Queensland State Budget Overview

<table>
<thead>
<tr>
<th>Item</th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Growth</td>
<td>0.8%</td>
<td>2.4%</td>
<td>2.75%</td>
<td>2.75%</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>6.5%</td>
<td>6.4%</td>
<td>6.25%</td>
<td>6.25%</td>
</tr>
<tr>
<td>Inflation</td>
<td>1.9%</td>
<td>1.6%</td>
<td>1.75%</td>
<td>2%</td>
</tr>
<tr>
<td>Transport and Roads Capital Expenditure incl capital grants</td>
<td>$4.81 billion</td>
<td>$3.93 billion</td>
<td>$4.39 billion</td>
<td>$3.89 billion</td>
</tr>
<tr>
<td>Transport and Roads Capital Expenditure Budget**</td>
<td>$4.6 billion</td>
<td>$3.72 billion</td>
<td>$4.05 billion</td>
<td>$3.65 billion</td>
</tr>
<tr>
<td>Transport and Roads Capital Expenditure Est. Actual**</td>
<td>$3.2 billion</td>
<td>$2.97 billion</td>
<td>$3.4 billion</td>
<td>N/A</td>
</tr>
<tr>
<td>Government Revenue</td>
<td>$49.7 billion</td>
<td>$51.0 billion</td>
<td>$56.4 billion</td>
<td>$55.9 billion</td>
</tr>
<tr>
<td>Government Expenditure</td>
<td>$49.2 billion</td>
<td>$50.0 billion</td>
<td>$53.6 billion</td>
<td>$55.7 billion</td>
</tr>
<tr>
<td>Net Operating Balance</td>
<td>$0.5 billion</td>
<td>$1.0 billion</td>
<td>$2.8 billion</td>
<td>$0.2 billion</td>
</tr>
</tbody>
</table>

* including ports  ** including ports, excluding capital grants

Summary

✓ The Queensland Government announced it would fully fund the $5.4 billion Cross River Rail project. This is a vital piece of infrastructure that will provide a second river crossing to address the capacity constraints at the Merivale Bridge.

✗ Despite the welcome announcement of a fully-funded Cross River Rail, it was nonetheless a disappointing Budget for Queensland roads and transport. The 2017-18 State Budget will result in Queensland motorists paying more for vehicle registration and driver licence fees, while receiving less back in State capital road investment over the next twelve months.

✗ Budgeted capital for roads and transport in 2017-18, including ports and capital grants, is $3.89 billion. This is 11% less (in nominal terms) than the amount budgeted in 2016-17 ($4.39 billion). Budgeted capital for roads and transport excluding capital grants in 2017-18 is $3.65 billion. This is 10% less than the amount budgeted in 2016-17 ($4.05 billion). This drop in State capital investment over the next twelve months will see budgeted capital funding for transport and road infrastructure fall to the lowest level in twelve years (see Chart 1).

Chart 1: Queensland Government budgeted transport and road capital funding*
Planned capital expenditure is low and actual spending is even lower. Around $640 million of the 2016-17 $4.39 billion in capital funding budgeted for transport and roads, including capital grants and ports, went unspent last year. Excluding capital grants, $621 million of the 2016-17 capital funding budgeted for transport and roads ($4.05 billion) was not spent last year. Large amounts also went unspent in the two years prior to this.

Chart 2: Budgeted versus actual capital expenditure*

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget ( billions)</th>
<th>Est. Actual ( billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>$4.60</td>
<td>$3.20</td>
</tr>
<tr>
<td>2015-16</td>
<td>$3.72</td>
<td>$2.97</td>
</tr>
<tr>
<td>2016-17</td>
<td>$4.05</td>
<td>$3.40</td>
</tr>
</tbody>
</table>

*Includes ports and excludes capital grants

Budgeted maintenance funding in 2017-18 is $1.18 billion. This is a 20% increase on the 2016-17 budget of $986 million.

The four-year Queensland Transport and Road Investment Program (QTRIP), released in conjunction with the Budget, has total transport funding at almost $21 billion over the next four years. In the 2017-18 to 2020-21 QTRIP year 1 funding is $4.32 billion. This is 8% less than year 1 funding in the previous 2016-17 to 2019-20 QTRIP of $4.69 billion.

