QUEENSLAND BUDGET 2018–19

Service Delivery Statements

Department of State Development, Manufacturing, Infrastructure and Planning

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Queensland Government

2018–19 Queensland Budget Papers

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Service Delivery Statements
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Department of State Development, Manufacturing, Infrastructure and Planning

Summary of portfolio

Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for State Development, Manufacturing, Infrastructure and Planning:

Minister for State Development, Manufacturing, Infrastructure and Planning
The Honourable Cameron Dick MP

Department of State Development, Manufacturing, Infrastructure and Planning
Director-General: Rachel Hunter
Service area 1: Driving enterprise development, economic growth and job creation
Service area 2: Assessing, approving, developing and delivering projects to generate jobs and economic growth
Service area 3: Infrastructure policy and planning
Service area 4: Better planning for Queensland

The Minister for State Development, Manufacturing, Infrastructure and Planning is also responsible for:

Building Queensland
Chief Executive Officer: Damian Gould
Objective: To provide the Queensland Government with independent, expert advice on major infrastructure by working with departments, government-owned corporations and statutory authorities to guide better infrastructure decision making.

Queensland Reconstruction Authority

Chief Executive Officer: Brendan Moon

Objective: To increase the disaster resilience of Queensland communities and demonstrate accountability in the use of natural disaster funding by coordinating the rapid restoration of communities following natural disasters.

South Bank Corporation

Chief Executive Officer: Bill Delves

Objective: To manage and facilitate varied and innovative use of land and other property within the corporation area for a diverse range of commercial and non-commercial activities and events.

Economic Development Queensland

General Manager: Greg Chemello

Objective: To drive business and economic growth in Queensland.

Additional information about these agencies can be sourced from:

www.dsdmip.qld.gov.au

www.buildingqueensland.qld.gov.au

www.qldreconstruction.org.au

www.southbankcorporation.com.au

www.dsdmip.qld.gov.au/edq/economic-development.html

Departmental overview

The Department of State Development, Manufacturing, Infrastructure and Planning's vision is a thriving Queensland - where the economy, industry and communities prosper. The department's mission is to enhance Queensland's productivity and attractiveness as a place to live and work by leading economic strategy, industry development, infrastructure and planning, for the benefit of all communities.

The department's strategies, priorities and programs are informed and influenced by economic, demographic and environmental factors. Of particular relevance to our program of work is the decline of traditional economic strengths such as resources; technological changes and digital connectivity; population movement and migration; an ageing population; and Queensland's geographic and skills diversity. These factors strongly indicate a need to ensure that Queensland's economy is able to support and achieve sustainable and inclusive economic growth and job creation that benefits Queenslanders everywhere. Balancing economic growth against the need to protect the environment and our communities is also a key responsibility of the department.

The department contributes to achieving the Queensland Government's objectives to create jobs in a strong economy, protect the Great Barrier Reef and be a responsive government through our departmental objectives to:

- diversify and sustainably grow the economy across Queensland
- attract private investment and stimulate job creation
- deliver infrastructure that provides enduring economic and social benefits
- create well-planned Queensland communities that are prosperous, resilient and positioned for growth.

Our key strategies to achieve our objectives are to:

- optimise our traditional economic strengths
- diversify the growing economy by generating more knowledge-based jobs of the future and facilitating private investment into new industries
- attract and facilitate public sector investment in infrastructure projects and priority industries
- invest in infrastructure that will benefit communities and deliver enduring economic growth
- design and implement a contemporary planning framework that supports efficient use of land, connects communities and protects natural areas.

In 2018-19, the department's key priorities are to:

- continue to implement the priority industry sector roadmaps and action plans to support the growth of these emerging sectors
- support the manufacturing industry in Queensland to improve its ability to compete internationally by administering an additional $20 million of grants through the Made in Queensland Program
- continue to facilitate the development of private sector-led infrastructure projects through the Market-Led Proposals program and other initiatives
- provide infrastructure to regional communities that delivers enduring economic growth through the Building our Regions program
- continue to work with local government, communities and the private sector to renew and repurpose surplus and underutilised State property to deliver better community outcomes, create jobs and drive economic growth
- implement ShapingSEQ, the South East Queensland Regional Plan, including undertaking site-specific master planning and establishing the South East Queensland Growth Monitoring Program
- improve statewide coordination of infrastructure planning across Government through continued engagement with industry and community.

Service performance

The service area structure presented reflects the machinery-of-government changes, effective 12 December 2017.

As part of the machinery-of-government changes, the following functions were transferred to the Department of State Development, Manufacturing, Infrastructure and Planning:

- Infrastructure, Policy and Planning from the former Department of Infrastructure, Local Government and Planning
- Market-Led Proposals from Queensland Treasury.

The following functions were transferred out of the former Department of State Development:

- Integrated Resort Developments and Global Tourism Hubs to the Department of Innovation, Tourism Industry Development and the Commonwealth Games
- Priority Ports to the Department of Transport and Main Roads (effective 21 December 2017).

Driving Enterprise Development, Economic Growth and Job Creation

Service area objective

To boost enterprise development, increase economic growth and stimulate job creation opportunities.

Service area description

This service area delivers policies, projects and programs that drive enterprise development, economic growth and job creation consistent with the Government's economic development and job creation agenda. The service area drives the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- realising Government policy as an enabler of economic growth
- leading industry and regional growth programs and regulatory reform
- assisting Queensland-based companies to increase their supply chain participation
- accelerating the delivery of private sector projects by addressing regulatory barriers and ensuring a coordinated approach across government
- administering the Government's Market-Led Proposal framework and assessment process
- engaging with industry to promote the Market-Led Proposals framework and encourage the development of Market-Led Proposals
- strengthening regional Queensland through investment enabled by the Building our Regions program and the Jobs and Regional Growth Fund
- providing whole-of-government advice on initiatives to boost economic development and increase investment across Queensland for sustainable job creation.

Services

- Industry facilitation
- Investment programs
- Regional economic development

2018-19 service area highlights

In 2018-19, the service area will:

- increase the State's commitment to the defence industry by creating Defence Jobs Queensland and associated Council and Advisory Boards as well as establishing and operating a defence supply chain and maintenance hub in Townsville and a defence supply chain logistics hub in Ipswich
- establish and operate manufacturing hubs in Cairns, Townsville and Rockhampton to grow manufacturing businesses and skill up workers in those centres
- deliver Round 4 of Building our Regions, with $70 million of funding over three years to deliver critical infrastructure for the regions

- continue to support the Advance Queensland Industry Attraction Fund to actively encourage businesses located outside Queensland to re-shore, relocate, establish or expand projects in Queensland
- continue to support the Jobs and Regional Growth Fund which is growing regional economies and creating jobs by helping to facilitate private sector projects to create ongoing employment and sustainable economic development in regional areas. This includes supporting the installation of an International Broadband Submarine Cable on the Sunshine Coast and the Mackay Resources Centre of Excellence.
- implement 10-year roadmaps and action plans for the growth of priority new and emerging sectors with global growth potential as part of the Advance Queensland program. Advanced manufacturing; aerospace; biofutures; biomedical; defence industries; and mining equipment, technology and services are sectors identified with potential to build upon Queensland's competitive strengths
- allocate $100 million over three years to support Queensland's resource recovery and recycling industry through the Resource Recovery Industry Development Program. The department will work with local governments and private sector enterprises to help them find innovative and cost-effective solutions to the problem of waste going to landfill.
- allocate $5 million in 2018-19 for Waste to Bioenergy projects. Facilities that turn urban waste into renewable energy and bioproducts are a major opportunity in the Queensland 'waste to bioenergy' sector
- continued support for, and growth of, the biofutures sector to enable further investment in projects including pilot, demonstration and commercial biorefinery plants
- implement Round 2 of the enhanced Made in Queensland grants program to support Queensland's manufacturing small to medium enterprises to become more internationally competitive and adopt innovative processes and technologies
- implement a comprehensive strategy to protect jobs in the meat works industry and upskill the workforce
- continue to work across Government and industry to expedite the delivery of private sector projects and capital investment, associated infrastructure and job creation
- work with industry proponents to achieve private investment in the delivery of infrastructure and services through the development of Market-Led Proposals from the detailed proposal and contract negotiations phases to project delivery
- undertake a research project on the local clothing, textile and footwear manufacturing industry in Queensland.

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Driving Enterprise Development, Economic Growth and Job Creation				
Service: Industry facilitation				
Service standards *Effectiveness measures* Value of capital investment enabled through industry facilitation	1, 2, 3	$370 million	$817 million	$450 million
Estimated number of jobs enabled through industry facilitation	2, 3, 4	1,110	2,710	1,485
Efficiency measure Capital investment enabled per dollar spent on industry facilitation	1, 2, 3	$50.71	$78.06	$63.86
Service: Investment programs	5			
Service standards *Effectiveness measure* Percentage of proposal assessment recommendations endorsed upon submission to investment panel	6	85%	100%	85%
Efficiency measure Average cost per proposal assessment (Stage 1)	7	$127,000	$120,000	$125,000

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service: Regional economic development				
Service standards *Effectiveness measure* Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs	8, 9, 10, 11	$674.6 million	$784.6 million	$520 million
Efficiency measure Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs enabled per dollar invested in program management	8, 9, 10, 11	$464.11	$539.79	$300.59

Notes:

1. Industry facilitation services include: support services and post approval monitoring of projects that require multiple regulatory approvals; are complex or sensitive in nature; require significant coordination across government; and respond to a recognised regional need or government priority. The capital investment value includes investment from private sector as well as government agencies.
2. The 2017-18 Estimated Actual is higher than the 2017-18 Target/Estimate due to the introduction of the Made in Queensland Program and Project Facilitation services during the year which were not previously included in this measure.
3. The 2018-19 Target/Estimate is greater than the 2017-18 Target Estimate due to the introduction of the Made in Queensland Program and Project Facilitation services which were not previously included in this measure. The increase also includes the escalation of projects which are in their second year of allocation. The calculation methodology is consistent from previous years with programs escalating and reducing based on funding and project commitments. The programs that form part of the 2018-19 Target/Estimate are the Advance Queensland Industry Attraction Fund, Jobs and Regional Growth Fund, Made in Queensland Program, the Industry Capability Network contract and Project Facilitation.
4. The number of jobs reported in this measure refers to the number of jobs expected to be enabled by all in-scope projects over their entire project life, even where these jobs will occur over several financial years. Jobs enabled are reported once in the year the contract is executed.
5. This service was previously published in the Commercial Services service area in the Queensland Treasury 2017-18 *Service Delivery Statement* and was transferred to Department of State Development, Manufacturing, Infrastructure and Planning due to machinery-of-government changes in December 2017.
6. This service standard is based on the number of recommendations endorsed as a proportion of total recommendations put to the investment panel within the relevant financial year.
7. This service standard is based on the average cost to assess proposals (Stage 1) from initial receipt of a submission to production of a report for the investment panel's consideration within the relevant financial year. The calculation is based on the average cost of staff assessing each proposal. The wording has changed to clarify that the measure relates to Stage 1 proposals only, however the methodology remains the same.
8. These programs provide funding for projects which may be co-funded by local governments, other Queensland Government agencies, Australian Government agencies and the private sector. The Building our Regions program is a whole-of-government initiative to enable quicker delivery of critical regional infrastructure, and is comprised of four separate streams. Department of State Development, Manufacturing, Infrastructure and Planning oversees the Regional Capital Fund, Royalties for Resource Producing Communities Fund and the Remote and Indigenous Communities Fund, and these are reported in the department's service standards. The Department of Transport and Main Roads oversees the Transport Infrastructure Development Scheme, which is not included in these service standard calculations.
9. The 2017-18 Estimated Actual is higher than the 2017-18 Target/Estimate as the value of investment for Building our Regions Round 3 approved projects was higher than originally estimated. This factor and changes to project delivery timeframes for other projects increased measures of program effectiveness and efficiency in 2017-18.
10. The 2018-19 Target/Estimate is lower than the 2017-18 Target/Estimate as a number of significant projects funded under the Building our Regions and Royalties for Regions program were completed.
11. The investment amount reported refers to the full investment value over the entire life of the project, even where this is expected to be fulfilled over several financial years.

