

Queensland
Competition
Authority

2021–22

**ANNUAL
REPORT**

Queensland
Competition
Authority

Annual report 2021–22

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Content

HIGHLIGHTS	1	FINANCIAL STATEMENTS	35
ABOUT US	2	Statement of comprehensive income	37
Economic context	2	Statement of financial position	38
Our board	4	Statement of changes in equity	39
Senior staff	5	Statement of cash flows	40
Chair’s introduction	8	Notes to and forming part of the financial statements	41
CEO’s message	9	Certificate of Queensland Competition Authority	53
PROJECTS IN 2021–22	11	Independent auditor’s report	54
Retail electricity prices 2022–23	12	GLOSSARY	57
South East Queensland electricity market monitoring	12	APPENDICES	59
Seqwater bulk water pricing 2022–26	12	Appendix A: Letter of compliance	60
Access undertakings	13	Appendix B: Compliance checklist	61
Product development	15	Annual report access	63
Ongoing regulatory work	16		
CORPORATE MATTERS	17		
Corporate governance	18		
Projects undertaken in 2021–22	22		
Our people and workforce profile	27		
OUR PUBLICATIONS	31		
Publications released and submissions received	31		

Highlights

The body of work we completed this year includes:

- a final report on the Seqwater bulk water price review for 2022–26 (page 12)
- a final determination on regulated retail electricity prices in regional Queensland for 2022–23 (page 12)
- an annual market monitoring report of the south east Queensland retail electricity market (page 12)
- a final determination on solar feed-in tariffs in regional Queensland for 2022–23 (page 16)
- a final position paper on the inflation forecasting review (page 15)
- a final report on the rate of return review (page 15)
- a handbook on applying for declaration or revocation of services under Part 5 of the QCA Act (page 15)
- a guideline on the arbitration of disputes related to the Dalrymple Bay Coal Terminal (page 13)
- a decision on Dalrymple Bay Infrastructure Management’s application for a price ruling—the 8X expansion (page 16)

About us

The Queensland Competition Authority (QCA) is an independent statutory body, established in 1997.

Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements.

Economic context

We regulate the market behaviour of a number of monopoly businesses in Queensland.

In a competitive market, a business is constrained by its competitors in the prices it can charge for goods or services. If the price it charges is too high, or service quality is poor, consumers are likely to buy from a competitor at a lower price or who provides better quality. Alternatively, if the business is the only supplier and charges too much, a competitor will likely enter the market offering a lower, but still profitable, price.

However, it is not always possible or sensible to have competition in industries, including many essential services, that require large-scale infrastructure investment. This is because there may only be one possible supplier (e.g. there may be only one possible site for a dam) or it may not be economic to have more than one supplier (e.g. the costs of constructing a new electricity distribution system would simply outweigh the benefits from having competing networks).

In these cases, there may be limited, if any, competitive forces to constrain the behaviour of the business, especially in the provision of energy, transportation or water.

Our role is to prevent the misuse of market power that may arise from a lack of competition.

Responsibilities

The *Queensland Competition Authority Act 1997* (the QCA Act) is the legislation that guides our work.

Monopoly prices oversight

We use pricing and other regulatory arrangements, based on sound economic and commercial principles, to encourage monopoly businesses to operate responsibly in the absence of normal competitive market forces.

Prices oversight ensures monopoly businesses are accountable for the prices they charge for products

and services with a view to preventing those businesses from misusing their market power by charging excessive prices for their products or services.

We may investigate the pricing practices of such monopolies or monitor their pricing practices, depending on the referral from the Treasurer. We only perform these functions on request from the Treasurer.

Where we oversee monopoly prices, consumers can be confident they are paying reasonable prices, while businesses can still earn a reasonable investment return—a beneficial outcome for all.

Third party access

Essential infrastructure that underpins economic activity should be accessible to all potential users.

We regulate third party access to essential infrastructure so as to support competition, by enabling competitors and other users (i.e. 'third parties') to access infrastructure that cannot be economically duplicated, such as rail tracks and ports, on fair and reasonable conditions. For example, in the Queensland rail sector, we ensure track operated by Aurizon Holdings may be used by other train operators. This provides customers, such as coal miners, with options regarding the haulage of their product.

By access on fair and reasonable conditions, competition in related markets may be enhanced.

Competitive neutrality

Competitive neutrality is the principle that a public sector business or agency should not have a competitive advantage (or suffer a disadvantage) over the private sector solely due to being government-owned. Public sector businesses should compete with private sector businesses on an equal (competitively neutral) basis.