The new QTRIP four-year total of almost $21 billion is an increase of $1 billion over the previous four-year QTRIP. However despite the bigger four-year total, funding is being pushed out into the later years. The 2016-17 to 2019-20 QTRIP was forecasting total road and transport funding of $5.79 billion for 2017-18. The actual funding for 2017-18 in the latest QTRIP is $1.47 billion less, at $4.32 billion.¹

There was continued funding for a number of key projects, including the Bruce and Warrego Highway upgrades, the Pacific Motorway improvements and the Toowoomba Range Crossing.

The RACQ had been asking the Government to fund key rail level crossing upgrades in conjunction with the Brisbane City Council and was disappointed that no funding was allocated for this. There was also no funding for another RACQ priority project, the Beerburrum to Nambour Rail Upgrade.

Queensland motorists will pay more for vehicle registration and driver licences. These fees will increase by 3.5% on 1 July 2017. From 2019-20 the Government will limit registration, driver licence fees and associated fees to a CPI increase.

¹ This can be the result of a number of factors, including changes to the timing of Federal contributions, natural disasters, project savings, project delays and lower tender costs. In 2016-17 some of the specific factors impacting spending included a softening in the construction sector, Cyclone Debbie, and the decision not to accept Next Generation Rollingstock until design issues are resolved.
Taxes and Charges

Vehicle Registration

From 1 July 2017 vehicle registration and the associated traffic improvement fee will increase by 3.5%. This is nearly double Brisbane’s 2017 March quarter inflation rate of 1.8% and it follows an increase of 3.5% last year and 3.5% the year prior.

Table 1: Queensland vehicle registration costs from 1 July 2017 (including the traffic improvement fee)

<table>
<thead>
<tr>
<th>Cylinders</th>
<th>Cost 1 July 2016</th>
<th>Cost 1 July 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,2,3 cylinders or electric car</td>
<td>$288.20</td>
<td>$298.30</td>
</tr>
<tr>
<td>4 cylinder</td>
<td>$352.30</td>
<td>$364.65</td>
</tr>
<tr>
<td>5 or 6 cylinder</td>
<td>$527.30</td>
<td>$545.80</td>
</tr>
<tr>
<td>7 or 8 cylinder</td>
<td>$717.50</td>
<td>$742.65</td>
</tr>
</tbody>
</table>

A Queensland car registration bill consists of three components:

- Base registration fee (revenue goes to government)
- Traffic improvement fee (revenue goes to government)
- Compulsory Third Party (CTP) insurance charge (revenue goes to the insurance provider).

Once CTP is included, from July 2017 it will cost $717.25 to register a four-cylinder car, $898.40 to register a six-cylinder car and $1095.25 for an eight-cylinder car.

In the 2017-18 Budget the Queensland Government announced it would restrict registration, driver licence and associated fees to a CPI increase. This will take effect from 2019-20.

Motor vehicle registration is one of the highest single tax takes administered by the State. In 2017-18 it will contribute 13.1% of total Queensland Government taxation revenue. Queensland Government revenue from motor vehicle registration is forecast to grow by 3.6% in 2017-18, from $1.68 billion to $1.74 billion. This growth is depicted in Chart 3.

Chart 3: Queensland Government vehicle registration revenue 2000-2001 to 2017-2018
$ millions (excludes traffic and transport fees and CTP)

Source: Historical QLD Government State Budget Papers (back to 2002); QLD Government State Budget 2017-18: Budget Paper No. 2 Budget Strategy and Outlook p 82

2 The CTP charge includes a levy for the National Injury Insurance Scheme (NIIS).
Drivers Licence

From 1 July 2017 the fee structure for driver licences in Queensland will increase by 3.5%. This follows an increase of 3.5% last year and the year prior. Licence costs are shown in Table 2:

Table 2: Queensland driver licence fees

<table>
<thead>
<tr>
<th>Licence duration</th>
<th>Cost 1 July 2016</th>
<th>Cost 1 July 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year licence</td>
<td>$73.70</td>
<td>$76.25</td>
</tr>
<tr>
<td>2 year licence</td>
<td>$102.70</td>
<td>$106.30</td>
</tr>
<tr>
<td>3 year licence</td>
<td>$127.10</td>
<td>$131.55</td>
</tr>
<tr>
<td>4 year licence</td>
<td>$147.05</td>
<td>$152.20</td>
</tr>
<tr>
<td>5 year licence</td>
<td>$165.00</td>
<td>$170.75</td>
</tr>
</tbody>
</table>

RACQ insights

Queensland has among the highest registration fees in Australia. In the last three years Queensland motorists have been hit with registration and drivers licence increases in excess of 10%. This is more than double the rate of inflation.