Assessing, Approving, Developing and Delivering Projects to Generate Jobs and Economic Growth

Service area objective

To assess, approve, develop and deliver projects that generate jobs and economic growth.

Service area description

This service area facilitates the timely planning and delivery of projects that drive economic growth and provide job creation opportunities. It provides tailored regulation, advisory, facilitation and delivery services, to support increased economic activity. It is contributing to the Government's objectives for the community to create jobs in a strong economy, protect the Great Barrier Reef and be a responsive Government by:

- facilitating and delivering projects that boost the State's economy which includes the delivery of the North Queensland Stadium
- enabling growth and jobs and facilitating large scale industrial development, infrastructure delivery and projects through efficient project assessment as well as planning, development and management of state development areas
- ongoing improvement of environmental assessment processes
- undertaking appropriate land acquisition programs to deliver economic development and infrastructure initiatives
- conducting early feasibility assessment of public and private projects of state significance for economic development
- generating economic development from improvement opportunities that result in value uplift for the State's property portfolio and deliver increased public benefit
- partnering with all levels of government, industry and community to facilitate more collaborative and cost-efficient uses of current assets and social infrastructure investment
- promoting and generating regional economic development
- facilitating timely approvals processes for declared Prescribed Projects and Critical Infrastructure Projects
- evaluating environmental impact assessments for declared coordinated projects and finalise Coordinator-General evaluation reports under the *State Development and Public Works Organisation Act 1971*
- facilitating major projects by providing advice on assessment process options and requirements, and working with coordinated projects that have been approved by the Coordinator-General to help achieve more timely project delivery
- ensuring that residents of communities in the vicinity of large resource projects benefit from construction and operation of these projects.

Services

- Project development and delivery
- Economic development through coordinated projects, state development areas and land acquisition programs

2018-19 service area highlights

In 2018-19, the service area will:

- continue construction on the North Queensland Stadium in preparation for the 2020 National Rugby League season
- complete construction of the State Netball Centre at Nathan
- progress the Biofutures Acceleration Program as part of the Queensland Biofutures 10-Year Roadmap and Action Plan, providing assistance to selected proponents capable of developing commercial-scale biorefinery projects in Queensland
- complete design and commence construction of a world-class counter-terrorism centre in Wacol
- project manage the construction of Rheinmetall Defence Australia's (RDA) Military Vehicle Centre of Excellence in Ipswich
- administer development agreements for the construction of the Brisbane International Cruise Ship Terminal and the implementation of the Aurukun Bauxite project
- deliver the Advancing Our Cities and Regions strategy in partnership with Queensland Treasury

- develop catalytic community hub proposals, optimising the use of state and local government land and resources to support the early delivery of services for children and families and enhance community integration in the four major Priority Development Areas
- administer the *Strong and Sustainable Resource Communities Act 2017*, including the evaluation of social impact assessments for all resource projects subject to environmental impact assessment processes under either the *State Development and Public Works Organisation Act 1971* or the *Environmental Protection Act 1994*
- update the development scheme and acquire land in the Townsville State Development Area, to further accelerate economic development in the region.

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Assessing, Approving, Developing and Delivering Projects to Generate Jobs and Economic Growth				
Service: Project Development and Delivery				
Service standards *Effectiveness measures* Value of capital investment being developed or delivered through projects	1	New measure	New measure	$1.841 billion
Estimated number of jobs enabled through projects developed or delivered	1	New measure	New measure	4,708
Efficiency measure Value of capital investment enabled per dollar spent on project development and delivery	1	New measure	New measure	$447.55
Service Economic Development through Coordinated Projects, State Development Areas and land acquisition programs	2			
Service standards *Effectiveness measure* Proportion of total Coordinator-General's imposed conditions on coordinated projects under construction or early operation for which there has been full compliance with those conditions, or action has been taken to identify and correct non-compliance	3	100%	100%	100%
Efficiency measure Potential capital expenditure leveraged per dollar spent on the Coordinator-General annual budgeted staff expenses to assess and facilitate projects to construction	4	$2,500	$4,171	$2,500

Notes:

1. This is a new service standard for the 2018-19 *Service Delivery Statement* due to the machinery-of-government changes in December 2017 impacting on the service standard published in the 2017-18 *Service Delivery Statement*. The wording of the service standard remains unchanged from the 2017-18 *Service Delivery Statement*, however the calculation methodology has been amended to exclude the transferred out Integrated Resort Developments and Global Tourism Hubs function. A new target has been set for 2018-19 which represents the total value of public and private sector capital investment.
2. The service name has been amended from 'Economic Development through Coordinated Projects and State Development Areas' published in the 2017-18 SDS to better reflect the work undertaken by the Coordinator-General.

3. This service standard covers a key outcome of the project delivery process, which is compliance with the Coordinator-General's imposed conditions. During the environmental assessment process under the *State Development and Public Works Organisation Act 1971* (SDPWO Act), the Coordinator-General may apply conditions to a project to manage project impacts. Compliance with conditions imposed by the Coordinator-General is an indicator that projects are proceeding lawfully and in line with government and community expectations and environmental standards.
4. This service standard captures the potential capital expenditure on Queensland projects (being assessed and facilitated by the Coordinator-General) for every dollar invested in annual budgeted Coordinator-General staff expenses. Potential capital expenditure on Queensland projects (being assessed and facilitated under the SDPWO Act) will fluctuate depending on a number of factors, including market conditions, project capital expenditure, size of the project, and resources available to the Coordinator-General. In addition, it is ultimately a commercial decision for each proponent to progress the project, which is outside the control of the Coordinator-General.

Infrastructure Policy and Planning

Service area objective

To deliver quality infrastructure policy, planning and prioritisation in Queensland.

Service area description

This service area leads the Queensland Government's efforts in developing and coordinating policy, planning and prioritisation of infrastructure activities. This includes coordinating infrastructure policy, and contributing to national infrastructure agendas and whole-of-state infrastructure planning. The service area is responsible for delivering an Infrastructure Program coordination function across Government. It delivers reform initiatives that will improve the way infrastructure planning is coordinated, and strengthen integration with regional land-use and economic planning. The service area is responsible for ensuring infrastructure is prioritised on the basis that it provides a clear economic or service delivery benefit and will deliver the best possible value for money to Queenslanders on infrastructure investment.

A range of infrastructure policy, planning and coordination activities are undertaken by the service area including:

- providing strategic policy, coordination, planning and prioritisation of infrastructure activities
- monitoring and updating the State Infrastructure Plan
- monitoring and reporting on the capital program
- delivering a range of implementation initiatives outlined in the State Infrastructure Plan
- administering the Maturing the Infrastructure Pipeline Program
- driving infrastructure innovation and best-practice across government and program
- providing a cross-government perspective to infrastructure
- coordinating the State's input and advice on infrastructure-related issues to the Australian Government.

2018-19 service area highlights

In 2018-19, the service area will:

- continue to support the development of a robust project pipeline that enables local and state government projects to be matured through the $30 million Maturing the Infrastructure Pipeline Program
- continue to provide government with regular progress reports on the performance of the whole-of-government capital program
- update the State Infrastructure Plan for 2018-19, and deliver infrastructure innovation and best-practice across the Queensland Government
- continue to coordinate the State's input to key Infrastructure Australia strategic documents, including the national Infrastructure Priority List
- deliver reform initiatives that target strengthened governance and organisational capability and integration and engage with industry and the community to improve coordination of infrastructure planning across the Queensland Government.

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Infrastructure Policy and Planning	1			
Service standards *Effectiveness measure* Level of satisfaction of key stakeholders with timeliness and effectiveness of consultation undertaken by Infrastructure Policy and Planning	2	70%	79%	70%

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Efficiency measure Administration costs as a percentage of infrastructure investment coordinated through the service area	3	<0.5%	0.19%	<0.5%

Notes:

1. This service area was transferred from the former Department of Infrastructure, Local Government and Planning following machinery-of-government changes in December 2017.
2. The components of timeliness and effectiveness together measure key stakeholders' overall experience with consultation undertaken by Infrastructure Policy and Planning. The stakeholders surveyed comprise of a cross section of industry experts, state and local government, and academia.
3. Administration costs comprise the operating expenditure of the infrastructure policy and planning function (i.e. full-time equivalents, supplies and services). The measure is based on estimated actuals as published in *Capital Statement (Budget Paper 3)* of the total administration costs as a proportion of projected infrastructure investment in the State Infrastructure Program.

Better Planning for Queensland

Service area objective

Drive effectiveness of Queensland's planning system by ensuring accessible and transparent requirements and efficiency of State assessment functions.

Service area description

The service area administers the *Planning Act 2016* and has responsibility for:

- providing the legislative framework and overarching policy for land use planning and development assessment in Queensland
- delivering a contemporary and effective planning system in collaboration with local government, key industry groups, the planning profession and the broader Queensland community
- improving the State's land use planning and development assessment processes.

2018-19 service area highlights

Better Planning for Queensland 2018-19 highlights are to:

- release the first Measures that Matter and Land Supply and Development Monitoring Report to support the monitoring and implementation of the South East Queensland Regional Plan
- continue to progress the preparation of a master plan for the Southport Spit, informed by a comprehensive community and stakeholder engagement program
- monitor the performance of key elements of the planning system to ensure it continues to achieve its key objectives, including feedback by the newly formed Planning System Reference Group comprising of key planning stakeholders to assist with identifying and implementing ongoing improvements to the planning system
- implement continual improvement initiatives, such as the 3D augmented reality in development assessment project, that ensure the effective and efficient delivery of services, products and advice to our customers
- continue to progress better integration of Indigenous interests in the planning framework, including continued partnership with traditional owners to advance key North Stradbroke Island planning initiatives, opportunities to improve linkages with cultural heritage requirements, and a case study example to support integration of state interest policy about Aboriginal and Torres Strait Islander cultural heritage in planning schemes
- progress the South East Queensland Strategic Environmental Assessment with the Australian Government to develop a more coordinated and strategic approach to resolving environmental assessments and approvals
- continue training programs with local governments to enhance community consultation and engagement.

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Better Planning for Queensland	1			
Service standards *Effectiveness measure* Level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system	2	70%	70.83%	70%
Efficiency measure Average administrative costs per decision made by the State Assessment and Referral Agency	3, 4	$3,100	$3,346	$3,320

Notes:

1. This service area was transferred from the former Department of Infrastructure, Local Government and Planning following machinery-of-government changes in December 2017.
2. This is a measure of the overall level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system under the *Planning Act 2016*. The stakeholders surveyed comprise of a cross section of industry experts, state and local government, and community groups.

3. The 2017-18 Estimated Actual is greater than the 2017-18 Target/Estimate due to an increase in the number of appeals and the costs associated with managing involvement in these appeals to ensure that the State's interests are appropriately protected through the appeal process.
4. The 2018-19 Target/Estimate is higher than the 2017-18 Target/Estimate to incorporate escalation costs such as the enterprise bargaining increase of 2.5 per cent and an increase in the number of appeals.

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 State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Assessing, Approving, Developing and Delivering Projects to Generate Jobs and Economic Growth				
Value of capital investment being developed or delivered through projects	1, 2	$4.287 billion	..	Discontinued measure
Estimated number of jobs enabled through projects developed or delivered	1, 2	5,585	..	Discontinued measure
Value of capital investment enabled per dollar spent on project development and delivery	1, 2	$351	..	Discontinued measure

Notes:

1. This service standard has been discontinued due to machinery-of-government changes and the calculation methodology being amended to remove values from the Integrated Resort Developments and Global Tourism Hubs function which has been transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games.
2. The 2017-18 Estimated Actual is unable to be reported due to the transfer out of the Integrated Resort Developments and Global Tourism Hubs function as a result of the machinery-of-government changes. A new service standard has been introduced whose wording has remained unchanged from the 2017-18 *Service Delivery Statement*, however the calculation methodology has been amended to exclude the transferred out function and a new target set for 2018-19 which will represent the component remaining in the department.