We handle competitive neutrality complaints about state and local government business activities.

We advise government agencies about complying with the principle of competitive neutrality. We also receive, investigate and report on complaints about the alleged failures of government agencies to comply with the principle of competitive neutrality.

Ways in which public sector businesses can have competitive neutrality advantages over private sector businesses include:

- being exempt from taxes and charges
- having access to less expensive funds (debt and equity) because of implicit or explicit government guarantees or their government ownership
- being exempt from complying with certain regulations and procedures.

General issues

Apart from the specific responsibilities outlined above, we have a range of general responsibilities. In particular, under section 10(e) of the QCA Act, Ministers can direct us to investigate and report on matters relating to competition and industry.

Responsibilities outside the QCA Act

Our main responsibility outside of the QCA Act is setting regulated electricity prices under the *Electricity Act 1994* (the Electricity Act) for regional Queensland (see page 12).

We also enforce customer protections under the Electricity Distribution Network Code and the Gas Distribution Network Code.

Our board

Our board comprises four members, who are appointed by the Governor in Council, in accordance with the QCA Act. In appointing members, regard is given to their collective knowledge and understanding of commerce, economics, the responsibilities of the QCA, and the interests of consumers and other stakeholders. Board members are appointed for a term of not more than five years.

Chair

Professor Flavio Menezes

Appointment: First appointed in April 2016. Current appointment until September 2025

Flavio Menezes is a Professor of Economics and Director of the Australian Institute for Business and Economics at The University of Queensland (UQ). He is a former president of the Economic Society of Australia (Queensland) and was a member of the advisory board of the federal government's Deregulation Taskforce and an elected member of UQ's Academic Board and its Standing Committee. He is a former Head of School of Economics at UQ, the chair of the Research Evaluation Committee for Economics and Commerce, Excellence of Research in Australia (ERA) in 2018, and a member of the same committee for ERA in 2015.

Professor Menezes is a fellow of the Academy of the Social Sciences in Australia. He is an associate editor of the *Journal of Public Economic Theory* and co-editor of the *Economic Record*. He has published extensively on the economics of auctions, competition and regulatory economics, industrial organisation and market design. Professor Menezes' engagement with industry and government is significant. His experience includes advising the federal government, the AEMC, the ACCC, IPART, and the ACT and Victorian governments on market design issues in regulatory environments. He has also provided economic advice to several private and public organisations on competition and regulatory issues in defence, fisheries, gambling, electricity, oil and gas, banking, health, aged care, disability care, transport, ports, water and telecommunications.

Deputy Chair

Madeline Brennan QC

Appointment: First appointed in April 2016. Current appointment until September 2025

Madeline is a barrister with 25 years' experience as a member of the Queensland bar, as junior counsel (1996–2015) and senior counsel (November 2015).

In 2000, she was a founding member of Roma Mitchell Chambers in Brisbane.

Madeline has had a broad practice, inclusive of consumer protection law, general civil litigation, general administrative law and family law. Madeline's practice currently includes appellate and trial advocacy and advisory work specialising in the areas of administrative law, and taxation and revenue law. Madeline has been involved in significant judicial review litigation (including mineral royalty disputes, review of decisions under the *Environmental Protection Biodiversity Act* (Cth)), and in merits review of a broad range of Queensland state and federal government decisions.

Madeline has served on committees and boards of schools, hospitals and professional institutions. She served for eight years on the Human Research Ethics Committee of the Queensland Institute of Medical Research before her appointment to the QCA in 2016.

Member

Dr Warren Mundy FAICD FRAeS

Appointment: First appointed in June 2018. Current appointment until September 2024

Warren is an advisor and company director who has been working with investors, regulators, providers, and users of a wide range of infrastructure services since 2003.

He was a commissioner at the Australian Productivity Commission from 2009 to 2015 and also served as the Australian Competitive Neutrality Commissioner. He has held executive roles in airport companies in Australia and Europe.

At Airservices Australia, he served on the board for more than five years from 2008, including being the deputy chair for over four years. He was also a member of the Steering Committee for the joint NSW and Commonwealth governments' Sydney Aviation Strategy and continued to advise the Australian Government on Sydney's second airport until the creation of the company to build the airport. Other roles were as a director of VicForests, EISS Super, the Western Community Legal Centre, the National Health Co-operative, James Watt College of Higher and Further Education and the Airports Operators Association (United Kingdom).

