ring, including six new rail stations at Kallangur, Murrumba Downs, Mango Hill, Kinsellas Road, Rothwell and Kippa-Ring
- completed duplication of the Centenary Motorway from the Ipswich Motorway at Darra to the Logan Motorway at Carole Park, and construction of the new rail section at Richlands, including a new rail connection from Darra to a new station at Richlands
- completed the Abbot Point Coal Terminal X50 Expansion, which increased the capacity of the terminal to 50 million tonnes per annum
- completed widening and sealing of 21.5 km of the Gulf Developmental Road, east of Mount Surprise
- completed paving and sealing of a 15 km section of the Wills Developmental Road (Julia Creek-Burketown), north of Gregory
- completed construction of a deviation to a sealed standard on Rockleigh-North Mackay Road, between Sams Road and Barnes Creek Road (Joint Levee Road), Mackay
- completed widening and sealing road shoulders on Wivenhoe-Somerset Road at Wivenhoe Dam
- completed duplication of the Steve Irwin Way between Landsborough and the Bruce Highway
- completed pavement widening and rehabilitation on Eumundi - Kenilworth Road between Archer Road and Belli Creek Bridge
- provided funding of \$66 million as part of the Safer Roads Sooner initiative, which ensures road safety funding is spent where it will make the greatest difference in addressing fatal and serious injury road crashes
- completed construction of 13 bridges as part of the Regional Bridge Renewal Program
- upgraded and funded a range of recreational boating facilities including the \$3.2 million disability-friendly One Mile pontoon on North Stradbroke Island and the \$2.2 million Engineers Jetty on Thursday Island



- initiated the Gold Coast Boating Safety Initiative in relation to jet skis to measure vessel activity; identify and target unsafe behaviours on the waterways of the Gold Coast; and develop a range of interventions to minimise the likelihood of marine incidents
- received industry recognition at the 2010 Planning Institute of Australia (Queensland) Awards, 2010 Consult Australia Awards and the 2010 Gold Quill Awards for our planning excellence for the Cairns Transit Network, Western Brisbane Transport Network Investigation and Land Use and Public Transport Accessibility Index projects
- released the draft *Connecting SEQ 2031: An Integrated Regional Transport Plan for South East Queensland*. This plan is a 21-year regional transport plan that serves the long-term needs of the people living, working, recreating and conducting business in south east Queensland
- developed common emergency management processes based around departmental organisational risk assessments and delivered an educational program to enhance our resilience and capability delivering services during emergent events.

## DEPARTMENTAL SERVICES

### Transport system planning

The objective of this service area is to plan the effective, efficient and sustainable delivery of integrated transport infrastructure, systems and services. Responsible transport system planning ensures that Queensland's long-term road, rail, maritime and air transport needs are met and that other development impacts are managed. Transport and Main Roads' activities under this service support:

- growing communities and the rapidly increasing freight task
- continued economic development opportunities across the State
- appropriate responses to long-term demand drivers relevant to the transport system.

This service contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities.*

### Investment and program development

The objective of this service area is to ensure balanced investment between enhancement work and funding for maintenance, preservation and operations. This is done through the development of the Transport Infrastructure Portfolio Strategy (TIPS) that identifies and prioritises transport system investments and ensures that predicted investment benefits are delivered. Based on the TIPS, a four-year forward program of works covering all infrastructure investment, the Queensland Transport and Roads Investment Program, is developed and managed.

This service contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities.*

## **Transport infrastructure delivery**

The objective of this service area is to deliver transport infrastructure projects that provide a safe, efficient and reliable transport system while ensuring value for money. It includes delivery of infrastructure maintenance activities and the four-year program of overall works outlined in the Queensland Transport and Roads Investment Program.

This service contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities.*

## **Transport system management, operation and regulation**

The objective of this service area is to improve public transport and to manage the transport system safely and sustainably by:

- regulating transport providers and markets
- delivering licensing, registration and accreditation services
- providing subsidies for fair access to public transport
- supporting increasing public transport patronage
- managing the movement of vessels using Queensland's waterways
- managing traffic operations, traffic and traveller information, traffic incidents, heavy vehicles, third party road corridor access, and the environment in the road corridor.

This service area contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Healthy - *Making Queenslanders Australia's healthiest people*
- Fair - *Supporting safe and caring communities.*

## **Transport safety**

The objective of this service area is to provide policies, education programs, compliance activity, engineering treatments and funding support that promote and influence safe, efficient and sustainable use of the transport system.

This service area contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Healthy - *Making Queenslanders Australia's healthiest people*
- Fair - *Supporting safe and caring communities*
- Smart - *Delivering world-class education and training.*



## STAFFING<sup>1,2</sup>

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
<b>Services</b>	3,4			
Transport system planning		589	584	584
Investment and program development		436	432	432
Transport infrastructure delivery		1,614	1,600	1,600
Transport system management, operation and regulation		3,048	3,022	3,027
Transport safety		1,521	1,508	1,508
<b>Total services</b>		<b>7,207</b>	<b>7,146</b>	<b>7,151</b>
<b>BUSINESS UNITS</b>				
RoadTek	5	1,703	1,727	1,867
<b>Total business units</b>		<b>1,703</b>	<b>1,727</b>	<b>1,867</b>
<b>Total</b>		<b>8,910</b>	<b>8,873</b>	<b>9,018</b>

Notes:

1. Average full-time equivalents (FTEs) over the 12 months to 30 June.
2. Transport and Main Roads has a large part-time and casual workforce. The 2011-12 Estimated actual head count is 10,774.
3. Corporate FTEs are allocated across the services to which they relate.
4. The published 2010-11 staffing numbers have been reallocated across the new department services.
5. Increased staff numbers in 2011-12 are required to support disaster reconstruction work.

## 2011-12 SERVICE SUMMARY<sup>1</sup>

Service areas	Total cost \$'000	Sources of revenue			
		State Contribution \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Transport system planning	137,843	124,826	11,058	1,233	726
Investment and program development	59,450	39,052	4,830	..	15,568
Transport infrastructure delivery	3,025,559	2,393,123	64,261	97,655	989,573
Transport system management, operation and regulation	1,078,971	908,046	88,467	3,116	79,342
Transport safety	165,995	143,227	20,034	..	2,734
<b>Total</b>	<b>4,467,818</b>	<b>3,608,274</b>	<b>188,650</b>	<b>102,004</b>	<b>1,087,943</b>

Note:

1. Explanations of variances are provided in the financial statements.

## ADMINISTERED ITEMS

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

### DESCRIPTION

The department administers and operates 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. In addition, government funding to support the TransLink Transit Authority is injected via an administered expense item.

### REVIEW OF SERVICE PERFORMANCE

#### Recent achievements and emerging Issues

##### *Major Revenue Items*

Major administered revenue items for 2010-11 are:

- \$1.327 billion for Vehicle Registration
- \$260 million for Transport and Traffic Fees

##### *Major Expense Items*

Major administered expense item for 2010-11 is:

- \$1.012 billion for TransLink Recurrent Grants

#### Future developments

##### *Major Revenue Items*

Major administered revenue items for 2011-12 are:

- \$1.380 billion for Vehicle Registration
- \$298 million for Transport and Traffic Fees

##### *Major Expense Items*

Major administered expense item for 2011-12 is:

- \$1.069 billion for TransLink Recurrent Grants

Financial statements and variance explanations in relation to Administered Items appear in the financial statements section.

