

Question on Notice

No. 319

Asked on 8 March 2006

MRS MENKENS asked the Minister for Transport and Main Roads (MR LUCAS)—

QUESTION:

With reference to budgeted and approved capital works for each department, agency and portfolio entity administered by him –

- (1) What capital works projects are running behind schedule or have not been commenced or completed to date (reported separately according to name and location)?
- (2) Of the projects listed in (1), what is the amount expended to date and what level of expenditure is still budgeted to complete each project?
- (3) For each of the projects listed in (1), what is the revised completion date and the corresponding reason why?

ANSWER:

I thank the Member for Burdekin for the question.

Main Roads

I refer the honourable member to the response to Question on Notice 188 by the former Coalition Minister for Transport and Main Roads regarding major variations in the capital program (21/4/97).

In accordance with established procedures referred to by the honourable member above, details of overall roads program delivery performance are published every year. For the 2005-06 financial year, these will be published in the 2006-07 to 2010-11 RIP to be released later this year.

The five-year rolling program identifies funding for projects in years one and two that is firm, with years three to five indicative for planning purposes. Last year, the Beattie Government delivered another record five year program of \$10.5 billion - an increase of \$2.5 billion or 31% on the 2004 Roads Implementation Program, and a doubling the amount (\$5.2billion) that was in place when this government came to power.

The Roads Implementation Program (RIP) reflects clear and open statements of what road projects the state government intends to do – subject to normal roads engineering risks (for example, geological and climatic conditions; land acquisition, environmental, cultural heritage issues; results of community consultation and industry market forces.)

There are over 2,700 Main Roads projects published in the 2005-06 to 2009-10 RIP, with some 1,600 of these incurring expenditure in the 2005-06 financial year.

Queensland is the only state or territory government that provides a five-year rolling plan of what it intends to do on the roads front. The RIP allows local government, industry and the community to plan ahead with confidence. Main Roads' public consultation processes

provide extensive opportunities for local communities to influence thinking at all stages of road construction – planning, design and project delivery.

The performance by Main Roads against a range of performance indicators and established targets for roads programs development and delivery, is published each year in the "Performance Indicators and Established Targets for the Roads Program" section of the annual RIP. (See Appendix 6 in the current RIP.)

With respect to delivery of roads projects, the relevant indicators provide a summary of the proportion of the number of projects (greater than \$1m):

- for which construction commenced within four months of the programmed commencement date
- completed within 10% of the programmed construction period.

In both of these cases, the departmental target is for 90% of projects to meet these parameters. Over recent years, a result of approximately 85% has been achieved for both of these measures.

As noted above, a myriad of factors can affect programmed commencement dates and construction periods. These include geological and climatic conditions; land acquisition, environmental, cultural heritage issues; results of community consultation and industry market forces. In particular, the recent cyclone event in north Queensland would be expected to have a delaying effect on the delivery of projects in that part of the state. However, the state-wide program management arrangements employed by Main Roads allows road projects in other areas of the state to be accelerated in order to offset unforeseen delays elsewhere.

Queensland Transport

The response to this Question on Notice has been prepared taking into account those works with a total estimated cost of over \$10m as described in the 2005-06 Capital Statement.

As well, the response does not include projects which are on track to be completed in accordance with the planned completion date at the point of publishing the 2005-06 budget and projects with less than \$1M left to spend.

Several of the under expenditures for 2005-06 are in long term rolling programs where initial estimates of expenditure are made pro-rata and actual expenditure profiles are developed during the life of the program.

The detailed response which has been provided by Queensland Transport is outlined below.

I am advised that the major contributing factors resulting in revised completion dates for projects listed below relate to various combinations of property settlement issues, scope changes arising from community consultation or value engineering considerations, resource shortages in various industry sectors and unforeseen design and construction complexities.