Dr Mundy is currently a Special Advisor to the Australian Restructuring, Insolvency and Turnaround Association and a director of the Sydney Desalination Plant and of TransGrid.

Member

Fiona Guthrie AM

Appointment: First appointed in January 2019. Current appointment until September 2024

Fiona is currently the chief executive of Financial Counselling Australia. Financial counsellors provide advice and support to people with money and debt problems.

Fiona has 30 years' experience in consumer advocacy, including a number of years on the executive of the Consumers Federation of Australia. She first became involved in issues affecting consumers, particularly people on low incomes or in vulnerable circumstances, after volunteering as a financial counsellor at Caxton Legal Centre in Brisbane in 1989.

She has held directorships on Energex Retail, the Insurance Ombudsman Service and the Financial Ombudsman Service and was previously chair of ASIC's Consumer Advisory Panel.

Fiona is currently a member of the ACCC's Consumer Consultative Committee and a member of the board of both Way Forward Debt Solutions and Choice.

She was a recipient of an Order of Australia in the 2017 Queen's Birthday honours for significant service to the community through social welfare and financial counselling roles.

Senior staff

Chief Executive Officer

Charles Millstead

Charles rejoined the QCA in 2010.

He commenced as CEO in September 2016 after various roles in senior management, including during a period of significant change for the QCA.

Charles has broad experience in policy analysis and economic regulation. He commenced his career at the Australian Bureau of Agricultural and Resource Economics, focusing on energy market analysis and assessing the impact of trade, investment and climate change policies.

Since 2001, Charles worked in economic regulation in various roles at the QCA, Ergon Energy and the Australian Energy Regulator.

Director—Business Performance

George Passmore

George joined the QCA in 2000.

George has over 20 years' experience in economic regulation.

His role involves managing the QCA's ongoing regulatory roles in compliance and monitoring of the performance of businesses regulated by the QCA. Before that, George was extensively involved in roles at the QCA in the economic oversight of water and local government sectors, as well as in rail access regulation.

George started his career with the Bureau of Agricultural Economics before moving to Queensland and working on sugar industry policy, water sector policy and Queensland's first review of irrigation water price paths.

Director—Peer Review

William Copeman

William joined the QCA in 2010.

William's diverse experience encompasses roles at Queensland Treasury, Queensland Treasury Corporation and Deloitte Economics.

His primary role is to provide assurance of the diverse technical analysis undertaken for the QCA. He also oversees product development and initiatives to develop technical staff.

He has delivered economic regulation, analysis and policy development in both the public and private sector. In particular, William has worked extensively in the Queensland water industry.

Director—Corporate Services

Sharon Ibardolaza

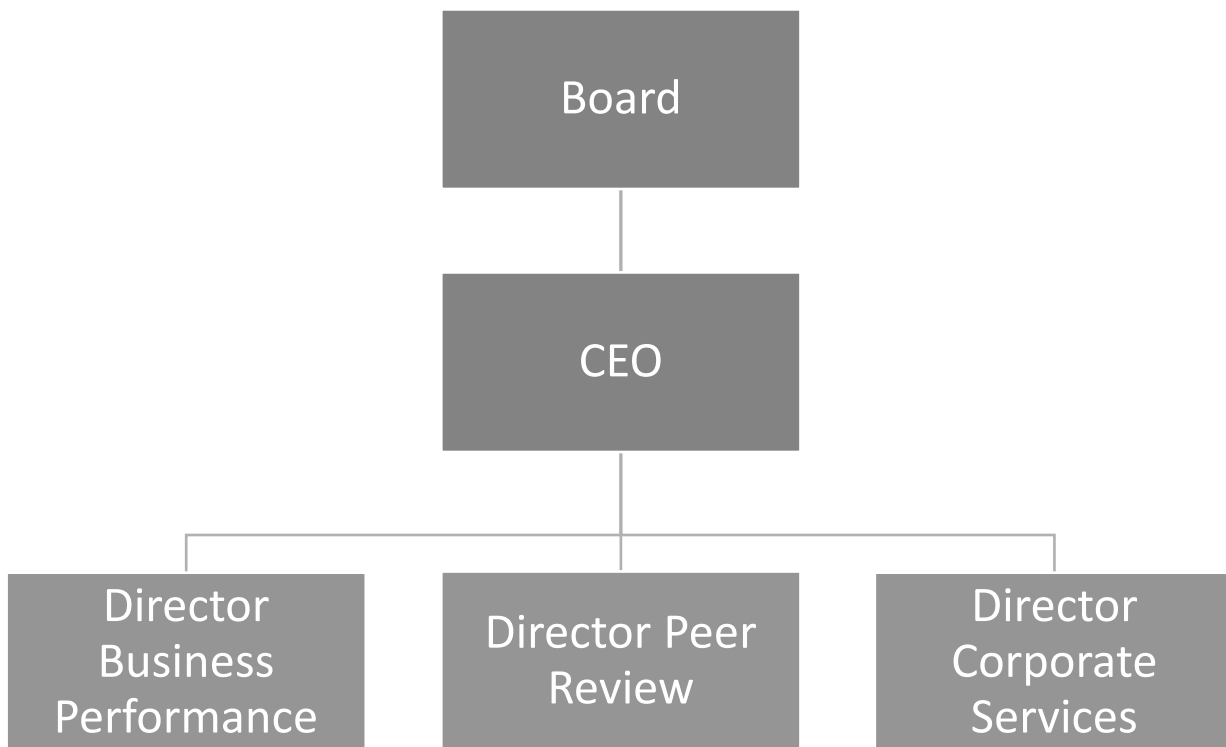
Sharon joined the QCA in October 2020.