Administered items

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

The Department of State Development, Manufacturing, Infrastructure and Planning administers funds for other State agencies, including Building Queensland, the Queensland Reconstruction Authority and the Gasfields Commission Queensland.

Further, the department administers funds paid to Brisbane City Council for the maintenance and management of the inner Brisbane City South Bank and Roma Street Parklands. In 2017-18, a total of $12.3 million was paid for operation works and $1.4 million for capital works funding for both parklands.

Financial statements and variance explanations in relation to administered items appear in the department 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 State Development, Manufacturing, Infrastructure and Planning	2017-18 Budget $'000	2017-18 Est. Actual $'000	2018-19 Budget $'000
CONTROLLED			
Income			
Appropriation revenue[1]			
Deferred from previous year/s	131,218	169,659	137,319
Balance of service appropriation	267,809	124,938	339,421
Other revenue	109,526	107,134	120,485
Total income	**508,553**	**401,731**	**597,225**
Expenses			
Driving business development, economic growth and job creation	251,398	183,498	286,728
Assessing, approving, facilitating and delivering major projects	181,484	169,842	214,195
Infrastructure policy and planning	30,497	13,728	47,453
Better planning for Queensland	37,897	19,429	47,616
Machinery-of-government changes	6,462	15,210	..
Total expenses	**507,737**	**401,707**	**595,992**
Operating surplus/deficit	**816**	**24**	**1,233**
Net assets	**122,041**	**121,603**	**263,853**
ADMINISTERED			
Revenue			
Commonwealth revenue	..	442	6,003
Appropriation revenue	317,946	222,350	598,237
Other administered revenue	8,993	9,806	17,389
Total revenue	**326,939**	**232,598**	**621,629**
Expenses			
Transfers to government	8,993	9,806	17,389
Administered expenses	317,946	222,792	604,240
Total expenses	**326,939**	**232,598**	**621,629**
Net assets	**1,739**	**1,739**	**1,739**

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue[1]

Sources of revenue 2018-19 Budget					
Department of State Development, Manufacturing, Infrastructure and Planning	**Total cost $'000**	**State contribution $'000**	**User charges and fees $'000**	**C'wealth revenue $'000**	**Other revenue $'000**
Driving Enterprise Development, Economic Growth and Job Creation	286,728	285,106	1,321	310	..
Assessing, Approving, Developing and Delivering Projects to Generate Jobs and Economic Growth	214,195	101,042	114,368	..	..
Infrastructure Policy and Planning	47,453	46,808	646	..	..
Better Planning for Queensland	47,616	43,474	4,149	..	..
Total[2]	**595,992**	**476,430**	**120,485**	**310**	**..**

Notes:

1. Explanations of variances are provided in the financial statements.
2. Total cost includes the budgeted surplus of $1.2 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 State Development, Manufacturing, Infrastructure and Planning	2017-18 $'000	2018-19 $'000	2019-20 $'000	2020-21 $'000	2021-22 $'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures[1]					
Administered	900	26,826	11,400	9,900	9,500
Departmental	9,421	84,771	91,000	55,500	..
Capital measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..

Notes:

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

Departmental capital program

The purpose of the department's capital expenditure for 2018-19 is for progressing key Government priorities of driving business development, economic growth and job creation; as well as assessing, approving, developing and delivering projects to generate jobs and economic growth.

Capital budget

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Budget $'000	2017-18 Est. Actual $'000	2018-19 Budget $'000
Capital purchases	1			
Total land, buildings and infrastructure		46,675	42,675	134,909
Total plant and equipment		100	105	50
Total other capital		835	1,086	582
Total capital purchases	2, 3	**47,610**	**43,866**	**135,541**

Notes:

1. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
2. The decrease between 2017-18 Budget and 2017-18 Estimated Actual is primarily due to realignment of budget for the construction of major infrastructure projects.
3. The increase between 2017-18 Budget and 2018-19 Budget is due to increased funding for the construction of major infrastructure projects and increased funding held by the Coordinator-General for land acquisition in State Development Areas.

Staffing[1]

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget	2017-18 Est. Actual	2018-19 Budget
Driving Enterprise Development, Economic Growth and Job Creation		363	378	368
Assessing, Approving, Developing and Delivering Projects to Generate Jobs and Economic Growth		237	240	237
Infrastructure Policy and Planning		52	57	51
Better Planning for Queensland		252	274	280
TOTAL	2, 3, 4, 5, 6	**904**	**949**	**936**

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple agencies.
4. The increase from 2017-18 Adjusted Budget to 2017-18 Estimated Actual is primarily because functions transferred into the department as part of the machinery-of-government change applied a different method to calculate budgeted FTE. Therefore changes were required to ensure a consistent method for all the department's FTE.
5. Actual FTE increases relate to additional FTE for the whole-of-government North West Minerals Province and Back to Work - Regional Employment programs; and to ensure the department's contract management governance is robust.
6. The decrease from 2017-18 Estimated Actual to 2018-19 Budget relates to a reduction in temporary staff as projects are delivered.

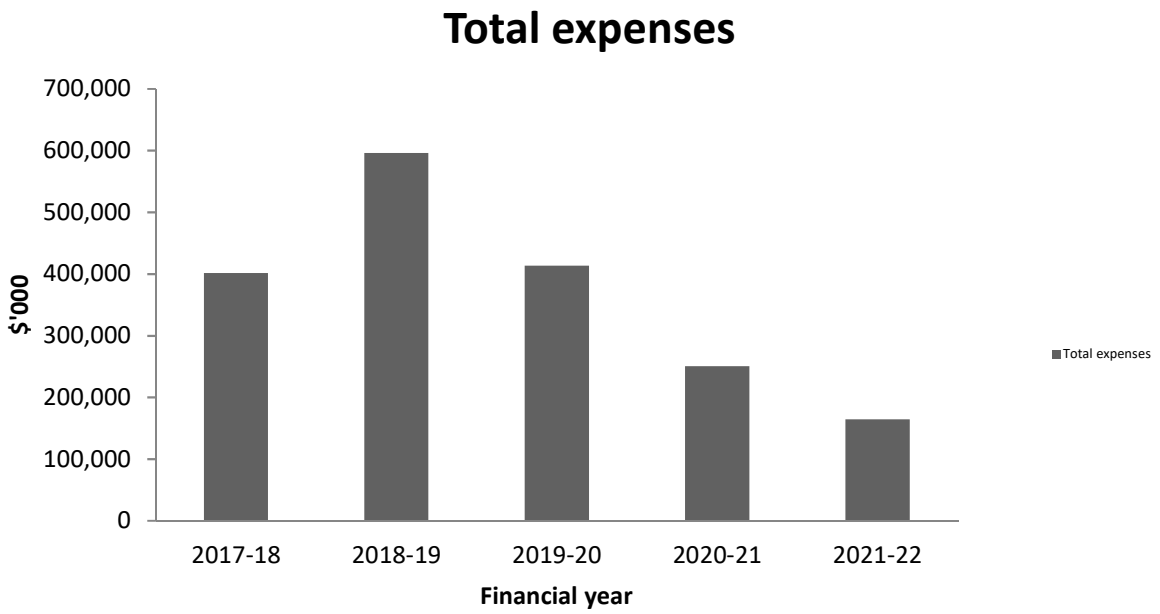
Budgeted financial statements

Departmental income statement

Total expenses are estimated to be $595.992 million in 2018-19, an increase of $194.3 million from 2017-18 Estimated Actual. The increase primarily relates to increased funding for the Queensland Made program and the realignment of funds for high priority projects including Building our Regions, Advancing Queensland's Biofuture (Biofutures Acceleration Program), the North Stradbroke Island Economic Transition Strategy, Counter Terrorism and Community Safety Centre, Planning Reform and Maturing the Infrastructure Pipeline Program.

Total expenses are estimated to decrease from 2020-21 onwards due to limited life funding of projects including the reduction of funding for the Commonwealth Games (GC2018) venues and village, and current allocations of the Building our Regions, Royalties for the Regions, Advance Queensland Industry Attraction Fund, Jobs and Regional Growth fund and Made in Queensland grant programs.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department is expected to have $171.7 million in property, plant and equipment assets as at 30 June 2018. This figure is expected to increase over the forward estimates period with the construction of the North Queensland Stadium. The department's main liability relates to deposits held for land acquisitions by the Coordinator-General.

Controlled income statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
Appropriation revenue	1,5,10	399,027	294,597	476,740
Taxes		..	..	..
User charges and fees	6,11	108,007	105,339	120,485
Royalties and land rents		..	..	..
Grants and other contributions		1,519	1,795	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**508,553**	**401,731**	**597,225**
EXPENSES				
Employee expenses	7,12	90,142	91,619	106,397
Supplies and services	2,8,13	228,288	161,099	213,489
Grants and subsidies	3,9,14	185,287	135,983	271,859
Depreciation and amortisation		1,834	1,731	2,281
Finance/borrowing costs		1,842	1,842	1,615
Other expenses	4,15	344	9,433	351
Losses on sale/revaluation of assets		..	..	..
Total expenses		**507,737**	**401,707**	**595,992**
OPERATING SURPLUS/(DEFICIT)		**816**	**24**	**1,233**

Controlled balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets	16,33	9,892	59,034	12,444
Receivables		13,642	12,970	12,197
Other financial assets		..	..	..
Inventories		..	..	..
Other		645	250	..
Non-financial assets held for sale	17,25	10,005	..	..
Total current assets		**34,184**	**72,254**	**24,641**
NON-CURRENT ASSETS				
Receivables		19,524	21,869	21,869
Other financial assets		..	..	..
Property, plant and equipment	18,26,34	152,787	171,712	307,166
Intangibles		20,031	17,984	16,942
Other	19,27	9,219	..	..
Total non-current assets		**201,561**	**211,565**	**345,977**
TOTAL ASSETS		**235,745**	**283,819**	**370,618**
CURRENT LIABILITIES				
Payables	20,28	25,574	16,375	14,500
Accrued employee benefits		2,813	6,376	6,378
Interest bearing liabilities and derivatives	21,35	23,330	67,284	20,593
Provisions	22,29	6,000	741	741
Other	23	2,852	9,741	9,741
Total current liabilities		**60,569**	**100,517**	**51,953**
NON-CURRENT LIABILITIES				
Payables		..	1,740	3,028
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	30,36	49,643	49,706	41,555
Provisions	24,31	3,352	7,913	7,913
Other	32	140	2,340	2,316
Total non-current liabilities		**53,135**	**61,699**	**54,812**
TOTAL LIABILITIES		**113,704**	**162,216**	**106,765**
NET ASSETS/(LIABILITIES)		**122,041**	**121,603**	**263,853**
EQUITY				
TOTAL EQUITY		**122,041**	**121,603**	**263,853**

Controlled cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	37,43,53	395,251	283,950	475,430
User charges and fees	44,54	116,452	116,442	129,099
Royalties and land rent receipts		..	..	..
Grants and other contributions		1,519	1,795	..
Interest received		..	..	..
Taxes		..	..	..
Other		23,205	23,205	23,205
Outflows:				
Employee costs	45,55	(90,142)	(89,397)	(106,451)
Supplies and services	38,46,56	(250,243)	(176,996)	(234,506)
Grants and subsidies	39,47,57	(185,287)	(135,983)	(271,859)
Borrowing costs		(1,842)	(1,842)	(1,615)
Other		(11,583)	(15,728)	(9,427)
Net cash provided by or used in operating activities		**(2,670)**	**5,446**	**3,876**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	48	8,820	3,920	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	49,58	(47,610)	(43,866)	(135,541)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(38,790)**	**(39,946)**	**(135,541)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	40,59	..	46,040	..
Equity injections	41,50,60	103,874	87,351	143,357
Outflows:				
Borrowing redemptions	51,61	(7,649)	(8,028)	(54,842)
Finance lease payments		..	..	..
Equity withdrawals	42,52,62	(61,332)	(46,614)	(3,440)
Net cash provided by or used in financing activities		**34,893**	**78,749**	**85,075**
Net increase/(decrease) in cash held		**(6,567)**	**44,249**	**(46,590)**
Cash at the beginning of financial year		**15,641**	**9,568**	**59,034**
Cash transfers from restructure		818	5,217	..
Cash at the end of financial year		**9,892**	**59,034**	**12,444**