## DEPARTMENTAL STATEMENTS

### PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
<b>Service Area: Transport System Planning</b>				
<b>Service standards</b>	1,2			
<b>Other measures</b>				
Percentage of integrated transport planning projects meeting milestones	T	90	88	90
<b>State contribution (\$000)</b>		<b>121,259</b>	<b>123,939</b>	<b>124,826</b>
<b>Other revenue (\$000)</b>		<b>11,441</b>	<b>11,579</b>	<b>13,017</b>
<b>Total cost (\$000)</b>		<b>132,700</b>	<b>135,518</b>	<b>137,843</b>
<b>Service Area: Investment and Program Development</b>				
<b>Service standards</b>	1			
Road system seal age (percentage of the State-controlled road network exceeding the optimal seal age)	R,3	16 – 19	20	20
Road system condition (the percentage of urban and rural State-controlled roads with condition better than the specified benchmark)				
• urban	R,4	97 – 99	98	98
• rural		97 – 99	95	95
<b>State contribution (\$000)</b>		<b>37,383</b>	<b>37,977</b>	<b>39,052</b>
<b>Other revenue (\$000)</b>		<b>19,712</b>	<b>20,338</b>	<b>20,398</b>
<b>Total cost (\$000)</b>		<b>57,095</b>	<b>58,315</b>	<b>59,450</b>
<b>Service Area: Transport Infrastructure Delivery</b>				
<b>Service standards</b>	2			
Percentage of major construction projects (road)	R			
• for which construction commenced no later than four months after the programmed commencement date	5	90	72	90
• completed no more than 10% after the programmed construction period	5	90	71	90
• costing less than 10% over the programmed estimate		90	90	90
<b>Other measures</b>				
Number of significant environmental incidents at road projects investigated by regulatory agencies	R	..	3	0
Bikeways – kilometres completed	R	41	45	45
<b>State contribution (\$000)</b>		<b>2,205,258</b>	<b>2,287,239</b>	<b>2,393,123</b>
<b>Other revenue (\$000)</b>		<b>173,529</b>	<b>382,229</b>	<b>1,151,489</b>
<b>Total cost (\$000)</b>		<b>2,304,392</b>	<b>2,583,700</b>	<b>3,025,559</b>

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
<b>Service Area: Transport System Management, Operation and Regulation</b>				
<b>Service standards</b>				
Road transport greenhouse gas emissions (CO <sub>2</sub> eq. tonnes per capita)	T	3.85	3.77	3.85
Road Network Performance – Efficiency (minutes per 10km):	R			
• AM Peak		N/A	11.2	11.2
• Off Peak			9.7	9.7
• PM Peak			11.5	11.5
Road Network Performance – Reliability (Travel speed):	R			
• AM Peak		N/A	83%	83%
• Off Peak			97%	97%
• PM Peak			80%	80%
Road Network Performance - Productivity (Travel speed & flow):	R			
• AM Peak		N/A	76%	76%
• Off Peak			82%	82%
• PM Peak			74%	74%
Percentage of vessel movements without serious incidents:	R			
• Pilotage areas		99.8	99.8	99.8
• ReefVTS area		99.8	99.8	99.8
Wheelchair accessible taxi response times compared to conventional taxi fleet response times:	T			
Peak				
– Within 18 minutes				
o Conventional		85%	92.9%	85%
o Wheelchair		85%	82.4%	85%
– Within 30 minutes				
o Conventional		95%	97.7%	95%
o Wheelchair		95%	92.3%	95%
Off Peak				
– Within 10 minutes				
o Conventional		85%	82.2%	85%
o Wheelchair	6	85%	68.5%	85%
– Within 20 minutes				
o Conventional		95%	95.7%	95%
o Wheelchair	6	95%	86.2%	95%
Average subsidy per trip provided through the Taxi Subsidy Scheme	T	\$8.71	\$7.84	\$8.23
User satisfaction ratings for public transport by service type (on a 1-100 scale):	T			
• Regional urban bus (Government contracted)		65	70	70
• Taxi		65	63	70

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Average subsidy per passenger on Government contracted:	T			
• regional air services	7	\$38.38	\$33.00	\$32.02
• long distance bus services		\$30.00	\$32.00	\$30.00
• regional urban bus services		\$2.22	\$2.45	\$2.43
• Traveltrain	8	\$311.66	\$345.03	\$325.20
Average wait time in Customer Service Centres (minutes)	T	10	9.4	10
<b>Other measures</b>				
Percentage of call centre calls answered within three minutes	T,9	80	70.5	80
Officer hours preparing for ship-sourced pollution incidents	R	10,000	10,000	10,000
Number of compliance actions taken for maritime breaches	R	10,500	10,500	11,000
Percentage of time international standards for Aids to Navigation are met	R	95	98	95
Percentage of commercial and fishing ship applications responded to within statutory requirement:	R			
• licensing		95	95	100
• registration		95	97	100
Percentage of commercial vessels rated in need of very high monitoring priority	R	0.5	0.5	0.5
Patronage on Government contracted:	T			
• regional air services		240,000	275,250	288,500
• long distance bus services	10	135,000	103,000	114,000
• regional urban bus services	10	12,700,000	12,400,000	12,700,000
• Traveltrain services	10	446,000	410,000	435,000
<b>State contribution (\$000)</b>		<b>853,951</b>	<b>908,991</b>	<b>908,046</b>
<b>Other revenue (\$000)</b>		<b>146,606</b>	<b>168,988</b>	<b>170,925</b>
<b>Total cost (\$000)</b>		<b>1,000,557</b>	<b>1,077,979</b>	<b>1,078,971</b>

#### Service Area: Transport Safety

##### Service standards

Marine fatalities per 100,000 registered vessels	1 R,11	5.3	6.06	6.06
Rail fatalities per 100,000 population	T	0.10	0.09	0.10
Hospitalised rail casualties per 100,000 population	T	0.40	0.35	0.40
Number of level crossing collision occurrences per 1,000,000 train kilometres travelled	T	0.45	0.30	0.45
Fatalities per 100,000 population on State-controlled roads	R	3.65	3.69	3.54

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of fatal crashes on State-controlled roads per 100 million vehicle kilometres travelled where the road condition was likely to be a contributing factor	R	N/A	0.05	0.05
Road fatalities per 100,000 population	T	7.25	5.54	6.25
Hospitalised road casualties per 100,000 population	T,12	N/A	N/A	150
<b>Other measures</b>				
Percentage of people in target audience who have high-level awareness of road safety campaigns	T	90	95	90
<b>State contribution (\$000)</b>		<b>139,783</b>	<b>139,758</b>	<b>143,227</b>
<b>Other revenue (\$000)</b>		<b>21,261</b>	<b>22,534</b>	<b>22,768</b>
<b>Total cost (\$000)</b>		<b>161,044</b>	<b>162,292</b>	<b>165,995</b>

Notes:

- R Denotes service standards and other measures for the Minister for Main Roads, Fisheries and Marine Infrastructure.
- T Denotes service standards and other measures for the Minister for Transport and Multicultural Affairs.
- 1. A suitable measure of efficiency is currently being investigated.
- 2. A suitable measure of effectiveness is currently being investigated.
- 3. The 2010-11 Estimated actual figure is outside the 2010-11 target range and with the long term impact of summer flooding on the road network still being assessed, it is expected that maintaining the percentage at 20% in 2011-12 will be a challenge.
- 4. The impact of summer flooding on the rural road network is still being assessed and the deterioration of affected sections is likely to continue over a longer term. It is expected that maintaining the percentage at 95% in 2011-12 will be a challenge.
- 5. The 2010-11 Estimated actual is less than the target, primarily as a result of the severe weather events throughout the State during December 2010 and January 2011, together with the prolonged wet season, that has resulted in resource constraints, project deferrals, and delays.
- 6. The Queensland taxi fleet consists of 3,254 taxis of which 633 (19.5%) are wheelchair accessible taxis. During off-peak periods there may be fewer wheelchair accessible taxis on the road and drivers are often required to travel greater distances to reach destinations.
- 7. Subsidy per passenger is declining on a number of routes over time due to increased patronage.
- 8. Subsidy per passenger is increasing over time due to higher costs of running the service and lower patronage levels.
- 9. Service performance for the centre has been adversely affected by the impacts of natural disasters across much of Queensland during December 2010 and January 2011 and the ongoing effects of these disasters. This has been reflected by way of increased call volumes and longer calls following the disasters. The call centre took on additional functions to support the disaster recovery effort including the transfer of calls back to TMR from Smart Service Queensland. The outlook for the remainder of the financial year is for recovering service levels.
- 10. Patronage on these services is less than the 2010-11 Target/estimate due to the impact on services of extreme weather conditions across the state in the 2010-11 summer.
- 11. The 2010-11 Target/estimate was determined in April 2010 based on a historical rolling quarterly average model and did not include an abnormally high number of fatalities in the fourth quarter of 2009-10. The predictive model revises the 2011-12 Target/estimate upwards to 6.06.
- 12. Delays in receiving and processing data sets from reporting systems have impacted on the ability to report against this Service Standard.



## INCOME STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>Income</b>				
Service revenue	1,6	3,357,634	3,497,904	3,708,928
User charges		187,104	187,867	188,650
Grants and other contributions	2,7	48,031	275,184	950,929
Other revenue		134,914	140,117	135,864
Gains on sale/revaluation of property, plant and equipment and investments		2,500	2,500	2,500
<b>Total income</b>		<b>3,730,183</b>	<b>4,103,572</b>	<b>4,986,871</b>
<b>Expenses</b>				
Employee expenses	3,8	539,458	534,668	555,921
Supplies and services	4,9	930,477	1,130,809	1,493,576
Grants and subsidies	5	861,429	1,037,221	1,018,666
Depreciation and amortisation	10	912,920	903,854	984,191
Finance/borrowing costs		77,559	75,335	74,709
Other expenses		188,399	190,370	195,208
Losses on sale/revaluation of property, plant and equipment and investments		145,547	145,547	145,547
<b>Total expenses</b>		<b>3,655,789</b>	<b>4,017,804</b>	<b>4,467,818</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>74,394</b>	<b>85,768</b>	<b>519,053</b>

## STATEMENT OF CHANGES IN EQUITY

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
<b>Net income recognised directly in equity</b>		<b>..</b>	<b>..</b>	<b>..</b>
Surplus/(deficit) for the period	11	74,394	85,768	519,053
<b>Total recognised income and expense for the period</b>		<b>74,394</b>	<b>85,768</b>	<b>519,053</b>
Equity injection/(withdrawal)	12,13	2,433,147	1,689,330	2,108,831
Equity adjustments (MoG transfers)	14	..	(92,733)	..
<b>Total movement in equity for period</b>		<b>2,507,541</b>	<b>1,682,365</b>	<b>2,627,884</b>

## BALANCE SHEET

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	15	164,428	115,300	114,527
Receivables		210,028	222,262	223,256
Other financial assets		..	..	..
Inventories		14,390	15,282	15,402
Other	16	18,669	29,057	29,057
Non-financial assets held for sale		10	..	..
<b>Total current assets</b>		<b>407,525</b>	<b>381,901</b>	<b>382,242</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	2	2
Other financial assets		237,869	235,421	235,421
Property, plant and equipment	17,23	50,658,778	46,797,297	49,449,112
Intangibles	24	141,089	141,679	190,367
Other		..	..	..
<b>Total non-current assets</b>		<b>51,037,736</b>	<b>47,174,399</b>	<b>49,874,902</b>
<b>TOTAL ASSETS</b>		<b>51,445,261</b>	<b>47,556,300</b>	<b>50,257,144</b>
<b>CURRENT LIABILITIES</b>				
Payables		882,794	877,672	881,576
Accrued employee benefits		27,119	24,535	24,535
Interest-bearing liabilities and derivatives		69,185	60,527	67,765
Provisions	18	..	1,596	1,596
Other		7,238	6,576	6,576
<b>Total current liabilities</b>		<b>986,336</b>	<b>970,906</b>	<b>982,048</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		5,845	6,241	6,241
Interest-bearing liabilities and derivatives	19,25	1,040,311	992,340	1,054,158
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>1,046,156</b>	<b>998,581</b>	<b>1,060,399</b>
<b>TOTAL LIABILITIES</b>		<b>2,032,492</b>	<b>1,969,487</b>	<b>2,042,447</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>49,412,769</b>	<b>45,586,813</b>	<b>48,214,697</b>
<b>EQUITY</b>				
Capital/contributed equity	20,26	49,325,324	48,489,778	50,598,609
Accumulated surplus/(accumulated deficit)	21,27	87,445	(2,923,883)	(2,404,830)
Reserves:				
- Asset revaluation surplus	22	..	20,918	20,918
- Other (specify)		..	..	..
<b>TOTAL EQUITY</b>		<b>49,412,769</b>	<b>45,586,813</b>	<b>48,214,697</b>

## CASH FLOW STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Service receipts	28,38	3,357,634	3,560,433	3,708,928
User charges		193,490	194,253	195,036
Grants and other contributions	29,39	48,031	275,184	952,929
Other		473,385	478,588	474,335
<b>Outflows:</b>				
Employee costs	30,40	(539,458)	(534,668)	(555,921)
Supplies and services	31,41	(1,459,478)	(1,714,160)	(2,020,628)
Grants and subsidies	32	(861,429)	(1,045,230)	(1,018,666)
Borrowing costs		(77,680)	(75,456)	(74,830)
Other		(20,566)	(22,707)	(19,324)
<b>Net cash provided by/(used in) operating activities</b>		<b>1,113,929</b>	<b>1,116,237</b>	<b>1,639,859</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		6,255	6,255	6,255
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	33,42	(3,553,458)	(2,860,447)	(3,824,774)
Payments for investments	43	(9,790)	(7,342)	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(3,556,993)</b>	<b>(2,861,534)</b>	<b>(3,818,519)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings	34,44	81,490	..	129,583
Equity injections	35,45	4,259,430	3,122,850	3,687,768
<b>Outflows:</b>				
Borrowing redemptions	36,46	(64,639)	(86,468)	(60,527)
Finance lease payments		..	..	..
Equity withdrawals	37,47	(1,826,283)	(1,423,520)	(1,578,937)
<b>Net cash provided by/(used in) financing activities</b>		<b>2,449,998</b>	<b>1,602,862</b>	<b>2,177,887</b>
<b>Net increase/(decrease) in cash held</b>		<b>6,934</b>	<b>(142,435)</b>	<b>(773)</b>
<b>Cash at the beginning of financial year</b>		<b>157,494</b>	<b>257,735</b>	<b>115,300</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>164,428</b>	<b>115,300</b>	<b>114,527</b>