Sharon has extensive experience in senior and executive roles in the tourism, banking and local government industries.

Her role involves managing the provision of a range of corporate services, including governance, financial management, information technology, human resources and corporate administration.

Sharon's previous roles include business strategy development, risk management, corporate and operational planning, cultural change management and leading and managing multi-disciplinary teams to deliver major projects.

Organisational chart as at 30 June 2022



Government bodies 2021–22

Name of Government body: Queensland Competition Authority Board					
Act or instrument	Queensland Competition Authority Act 1997				
Functions	Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements. We achieve this through investigating and monitoring pricing practices of certain monopoly businesses and regulating third party access to essential infrastructure such as railways and port channels. We also deal with competitive neutrality matters.				
Achievements	Refer to pages 12–33 of this annual report.				
Financial reporting	Financial transactions of the QCA are accounted for annually in the audited Financial Statements				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Professor Flavio Menezes	18	\$150,000 p.a.	0	\$149,486
Deputy Chair	Madeline Brennan QC	17	\$75,000 p.a.	0	\$74,743
Member	Dr Warren Mundy FAICD FRAeS	19	\$75,000 p.a.	0	\$74,743
Member	Fiona Guthrie AM	18	\$75,000 p.a.	0	\$74,743
No. of scheduled meetings/sessions	19				
Total out of pocket expenses	\$412,402				

Chair's introduction

The QCA serves the people of Queensland by helping to prevent monopoly businesses from abusing their market power by setting prices that are too high or providing services of poor quality. This is evidenced by the lower real prices we recommended during 2021–22 for bulk water services provided by Seqwater.

In regional Queensland, increasing energy costs created mixed outcomes for consumers—higher electricity prices in 2022–23 for those consuming electricity, but a higher solar feed-in tariff for solar customers producing electricity.

We also undertook our first competitive neutrality investigation since regaining that responsibility in Queensland and finalised guidance papers to stakeholders based on best regulatory practice.

Seqwater price review

In March 2022, we completed our review of Seqwater's bulk water prices for 2022–26. We recommended bulk water price increases of 2.14% for each of the next four years, which is below forecast inflation. While these prices provide real price decreases for customers, they should cover Seqwater's prudent and efficient costs over the period 2022–26, and keep Seqwater on track to recover its 'price path debt', which is a result of the phased recovery of costs associated with significant investments made in 2008 to ensure water security in south east Queensland.

Regional electricity prices

Our ongoing monitoring of the retail electricity market in south east Queensland revealed healthy competition amongst retailers and another year of price decreases in 2020–21. However, conditions have since changed. Developments in domestic and international energy markets have combined to increase wholesale electricity costs after several years of decreases. This was confirmed when we set retail electricity prices for regional Queensland for 2022–23. Prices for households and businesses increased in real terms, due mainly to higher wholesale electricity costs. As prices have risen, we have continued to monitor and enforce the compliance of electricity retail and network businesses with their legislative obligations that protect customers by preventing retailers charging fees for certain services and requiring distributors to achieve high levels of service for certain services.