From 2019-20 increases to registration and driver licence fees will be capped at CPI. In the meantime, it is expected that they will continue to rise by 3.5% per annum for another two years.

The RACQ has been asking the Queensland Government to freeze vehicle registration charges on private-use vehicles for three years and we will continue to lobby for this.

Vehicle Registration (Stamp) Duty

Vehicle Registration (Stamp) Duty remained unchanged with rates of between 2% and 4% applied to the GST-inclusive price of a car. The Queensland stamp duty rate varies depending on the number of cylinders of the vehicle:

- 2% for hybrid vehicles
- 3% for 4 cylinder vehicles
- 3.5% for 6 cylinders
- 4% for 8 or more cylinder vehicles.

In the 2017-18 Budget the State Government is forecasting revenue of $537 million, an increase of 4% on the $516 million in vehicle stamp duty collected during 2016-17.

RACQ insights

Both the RACQ and the national motoring body, the Australian Automobile Association (AAA), have advocated for the removal of motor vehicle stamp duty.

Stamp duty involves large compliance costs and is a tax inconsistently levied on a narrow base. This results in a net loss of economic value and adds to the 'efficiency cost' of taxation.² For example, stamp duty is applied to cars and property, but not to the purchase of computers or washing machines.

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² A net loss of economic value often occurs when taxes are implemented. If the tax affects relative prices and affects individuals’ incentives and encourages a shift to different activities or goods, this is referred to as the ‘efficiency cost’ of taxation. Efficiency costs associated with tax will be lower where revenue is raised across a broad base and conversely higher where revenue is raised across a narrow base. Australian Treasury, Architecture of Australia’s tax and transfer system, 2008 pp174-175.
In Queensland, stamp duty adds $1,400 to the purchase of a $40,000 six-cylinder car. Removing stamp duty on motor vehicles would reduce purchase prices and reduce the disincentive to turn over vehicles. This would lead to a safer, more fuel-efficient vehicle fleet.

Road Safety

Targeted road safety programs will receive $128 million in 2017-18 as part of a $538 million allocation over four years. Money allocated for road safety across Queensland includes funding for Safer Roads Sooner and the Safety Mass Action programs, and the Black Spot Program. A number of safety education and awareness programs will continue to receive funding under the Camera Detected Offence Program and the Government will keep rolling out flashing school zone signs across Queensland.4

A lower Queensland road toll is forecast in 2017-18. DTMR estimates that total road fatalities per 100,000 population will be 4.7 in 2017-18, down from 5.43 in 2016-17 and 4.93 in 2015-16.5

RACQ insights

It is vital that funding for Queensland roads be maintained. Queensland's road toll is currently at 103 fatalities for 2017. This is five less than at the same time last year.

Every single one of these fatalities is a tragedy that affects many other people – including family members, friends and communities whose lives will be forever changed. We need to continue our efforts to reduce road trauma on Queensland's roads.

Speed and Red Light Camera Revenue

Net revenue from camera detected offences (speed and red light cameras) is used to fund road safety programs. This is legislated under the Transport Operations (Road Use Management) Act 1995. The Act requires that money collected for penalties imposed for camera detected offences, in excess of the administrative costs, must be used for specific road safety purposes.

In 2017-18, a large portion of the $128 million allocated for road safety programs will come from the Camera Detected Offence Program (CDOP).

The latest data available shows that under the CDOP in 2015 there were:

- 30,379 red light camera infringements
- 664,298 mobile speed camera infringements
- 178,609 fixed speed camera infringements
- point-to-point speed camera infringement - for 2015, the point-to-point camera system was not in operation due to roadworks on that section of road.6

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4 In 2015 the Government announced its plan to deliver flashing school zone signs at 300 new zones across Queensland over the next three years.
5 State Budget 2015-16 Service Delivery Statement: Department of Transport and Main Roads, p11; State Budget 2016-17 Service Delivery Statement: Department of Transport and Main Roads, p10; State Budget 2017-18 Service Delivery Statement: Department of Transport and Main Roads, p11
The Department of Transport and Main Roads (DTMR) does not appear to publish total revenue collected from all traffic-related fines; however revenue from the CDOP is published and itemised separately in DTMR annual reports. The most recent published data shows that in 2015-16 revenue from Queensland’s CDOP was $161 million and net revenue $101 million. Revenue going back to 2009 is shown in Chart 8.