## ADMINISTERED INCOME STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>Revenues</b>				
Commonwealth grants		..	..	..
Taxes, fees and fines	48,50	1,804,965	1,782,024	1,885,498
Royalties, property income and other territorial Revenue		..	..	..
Interest		25	25	26
Administered revenue	49	992,722	1,075,976	1,071,422
Other		5,888	5,888	6,098
<b>Total revenues</b>		<b>2,803,600</b>	<b>2,863,913</b>	<b>2,963,044</b>
<b>Expenses</b>				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies	49	992,722	1,075,976	1,071,422
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
<b>Total expenses</b>		<b>992,722</b>	<b>1,075,976</b>	<b>1,071,422</b>
<b>Net surplus or deficit before transfers to Government</b>		<b>1,810,878</b>	<b>1,787,937</b>	<b>1,891,622</b>
<b>Transfers of administered revenue to Government</b>		<b>1,810,878</b>	<b>1,787,937</b>	<b>1,891,622</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

## ADMINISTERED BALANCE SHEET

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets		29,378	27,822	27,913
Receivables		35,050	37,197	37,298
Inventories		..	..	..
Other	51	118,010	..	..
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>182,438</b>	<b>65,019</b>	<b>65,211</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	52	37,359	41,218	41,218
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>37,359</b>	<b>41,218</b>	<b>41,218</b>
<b>TOTAL ADMINISTERED ASSETS</b>		<b>219,797</b>	<b>106,237</b>	<b>106,429</b>
<b>CURRENT LIABILITIES</b>				
Payables	53	21,755	16,737	16,745
Transfers to Government payable	54	38,019	43,540	43,660
Interest-bearing liabilities		..	..	..
Other	51	122,430	4,508	4,572
<b>Total current liabilities</b>		<b>182,204</b>	<b>64,785</b>	<b>64,977</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ADMINISTERED LIABILITIES</b>		<b>182,204</b>	<b>64,785</b>	<b>64,977</b>
<b>ADMINISTERED NET ASSETS/(LIABILITIES)</b>		<b>37,593</b>	<b>41,452</b>	<b>41,452</b>
<b>EQUITY</b>				
Capital/Contributed equity		35,996	38,691	38,691
Accumulated surplus/(Accumulated deficit)		..	..	..
Reserves:				
- Asset revaluation surplus		1,597	2,761	2,761
- Other (specify)		..	..	..
<b>TOTAL ADMINISTERED EQUITY</b>		<b>37,593</b>	<b>41,452</b>	<b>41,452</b>

## ADMINISTERED CASH FLOW STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Administered item receipts	55,58	992,722	1,075,976	1,071,422
Grants and other contributions		..	..	..
Taxes, fees and fines	56,59	1,804,965	1,782,024	1,885,498
Royalties, property income and other territorial revenues		..	..	..
Other		8,356	8,356	8,567
<b>Outflows:</b>				
Transfers to Government	56,59	(1,810,758)	(1,787,817)	(1,891,502)
Grants and subsidies	55,58	(992,722)	(1,075,976)	(1,071,422)
Supplies and services		20	20	20
Borrowing costs		..	..	..
Other		(2,492)	(2,492)	(2,492)
<b>Net cash provided by/(used in) operating activities</b>		<b>91</b>	<b>91</b>	<b>91</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections	57,60	560,888	352,267	453,392
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	57,60	(560,888)	(352,267)	(453,392)
<b>Net cash provided by/(used in) financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>91</b>	<b>91</b>	<b>91</b>
<b>Administered cash at beginning of financial year</b>		<b>29,287</b>	<b>27,731</b>	<b>27,822</b>
Cash transfers from restructure		..	..	..
<b>Administered cash at end of financial year</b>		<b>29,378</b>	<b>27,822</b>	<b>27,913</b>



## EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

### Income statement

Major variations between 2010-11 Budget and 2010-11 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 reflects funding from the Queensland Reconstruction Authority (QRA) for expenditure under Natural Disaster Relief and Recovery Arrangements (NDRRA) following severe flooding events.
3. Decrease reflects less than anticipated staffing requirement for the New Queensland Drivers Licence (NQDL) as a result of the delay to the scheduled implementation.
4. Variance reflects increased expenditure for emergency works following severe flooding events.
5. Increase is predominately due to additional funding for Regional Freight and Livestock Transport Services Contract.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

6. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
7. Variance reflects funding from the QRA for expenditure associated with restoration of the road network following recent flooding events.
8. Increase reflects the impacts of enterprise bargaining increases and implementation of the NQDL.
9. Increase reflects increased expenditure associated with restoration of the road network following recent flooding events.
10. Variance reflects the forecast completion of projects funded from the Queensland Infrastructure Plan (QIP).
11. Increase reflects grant funding received from the QRA to meet capital expenditure for road restoration works following recent flooding events.

### Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

12. Variance is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

13. Increase reflects the deferral of expenditure from 2010-11.
14. Variation reflects the transfer of debt from Queensland Motorways Limited (QML) for the Port of Brisbane Motorway.

### Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

15. Decrease is due to expenditure on NDRRA emergent works following recent flooding events that has not yet been reimbursed.
16. Variance reflects the prepayment to Urban Land Development Authority for early works on part of the Northern busway.
17. Movement reflects the revaluation of the written-down replacement value of the road asset following a comprehensive revaluation.
18. Variance reflects a provision for dredging when the responsibility for the Scarborough, Manly and Cabbage Tree Creek boat harbours was transferred from the Port of Brisbane to the department.
19. Decrease reflects deferral of anticipated debt raisings for NQDL.
20. Variance is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.
21. Reduction is due to the revaluation of the written-down replacement value of the road asset following a comprehensive revaluation.
22. Increase primarily reflects the revaluation of land.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

23. Movement reflects continued expenditure on the capital works program.
24. Increase is due to investment in the NQDL system.
25. Movement reflects the deferral of borrowing requirements from 2010-11 for NQDL.
26. Increase relates to contributions by the State and Australian Governments for investment in the capital program.
27. Decrease is due to a forecast surplus as a result of grants received from the QRA for restoration works to the road network following recent flooding events.

### Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

28. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
29. Variance reflects funding from the Queensland Reconstruction Authority (QRA) for expenditure under Natural Disaster Relief and Recovery Arrangements (NDRRA) following severe flooding events.
30. Decrease reflects less than anticipated staffing requirement for the New Queensland Drivers Licence (NQDL) as a result of the delay to the scheduled implementation.
31. Variance reflects increased expenditure for emergency works following severe flooding events.
32. Increase is predominately due to additional funding for Regional Freight and Livestock Transport Services Contract.
33. Variance is due to deferral of capital expenditure because of delays to works as a result of the extensive wet weather during the year.
34. Decrease reflects the deferral of anticipated borrowings to 2011-12.
35. Decrease is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.
36. Variance reflects additional redemption payments to pay out a number of small loans.