Administered income statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
Appropriation revenue	63,65,69	317,946	222,792	604,240
Taxes		..	..	..
User charges and fees		3,700	3,700	5,314
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue	66,70	5,293	6,106	12,075
Gains on sale/revaluation of assets		..	..	..
Total income		**326,939**	**232,598**	**621,629**
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	64,67,71	317,946	222,792	604,240
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	68,72	8,993	9,806	17,389
Total expenses		**326,939**	**232,598**	**621,629**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Administered balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets		1,739	1,739	1,739
Receivables		..	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**1,739**	**1,739**	**1,739**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ASSETS		**1,739**	**1,739**	**1,739**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**..**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**..**	**..**
NET ASSETS/(LIABILITIES)		**1,739**	**1,739**	**1,739**
EQUITY				
TOTAL EQUITY		**1,739**	**1,739**	**1,739**

Administered cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	73,75,79	317,946	222,792	604,240
User charges and fees		3,700	3,700	5,314
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other	76,80	5,293	6,106	12,075
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	74,77,81	(317,946)	(222,792)	(604,240)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government	78,82	(8,993)	(9,806)	(17,389)
Net cash provided by or used in operating activities		**..**	**..**	**..**
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		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**..**	**..**	**1,739**
Cash transfers from restructure		1,739	1,739	..
Cash at the end of financial year		**1,739**	**1,739**	**1,739**

Explanation of variances in the financial statements

Effective on 12 December 2017, the department was part of machinery-of-government changes, which resulted in the former Department of State Development being renamed the Department of State Development, Manufacturing, Infrastructure and Planning. The impact of the changes includes the Infrastructure and Planning functions transferring into the department from the Department of Infrastructure, Local Government and Planning; Market-Led Proposals transferring into the department from Queensland Treasury; Integrated Resort Developments and Global Tourism Hubs functions transferring out to the Department of Innovation, Tourism and Industry Development; and Priority Ports function transferring out to the Department of Transport and Main Roads. Consequently, the 2017-18 Adjusted Budget and 2017-18 Estimated Actuals in the Financial Statements reflect the six months of activity relating to the transferring functions.

Machinery-of-government changes, with an effective date of 12 December 2017, resulted in the administered funding for Queensland Reconstruction Authority (QRA), Southbank Corporation and Building Queensland being transferred into the department from the Department of Infrastructure, Local Government and Planning. Consequently, the 2017-18 Adjusted Budget and 2017-18 Estimated Actuals in the Financial Statements reflect the six months of activity relating to the transferring functions.

Income statement

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

1. The decrease primarily relates to the reprofiling of project and program expenditure to future years including funding for: Building our Regions; Royalties for the Regions; Maturing the Infrastructure Pipeline Program; Made in Queensland; Planning Reform; and the North Stradbroke Island Economic Transition Strategy.
2. The decrease primarily relates to the reprofiling of project and program expenditure to future years including: Maturing the Infrastructure Pipeline Program (which was subsequently converted to grants in 2018-19); Planning Reform; and the North Stradbroke Island Transition Strategy.
3. The decrease primarily relates to a reprofiling of funding for the Building our Regions grant program.
4. The increase relates to a payment made to a proponent following the termination of a procurement process for services provided during the process.

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

5. The increase primarily relates to funding for: Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; the Queensland Made program; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; Advance Queensland Industry Attraction Fund, Biofutures Acceleration Program; Jobs and Regional Growth Fund; and full-year funding for functions transferred into the department as part of machinery-of-government changes. The increase is offset by the reprofiling of funding for Building our Regions and Royalties for the Regions grant programs.
6. The increase primarily relates to the recovery of costs for the construction of the Counter-Terrorism and Community Safety Centre, Westgate Police Facility and Westgate Warehouse Hub, offset by the reduction in the recovery of costs for the Commonwealth Games (GC2018) venues and village projects and the Queensland Netball Centre.
7. The increase is primarily due to full-year funding for functions transferred into the department as part of machinery-of-government changes. The increase also reflects staff engaged to deliver priority projects, including delivery of the North West Minerals Province and contract management.
8. The decrease is primarily due to the reprofiling between supplies and services to grants for Maturing the Infrastructure Pipeline Program, offset by new funding for the Queensland Made program and full-year funding for functions transferred to the department as part of machinery-of-government changes.
9. The increase primarily relates to: funding for Maturing the Infrastructure Pipeline Program being converted from supplies and services to grants in 2018-19; Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; Resource Recovery Industry Development Program; the North Stradbroke Island Transition Strategy; the Biofutures Acceleration Program; and draw down of centrally managed funds for the Advance Queensland Industry Attraction Fund; and the Jobs and Regional Growth Fund. The increase is offset by the reprofiling of funding for Building our Regions and Royalties for the Regions programs.

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

10. The increase primarily relates to the: reprofiling of funding from 2017-18 to 2018-19 for high priority projects including Maturing the Infrastructure Pipeline Program; Resource Recovery Industry Development Program; North Stradbroke Island Economic Transition Strategy; and Biofutures projects. The increase also represents new and increased funding for high priority projects including: the Queensland Made program; the North Stradbroke Island Economic Transition Strategy; Made in Queensland; Advance Queensland Industry Attraction Fund. It also relates to full-year funding for machinery-of-government related functions transferred into the department.
11. The increase primarily relates to the recovery of costs for the construction of the Counter-Terrorism and Community Safety Centre, Westgate Police Facility and Westgate Warehouse Hub, offset by the reduction in the recovery of costs for the Commonwealth Games (GC2018) venues projects and the Queensland Netball Centre.
12. The increase is primarily due to full-year funding for functions transferred into the department as part of machinery-of-government changes, offset by a reduction in temporary staff as projects are delivered.
13. The increase primarily relates to the reprofiling of funding from 2017-18 to 2018-19 for high priority projects, including the Queensland Made program and Biofutures projects. The increase also represents full-year funding for machinery-of-government related functions transferred into the department.
14. The increase primarily relates to: funding for Maturing the Infrastructure Pipeline Program being converted to grants in 2018-19; Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; Advance Queensland Industry Attraction Fund; Biofutures Acceleration Program; and Jobs and Regional Growth Fund.
15. The decrease relates to a payment made in 2017-18 to a proponent following the termination of a procurement process for services provided during the process.

Balance sheet

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

16. The increase primarily relates to deposits held for land acquisitions by the Coordinator-General.
17. The decrease represents the planned decline in the number of Mary Valley properties awaiting settlement.
18. The increase represents planned work on the North Queensland Stadium capital project.
19. The decrease relates to the termination of a user charge deed for rail infrastructure.
20. The decrease primarily relates to the reduction in costs as the Commonwealth Games (GC2018) venues projects are finalised.
21. The increase primarily relates to deposits held for land acquisitions by the Coordinator-General.
22. The decrease relates to the expected reduction in provisions required for compensation payments made by the Coordinator-General that are not expected to be settled within 12 months.
23. The increase primarily relates to the forecast increase in Single Assessment Referral Agency fees collected on behalf of other State agencies. This function was transferred into the department as part of the machinery-of-government arrangments.
24. The increase relates to provisions required for compensation payments made by the Coordinator-General.

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

25. The decrease represents the planned decline in the number of Mary Valley properties awaiting settlement.
26. The increase relates to planned work for the North Queensland Stadium capital project and land purchases by the Coordinator-General.
27. The decrease relates to the termination of a user charge deed for rail infrastructure.
28. The decrease primarily relates to the reduction in costs as the Commonwealth Games (GC2018) venues projects are finalised.
29. The decrease relates to the expected reduction in provisions required for compensation payments made by the Coordinator-General that are not expected to be settled within 12 months.
30. The decrease reflects the scheduled payment of Queensland Treasury Corporation's loan principal.
31. The increase relates to provisions required for compensation payments made by the Coordinator-General.

32. The increase primarily relates to the forecast increase in Single Assessment Referral Agency fees collected on behalf of other State Agencies.

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

33. The decrease relates to the forecast reduction in compensation payments for land acquisitions under the Coordinator-General.
34. The increase relates to planned work for the North Queensland Stadium capital project and land purchases by the Coordinator-General.
35. The decrease relates to the settlement of deposits held for land acquisitions by the Coordinator-General.
36. The decrease reflects the scheduled payment of Queensland Treasury Corporation loan principal.

Cash flow statement

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

37. The decrease primarily relates to the reprofiling of project and program expenditure to future years including: Building our Regions; Royalties for the Regions; Maturing the Infrastructure Pipeline Program; Made in Queensland; Planning Reform; and the North Stradbroke Island Economic Transition Strategy.
38. The decrease primarily relates to the reprofiling of project and program expenditure to future years, including Maturing the Infrastructure Pipeline Program (which was subsequently converted to grants in 2018-19), Planning Reform and the North Stradbroke Island Economic Transition Strategy.
39. The decrease primarily relates to a reprofiling of funding for the Building our Regions and Royalties for the Regions grant programs.
40. The increase primarily relates to a reduction in deposits held for land acquisitions by the Coordinator-General.
41. The decrease represents a reprofiling of funding for the Commonwealth Games (GC2018) village and the North Queensland Stadium capital project.
42. The decrease primarily represents a reprofiling of funding for the Commonwealth Games (GC2018) village payment to Economic Development Queensland and the forecast sale of land at the Salisbury Plains Industrial Precinct.

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

43. The increase primarily relates to: funding for Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; Queensland Made program; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; Advance Queensland Industry Attraction Fund; Biofutures Acceleration Program; Jobs and Regional Growth Fund; and full-year funding for functions transferred into the department as part of machinery-of-government changes. The increase is offset by the reprofiling of funding for Building our Regions and Royalties for the Regions programs.
44. The increase primarily relates to the recovery of costs for the construction of the Counter-Terrorism and Community Safety Centre, Westgate Police Facility and Westgate Warehouse Hub, offset by the reduction in the recovery of costs for the Commonwealth Games (GC2018) venues and village projects and the Queensland Netball Centre.
45. The increase is primarily due to full-year funding for functions transferred as part of machinery-of-government changes. The increase also reflects staff engaged to deliver priority projects, including delivering of the North West Minerals Province and contract management.
46. The decrease is primarily due to the reprofiling between supplies and services to grants for Maturing the Infrastructure Pipeline Program, offset by new funding for the Queensland Made program and full-year funding for functions transferred into the department as part of machinery-of-government changes.
47. The increase primarily relates to: funding for Maturing the Infrastructure Pipeline Program being converted from supplies and services to grants in 2018-19; Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; the Biofutures Acceleration Program; and draw down of centrally managed funds for Advance Queensland Industry Attraction Fund and Jobs and Regional Growth Fund. The increase is offset by the reprofiling of funding for Building our Regions and Royalties for the Regions programs.
48. The decrease represents the reprofiling of the forecast sale of land at the Salisbury Plains Industrial Precinct and the planned sale of Mary Valley land.
49. The increase represents planned work for the North Queensland Stadium capital project.

50. The increase represents planned work on the North Queensland Stadium capital project, offset by planned finalisation of the Priority Development Co-Investment Program and Commonwealth Games (GC2018) village payments to Economic Development Queensland.

51. The increase primarily relates to deposits expected to be settled for land acquisitions by the Coordinator-General.

52. The decrease is primarily due to: the planned finalisation of the Priority Development Co-Investment Program and Commonwealth Games (GC2018) village payments to Economic Development Queensland; reprofiling of the forecast sale of land at the Salisbury Plains Industrial Precinct; and the planned sale of Mary Valley land.