Competitive neutrality

On 2 June 2021, responsibility for competitive neutrality matters in relation to state and local government in Queensland was returned to the QCA by the Government. Competitive neutrality is the principle that a government business activity should not have an advantage over the private sector solely due to its government ownership. During the year we published two handbooks (one for state government and one for local government businesses) to assist parties wishing to make a competitive neutrality complaint, and answered enquiries regarding competitive neutrality issues from businesses, state government agencies and local government. We also investigated a complaint regarding the Logan City Council's green waste bin service.

Guidance for stakeholders

During the year, we finalised our reviews of a range of matters, including the rate of return for regulated businesses and our approach to estimating expected inflation. While these are not binding on our future decisions, they provide stakeholders with guidance about our approaches to these matters. We also published a handbook that provides detailed information on the declaration of services for third party access under the QCA Act, with a focus on the criteria for assessment, and updated our arbitration guideline for disputes regarding the declared service at Dalrymple Bay Coal Terminal. This includes more emphasis on alternative approaches to dispute resolution, advice on how to lodge a dispute, and templates of documents for parties to complete before and during the dispute resolution process.

In closing, I would like to thank staff and my fellow board members for their ongoing commitment to fulfilling our statutory obligations, and stakeholders for their continued engagement with our varied activities.

Chair

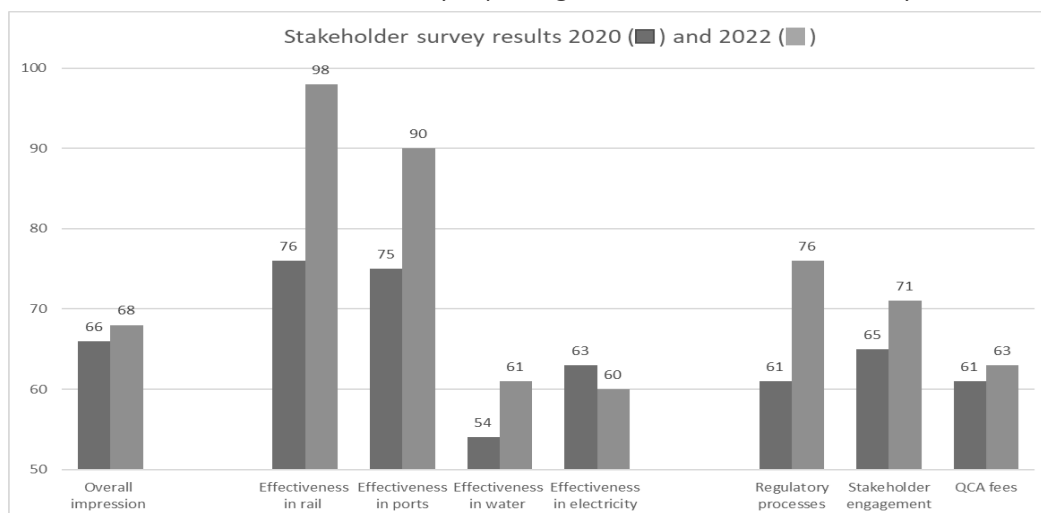
Professor Flavio Menezes

CEO's message

Despite the challenges of recent years, it was pleasing to see stakeholders' assessment of our effectiveness improve. We have also taken steps to improve our efficiency, by down-sizing and partially re-fitting our office, which will provide a productive space for our future work and deliver considerable savings in rent.

Our performance

Our performance framework includes an annual self-assessment and a biennial external survey of our stakeholders. The survey shows improvements in most of the areas we are responsible for, particularly rail and ports, as well as improvements in our processes and engagement with stakeholders. As pleasing as these results are, we remain committed to continually improving the effectiveness and efficiency of our activities.



Corporate governance and financial position

To maintain our high standards of corporate governance, we reviewed and updated a range of corporate policies, including those related to managing risk and our financial sustainability.

On the financial front, we reported a surplus of \$0.5 million for 2021–22, better than the budgeted loss of \$1.2 million. This resulted from \$0.7 million more revenue than budgeted and \$1.0 million less expenditure, due partly to the early termination of our previous lease of two floors of office space at 145 Ann Street. Our new lease is for only one of those floors, at a lower rate per square metre, which will deliver significant savings over the next five years.

Flexible work arrangements remain

Like many organisations, we relied heavily on working from home when covid impacts required it. We took steps to protect our staff and stakeholders, worked hard to maintain our productivity, and continued to meet our regulatory obligations. The recent shift back to working in the office has been positive on a range of fronts, including the collaboration that is hard to replicate virtually, as well as re-connecting with stakeholders. It has also been important to maintaining the positive culture we have worked hard to achieve over the last several years. While the balance may have shifted back towards the office, it has not swung fully back to pre-covid levels, reflecting the benefits that flexibility provides to staff, and ultimately a more effective and efficient QCA.