37. Variance is due to cash flow timing adjustments to projects funded by the Australian Government and QIP.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

- 38. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
- 39. Variance reflects funding from the QRA for expenditure associated with restoration of the road network following recent flooding events.
- 40. Increase reflects the impacts of enterprise bargaining increases and implementation of the NQDL.
- 41. Increase reflects increased NDRRA expenditure associated with restoration of the road network following recent flooding events.
- 42. Increase represents inclusion of projects deferred from 2010-11 and additional expenditure for NDRRA works as a result of recent flooding events.
- 43. Reduction is due to no equity injection being made into QML as a result of the sale of the company.
- 44. Increase is due to borrowings deferred from 2010-11.
- 45. Variance is due to deferral of project expenditure from 2010-11.
- 46. Reduction is due to no additional redemption payments being made in 2011-12 compared to 2010-11.
- 47. Variance primarily reflects the fluctuation in expenditure on the capital works program in relation to QIP projects.

## **Administered income statement**

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

- 48. Variance primarily reflects a reduced estimate of revenue from camera detected offences.
- 49. Increase is due to additional funding for Port of Townsville Berth 10A and the CityTrain Transport Service Contract administered by the Translink Transit Authority.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

- 50. Variance primarily relates to an increase in the revenue forecast for motor vehicle registrations.

## **Administered balance sheet**

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

- 51. Variance reflects the final year of advance funding received from the Australian Government for capital works to be undertaken on the Bruce Highway between Townsville and Cairns which was accounted for in 2009-10.
- 52. Increase reflects the indexation in value of non-corridor land.
- 53. Variance reflects a decrease in payables to Queensland Rail for NDRRA expenditure related to flooding events.
- 54. Increase reflects a higher year end accrual for revenue from registration and licensing fees and traffic fines.

## **Administered cash flow statement**

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

- 55. Increase is due to additional funding for Port of Townsville Berth 10A and the CityTrain Transport Service Contract administered by the Translink Transit Authority.
- 56. Variance primarily reflects a reduced estimate of revenue from camera detected offences.
- 57. Decrease is due to cash flow timing adjustments to projects funded by the QIP.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

- 58. Reduction is due to the funding for Port of Townsville Berth 10A being for 2010-11 only offset by increases in the cost of public transport service contracts administered by Translink Transit Authority.
- 59. Variance primarily relates to an increase in the revenue forecast for motor vehicle registrations.
- 60. Increase reflects realignment in funding for rail projects.

# Commercialised Business Unit

## RoadTek

### OVERVIEW

RoadTek is a major provider of transport infrastructure solutions throughout Queensland, providing civil construction and maintenance works and related services with a turnover in excess of \$680 million per year. It has a workforce of approximately 1,800 employees and operates from 29 locations throughout Queensland. In delivering a large, diverse program of works, RoadTek is focused on community needs, delivering best value outcomes in a safe and efficient manner and improving safety for both road workers and road users.

### REVIEW OF PERFORMANCE

#### Recent achievements

In the last 12 months, RoadTek has:

- provided emergency and recovery response to communities across the State including restoring damaged roads and removing debris following major storms and flood events right across Queensland
- enhanced the safety capability of our workforce through the provision of safety leadership training across our teams, safe environments to learn construction and electrical skills through both our RoadTek Training Centre at Townsville and our Electrical Training Centre in Nerang
- continued to drive strong customer service within our teams resulting in a number of Perfect 5 survey score ratings on some of our projects, as well as continuing to maintain our certification with the Customer Service Institute of Australia
- delivered numerous projects for our customers across the State, including the substantial improvement in the structures inspection program, delivering the Queensland Transport and Roads Investment Program (QTRIP), piloting the programmed vehicle inspections regime on behalf of Transport Services Division and the construction and upgrading of a number of marine infrastructures such as boat ramps, jetties and marine signals
- implemented the SAP Program and Project Management module across all our business operations.

RoadTek continues to maintain a strong emphasis on business and project management performance, whilst maintaining certification against Australian and International standards in quality, safety, environment and customer service.

#### Future developments

In 2011-12 RoadTek will focus its efforts on achieving the following initiatives:

- continue to drive the 'Zero Harm' philosophy across all our operations including strong management visibility on the ground
- continue to develop strategic relationships within the Department of Transport and Main Roads and across our wider customer and supplier groups
- continue to build our construction and business management capability, supporting good practice in both construction and maintenance activities

- drive RoadTek's business agenda to ensure we continue to operate as a sustainable commercial government business while delivering on government priorities
- actively contribute to Queensland's response to the reconstruction program through the delivery of the Transport Network Reconstruction Program for both state and local governments.

The key challenge for RoadTek is to remain agile and be able to respond in a challenging economic environment, taking opportunities to further enhance our business and maintain a highly capable workforce.

# STATEMENTS

## PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
<b>Service standards</b>				
Long term debt / equity	R,1	21.5%	17.9%	16.2%
Long term debt / total assets	R,2	14.0%	12.0%	11.3%
Return on equity	R,3	12.0%	24.1%	20.5%
Return on revenue (after tax)	R,4	3.2%	5.6%	5.0%
Profit margin (earnings before income tax / user charges)	R,4	4.5%	7.9%	7.1%
Lost time injury frequency rate	R,5	<20	<20	<20
Customers' and stakeholders' value of RoadTek (on a scale of 1 to 5)	R	>4	>4	>4
<b>Other measures</b>				
Plant utilisation (Plant Hire Services)	R	75%	80%	80%

### Notes:

R. Denotes service standards and other measures for the Minister for Main Roads, Fisheries and Marine Infrastructure.

1. With long term debt stable, and equity increasing through profitable trading, this ratio continues to improve.
2. This ratio continues to improve with long term debt stable and a solid increase in total asset value through profitable trading resulting in increased asset purchases and a positive bank balance.
3. 2010-11 has exceeded expectations with an increased margin over an increased equity position. 2011-12 is expected to be solid with both a healthy margin and continued equity growth.
4. Return on revenue and profit margin have improved over 2010-11 budget, particularly due to increased revenue from Natural Disaster Relief and Recovery Arrangements (NDRRA) activities. The position in 2011-12 is expected to maintain a solid return.
5. In accordance with Australian Standard 1885.1 – Workplace Injury and Disease Recording Standard, Lost Time Injury Frequency is the number of lost time injuries, multiplied by one million and divided by the number of person-hours actually worked. An incident is defined as an injury that results in the loss of a shift (usually eight hours).