**Chart 8: Camera Detected Offence Program revenue 2009-10 to 2015-16 ($’000)**

Source: Department of Transport and Main Roads (DTMR) Annual Reports going back to 2009
In 2015-16 net revenue from the CDOP was used to fund:

- Road accident injury rehabilitation programs ($4.5 million)
- Improvements to the safety of state-controlled roads ($100.3 million)
- Road safety education and awareness ($16.1 million)
- RACQ DocuDrama ($240,000)
- Prevent alcohol and risk-related trauma in youth (PARTY program) at Royal Brisbane and Women’s Hospital ($1.1 million).\(^7\)

**RACQ insights**

While net revenue from camera detected offences is used to fund road safety programs, RACQ urges motorists to obey the road laws and not risk being fined.

The RACQ works with Government to ensure that speed and red light cameras are installed at legitimate locations where the geography and terrain can’t unfairly penalise motorists.

### Road and Transport Funding

Budgeted capital for roads and transport in 2017-18, including ports and capital grants, is $3.89 billion. This is 11% less (in nominal terms) than the amount budgeted in 2016-17 ($4.39 billion).

Excluding capital grants, the 2017-18 Queensland State Budget provides $3.65 billion in capital for transport and road infrastructure.\(^8\) This consists of $2.11 billion for roads, $1.31 billion for rail and $153 million for ports. The remainder (approximately $77 million) goes to other transport infrastructure, including buses and cycling.

The 2017-18 $3.65 billion investment is 10% less than the budgeted amount for 2016-17 of $4.05 billion.\(^9\) This drop in State capital investment over the next twelve months will see budgeted capital funding for transport and road infrastructure fall to the lowest level in twelve years (refer to Chart 1).

Budgeted maintenance funding in 2017-18 is $1.18 billion. This is a 20% increase on the 2016-17 budget of $986 million.

Additional funding provided in 2017-18 includes other funding under the State Infrastructure Fund yet to be incorporated into individual department forward estimates.

Last year $621 million of the capital funding budgeted across the Transport and Main Roads portfolio went unspent ($640 million if you include capital grants).\(^10\)

In the previous year $750 million was not spent and in 2014-15 more than $1 billion in budgeted capital for transport infrastructure did not eventuate (refer to Chart 2).

**RACQ insights**

Annual budgeted capital funding for transport and road infrastructure has fallen to the lowest level in twelve years. The funding has not kept up with inflation, nor is it adequate to improve productivity or cater for population growth.

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\(^7\) Department of Transport and Main Roads *Annual Report 2015–16* pp257. The amount spent in 2015-16 includes expenditure from prior year surpluses.

\(^8\) State Budget 2017-18 *Budget Paper 3 Capital Statement*, p21. This excludes capital grants.

\(^9\) These figures exclude Capital Grants

\(^10\) Includes ports
The 2016-17 under-spend on roads and transport is a disappointing and recurring theme. If road and transport upgrades are delayed, there are no jobs, congestion or safety benefits. It is RACQ’s understanding that in 2016-17 some of the factors contributing to the under-spend were a softening in some project costs, project delays and changes in the timing of Federal contributions, Cyclone Debbie, and the decision not to accept Next Generation Rollingstock until design issues are resolved.

State Infrastructure Fund (SIF)

The State Infrastructure fund contains $2.2 billion to fund priorities in both the State Infrastructure Plan and Building Queensland’s Infrastructure Pipeline. It includes an $850 million allocation for Cross River Rail. It also includes:

- $300 million towards the Priority Economic Works and Productivity Program
- $180 million towards the Significant Regional Infrastructure Projects Program
- $20 million towards Maturing the Infrastructure Pipeline
- $200 million for the Works for Queensland program to address high unemployment rates in the regions
- $650 million for future projects including committed funding for the Pacific Motorway Upgrade between Mudgeeraba and Varsity Lakes.

Funding from the SIF has also been allocated towards the following transport infrastructure projects:

- $88.4 million (part of the $200 million state contribution) towards the $400 million Ipswich Motorway, Rocklea to Darra, (Stage 1) project, in partnership with the Australian Government
- $42 million as the state contribution towards the Pacific Motorway / Gateway Motorway merge upgrade (southbound lanes), in partnership with the Australian Government
- $40 million for the Dawson Highway (Gladstone-Biloela), timber bridge replacement package
- $30 million for Riverway Drive duplication, Gollogly Lane to Allambie Lane, Townsville
- $22 million for Kawana Way and Nicklin Way (Sunshine Coast University Hospital intersection upgrades package)
- $10 million for the Rockhampton Road Train Access (Stage 1) project.