Finally, I would like to thank QCA staff for their versatility and teamwork during 2021–22, which enabled us to respond well to a number of unforeseen, complex matters, in addition to our more routine work. I would also like to thank our board members for their expertise and guidance as we tackled a broader range of issues during 2021–22.

Chief Executive Officer
Charles Millstead

Projects in 2021–22

Overview

The QCA's role involves:

- determining and recommending prices
- monitoring prices and services
- overseeing access regulation.

Our vision is to improve the prosperity of Queenslanders, and our purpose is to make Queensland's economy more competitive through efficient and effective economic regulation.

We conduct our investigations and reviews in line with the four objectives of our strategic plan:

- Optimise regulatory frameworks.
- Make unbiased, transparent and robust decisions.
- Promote understanding and engagement.
- Enable efficient, flexible and expert resourcing.

We contribute to the Queensland Government's objectives of growing our regions, building Queensland and supporting jobs.

Retail electricity prices 2022–23

In December 2021, we received a delegation from the Minister for Energy, Renewables and Hydrogen to set regulated retail electricity prices to apply in regional Queensland for 2022–23.

As part of this review, we published:

- an interim consultation paper in December 2021, in which we invited stakeholders to comment on key issues. We received eight stakeholder submissions in response (including one confidential submission)
- a draft determination in February 2022, in which we invited stakeholders to comment, including on the draft prices. We received 10 stakeholder submissions in response (including one confidential submission)
- a final determination in May 2022, providing final prices to apply from 1 July 2022 to 30 June 2023.

We also held a virtual information session after publishing the draft determination.

Overall, the final prices result in higher electricity costs for consumers in regional Queensland. A typical customer on the main residential tariff will see an increase of 9.2%, and a typical customer on the main small business tariff will see an increase of 10.2%. The increase in residential and small business prices is largely due to higher estimated wholesale energy costs.

South East Queensland electricity market monitoring

Retail electricity prices for residential and small business customers have been deregulated in south east Queensland since 1 July 2016. The QCA's market monitoring and reporting function in section 89B of the Electricity Act is a light-handed framework under which the Queensland Government can monitor the operation of the south east Queensland retail electricity market to ensure customers can benefit from price deregulation and increased competition in south east Queensland.

In June 2021, the Minister for Energy, Renewables and Hydrogen directed us to monitor and report on the operation of the south east Queensland retail electricity market for residential and small business customers for each financial year from 1 July 2020 to 30 June 2025. We published our market monitoring report for 2020–21—that is, for the period from 1 July 2020 to 30 June 2021—in December 2021.

The report for 2020–21 found that 44 retailers had plans available for residential and/or small business customers in south east Queensland in 2020–21. Prices for south east Queensland residential and small business customers continued to decrease in 2020–21. Factors that likely contributed to these decreases included retail competition and lower wholesale electricity costs. However, standing offer bills continued to be higher than market offer bills for each of the residential and small business tariffs/tariff combinations that we reported on.

Indications were that the market remained competitive in 2020–21—retailers continued to compete on price, some new types of retail plans were offered, smaller and/or newer retailers gained market share from more established retailers, and market concentration decreased. The report concluded that customers had many opportunities to benefit from competition in the south east Queensland market in 2020–21 if they shopped around.

Seqwater bulk water pricing 2022–26

In June 2021, the Treasurer directed us to investigate Seqwater's bulk water pricing practices under section 23 of the QCA Act. The objective of the investigation was to recommend bulk water prices to apply from 1 July 2022 to 30 June 2026.

Bulk water prices are charged by Seqwater to five water retailers operating in 11 council areas in south east Queensland: Brisbane, Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Noosa, Redland City, Scenic Rim, Somerset and Sunshine Coast. Retailers pass on bulk water prices to households and businesses as a separate charge on water bills.

We were asked to recommend (fully volumetric) prices that would provide Seqwater with sufficient revenue to recover the prudent and efficient costs of providing bulk water supply services and repay 'price path debt' by 2028. Price path debt refers to the accumulated under-recovery of costs (of supplying bulk water) as a result of a government decision to phase in price increases. The increases are necessary to recover significant investments in bulk water infrastructure, made in 2008, to ensure water security in south east Queensland.