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

53. The increase primarily relates to: the reprofiling of funding from 2017-18 to 2018-19 for high priority projects including Maturing the Infrastructure Pipeline Program; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; and Biofutures projects. The increase also represents new and increased funding for high priority projects including: the Queensland Made program; the North Stradbroke Island Economic Transition Strategy; Made in Queensland; Advance Queensland Industry Attraction Fund; Queensland Made program. It also relates to full-year funding for machinery-of-government related functions transferred into the department.

54. The increase primarily relates to the recovery of costs for the construction of the Counter-Terrorism and Community Safety Centre, Westgate Police Facility and Westgate Warehouse Hub, offset by the reduction in the recovery of costs for the Commonwealth Games (GC2018) venues projects and the Queensland Netball Centre.

55. The increase is primarily due to full-year funding for functions transferred into the department as part of machinery-of-government changes, offset by a reduction in temporary staff as projects are delivered.

56. The increase primarily relates to the reprofiling of funding from 2017-18 to 2018-19 for high priority projects, including the Queensland Made program and Biofutures projects. The increase also represents full-year funding for machinery-of-government related functions transferred into the department.

57. The increase primarily relates to: funding for Maturing the Infrastructure Pipeline Program being converted to grants in 2018-19; Commonwealth Games (GC2018) village grant payments to Economic Development Queensland; Resource Recovery Industry Development Program; the North Stradbroke Island Economic Transition Strategy; the Biofutures Acceleration Program; Advance Queensland Industry Attraction Fund; and Jobs and Regional Growth Fund.

58. The increase represents planned work for the North Queensland Stadium capital project.

59. The decrease primarily relates to deposits expected to be settled for land acquisitions by the Coordinator-General.

60. The increase represents planned work on the North Queensland Stadium capital project offset by planned finalisation of the Priority Development Co-Investment Program and Commonwealth Games (GC2018) village payments to Economic Development Queensland.

61. The increase primarily relates to deposits expected to be settled for land acquisitions by the Coordinator-General.

62. The decrease is primarily due to the reduction in payments for the Priority Development Co-Investment Program and Commonwealth Games (GC2018) village payments to Economic Development Queensland.

Administered income statement

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

63. The decrease primarily relates to funding for the Queensland Reconstruction Authority (QRA) as a result of utilising prior years operating surplus through cash reserves to fund Natural Disaster Relief and Recovery Arrangements (NDRRA) grants in 2017-18, and revised estimates associated with NDRRA.

64. The decrease primarily relates to funding for the QRA as a result of utilising prior years operating surplus through cash reserves to fund NDRRA grants in 2017-18, and revised estimates associated with NDRRA.

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

65. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It also includes revised estimates for works relating to current disaster events within the NDRRA and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
66. The increase relates to the reimbursement from Southbank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from Southbank Corporation to Brisbane City Council. This function was transferred into the department as part of the machinery-of-government arrangements.
67. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. Revised estimates for works relating to current disaster events within the NDRRA and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund also contribute.
68. The increase relates to the reimbursements to the Consolidated Fund for the transfer of funding for the management and operation of the parklands from Southbank Corporation to Brisbane City Council and the expected increase in the Single Assessment Referral Agency fees collected on behalf of other agencies. These functions were transferred into the department as part of the machinery-of-government arrangements.

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

69. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. Revised estimates for works relating to current disaster events within the NDRRA; and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund also contribute.
70. The increase relates to the reimbursement from Southbank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from Southbank Corporation to Brisbane City Council. This function was transferred into the department as part of the machinery-of-government arrangements.
71. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It is also impacted by revised estimates for works relating to current disaster events within the NDRRA and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
72. The increase relates to the reimbursements to the Consolidated Fund for the transfer of funding for the management and operation of the parklands from Southbank Corporation to Brisbane City Council and the expected increase in the Single Assessment Referral Agency fees collected on behalf of other agencies. These functions were transferred into the department as part of the machinery-of-government arrangements.

Administered cash flow statement

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

73. The decrease primarily relates to funding for the QRA as a result of utilising prior years operating surplus through cash reserves to fund NDRRA grants in 2017-18, and revised estimates associated with NDRRA.
74. The decrease primarily relates to funding for the QRA as a result of utilising prior years operating surplus through cash reserves to fund NDRRA grants in 2017-18, and revised estimates associated with NDRRA.

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

75. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It also relates to revised estimates for works relating to current disaster events within the NDRRA and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
76. The increase relates to the reimbursement from Southbank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from Southbank Corporation to Brisbane City Council. This function was transferred into the department as part of the machinery-of-government arrangements.
77. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It also relates to revised estimates for works relating to current disaster events within the NDRRA and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
78. The increase relates to the reimbursements to the Consolidated Fund for the transfer of funding for the management and operation of the parklands from Southbank Corporation to Brisbane City Council and the expected increase in the Single Assessment Referral Agency fees collected on behalf of other agencies. These functions were transferred into the department as part of the machinery-of-government arrangements.

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

79. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It also relates to revised estimates for works relating to current disaster events within the NDRRA; and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
80. The increase relates to the reimbursement from Southbank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from Southbank Corporation to Brisbane City Council. This function was transferred into the department as part of the machinery-of-government arrangements.
81. The increase primarily relates to full-year funding for the QRA in 2018-19 transferred into the department as part of machinery-of-government arrangements. It also relates to revised estimates for works relating to current disaster events within the NDRRA; and funding for the Natural Disaster Resilience Program and the Disaster Resilience Fund.
82. The increase relates to the reimbursements to the Consolidated Fund for the transfer of funding for the management and operation of the parklands from Southbank Corporation to Brisbane City Council and the expected increase in the Single Assessment Referral Agency fees collected on behalf of other agencies. These functions were transferred into the department as part of the machinery-of-government arrangements.

Reporting Entity Financial Statements

Reporting Entity comprises:

- **Department of State Development, Manufacturing, Infrastructure and Planning (excluding Administered);**
- **Economic Development Queensland for the period 1 January to 30 June 2018.**

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

The machinery-of-government changes effective 1 January 2018, resulted in the transfer of Economic Development Queensland from the Department of Local Government, Racing and Multicultural Affairs.

Reporting entity income statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
Appropriation revenue		399,027	294,597	476,740
Taxes		..	..	..
User charges and fees		166,995	129,404	195,228
Royalties and land rents		..	..	..
Grants and other contributions		926	2,080	319
Interest		223	6,028	12,460
Other revenue		..	29	251
Gains on sale/revaluation of assets		..	..	..
Total income		**567,171**	**432,138**	**684,998**
EXPENSES				
Employee expenses		98,881	99,959	123,464
Supplies and services		311,262	206,172	322,030
Grants and subsidies		157,100	110,482	222,089
Depreciation and amortisation		1,859	1,756	2,328
Finance/borrowing costs		4,509	3,652	8,092
Other expenses		4,719	28,797	24,690
Losses on sale/revaluation of assets		..	..	..
Total expenses		**578,330**	**450,818**	**702,693**
Income tax expense/revenue		..	(4,981)	(5,678)
OPERATING SURPLUS/(DEFICIT)		**(11,159)**	**(13,699)**	**(12,017)**

Reporting entity balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets		75,457	200,743	84,705
Receivables		43,417	57,225	54,720
Other financial assets		..	..	..
Inventories		423,910	342,227	383,256
Other		776	714	240
Non-financial assets held for sale		10,005	..	..
Total current assets		**553,565**	**600,909**	**522,921**
NON-CURRENT ASSETS				
Receivables		145,463	93,427	129,188
Other financial assets		..	..	..
Property, plant and equipment		623,451	572,841	700,670
Deferred tax assets		2,323	14,400	20,078
Intangibles		20,031	17,984	16,942
Other		9,219	..	..
Total non-current assets		**800,487**	**698,652**	**866,878**
TOTAL ASSETS		**1,354,052**	**1,299,561**	**1,389,799**
CURRENT LIABILITIES				
Payables		64,265	34,147	38,902
Current tax liabilities		..	4,906	..
Accrued employee benefits		3,341	7,001	7,003
Interest bearing liabilities and derivatives		60,452	76,257	29,566
Provisions		30,000	46,969	25,578
Other		14,315	22,459	22,459
Total current liabilities		**172,373**	**191,739**	**123,508**
NON-CURRENT LIABILITIES				
Payables		..	1,740	3,028
Deferred tax liabilities		88,761	65,650	65,650
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		125,391	152,569	184,922
Provisions		3,352	7,913	7,913
Other		140	2,340	2,316
Total non-current liabilities		**217,644**	**230,212**	**263,829**
TOTAL LIABILITIES		**390,017**	**421,951**	**387,337**
NET ASSETS/(LIABILITIES)		**964,035**	**877,610**	**1,002,462**
EQUITY				
TOTAL EQUITY		**964,035**	**877,610**	**1,002,462**

Reporting entity cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2017-18 Adjusted Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		395,251	283,950	475,430
User charges and fees		171,451	135,373	205,574
Royalties and land rent receipts		..	..	..
Grants and other contributions		716	1,761	..
Interest received		212	6,017	12,460
Taxes		..	..	..
Other		19,517	19,547	23,456
Outflows:				
Employee costs		(98,648)	(97,503)	(123,518)
Supplies and services		(392,253)	(253,482)	(401,002)
Grants and subsidies		(157,100)	(110,482)	(222,089)
Borrowing costs		(4,509)	(3,652)	(8,092)
Taxation equivalents paid		6,201	2,917	(6,823)
Other		(8,735)	(18,743)	(14,858)
Net cash provided by or used in operating activities		**(67,897)**	**(34,297)**	**(59,462)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		14,024	9,040	7,578
Investments redeemed		..	..	..
Loans and advances redeemed		3,559	(1,085)	1,955
Outflows:				
Payments for non-financial assets		(68,307)	(44,954)	(135,541)
Payments for investments		..	..	..
Loans and advances made		(57,988)	(31,631)	(37,707)
Net cash provided by or used in investing activities		**(108,712)**	**(68,630)**	**(163,715)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		53,505	80,551	49,928
Equity injections		104,055	87,351	143,357
Outflows:				
Borrowing redemptions		(33,196)	(16,018)	(78,558)
Finance lease payments		..	..	..
Equity withdrawals		(16,146)	(5,648)	(7,588)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**108,218**	**146,236**	**107,139**
Net increase/(decrease) in cash held		**(68,391)**	**43,309**	**(116,038)**
Cash at the beginning of financial year		**15,641**	**9,568**	**200,743**
Cash transfers from restructure		128,207	147,866	..
Cash at the end of financial year		**75,457**	**200,743**	**84,705**

Statutory bodies

Building Queensland

Overview

Building Queensland is a statutory body providing independent, expert advice on major infrastructure. Established under the *Building Queensland Act 2015*, Building Queensland's vision is to enhance infrastructure outcomes for Queensland through robust advice and industry leading expertise. Its core functions are to develop and independently prioritise the state's infrastructure proposals.

Working closely with Queensland Government agencies, including departments, government-owned corporations, and nominated statutory authorities, Building Queensland leads the development of detailed business cases with an estimated capital cost of delivery over $100 million and assists with those between $50-$100 million.

All infrastructure proposals led by Building Queensland are developed under the organisation's Business Case Development Framework. The framework ensures a consistent and rigorous approach to proposal development. Working collaboratively with agencies, Building Queensland is committed to enhancing expertise across government in the development of rigorous business cases.

To assist the Queensland Government in determining the projects that will best address the State's infrastructure priorities, Building Queensland develops the Infrastructure Pipeline Report. The Infrastructure Pipeline Report provides transparency of key government proposals under development. To further enhance transparency of analysis and advice, Building Queensland publishes business case and cost benefit analysis summaries for business cases it leads, and releases full business cases where appropriate. In delivering independent advice to government, Building Queensland is providing industry and the community confidence that the Government's infrastructure decisions are supported by robust analysis.