## INCOME STATEMENT

RoadTek	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>Income</b>				
User charges	1,11	507,517	698,028	739,852
Grants and other contributions	2,12	39	224	32
Other revenue	3	3,230	2,142	1,438
Gains on sale/revaluation of property, plant and equipment and investments	4,13	362	185	274
<b>Total income</b>		<b>511,148</b>	<b>700,579</b>	<b>741,596</b>
<b>Expenses</b>				
Employee expenses	5,14	146,092	159,724	176,667
Supplies and services	6,15	315,795	459,849	482,337
Grants and subsidies		114	151	191
Depreciation and amortisation	7,16	16,736	17,581	20,708
Finance/borrowing costs	8	3,410	2,888	2,966
Other expenses	17	4,613	4,408	5,679
Losses on sale/revaluation of property, plant and equipment and investments	9	1,323	235	451
<b>Total expenses</b>		<b>488,083</b>	<b>644,836</b>	<b>688,999</b>
<b>Surplus or deficit before related income tax</b>		<b>23,065</b>	<b>55,743</b>	<b>52,597</b>
Income tax expense/revenue	10	6,920	16,723	15,779
<b>OPERATING SURPLUS/(DEFICIT) after related income tax</b>		<b>16,146</b>	<b>39,020</b>	<b>36,818</b>

## STATEMENT OF CHANGES IN EQUITY

RoadTek	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
<b>Net income recognised directly in equity</b>		<b>..</b>	<b>..</b>	<b>..</b>
Surplus/(deficit) for the period		16,146	39,020	36,818
<b>Total recognised income and expense for the period</b>		<b>16,146</b>	<b>39,020</b>	<b>36,818</b>
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends provided or paid		(12,914)	(19,767)	(19,510)
<b>Total movement in equity for period</b>		<b>3,232</b>	<b>19,253</b>	<b>17,308</b>



## BALANCE SHEET

RoadTek	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	18	1,065	25,873	25,060
Receivables		71,189	74,774	77,078
Other financial assets		..	..	..
Inventories	19	21,769	27,064	27,179
Other		665	850	650
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>94,688</b>	<b>128,561</b>	<b>129,967</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21	111,873	113,138	125,221
Intangibles		16	1	1
Other		..	..	..
<b>Total non-current assets</b>		<b>111,889</b>	<b>113,677</b>	<b>125,760</b>
<b>TOTAL ASSETS</b>		<b>206,577</b>	<b>242,238</b>	<b>255,727</b>
<b>CURRENT LIABILITIES</b>				
Payables		37,836	42,791	39,197
Interest-bearing liabilities and derivatives		29,000	29,000	29,000
Current tax liabilities	20	1,754	7,774	7,539
Accrued employee benefits		1,613	631	641
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		<b>70,203</b>	<b>80,196</b>	<b>76,377</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		1,271	..	..
<b>Total non-current liabilities</b>		<b>1,271</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>71,474</b>	<b>80,196</b>	<b>76,377</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>135,103</b>	<b>162,042</b>	<b>179,350</b>
<b>EQUITY</b>				
Capital/contributed equity		47,826	47,826	47,826
Accumulated surplus/(accumulated deficit)		87,277	114,216	131,524
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
<b>TOTAL EQUITY</b>		<b>135,103</b>	<b>162,042</b>	<b>179,350</b>

## CASH FLOW STATEMENT

RoadTek	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges	22,27	512,371	693,028	735,946
Grants and other contributions		39	224	32
Other	23	28,193	32,242	31,438
<b>Outflows:</b>				
Employee costs	24,28	(146,054)	(160,909)	(175,957)
Supplies and services	25,27	(344,479)	(490,769)	(517,560)
Grants and subsidies		(114)	(151)	(191)
Borrowing costs		(3,410)	(2,888)	(2,966)
Tax equivalents paid	26	(7,956)	(15,999)	(16,014)
Other		(4,602)	(3,982)	(5,598)
<b>Net cash provided by/(used in) operating activities</b>		<b>33,988</b>	<b>50,796</b>	<b>49,130</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		3,256	3,045	3,823
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	29	(24,396)	(25,912)	(34,256)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(21,140)</b>	<b>(22,867)</b>	<b>(30,433)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Dividends paid		(12,914)	(19,767)	(19,510)
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by/(used in) financing activities</b>		<b>(12,914)</b>	<b>(19,767)</b>	<b>(19,510)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(66)</b>	<b>8,162</b>	<b>(813)</b>
<b>Cash at the beginning of financial year</b>		<b>1,131</b>	<b>17,711</b>	<b>25,873</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>1,065</b>	<b>25,873</b>	<b>25,060</b>

## EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

### Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in revenue is due to extensive flood damage work across Queensland from the events that occurred in both 2010 and 2011.
2. The increase in grants and contributions is due to a one off contribution asset write-on.
3. The decrease in other revenue relates to fewer insurance claims.
4. The decrease in gain on sale is due to fewer disposals resulting from holding plant longer due to work demands.
5. The increase in employee expenses is due to extra staff being required for the additional work associated with flood damage restoration plus increased overtime work.
6. The increase in supplies and services reflects the increased work associated with restoration of the road network as a result of flood damage.
7. The increase in depreciation relates to the increased capital expenditure for construction plant and equipment to meet the demand from extensive flood damage work.
8. The decrease in finance/borrowing costs is due to reduced interest charges resulting from improved cash management.
9. The decrease in losses on sale relate to fewer items of plant being put to disposal.
10. The increase in income tax is due to an increased surplus from trading.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

11. The increase in revenue is due to increased work as a result of extensive flood damage.
12. The decrease in grants and contributions is due to a one off increase in 2010-11 which will not recur in 2011-12.
13. The increase in gain on sale is due to a plan to put more items of plant and equipment to the disposal market.
14. The increase in employee expenses reflects a requirement for extra staff and overtime to deliver the additional flood damage restoration work from recent flooding events.
15. The increase in supplies and services reflects the flood damage restoration work that will be undertaken.
16. The increase in depreciation is due to an increased capital expenditure program of plant and equipment to cater for NDRRA work.
17. The increase in other expenses relates to an expected increase in insurance premiums.

### Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

18. The increase in cash reflects the increased surplus achieved as a result of the additional work undertaken.
19. The increase in inventories reflects the increased program of work that is being undertaken.
20. The increase in current tax liabilities is due to the increased profitability during 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

21. The increase in property, plant and equipment is due to increased program of work requiring additional construction plant.

### Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

22. The increase in user charges reflects the increased work undertaken for flood damage restoration work.
23. The increase in other is due to increased input tax credits generated as a result of the increased work.
24. The increase in employee costs is due to increased workload with both additional staff and increased overtime work.
25. The increase in supplies and services reflects the increased flood damage restoration work undertaken.
26. The increase in taxation equivalents is due to an increased surplus from trading.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

27. Increase reflects the increased flood damage restoration work to be undertaken.
28. The increase in employee costs is due to both additional staff and increased overtime work to meet the increased work program.
29. The increase in property, plant and equipment reflects additional investment to enable delivery of the increased program of works.

# Statutory Body

## TransLink Transit Authority

### OVERVIEW

The TransLink Transit Authority (TransLink) was established by the State Government under the *Transport Operations (TransLink Transit Authority) Act 2008* to provide South East Queensland with the best possible public transport services at a reasonable cost to the community and Government.

TransLink's role is to lead, plan, specify and provide mass transit for the people in South East Queensland. Key objectives for the organisation are to deliver a quality experience for the customer, whilst ensuring sustainable growth and improving service quality across the network.

In *Toward Q2: Tomorrow's Queensland*, the State Government outlines its commitment to reducing the State's carbon footprint by one third by 2020. TransLink continues to contribute to this goal by encouraging greater use of public transport in South East Queensland.