Queensland Transport

Capital Works Project or Program (by name and location)	Expenditure to Date (February 2006) \$M	2005-06 Budget \$M	Remaining Budget (including 2005-06 Budget) \$M	Comment
South East Queensland - Bus Infrastructure Rolling Program in SEQ	15.07	15.00	44.93	Delayed due to development approval requirement and land acquisitions. The ongoing program will be delivered within the indicative timeframe.
Maroochy - Sunshine Coast Bus Priority / High Occupancy Vehicle program	0.00	2.5	39.75	Project dependant on Caloundra – Maroochydore Public Transport Study (CMPTS) which is expected to be completed mid 2006. Construction activity will commence in 2006-07.
South East Queensland - Translink station upgrade program	0.00	1.00	160.41	Planning has commenced and the ongoing program will be delivered within the indicative timeframe.
South East Queensland - SEQ Cycle Network program	0.00	4.00	115.68	Although the commencement of construction has been delayed the ongoing program over the next four years will be fully expended within the indicative timeframe.

Queensland Rail

Capital Works Project or Program (by name and location)	Expenditure to Date (February 2006) SM	2005-06 Budget SM	Remaining Budget (including 2005-06 Budget) SM	Comment
Brisbane - EMU Re-engineering & Overhaul	47.77	10.08	21.03	Unavailability of rollingstock due to higher utilisation rate than initially forecast, with utilisation decreasing slightly with the introduction of new rollingstock in 2008-09 Revised completion date 2008-09.
Brisbane - Citytrain Disabled Access Compliance works	32.2	6.16	10.77	Platform constraints, consultation and other infrastructure constraints. Disabled access compliance works in progress. Revised completion date 2006-07. Further works to comply with disability standards for 2007 will be completed by 2007-08. In total on this and other related projects, \$19.2m is forecast to be spent on Citytrain disabled access works during 2005-06.

Port Authorities

Capital Works Project or Program (by name and location)	Expenditure to Date (February 2006) SM	2005-06 Budget SM	Remaining Budget (including 2005-06 Budget) SM	Comment
Port of Gladstone - RG Tanna Coal Terminal Expansion - Third Dump Station	8.26	28.00	27.35	Difficulties in finding available contractors at reasonable price. Three tender applications submitted, with one suitable applicant. Negotiations for this contract have been finalised with works expected to be completed in December 2006. (Original completion date was July 2006). CQPA currently negotiated to accelerate current project table by 2 months. There is a significant shortage of construction contractors and skilled workforce which has lead to the delays in finalising central Queensland construction projects.
Port of Gladstone - RG Tanna Coal Terminal Expansion - Third Shiploader	27.45	37.00	74.52	Contingent on completion of Third Dump Station. Revised completion date 2006-07
Port of Abbot Point - Abbot Point Expansion Stage 2	3.53	50.00	112.47	Following thorough review of the commercial business case for this expansion, approval was granted in March 2006. Revised completion date 2006-07.
Cairns Airport - Airport International Baggage Reclaim Hall	0.77	10.80	16.23	Lack of competitive tenders. Those received were either non-conforming tenders or were not considered value for money. Project was deferred, now likely to be bundled with other planned airport projects in order to attract better offers. Completion date 2007-08.

Capital Works Project or Program (by name and location)	Expenditure to Date (February 2006) \$M	2005-06 Budget \$M	Remaining Budget (including 2005-06 Budget) \$M	Comment
Port of Brisbane - Hamilton /Eagle Farm Commercial Operations	28.01	38.96	56.64	Planning approvals being finalised. Revised completion date 2010-11.
Port of Brisbane - Terminals 4, 5 and 6	0.00	3.00	34.30	Construction design and timetable negotiated with stevedores to best suit their operations. Scheduling issues with accessing terminals, area concurrently used by stevedores for operations while works are ongoing. Awaiting agreement from stevedore before works can commence. Expect some works to be undertaken before June 2006. Revised completion date 2010-11.
Port of Brisbane - Port Central	0.99	5.00	43.00	Master plan finalisation pending. Revised completion date 2010-11.
Port of Brisbane - Colmslie Precinct Developments	6.33	9.40	18.50	Construction progressing as requested by market / clients. Revised completion date 2007-08.
Port of Brisbane - Lytton Industrial Estate	0.05	2.50	17.70	Construction progressing as requested by market / clients. Revised completion date 2008-09.
Port of Brisbane - Whyte Island Site Preparation	0.26	10.00	11.00	Delays in negotiations with tenant. Revised completion date 2006-07.