After considering initial submissions from interested parties, publishing a draft report and considering submissions on the draft report, we submitted our final report to the government in March 2022 and published the report in early April 2022.

In our final report, we recommended bulk water prices that would result in increases of 2.14% for each of the next four years, which is below forecast inflation, providing a real bulk water price decrease to customers. We considered that Seqwater should be allowed to recover \$7,739.8 million between 2022–23 and 2027–28, which was \$988.5 million (or 11.3%) lower than what Seqwater proposed in its initial June 2021 submission.

On 17 June 2022, the government announced that it had accepted the QCA's recommended bulk water prices, with the new prices coming into effect on 1 July 2022.

Access undertakings

We have an active role in administering access undertakings of the three businesses subject to the access regime contained in the QCA Act.

Access undertakings for Queensland Rail and Aurizon Network are in place until 2025 and 2027 respectively. This year we approved the 2019 DBCT draft access undertaking (DAU), which became the 2021 DBCT access undertaking on 1 July 2021.

Dalrymple Bay Coal Terminal (DBCT)

DBCT is a coal export terminal located in central Queensland, approximately 40 kilometres south of Mackay. DBCT is the only port facility that has been declared under Part 5 of the QCA Act.

While the Queensland Government owns DBCT, the terminal is leased to Dalrymple Bay Infrastructure Management Pty Ltd (DBI Management). DBI Management has a 50-year lease over the terminal from 2001, with an option to extend the lease for a further 49 years.

During 2021–22, DBI Management provided access to the terminal under the terms and conditions set out in its 2021 access undertaking, which we approved on 1 July 2021.

The approved 2021 DBCT access undertaking provides for a reframing of the regulatory framework at DBCT, in particular by implementing a pricing model based on negotiate-arbitrate processes without a reference tariff. However, the model also includes significant amendments to the proposal originally made by DBI Management in its 2019 DAU, so as to better balance the negotiation and arbitration processes.

As part of our final decision on DBI Management's 2019 DAU, we produced an arbitration guideline for disputes regarding the declared service at DBCT. A revised version of this guideline (version 2) was subsequently released at the time the 2021 DBCT access undertaking was approved (i.e. on 1 July 2021). The guideline provides guidance on resolving disputes in relation to the DBCT service when we are the arbitrator. It is intended to provide workable and effective dispute resolution processes and to help parties to an access dispute to prepare well when they bring a dispute to us.

In 2021–22, we further updated the arbitration guideline—stakeholder consultation was conducted on a revised draft of the guideline, before version 3 was released in December 2021. Version 3 incorporates some additions to the previous versions, including:

- more emphasis on the role of alternative dispute resolution, including mediation, in achieving negotiated outcomes
- advice on how to lodge a dispute
- templates of documents we will expect parties to complete before and during the dispute resolution process.

Queensland Rail

Queensland Rail is a statutory authority that provides passenger train services and operates a 6,600-kilometre rail network. The network includes south-east Queensland commuter lines, the West Moreton system and the Mount Isa and North Coast lines.

Queensland Rail's approved 2020 access undertaking sets out the terms for access to its network, including rules for setting prices and for scheduling trains. The undertaking terminates on 30 June 2025.

Aurizon Network

Aurizon operates and manages Australia's largest export coal rail network, the Central Queensland Coal Network (CQCN), through its subsidiary company Aurizon Network.

Aurizon Network's 2017 access undertaking (UT5) sets out details of the terms on which it undertakes to provide access to the CQCN.

The undertaking terminates on 30 June 2027.

Product development

We undertook the following projects as part of our product development initiative in 2021–22.

Rate of return review

Through the rate of return review, we outlined our approach to determining reasonable rates of return for entities that are subject to the various regulatory regimes provided by the QCA Act. Our intention was to promote confidence in our methods and provide stakeholders with transparency over our cost of capital approach. The findings of the review could also guide future regulatory submissions.

In November 2021 we released our final report. Our approach was to consider our recently applied methods as a starting point and to review them in light of underlying economic principles and regulatory best practice. While some of our methods remain largely unchanged, we introduced several changes:

- Our overall assessment includes a streamlined process we may use when a regulated entity proposes a rate of return we consider is reasonable. If we consider a regulated entity's submitted WACC value is not reasonable, we will determine a rate of return by first estimating a bottom-up value and then assessing its reasonableness by applying a top-down approach.
- The trailing average cost of debt—we consider a benchmark trailing average debt management strategy should be used to determine regulated entities' cost of debt allowance. We will apply the characteristics of a benchmark trailing average approach that we have determined is appropriate (for example, a 10-year simple trailing average).
- The market risk premium—we will adopt the Ibbotson (historical) method to estimate the market risk premium, and also consider a range of current market information to assess whether the overall return on equity requires an adjustment to reflect prevailing market conditions at the time of a decision.