### REVIEW OF PERFORMANCE

#### Recent achievements

- Coordination of the public transport disaster response and recovery effort, including eight days of free travel during the January floods.
- In 2010-11, the implementation of \$22 million of new bus services and \$9.6 million of new train services provided additional seated passenger capacity of 305,000 per week. This is in addition to the 301,000 weekly seats added to the network in 2009-10.
- TransLink undertook consultation on a re-casted train timetable for the Caboolture, Ipswich, Rosewood and North Coast lines in late 2010 to utilise new infrastructure such as the \$218 million Corinda to Darra upgrade and new rollingstock. Changes will be implemented on 6 June, 2011.
- A new \$345 million rail line between Darra and Richlands opened in January 2011, servicing a new station at Richlands, bus interchange and park 'n' ride facilities.
- Routes 196 (New Farm to Fairfield) and 120 (Garden City to CBD) were upgraded to high-frequency services as part of a significant bus package on 6 June.
- Western region services restructured in December 2010 and May 2011 to improve on-time running with Sunday services introduced to many routes for the first time.
- *go* card migration rising to over 80 per cent with the third phase of the 400,000 *go* card giveaway in October 2010 giving more than 80,000 *go* cards to charity organisations.
- 27 stations on the Ipswich, Rosewood, Caboolture and Sunshine Coast lines being upgraded to increase levels of safety, security and convenience for customers.
- In July and August 2010, park 'n' rides at Park Ridge (\$4 million) and Greenbank RSL (\$1.4 million) were completed and a new 122 bay bus park 'n' ride was constructed on Bribie Island (\$4.2 million).

- Between September and December 2010, upgrades were opened at Morayfield (\$1.1million), Bray Park (\$1.1million) and Ormiston train station park 'n' rides (\$2.3 million), 230 new bays were added at Dinmore train station (\$3 million), 92 new bays at Burpengary train station (\$1.5 million), 159 new bays at Bald Hills train station (\$3 million), and an \$8 million footbridge was built at Yeerongpilly station.
- In May 2011, 200 new parking spaces were opened at Klump Rd, Mt Gravatt (\$6.7 million).
- Continued expansion of the *go* card retail network to 560 purchase locations and 1,570 top-up locations, including new top-up facilities on board all CityCat and CityFerry services.

## **Future developments**

- Piloting a world-class real-time customer information system and development of the TransLink website and mobile information to assist in journey and public transport information.
- 125 additional and new replacement buses to be added to the fleet, with development of bus services to support the opening of Stage 2 of the Eastern Busway.
- Train timetable restructures on the Gold Coast, Beenleigh, Cleveland, Doomben, Airport, Ferny Grove and Shorncliffe lines to improve service reliability and capacity.
- Infrastructure projects are scheduled for completion in 2011-12 at Sandgate, Cooroy, Rosewood, Zillmere, Birkdale, Jindalee, Logan Central, Redbank Plaza, Peninsula Fair, UQ Lakes, Enoggera Reservoir, North Lakes, Capalaba, Redland Bay and Noosa.

# STATEMENTS

## STAFFING<sup>1</sup>

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	308	340	358

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Increase predominately attributable to the introduction of the Senior Network Officers and Helping Hands (Customer Service and Revenue Protection Officers) during 2010-11 and 2011-12 financial years.

## PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
<b>Service standards</b>				
Patronage on TransLink services (millions):	T,1	188.0	178.2	186.1
• Bus	1	New	119.4	125.4
• Rail	1,2		54.5	55.1
• Ferry	1		4.3	5.6
User satisfaction ratings of public transport by service type ( <i>using a 1 to 100 index – 100 being excellent</i> ):	T,3			
• Bus		>70	71	>70
• Rail		>70	69	>70
• Ferry		>70	76	>70
Customer complaints on go card per 10,000 trips	T,4	<9.0	3.3	<4
Customer service complaints (other than go card) per 10,000 trips	T,5	New measure	2.0	<4
Percentage of unscheduled cancellations – Citytrain	T,6	<0.5	0.17	<0.26
Average on-time running performance in peak times – Citytrain	T,6	>92.5%	93.2%	93.7%
Average cost of subsidy per passenger trip – bus, rail and ferry	T,7,8	\$5.46	\$5.86	\$5.92
<b>State contribution (\$'000)</b>		<b>1,026,517</b>	<b>1,044,362</b>	<b>1,102,243</b>
<b>Other revenue(\$'000)</b>		<b>357,287</b>	<b>340,327</b>	<b>411,886</b>
<b>Total cost (\$'000)</b>		<b>1,383,804</b>	<b>1,384,687</b>	<b>1,514,129</b>

Notes:

- T. Denotes service standards and other measures for the Minister for Transport and Multicultural Affairs.
1. Decrease in patronage from 2010-11 Target/estimate to 2010-11 Estimated actual mainly attributable to the impacts of the floods and free public transport during that period
2. The continued increase in go card usage and phasing out of periodical paper tickets from January 2011 has resulted in more accurate counting of passenger trips. In previous years the use of paper tickets made it very difficult to accurately reflect passenger behaviour /activity. With progressive migration to go card technology a greater level of accuracy can be achieved in both counting passenger trips and forecasting future passenger activity.



3. Reporting methodology has now been recalibrated from a 1 – 10 to a scale to that of a 1 – 100.
4. This service standard is to measure the performance of the *go* card system and represents the number of complaints per 10,000 passenger trips. It is calculated using a year to date average of the monthly results.
5. This new service standard has been added in order to measure the performance of non *go* card related activity and represents the number of complaints per 10,000 passenger trips. It is calculated using a year to date average of the monthly results.
6. The 2011-12 Target/estimates are based on the existing 2010-11 contract between TransLink and Queensland Rail Passenger.
7. This subsidy service standard represents the overall State contribution divided by the number of passenger trips.
8. Variation from 2010-11 Target/estimate to 2010-11 Estimated actual is due to an increase in the return on capital for rail assets and comments consistent with notes 1 and 2 above.

## INCOME STATEMENT

TransLink Transit Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>Income</b>				
User charges	1,10	382,107	361,079	432,646
Grants and other contributions	2,11	994,843	1,014,896	1,072,552
Other revenue	3,12	6,854	8,712	8,931
Gains on sale/revaluation of property, plant and equipment and investments				
<b>Total income</b>		<b>1,383,804</b>	<b>1,384,687</b>	<b>1,514,129</b>
<b>Expenses</b>				
Employee expenses	4,13	31,721	32,783	38,839
Supplies and services	5,14	655,406	652,643	727,086
Grants and subsidies	6,15	668,203	673,303	723,476
Depreciation and amortisation	7,16	22,576	21,400	23,135
Finance/borrowing costs	8	720	6	..
Other expenses	9,17	5,178	4,552	1,593
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total expenses</b>		<b>1,383,804</b>	<b>1,384,687</b>	<b>1,514,129</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

## STATEMENT OF CHANGES IN EQUITY

TransLink Transit Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	13	..
Net income recognised directly in equity		..	13	..
Surplus/(deficit) for the period		..	13	..
<b>Total recognised income and expense for the period</b>		<b>42,648</b>	<b>27,397</b>	<b>29,139</b>
Equity injection/(withdrawal)		..	(1,581)	..
Equity adjustments (MoG transfers)		<b>42,648</b>	<b>25,829</b>	<b>29,139</b>
<b>Total movement in equity for period</b>		<b>..</b>	<b>..</b>	<b>..</b>