Building Queensland contributes to the Queensland Government's objectives to be a responsive Government by ensuring integrity, accountability and collaboration in our interactions across government and industry. Building Queensland's strategic direction supports the Government's objective to create jobs in a strong economy, ensuring that infrastructure investments contribute to economic development and protect the quality of life for all Queenslanders.

Budget

Building Queensland	2017-18 Budget $'000	2017-18 Est. Actual $'000	2018-19 Budget $'000
Total operating expenses	7,272	7,272	7,513
Capital	16	16	16

Staffing[1]

Building Queensland	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Building Queensland		30	30	30

Note:

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

Queensland Reconstruction Authority

The Queensland Reconstruction Authority's (QRA) vision is to build a more disaster resilient Queensland.

QRA is charged with managing and coordinating the Government's program of infrastructure renewal and recovery within disaster-affected communities, with a focus on working with our state and local government partners to deliver best practice expenditure of public reconstruction funds.

QRA is also the State's lead agency responsible for disaster recovery, resilience and mitigation policy, working collaboratively with agencies and stakeholders to improve risk reduction and disaster preparedness.

QRA contributes to the Queensland Government's objectives to:

- keep communities safe through developing effective disaster recovery, resilience and mitigation policy in Queensland and supporting local governments to build resilience into their disaster preparedness and reconstruction programs
- be a responsive Government through coordinating disaster recovery activities that help communities recover from disasters and build their resilience to future events.

QRA's strategic objectives are to:

- coordinate and support the rapid recovery of disaster impacted communities in Queensland
- drive implementation of policy to deliver more disaster-resilient communities
- build the capacity and capability of local governments and State agencies to recover sooner following natural disaster events.

QRA's key priorities for 2018-19 include:

- ensuring best practice expenditure and acquittal of Natural Disaster Relief and Recovery Arrangements (NDRRA) funding and assisting local governments to deliver and achieve value for money outcomes in their disaster reconstruction programs
- managing the Queensland Government's implementation of the Australian Government's proposed reforms to national natural disaster funding arrangements, and transition local government and State agencies from NDRRA to the new Disaster Recovery Funding Arrangements (DRFA) from 1 July 2018
- implementing the Resilient Queensland program to deliver on the Queensland Strategy for Disaster Resilience
- allocating $38 million over four years to support the building of Queensland communities' resilience to natural disasters through implementation of the State-funded Disaster Fund
- managing the delivery of key projects to assist communities recovering from Severe Tropical Cyclone Debbie, including the reconstruction of the Whitsunday Regional Council administration centre and the restoration and revitalisation of Mackay's beaches, Bluewater Trail, Queen's Park and Airlie Beach foreshore.

Service summary

QRA has progressed initiatives from 2017-18 which are ongoing in 2018-19. These include:

- assisting with activation, damage assessment and coordinating Queensland's ongoing recovery efforts from 13 natural disaster events that occurred across 2017 and 2018
- managing a disaster reconstruction program worth approximately $1.4 billion, comprising of works from 22 events from 2016 to 2018 that are to be delivered through to 30 June 2020
- acquittal of a $370 million claim to the Australian Government under the NDRRA, involving more than 500 submissions from 84 local governments and state agencies. On acceptance by the Australian Government, the approved claim will return more than $170 million to Queensland.
- consulting broadly to revise the Queensland Strategy for Disaster Resilience prior to development of a wide ranging implementation plan that will deliver on QRA's vision to build a more disaster resilient Queensland
- coordinating delivery of the Brisbane River Catchment Flood Study in partnership with local governments and other agencies
- managing the Get Ready Queensland, Resilient Australia Awards and the Natural Disaster Resilience Program.

Service performance

Performance statement

Administration of Natural Disaster Relief and Recovery Arrangements

Service area objective

To demonstrate accountability in the use of natural disaster funding and to support the Queensland economy and job growth by coordinating the rapid restoration of communities following natural disasters and building their resilience to future events.

Service area description

The Queensland Reconstruction Authority (QRA) is responsible for administration of the Natural Disaster Relief and Recovery Arrangements (NDRRA) through:

- actively managing State-wide NDRRA reconstruction works, including works relating to Queensland's natural disaster events of 2015-16, 2016-17 and 2017-18, and publicly report on their progress
- managing the close-out and acquittal of NDRRA expenditure to obtain an unqualified audit opinion from the Queensland Audit Office in relation to claims for Australian Government reimbursement of eligible NDRRA expenditure
- coordinating development and implementation of disaster recovery, mitigation and resilience policy across Queensland
- as natural disasters occur, assisting with disaster recovery operations and supporting local governments in their recovery processes, and undertaking rapid damage assessments of commercial, residential (in conjunction with Queensland Fire and Emergency Services) and council infrastructure in the worst hit areas.

Queensland Reconstruction Authority	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Administration of Natural Disaster Relief and Recovery Arrangements				
Service standards *Effectiveness measure* Percentage of reconstruction and resilience projects completed within required timeframes	1	100%	100%	100%
Efficiency measure Immediate disaster recovery operating costs per dollar of new disaster event damage	2	0.25%	0.10%	0.25%

Notes:

1. This service standard has been amended to align to Australian Government eligibility criteria that works eligible for reimbursement under NDRRA are required to be completed within two years of the event. The service standard no longer references works being delivered within budget as NDRRA reimbursement is based on actual costs incurred in delivering eligible scope.
2. This service standard reflects organisational efficiency in the delivery of services in immediate disaster response and recovery operations. The objective of the measure is to ensure that QRA continue to deliver services consistent from one event to the next. The 2017-18 Estimated Actual is lower than the 2017-18 Target/Estimate as QRA has been more efficient in resource allocation than originally targeted.

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.

Queensland Reconstruction Authority	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Prepare and submit NDRRA claims for the relevant financial year supported by unqualified independent audit opinion in order to maximise reimbursement for the Queensland Government	1	March 2018	March 2018	Discontinued measure

Note:

1. This service standard has been discontinued as it has been assessed as a measure of activity and does not meet the requirements of the Queensland Government Performance Management Framework as a measure of effectiveness or efficiency. This activity will be reported in QRA's Annual Report.

Staffing[1]

Queensland Reconstruction Authority	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Queensland Reconstruction Authority		104	98	104

Note:

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

Income statement

Queensland Reconstruction Authority	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees		..	..	..
Grants and other contributions	1,5	550,877	454,462	563,426
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**550,877**	**454,462**	**563,426**
EXPENSES				
Employee expenses	2,6	13,885	13,083	14,220
Supplies and services		18,443	18,431	18,631
Grants and subsidies	3,7	517,974	436,703	529,563
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses	8	575	611	1,012
Losses on sale/revaluation of assets		..	..	..
Total expenses		**550,877**	**468,828**	**563,426**
OPERATING SURPLUS/(DEFICIT)	**4**	**..**	**(14,366)**	**..**

Balance sheet

Queensland Reconstruction Authority	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets		44,915	43,339	43,339
Receivables		5,121	5,472	5,472
Other financial assets		..	..	..
Inventories		..	..	..
Other		12	12	12
Non-financial assets held for sale		..	..	..
Total current assets		**50,048**	**48,823**	**48,823**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		5	4	4
Intangibles	9	..	1,400	1,400
Other		..	..	..
Total non-current assets		**5**	**1,404**	**1,404**
TOTAL ASSETS		**50,053**	**50,227**	**50,227**
CURRENT LIABILITIES				
Payables		2,181	2,136	2,136
Accrued employee benefits	10	324	429	429
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**2,505**	**2,565**	**2,565**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**2,505**	**2,565**	**2,565**
NET ASSETS/(LIABILITIES)		**47,548**	**47,662**	**47,662**
EQUITY				
TOTAL EQUITY		**47,548**	**47,662**	**47,662**

Cash flow statement

Queensland Reconstruction 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		..	..	..
Grants and other contributions	11	550,877	454,462	563,426
Interest received		..	..	..
Taxes		..	..	..
Other	12,17	56,505	52,957	53,217
Outflows:				
Employee costs	13,18	(13,885)	(13,218)	(14,220)
Supplies and services	14,19	(74,948)	(65,783)	(71,755)
Grants and subsidies	15	(517,974)	(436,703)	(529,563)
Borrowing costs		..	..	..
Other	20	(575)	(701)	(1,105)
Net cash provided by or used in operating activities		**..**	**(8,986)**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	16	..	(1,400)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**..**	**(1,400)**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**(10,386)**	**..**
Cash at the beginning of financial year		**44,915**	**53,725**	**43,339**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**44,915**	**43,339**	**43,339**

Explanation of variances in the financial statements

Income statement

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

1. The decrease in grants and other contributions is partially due to QRA utilising prior years operating surplus through cash reserves to fund NDRRA grants in 2017-18 and also a result of revised estimates associated with NDRRA for State Departments and Agencies (SDAs) and Local Government Authorities (LGAs) being lower than expected.
2. The decrease in employee expenses is due to QRA holding vacant positions to upscale operations as required during disaster recovery activities. 2017-18 Budget was for 104 FTEs versus 2017-18 Estimate Actual for 98 FTEs.
3. The decrease in grants and subsidies is due to NDRRA payments to reimburse LGAs and SDAs for disaster reconstruction works being carried out for less than origainally estimated. The primary reduction relates to works for state roads damaged by STC Debbie (occured in March 2017) now estimated to be delivered for less than originally estimated.
4. QRA is expecting a deficit position in 2017-18 due to utilising prior year operating surplus through cash reserves to fund NDRRA grants.

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

5. The increase in grants and other contributions is due to funding estimates associated with NDRRA to LGAs and SDAs for works related to disaster events now including 2018 events and funding for the Natural Disaster Resilience Program (NDRP), the Disaster Resilience Fund and projects in Mackay and Whitsunday regions following STC Debbie.
6. The increase in employee expenses relates to the impact of the Enterprise Bargaining Agreement (EBA) and expenditure associated with filling vacancies to undertake recovery activities following disaster events.
7. The increase in grants and subsidies is predominantly due to expenditure estimates associated with NDRRA payments to LGAs and SDAs for works related to disaster damage now including 2018 events and the funding for the NDRP Program, the Disaster Resilience Fund and projects in Mackay and Whitsunday regions following STC Debbie.
8. The increase in other expenses is predominantly due to the transfer of funding for disaster recovery services.

Balance sheet

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

9. The increase in intangibles is due to QRA recognising a capital cost associated with the development of a grants management and reporting system.
10. The increase in accrued employee benefits relates to the timing of Annual Leave & Long Service Leave Central Scheme levies due.

Cash flow statement

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

11. The decrease in grants and other contributions predominantly relates to utilisation of prior year operating surplus through cash reserves and revised disaster damage being lower than expected.
12. The decrease in other inflows is due to a reduction in GST refundable from the ATO and is associated with revised NDRRA damage estimates.
13. The decline in employee expenses is directly related to QRA holding vacant positions in order to upscale operations during recovery activities.
14. The decline in supplies and services directly relates to GST on NDRRA grants expense.
15. The decline in grants and subsidies outflows is directly related to lower than expected grant expenses.
16. The increase in payments for non-financial assets relates to the captial cost of internally developing a grants management and reporting system.

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

17. The decrease in other inflows is due to a reduction in GST refundable as a result of timing and damage estimates for NDRRA.
18. The increase in employee expenses is directly related to the increase in expected employee expenses.
19. The reduction in supplies and services directly relates to GST on NDRRA grants payments.
20. The increase in other outflows is predominantly due to funding for disaster recovery services.

South Bank Corporation

Overview

South Bank Corporation's (the Corporation) vision is to continue to innovate and maintain South Bank's reputation as the most vibrant urban and cultural precinct in the world.

The objects of the Corporation, as outlined in the *South Bank Corporation Act 1989*, are to:

- promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area
- achieve an appropriate balance between the Corporation’s commercial and non-commercial functions
- ensure the Corporation area complements, rather than duplicates, other public use sites in the inner-city Brisbane area
- provide for a diverse range of recreational, cultural and educational pursuits for local, regional and international visitors
- accommodate public events and entertainment that benefit the general community
- achieve excellence and innovation in the management of open space and park areas.