Queensland Transport and Roads Investment Program

QTRIP 2017-18 to 2020-21 was released in conjunction with the 2017-18 Queensland State Budget. It itemises funding for various roads and transport projects over the four years commencing 2017-18.

Total four-year funding for transport and roads in Queensland is almost $21 billion. In year 1 of the 2017-18 to 2020-21 QTRIP, funding is $4.32 billion. This is 8% less than year 1 funding in the previous 2016-17 to 2019-20 QTRIP of $4.69 billion.

The new QTRIP total of $21 billion is an increase of $1 billion from the 2016-17 to 2019-20 QTRIP. However despite the bigger four-year total, funding is being pushed out into the later years. The 2016-17 to 2019-20 QTRIP was forecasting total road and transport funding of $5.79 billion for 2017-18. This is $1.47 billion more than the funding for 2017-18 in the latest QTRIP, of $4.32 billion.

Funding for Cross River Rail has not been included in the 2017-18 to 2020-21 QTRIP because Cross River Rail comes under the umbrella of an independent authority, The Cross River Rail Delivery Authority (CRRDA).

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11 State Budget 2017-18 Budget Paper 3 Capital Statement, p3
RACQ insights

The RACQ is disappointed that in moving from one edition of QTRIP to the next, $1.47 billion in road and transport funding for 2017-18 has disappeared.

There is a danger that as QTRIP funding gets pushed out from year to year, we may never see it eventuate.

Key Road Project Funding

There is $5.59 billion in joint funding planned over four years for the Bruce Highway as part of the combined $8.5 billion, 10-year deal between the Queensland and Australian Governments to fund safety, flood mitigation and capacity works. Funding in 2017-18 is $510 million, including an allocation of $120 million to duplicate the Bruce Highway between Caloundra Road and Sunshine Motorway.¹²

Other key road funding commitments outlined in the 2017-18 Queensland Budget and QTRIP include:

- $252.5 million towards the Toowoomba Second Range Crossing, totalling $1.606 billion
- $236.3 million towards the Gateway Motorway North six laning, totalling $1.143 billion
- $105 million to undertake restoration works under Natural Disaster Relief and Recovery Arrangements
- $70 million towards construction of Mackay Ring Road (Stage 1), total estimated $497.8 million
- $39.7 million to complete upgrading of various Gold Coast roads in preparation for Commonwealth Games, totalling $160.7 million
- $44.4 million to duplicate the Warrego Highway, Charlton to Kingsthorpe, totalling $160 million
- $36 million to construct additional lanes on Stage 1 of the Ipswich Motorway between Rocklea to Darra, totalling $400 million
- $5 million towards duplicating the Capricorn Highway between Rockhampton and Gracemere, totalling $75 million
- $18.6 million to construction additional lanes on the Pacific Motorway between Mudgeeraba and Varsity Lakes
- $10 million to upgrade the Pacific Motorway/Gateway Motorway merge
- $16 million to seal sections of the Kennedy Developmental Road between Hughenden and The Lynd, totalling $50 million
- $16.3 million to replace the bridge and approaches for flood immunity at Cape River on the Gregory Developmental Road, totally $34.6 million
- $16.8 million to replace timber bridges on the Dawson Highway, totalling $40 million under our State Infrastructure Fund
- $39.1 million to continue upgrades to Peninsula Developmental Road as part of the $260.5 million Cape York Regional Package
- $500,000 to continue preliminary design of the $150 million Walkerston Bypass, on the Peak Downs Highway west of Mackay

¹² Queensland Government media release Record spend two years in a row on road and transport projects 13 June 2017
- $4 million towards the $20 million Mount Lindesay Highway upgrades between Browns Plains and Beaudesert, with a further $20 million state funding committed to widen the highway to four lanes between Rosia Road and Stoney Camp Road
- $70 million for the local network Transport Infrastructure Development Scheme (TIDS). TIDS funding is used by local councils to deliver necessary upgrades.

**RACQ insights**

We welcome the funding for these projects and the continued commitment to the Bruce and Warrego Highway improvements, the Toowoomba Range Crossing and the Pacific Motorway upgrades.

The RACQ had asked the Queensland Government to commit funding for some key level crossing upgrades (in conjunction with the Brisbane City Council) and was disappointed that none was forthcoming.