## BALANCE SHEET

TransLink Transit Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	18,27	47,348	40,642	50,398
Receivables	19,28	25,987	24,450	27,673
Other financial assets		..	..	..
Inventories	20	311	884	906
Other		443	600	615
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>74,089</b>	<b>66,576</b>	<b>79,592</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,29	232,806	217,124	240,451
Intangibles	22,30	10,350	9,589	8,313
Other		..	..	..
<b>Total non-current assets</b>		<b>243,156</b>	<b>226,713</b>	<b>248,764</b>
<b>TOTAL ASSETS</b>		<b>317,245</b>	<b>293,289</b>	<b>328,356</b>
<b>CURRENT LIABILITIES</b>				
Payables	23,31	30,033	32,252	33,752
Accrued employee benefits	24	3,900	3,110	3,297
Interest-bearing liabilities and derivatives	25	747	480	506
Provisions		..	..	..
Other	26,32	24,176	19,371	24,092
<b>Total current liabilities</b>		<b>58,856</b>	<b>55,213</b>	<b>61,647</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	25	8,054	5,675	5,169
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>8,054</b>	<b>5,675</b>	<b>5,169</b>
<b>TOTAL LIABILITIES</b>		<b>66,910</b>	<b>60,888</b>	<b>66,816</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>250,335</b>	<b>232,401</b>	<b>261,540</b>
<b>EQUITY</b>				
Capital/contributed equity				
Accumulated surplus/(accumulated deficit)		253,104	234,994	264,133
Reserves:		(2,997)	(2,821)	(2,821)
- Asset revaluation surplus				
- Other (specify)		228	228	228
		..	..	..
<b>TOTAL EQUITY</b>		<b>250,335</b>	<b>232,401</b>	<b>261,540</b>

## CASH FLOW STATEMENT

TransLink Transit Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges	33,42	387,112	366,656	435,223
Grants and other contributions	34,43	994,843	1,014,896	1,072,552
Other	35	5,363	8,281	7,852
<b>Outflows:</b>				
Employee costs	36,44	(31,394)	(32,266)	(38,652)
Supplies and services	37,45	(656,905)	(662,598)	(726,705)
Grants and subsidies	38,46	(668,203)	(676,333)	(723,476)
Borrowing costs	39	(720)	(6)	..
Other		(663)	433	(511)
<b>Net cash provided by/(used in) operating activities</b>		<b>29,433</b>	<b>19,063</b>	<b>26,283</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		..	..	..
Investments redeemed	47	1,020,000	1,040,000	1,100,000
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	40	(54,361)	(46,124)	(45,186)
Payments for investments		1,020,000	(1,040,000)	(1,100,000)
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(54,361)</b>	<b>(46,124)</b>	<b>(45,186)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	1,310	..
Equity injections	41	42,648	27,397	29,139
<b>Outflows:</b>				
Borrowing redemptions		(696)	..	(480)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by/(used in) financing activities</b>		<b>41,952</b>	<b>28,707</b>	<b>28,659</b>
<b>Net increase/(decrease) in cash held</b>		<b>17,024</b>	<b>1,646</b>	<b>9,756</b>
<b>Cash at the beginning of financial year</b>		<b>30,324</b>	<b>38,996</b>	<b>40,642</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>47,348</b>	<b>40,642</b>	<b>50,398</b>

## EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

### Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Decrease mainly attributable to the impact of the floods and free public transport provided during that period.
2. Variance due to additional funds provided for an increase in the notional return on capital for rail assets.
3. Increase due to greater than expected general increases in interest rates in conjunction with effective cash management.
4. Increase predominately attributable to the introduction of the Senior Network Officers and Helping Hands (Customer Service and Revenue Protection Officers) staff during 2010-11.
5. Variance due to delays in expected expenditure of supplies and services.
6. Variance due to an increase in contribution towards the community service obligations towards rail services.
7. Variance due to capital deferrals within the TransLink Station Upgrade Program.
8. Variance due to establishment of an offset account in order to minimise interest expense.
9. Variance due to unused and expired cards from the go card household promotion.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:

10. Variance reflects an increase in revenue from a January 2011 fare increase, additional go card off peak discounts and anticipated further fare increases.
11. Increase due to additional funding provided for indexation and network growth in transportation services.
12. Further increase in investment income consistent with increased expected total income.
13. Increase as a result of Enterprise Bargaining Agreements along with associated personnel costs from the full year affect of Senior Network Officers and Helping Hands in 2010-11 and the anticipated additional Network Officers in 2011-12.
14. Increase due to the costs relating to indexation and associated growth to support additional transport services.
15. Variance reflects an increase in contribution to Community Service Obligations towards rail services.
16. Increase consistent with additional capital program spends for 2011-12 and deferred capital program spend from 2010-11.
17. Decrease due to go card household promotion concluded during the 2010-11 financial year.

### Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

18. Variance mainly attributable to lower than expected unearned revenue as a result of the phasing out of timed paper tickets.
19. Decrease in receivables due to a reduction in debtors with the phasing out of timed paper tickets.
20. Increase due to the requirement to hold larger go card stock due to the successful migration to the Smartcard technology.
21. Decrease due to capital deferrals within the TransLink Station Upgrade Program.
22. Decrease due to previously identified intangibles later reclassified and capitalised under property, plant and equipment.
23. Variance a result of an increase in estimated end of year payables and an increase in go card deposits due to greater migration to Smartcard technology.
24. Decrease due to the timing associated with accrued salaries and wages at year end.
25. Decrease due to agreed payment terms with Smartcard technology partner.
26. Variance mainly attributable to lower than expected unearned revenue as a result of the phasing out of timed paper tickets.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

27. Expected increase a result of an expected uplift in go card migration and fare revenue income resulting in higher smartcard deposits and unearned revenue.
28. Increase expected from uplift in fare revenue and GST receivable consistent with that of expected higher expenditure in the 2011-12 financial year.
29. Increase due to expected roll out of the 2011-12 capital program.
30. Decrease due to expected depreciation with no further provision of funding for intangibles.
31. Variance a result of an increase in estimated end of year payables and an increase in go card deposits due to greater migration to Smartcard technology.
32. Expected increase is a result of an expected uplift in go card migration and fare revenue income resulting in higher unearned revenue.

### Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

33. Decrease mainly attributable to the impact of the floods and free public transport provided during that period.
34. Variance due to additional funds provided as a notional return on capital for rail assets.
35. Increase due to greater than expected general increases in interest rates in conjunction with effective cash management.
36. Increase predominately attributable to the introduction of the Senior Network Officers (Customer Service and Revenue Protection Officers) during 2010-11.
37. Variance due to delays in expected expenditure of supplies and services.
38. Variance due to an increase in contribution towards the community service obligations towards rail services.
39. Variance due to establishment of an offset account in order to minimise interest expense.
40. Variance due to capital deferrals within the TransLink Station Upgrade Program.
41. Decrease relates to capital program deferrals in 2010-11 for the TransLink Station Upgrade Program due to timing of committed expenditure.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

42. Variance reflects an increase in revenue from a January 2011 fare increase, additional go card off peak discounts and anticipated further fare increases.
43. Increase due to additional funding provided for indexation and network growth in transportation services.
44. Increase as a result of Enterprise Bargaining Agreements along with associated personnel costs from the full year affect of Senior Network Officers in 2010-11 and the anticipated additional Network Officers in 2011-12.
45. Increase due to the costs relating to indexation and associated growth to support additional transport services.
46. Variance reflects an increase in contribution to Community Service Obligations towards rail services.
47. Further increase in investment consistent with increased expected total income.