The Corporation's responsibilities include ownership and management of:

- the Brisbane Convention and Exhibition Centre
- the Parklands car park
- retail and short term commercial leasing and retail marketing
- road and footpath ownership and management
- statutory planning for the corporation area including planning assessment for the Southpoint development.

The South Bank Parklands are owned by the Corporation and managed on its behalf by Brisbane City Council and its wholly owned subsidiary, City Parklands Services Pty Ltd.

The Corporation is increasingly impacted by the expansion, densification and increasing sophistication of Brisbane which puts South Bank at the centre of the public realm and retail mix offering for local, interstate and international visitors.

Service summary

New initiatives for 2018-19 include:

- opening of the riverside open space on the site previously occupied by the disused Riverside Restaurants building
- manage the Flowstate program of cultural and artistic performances in the reactivated space previously occupied by outdated and vacant Arbour View cafes
- continuation of the Little Stanley Street and Grey Street retail activation through investment in capital works and retail innovation
- activation of the heritage listed Allgas Building in the centre of the South Bank Parklands with a new retail offer
- continuing to manage and enhance, with Brisbane City Council, the distinct elements of the precinct that make South Bank Brisbane’s favourite place to live, work and play
- continuing to work with Brisbane City Council regarding numerous projects that impact South Bank's land and operations (including metro, ferry terminals and bikeways)
- consider and identify future opportunities for the management and use of land and other property within the Corporation area, in a continually changing commercial market.

Staffing[1]

South Bank Corporation	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
South Bank Corporation	2	29	35	35

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Staffing increases are predominantly due to casual and term appointment of theatre production and technical staff engaged for Flowstate, an interim program of live artistic and cultural performances within the South Bank Parklands.

Income statement

South Bank Corporation	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees	3,6	100,977	101,302	93,780
Grants and other contributions		..	..	..
Interest		750	750	525
Other revenue		..	..	..
Gains on sale/revaluation of assets	1,4	3,715	6,500	6,500
Total income		**105,442**	**108,552**	**100,805**
EXPENSES				
Employee expenses	2,5,7	3,620	4,116	5,140
Supplies and services		71,678	71,966	71,898
Grants and subsidies		..	..	..
Depreciation and amortisation		21,000	21,000	21,000
Finance/borrowing costs		..	..	..
Other expenses		8,403	8,318	8,808
Losses on sale/revaluation of assets		..	..	..
Total expenses		**104,701**	**105,400**	**106,846**
OPERATING SURPLUS/(DEFICIT)		**741**	**3,152**	**(6,041)**

Balance sheet

South Bank Corporation	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets	10,13	32,847	34,270	18,598
Receivables		2,019	1,218	1,218
Other financial assets		..	..	..
Inventories		335	404	404
Other		90	455	455
Non-financial assets held for sale		..	..	..
Total current assets		**35,291**	**36,347**	**20,675**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	8,11,14	735,385	752,908	778,553
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**735,385**	**752,908**	**778,553**
TOTAL ASSETS		**770,676**	**789,255**	**799,228**
CURRENT LIABILITIES				
Payables	9,12	7,620	10,894	10,894
Accrued employee benefits		400	600	600
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		7,650	7,492	7,492
Total current liabilities		**15,670**	**18,986**	**18,986**
NON-CURRENT LIABILITIES				
Payables		781	855	855
Accrued employee benefits		132	73	73
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**913**	**928**	**928**
TOTAL LIABILITIES		**16,583**	**19,914**	**19,914**
NET ASSETS/(LIABILITIES)		**754,093**	**769,341**	**779,314**
EQUITY				
TOTAL EQUITY		**754,093**	**769,341**	**779,314**

Cash flow statement

South Bank Corporation	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	16,20	94,366	94,935	97,780
Grants and other contributions		..	..	..
Interest received		750	750	525
Taxes		..	..	..
Other		4,000	4,000	4,000
Outflows:				
Employee costs	15,17,21	(3,620)	(4,116)	(5,140)
Supplies and services		(75,879)	(76,164)	(75,898)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(12,403)	(12,318)	(12,808)
Net cash provided by or used in operating activities		**7,214**	**7,087**	**8,459**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	18,22	3,362	3,115	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	19,23	(21,180)	(21,783)	(24,131)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(17,818)**	**(18,668)**	**(24,131)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(10,604)**	**(11,581)**	**(15,672)**
Cash at the beginning of financial year		**43,451**	**45,851**	**34,270**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**32,847**	**34,270**	**18,598**

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 revaluation of assets is due to increased capital works in the Investment Properties.
2. The increase is due to increased need for project staff as a result of additional project/capital works, including projects such as Flowstate performance and event space.

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

3. The decrease is due to recognition of sale of development land in 2017-18.
4. The increase in revaluation of assets is due to increased capital works in the Investment Properties.
5. The increase is due to increased need for project staff as a result of additional project/ capital works, including projects such as the Flowstate performance and event space.

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

6. The decrease is due to recognition of sale of development land in 2017-18.
7. The increase is due to increased need for project staff as a result of additional project/ capital works, including projects such as the Flowstate performance and event space.

Balance sheet

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

8. The increase is due to increased expenditure on capital works and increased asset values.
9. The increase is due to increased payables as a result of expenditure on capital works.

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

10. The decrease is due to increased major capital works and projects, such as the Riverside Shadehouse
11. The increase is due to increased expenditure on major capital works, such as the Riverside Shadehouse
12. The increase is due to increased payables as a result of expenditure on capital works.

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

13. The decrease is due to increased major capital works and projects, such as the Riverside Shadehouse
14. The increase is due to increased expenditure on major capital works, such as the Riverside Shadehouse

Cash flow statement

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

15. The increase is due to increased need for project staff as a result of additional project/ capital works, including projects such as Flowstate performance and event space.

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

16. The increase is due to expected increase in Brisbane Convention and Exhibition Centre sales.
17. The increase is due to increased need for project staff as a result of additional project/capital works, including projects such as the Flowstate performance and event space.
18. The decrease follows the sale of development land in 2017-2018.
19. The increase is due to increased expenditure on planned capital works, such as the Riverside Shadehouse.

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

20. The increase is due to expected increase in Brisbane Convention and Exhibition Centre sales

21. The increase is due to increased need for project staff as a result of additional project/capital works, including projects such as the Flowstate performance and event space.
22. The decrease follows the sale of development land in 2017-2018
23. The increase is due to increased expenditure on planned capital works, such as the Riverside Shadehouse.

Commercialised business units

Economic Development Queensland

Overview

Economic Development Queensland (EDQ) is the Queensland Government's specialist land use planning and property development agency. Working with State agencies, local governments, the development industry and communities, EDQ identifies, plans, facilitates and delivers Priority Development Areas (PDAs) and development projects. EDQ supports the department's vision of a thriving Queensland – where the economy, industry and communities prosper.

Projects include large complex urban sites that facilitate renewal, regional residential projects that respond to community need, industrial activities that generate on-going employment opportunities and infrastructure projects that drive further development. EDQ's key objectives include:

- delivering the Advancing Our Cities and Regions (AOCR) strategy to renew and repurpose surplus and underutilised state property to create jobs, drive economic growth and deliver community outcomes
- fast tracking planning, development and delivery of property and infrastructure projects
- engaging with communities, councils and industry on projects to ensure they meet local needs and aspirations
- demonstrating innovation in planning, building and infrastructure projects.

Although conditions in regionally important industries have strengthened over the past year, residential and industrial property markets across the majority of regional Queensland remain subdued. EDQ continues to work with stakeholders to identify projects that can help to catalyse development in these areas.

Service summary

In 2018-19, EDQ will:

- continue to lead the repurposing and renewal of surplus and underutilised state land under the AOCR strategy. This includes Carseldine Urban Village, Yeppoon Heritage Railway Precinct, Villa Street Yeronga, former Oxley Secondary College, and the Aldoga renewable energy project
- identify new projects by working with local governments, communities and the private sector to facilitate activities with strong economic and/or community development outcomes. This will include the declaration of new PDAs such as the Mackay Waterfront PDA
- utilise planning expertise to continue to facilitate major developments through the development assessment of projects including the $3 billion Queen's Wharf Brisbane, the $1.1 billion Herston Quarter and three future cities at Caloundra South, Greater Flagstone and Yarrabilba
- further develop Queensland's largest waterfront urban renewal project at Northshore Hamilton, including finalising the economic development and investment strategy to attract new businesses to the precinct and commence development of a new innovation district
- commence delivery of a major Gold Coast 2018 Commonwealth Games™ legacy project with the development of two new sites and the commencement of an incubation hub within the former athletes' village as part of the broader Gold Coast Health and Knowledge Precinct
- progress development in 21 industrial estates to meet the needs of existing industry and attract new business investment with $26 million land sales to be settled. Key future developments include Willowbank, Gladstone, and Salisbury Plains with land acquisition to support long-term industrial development in the Cairns and Mackay regions
- continue to deliver EDQ's residential projects with approximately 76 lots, earning up to $12 million in revenue, expected to be settled in 2018-19
- finalise infrastructure agreements to facilitate the on-going development of the Yarrabilba and Greater Flagstone PDAs by coordinating the delivery of critical infrastructure and services.

Service performance

Performance statement

Business and Economic Growth

Service area objective

To drive business and economic growth in Queensland.

Service area description

This service area delivers policies and programs that drive business and economic growth consistent with the government's economic development agenda. It will drive the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- driving economic, business and community growth by delivering the Advancing Our Cities and Regions strategy to renew and repurpose surplus and underutilised State property
- supporting and enabling new growth in Queensland communities through fast tracking opportunities for urban, residential, industrial and community development across Queensland.

Economic Development Queensland	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Business and Economic Growth	1			
Service standards *Effectiveness measure* Value of private sector investment generated through the facilitation of economic and community development projects	2	$319 million	$198.8 million	$296.1 million
Efficiency measure Administrative costs as a percentage of private sector investment generated through the facilitation of economic and community development projects	3	New measure	New measure	5.4%

Notes:

1. The service area has been amended to align with priorities in 2018-19. The Priority Development Infrastructure co-investment program has closed for new applications. Regional, urban, industrial and community development and investment service has been consolidated into the broader service area of business and economic growth.
2. This measure is the value of private sector investment generated through the facilitation of economic and community development projects in Economic Development Queensland (EDQ), including the value of land sales for which EDQ is responsible. The variance between 2017-18 Target/Estimate and 2017-18 Estimated Actual is mainly due to lower than expected private sector investment for current projects as a result of the subdued residential property market. The variance between 2017-18 Target/Estimate and the 2018-19 Target/Estimate is due to anticipated private sector investment in 2018-19 being less than anticipated private sector investment in 2017-18.
3. This new measure has been created to more appropriately reflect the efficiency of the service area. This measure calculates expenses, including employee expenses, sales and marketing costs, and an allocation for operating expenses which relate to the delivery of development projects as a percentage of the value of private sector investment generated.

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.

Economic Development Queensland	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Business and Economic Growth				
Value of investment enabled through the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	1, 2	$110.1 million	$96.2 million	Discontinued measure
Percentage of development projects managed, facilitated or delivered within committed timeframes and approved budget	3	92%	92%	Discontinued measure
Value of investment enabled per dollar invested in the management of the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	1, 4	$1.44	$2.08	Discontinued measure
Value of private sector investment generated through the facilitation of economic and community development projects per dollar spent on project management	5, 6	$3.81	$2.39	Discontinued measure

Notes:

1. This measure has been discontinued as the Priority Development Infrastructure Co-Investment Program has closed for new applications.
2. The variance between the 2017-18 Target/Estimate and the 2017-18 Estimated Actual is due to revised timeframes for the delivery of Priority Development Infrastructure and Catalyst Infrastructure Program projects.
3. This service standard has been discontinued as it has been assessed as not meeting the requirements of the Queensland Government Performance Management Framework as a measure of effectiveness. This service standard will not be reported elsewhere.
4. The variance between the 2017-18 Target/Estimate and the 2017-18 Estimated Actual is due to a higher proportion of co-investment by the project proponents.
5. This service standard has been discontinued and replaced with a new efficiency measure, administrative costs as a percentage of private sector investment generated through the facilitation of economic and community development projects, which reflects total operating efficiency rather than just project management efficiency.
6. The variance between the 2017-18 Target/Estimate and 2017-18 Estimated Actual is mainly due a change in market conditions regarding the Northshore Hamilton, Yeerongpilly Green and Advancing Our Cities and Regions projects.

