

A. Full responses from agencies

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to the:

- Premier and Minister for Trade
- Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships
- Minister for Transport and Main Roads
- Minister for Innovation and Tourism Industry Development and Minister for Cross River Rail
- Heads of the following entities
 - Department of Transport and Main Roads (DTMR)
 - Queensland Rail Group including Queensland Rail (QR) and Queensland Rail Limited (QRL)
 - Cross River Rail Delivery Authority (CRRDA)
 - Gladstone Ports Corporation Limited (GPC)
 - North Queensland Bulk Ports Corporation Limited (NQBP)
 - Port of Townsville Limited (POTL)
 - Far North Queensland Ports Corporation Limited (trading as Ports North)
- Under Treasurer, Queensland Treasury.

This appendix contains the formal responses we received.

The heads of these agencies are responsible for the accuracy, fairness, and balance of their comments.



Comments received from Director-General, Department of Transport and Main Roads



Queensland
Government

Office of the
Director-General

Department of
Transport and Main Roads

Our ref: DG37311

22 OCT 2019

Mr Brendan Worrall
Auditor-General
Queensland Audit Office
PO Box 15396
CITY EAST QLD 4002

Dear Mr Worrall

Thank you for your email of 8 October 2019 about your proposed report to Parliament titled Transport: 2018–19 results of financial audits.

I note you also wrote to the Honourable Mark Bailey MP, Minister for Transport and Main Roads, about the same matter.

The Cross River Rail Delivery Authority (CRRDA) has been included in the scope of your 2018–19 report, and I understand that Queensland Rail, CRRDA and the port entities have also been given the opportunity to comment on your proposed report.

It is pleasing to see that unmodified audit opinions were provided on the 2018–19 financial statements for each of the transport entities and that the Department of Transport and Main Roads (TMR) continues to lead in the early completion of asset valuations.

A key objective for the Queensland Government is ensuring that government-owned enterprises operate as efficiently as possible and can adapt to changing market conditions. In this regard, the report notes that the ports entities reported a \$97 million dividend despite facing natural disaster recovery challenges due to adverse weather events.

The performance, sustainability and internal control environments of the port entities will continue to be monitored by the Government to ensure continued improvement, prudent investment and the delivery of effective and efficient transport services.

Officers from TMR will continue to work with Queensland Rail, CRRDA and the port entities to support their strategic financial management and continued improvement in their financial reporting.

Specific minor feedback on your report as it relates to TMR, has been provided directly to Mr Vaughan Stemmett of your office.

1 William Street Brisbane
GPO Box 1549 Brisbane
Queensland 4001 Australia

Telephone +61 7 3066 7316
Facsimile +61 7 3066 7122
Website www.tmr.qld.gov.au
ABN 39 407 690 291

The positive working relationship between officers from TMR and QAO is welcomed and has contributed to a cooperative and efficient financial statements process in 2018–19. I look forward to continuing and enhancing this relationship in 2019–20.

If your officers require further information, I encourage them to contact Mr John Mullin, Director (Financial Accounting), TMR, by email at john.mullin@tmr.govt.nz or telephone [04-930-9300](tel:04-930-9300).

I trust this information is of assistance and look forward to receiving your final report.

Yours sincerely



Neil Scales
Director-General
Department of Transport and Main Roads