**Rail, Bus and Cycling Transport Funding**

The Queensland Government has committed to fully funding the $5.4 billion Cross River Rail project, with funding of $2.8 billion allocated over the forward estimates. Analysis by the Infrastructure Association of Queensland suggests the likely project expenditure over the next four years is:  \(^{13}\)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>$129 million</td>
<td>$781 million</td>
<td>$1.061 billion</td>
<td>$829 million</td>
</tr>
</tbody>
</table>

Other rail, bus and cycling funding for 2017-18 in the Budget includes:

- $233.5 million to deliver Gold Coast Light Rail Stage 2
- $14.4 million upgrade of the Helensvale Bus Facility
- $36 million to revitalise and modernise Brisbane's Central Station
- $29.7 million for implementation of European Train Control System Level 2 in the Brisbane Inner City Network.
- $24.5 million to continue track and tunnel upgrades between Brisbane and Toowoomba to cater for growing demand.
- $23.5 million to continue the duplication of the Gold Coast Line between Coomera and Helensvale
- $18.3 million towards upgrades at Alderley, Morayfield, Newmarket, Graceville, Dinmore, Strathpine and Boondall Stations.
- $18.6 million cycling investment for state controlled and $17 million in capital grants to local councils, including funding for Veloway V1 Section D
- Delivery of Stage 1 of the Murarrie Park and Ride and progression of planning and design of other Park and Ride facilities across a number of locations
- $407 million is provided to deliver and upgrade passenger rail infrastructure and rollingstock across Queensland.  \(^{14}\)

**RACQ insights**

The RACQ welcomes the Queensland Government’s decision to fund Cross River Rail. The RACQ has lobbied hard to try to get this project funded. This is a vital infrastructure project that will provide a second river crossing and add rail capacity in inner Brisbane.

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\(^{13}\) IAQ 2017-18 Queensland Budget Statement 13 June 2017

\(^{14}\) It is RACQ’s understanding that this is largely expenditure carried over from 2016-17
No funding was forthcoming for another RACQ priority project, the Beerburrum to Nambour Rail Upgrade. This project is also on Building Queensland’s Priority List.

Community Resilience Fund and Local Government

The $375 million Building our Regions program provides funding to local governments for critical infrastructure in regional areas - supporting jobs, fostering economic development and improving liveability in regional communities. It is expected that during 2017-18, $111 million of capital grants will be paid to successful applicants.15

The Budget also includes $5.6 million for the Community Resilience Fund to support disaster mitigation projects and $29 million for the Local Government Grants and Subsidies Program (LGGP).16

Congestion

The State Budget 2017-18 Service Delivery Statements show little change in congestion measures. During the morning traffic peak the average travel time (minutes per 10km) in 2016-17 was 11.3. The forecast for 2017-18 is unchanged at 11.3. In the afternoon / evening peak, the 2017-18 travel time is predicted to be 11.9 (in 2016-17 it was also 11.9).17

The percentage of the road network with reliable travel times is forecast at between 72% - 78% in peak periods in 2017-18. As expected, this is well under the forecast of 89% during off-peak travel times.18

RACQ insights

Brisbane has the highest congestion growth rate of any Australian capital city other than Perth.

In 2015 delays in Brisbane caused by congestion were estimated to cost $2.3 billion. This cost is expected to reach between $4.1 and $5.9 billion by 2030.19

Public Transport Trips

The State Budget Papers outline an expected 2.3% increase in the number of south-east Queensland public transport trips to 182.12 million trips in 2017-18, up from 177.94 million trips in 2016-17.20 The average cost of public transport subsidies is forecast to rise 9% from $7.07 per trip in 2016-17 to $7.73 in 2017-18.21

RACQ insights

RACQ expects the level of public transport subsidies to increase further as the cost of delivering Cross River Rail ramps up.

Contact: RACQ Public Policy Department
Ph: 07 3872 8920

15 State Budget 2017-18 Budget Paper 3 Capital Statement, p7
16 State Budget 2017-18 Budget Paper 3 Capital Statement, p70
17 State Budget 2017-18 Service Delivery Statements: Department of Transport and Main Roads, p7
18 State Budget 2017-18 Service Delivery Statements: Department of Transport and Main Roads, p7
20 2017-18 Queensland State Budget Service Delivery Statements: Department of Transport and Main Roads p15
21 2017-18 Queensland State Budget Service Delivery Statements: Department of Transport and Main Roads p16