Staffing[1]

Economic Development Queensland	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Economic Development Queensland		109	109	109

Note:

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

Income statement

Economic Development Queensland	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
INCOME				
User charges and fees	1,7,14	92,022	57,695	76,020
Grants and other contributions	8,15	46,132	44,363	50,089
Interest	2,9,16	3,792	9,597	12,460
Other revenue		..	122	251
Gains on sale/revaluation of assets		..	..	..
Total income		**141,946**	**111,777**	**138,820**
EXPENSES				
Employee expenses	17	16,282	15,883	17,067
Supplies and services	3,10,18	119,702	82,197	109,818
Grants and subsidies		..	..	..
Depreciation and amortisation		48	48	47
Finance/borrowing costs	11,19	3,686	2,829	6,477
Other expenses	4,12,20	8,442	30,364	24,339
Losses on sale/revaluation of assets	5,21	..	76,995	..
Total expenses		**148,160**	**208,316**	**157,748**
Income tax expense/revenue	6,13,22	(1,864)	(29,002)	(5,678)
OPERATING SURPLUS/(DEFICIT)		**(4,350)**	**(67,537)**	**(13,250)**

Balance sheet

Economic Development Queensland	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CURRENT ASSETS				
Cash assets	23,35,45	65,565	141,709	72,261
Receivables	24,36	29,775	44,255	42,523
Other financial assets		..	..	..
Inventories	25,37,46	423,910	342,227	383,256
Other		131	464	240
Non-financial assets held for sale		..	..	..
Total current assets		**519,381**	**528,655**	**498,280**
NON-CURRENT ASSETS				
Receivables	26,38,47	145,463	91,082	126,843
Other financial assets		..	..	..
Property, plant and equipment	27,39,48	470,664	401,129	393,504
Deferred tax assets	28,40,49	2,323	14,400	20,078
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**618,450**	**506,611**	**540,425**
TOTAL ASSETS		**1,137,831**	**1,035,266**	**1,038,705**
CURRENT LIABILITIES				
Payables	29,41,50	38,691	17,772	24,402
Current tax liabilities	30,51	..	4,906	..
Accrued employee benefits		528	625	625
Interest bearing liabilities and derivatives	31,42	37,122	8,973	8,973
Provisions	32,52	24,000	46,228	24,837
Other		11,463	12,718	12,718
Total current liabilities		**111,804**	**91,222**	**71,555**
NON-CURRENT LIABILITIES				
Payables		19,524	19,524	19,524
Deferred tax liabilities	33,43	88,761	65,650	65,650
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	34,44,53	75,748	102,863	143,367
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**184,033**	**188,037**	**228,541**
TOTAL LIABILITIES		**295,837**	**279,259**	**300,096**
NET ASSETS/(LIABILITIES)		**841,994**	**756,007**	**738,609**
EQUITY				
TOTAL EQUITY		**841,994**	**756,007**	**738,609**

Cash flow statement

Economic Development Queensland	Notes	2017-18 Budget $'000	2017-18 Est. Act. $'000	2018-19 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	54,62,74	92,316	56,844	77,752
Grants and other contributions	63,75	45,922	44,044	49,770
Interest received	55,64,76	3,792	9,597	12,460
Other		..	122	251
Outflows:				
Employee costs		(16,282)	(15,883)	(17,067)
Supplies and services	56,65,77	(216,658)	(121,633)	(167,773)
Grants and subsidies		..	..	..
Borrowing costs	66,78	(3,686)	(2,829)	(6,477)
Taxation equivalents paid	57,67,79	(2,251)	(10,789)	(6,823)
Other		(5,663)	(11,544)	(5,431)
Net cash provided by or used in operating activities		**(102,510)**	**(52,071)**	**(63,338)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	68,80	5,204	5,120	7,578
Investments redeemed		..	..	..
Loans and advances redeemed		874	874	1,955
Outflows:				
Payments for non-financial assets	69,81	(12,114)	(17,460)	..
Payments for investments		..	..	..
Loans and advances made	58,70,82	(87,458)	(65,744)	(37,707)
Net cash provided by or used in investing activities		**(93,494)**	**(77,210)**	**(28,174)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	59,71,83	78,095	59,101	49,928
Equity injections	60,72,84	52,765	48,363	..
Outflows:				
Borrowing redemptions	61,73,85	(32,658)	(15,101)	(23,716)
Finance lease payments		..	..	..
Equity withdrawals		(4,148)	(4,148)	(4,148)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**94,054**	**88,215**	**22,064**
Net increase/(decrease) in cash held		**(101,950)**	**(41,066)**	**(69,448)**
Cash at the beginning of financial year		**167,515**	**182,775**	**141,709**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**65,565**	**141,709**	**72,261**

Explanation of variances in the financial statements

Income statement

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

1. The decrease is due to the lower than budgeted land sales.
2. The increase is due to interest recognised on increase in investment loans relating to the Catalyst Infrastructure Program and catalyst loans.
3. The decrease is due to lower cost of sales as a result of reduced land sales.
4. The increase is due to recognition of discount relating to concessional loans under the Catalyst Infrastructure Program.
5. The increase is due to a revaluation decrement relating to land held for future development, reflecting current market conditions in 2017-18.
6. The decrease is mainly due to the tax effect of revaluation decrement of land.

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

7. The decrease is due to lower than budgeted land sales.
8. The increase is due to funding related to obligations for the Commonwealth Games Gold Coast 2018 (GC2018) development agreement.
9. The increase is due to interest recognised on increase in investment loans relating to Catalyst Infrastructure Program and catalyst loans.
10. The decrease is due to lower cost of sales as a result of reduced land sales.
11. The increase is due to higher loan interest from borrowings.
12. The increase is due to recognition of discount relating to the increase in concessional loans under the Catalyst Infrastructure Program.
13. The decrease is mainly due to the tax effect of revaluation decrement of land.

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

14. The increase is due to sales revenue from new and existing projects.
15. The increase is due to the funding of budgeted costs related to obligations for the Commonwealth Games (GC2018) development agreement.
16. The increase is due to interest recognised on increase in investment loans relating to Catalyst Infrastructure Program and catalyst loans.
17. Increase is due to enterprise bargaining agreement increases and full year impact of staff changes.
18. The increase is due to higher cost of sales as a result of higher land sales and increase costs related to budgeted obligations for the Commonwealth Games (GC2018) in accordance with the development agreement.
19. The increase is due to higher loan interest on borrowings.
20. The decrease is due to a reduction in concessional loans given under the Catalyst Infrastructure Program.
21. The decrease is due to a reduction in the value of forecast revaluation decrement in 2018-19.
22. The increase is mainly due to the tax effect of revaluation decrement of assets in 2017-18.

Balance sheet

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

23. The increase reflects adjusted development activity due to revised scheduling of costs and the delay in funding of projects under the Catalyst Infrastructure Program resulting from longer than expected project timeframes.
24. The increase is due to funding for catalyst loans being recorded as a current receivable and budgeted as non-current.
25. The decrease is due to revised development activity in accordance with the development programs.

26. The decrease is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans, resulting from longer than expected project timeframes.
27. The decrease is due to a revaluation decrement relating to land held for future development reflecting current market conditions in 2017-18.
28. The increase is due to the tax effect of revaluation of assets.
29. The decrease reflects timing and amount of operating payments reflecting development activity.
30. The increase is due to estimated tax liability for 2017-18.
31. The decrease is due to catalyst loan funding being recorded as non-current liability but budgeted as current liability.
32. The increase is due to additional infrastructure contributions held.
33. The decrease is due to the tax effect of revaluation of assets.
34. The increase is due to catalyst loan funding being recorded as non-current liability but budgeted as current liability.

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

35. The increase reflects the revised schedule of development activity.
36. The increase is due to funding for catalyst loans being recorded as a current receivable and budgeted as non-current.
37. The decrease is due to revised development activity in accordance with the development programs.
38. The decrease is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans, resulting from longer than expected project timeframes.
39. The decrease is due to a revaluation decrement relating to land held for future development reflecting current market conditions in 2017-18.
40. The increase is due to the tax effect of revaluation of assets.
41. The decrease reflects timing and amount of operating payments reflecting development activity.
42. The decrease is due to catalyst loan funding recorded as non-current liability.
43. The decrease is due to the tax effect of revaluation of assets.
44. The increase is due to increase in development activity in accordance with the development programs and catalyst loan funding

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

45. The decrease reflects the ongoing funding for the Catalyst Infrastructure Program and revised schedule of development activity.
46. The increase reflects forecast increased development activity in accordance with the development programs.
47. The increase is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans.
48. The decrease is due to sale of leasehold land.
49. The increase is due to the tax effect of revaluation of assets.
50. The increase reflects timing and amount of operating payments reflecting development activity.
51. The decrease is due to movement in tax liability.
52. The decrease is due to lower amount of infrastructure contributions held.
53. The increase is due to increase in development activity in accordance with the development programs and catalyst loan funding.

Cash flow statement

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

54. The decrease is due to the lower than budgeted land sales.
55. The increase is due to interest on catalyst loans.
56. The decrease is due to lower than budgeted development costs.

57. The increase is due to the timing of the payment of tax equivalents.
58. The decrease is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans, resulting from longer than expected project timeframes.
59. The decrease is due to adjusted development activity as a result of changing market conditions.
60. The decrease is due to delayed funding of Catalyst Infrastructure Program loans resulting from longer than expected project timeframes.
61. The decrease is part of overall debt management strategy.

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

62. The decrease is due to than lower budgeted land sales.
63. The increase is due to the funding of budgeted costs related to obligations for the Commonwealth Games (GC2018) development agreement.
64. The increase is due to interest earned on higher than budgeted cash balances and catalyst loans.
65. The decrease is due to lower than budgeted development costs.
66. The increase is due to higher loan interest from borrowings funding infrastructure investment.
67. The increase is due to the timing of the payment of tax equivalents.
68. The increase is due to expected conversion of freehold land leases.
69. The decrease is mainly due to finalisation of Commonwealth Games (GC2018) construction program.
70. The decrease is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans, resulting from longer than expected project timeframes.
71. The decrease is due to forecast development activity in accordance with the development programs.
72. The decrease is due to delayed funding of Catalyst Infrastructure Program loans resulting from longer than expected project timeframes and finalisation of Commonwealth Games (GC2018) construction program.
73. The decrease is part of overall debt management strategy.

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

74. The increase is due to higher sales revenue from new and existing projects.
75. The increase is due to the funding of budgeted costs related to obligations for the Commonwealth Games (GC2018) development agreement.
76. The increase is due to interest on increased catalyst loans.
77. The increase is mainly due to a revised schedule of development activity in accordance with the development programs.
78. The increase is due to higher loan interest from borrowings funding infrastructure investment.
79. The decrease is due to the timing of the payment of tax equivalents.
80. The increase is due to expected conversion of freehold land leases.
81. The decrease is mainly due to finalisation of Commonwealth Games (GC2018) construction program.
82. The decrease is due to revised funding forecast for the Catalyst Infrastructure Program and catalyst loans.
83. The decrease is due to forecast development activity in accordance with the development programs.
84. The decrease is due to delayed funding of Catalyst Infrastructure Program loans resulting from longer than expected project timeframes and finalisation of Commonwealth Games (GC2018) construction program.
85. The increase is due to a forecast debt repayments from land sales and catalyst charges.

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: • 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
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Service Delivery Statements

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