This process is not intended to prescribe a binding methodology for rate of return assessments, but rather to provide our latest consideration of these matters to guide stakeholders. In future regulatory reviews that require an assessment of rates of return, all stakeholders will be given an opportunity to make submissions, which we will consider on their merits.

Declaration for third party access—handbook

The third party access regime in Part 5 of the QCA Act provides a regulatory framework to enable access seekers to gain access on reasonable terms and conditions to significant infrastructure services where there may be a lack of effective competition.

Under this regime, we consider requests for declaration and make a recommendation to the Treasurer on whether a service should be declared. If a service is declared, an access seeker is able to access the service on terms that are overseen by us. Requests for declaration must be in the form approved by us.

We have published a handbook that provides detailed information on the declaration of services for the purposes of third party access under Part 5 of the QCA Act—with a particular focus on the criteria against which a request for declaration or revocation must be assessed. The handbook also explains our indicative process for considering such requests.

Inflation forecasting review

We use forecast inflation in our regulatory reviews to derive the investment returns that regulated entities receive, derive input price growth, and apply price smoothing to maintain prices in real terms. The treatment and estimation of inflation can have significant impacts on the revenues of regulated entities and the prices their customers pay.

We commenced a review of our inflation forecasting approach in early 2021, releasing a paper highlighting key issues for the review and requesting stakeholder comment in March 2021. We published our draft position paper for stakeholder comment in July 2021 and received 6 submissions.

Our final position paper, published on 25 October 2021, provides guidance to stakeholders on what we consider are the appropriate data sources and approach for estimating inflation in future regulatory reviews.

Ongoing regulatory work

The Business Performance team handles a range of ongoing economic regulatory work that falls outside the scope of individual projects.

In 2021–22, Business Performance progressed a range of matters arising in relation to Aurizon Network, DBI Management (formerly known as DBCT Management), Queensland Rail, energy and competitive neutrality. The most notable amongst these matters are listed below.

Aurizon Network

- Insurance draft amending access undertaking
- Capital expenditure claim 2020–21
- Revenue asset base roll-forward 2020–21
- Annual review of reference tariffs 2022–23
- Guidance paper on pricing of shared infrastructure
- Meteor Downs South private incremental costs claim.

DBIM

- DBI Management’s application for a price ruling—the 8X expansion
- Arbitration guideline for resolving disputes in relation to the DBCT service when we are the arbitrator (see page 13).

Queensland Rail

- Capital expenditure claim 2020–21
- Loss capitalisation account adjustment 2020–21

Energy

- Monitoring the SEQ retail electricity market and providing an annual report (see page 12)
- Monitoring SEQ solar feed-in tariffs
- Setting the solar feed-in tariff for regional Queensland
- Monitoring compliance with the Electricity Distribution Network Code and derogations to the National Energy Customer Framework.

Competitive neutrality

- Answered enquiries regarding competitive neutrality issues from businesses, state government agencies and local government
- Published two handbooks to assist parties wishing to make a competitive neutrality complaint
- Received and investigated one competitive neutrality complaint regarding the Logan City Council’s green waste bin service.

Business Performance also responded to a request seeking a recommendation that the service to be provided by the Carmichael Rail Network be declared for access under Part 5 of the QCA Act.

Corporate matters

Overview

Corporate governance

We place great emphasis on corporate governance, including our robust and fact-based decision-making process. Our administrative framework is designed to support the delivery of effective and efficient economic regulation for Queensland.

We have a range of policies and procedures to help ensure that assets are safeguarded, proper financial and accounting records are maintained, and the work and effort of staff are consistent with the board's strategic direction.

We emphasise the management and protection of information, as well as the maintenance of confidentiality where appropriate. Our records are stored electronically, and paper records are retained as required. There were no breaches of information security during the financial year.

Audit functions

We have an established internal audit function. As we are a small regulator, we outsource the annual review of our fee costing model.

This year, the review was undertaken by Grant Thornton, which found that our systems remain appropriate.

We also received an unqualified audit certificate from the Queensland Audit Office for the reporting period—reflecting the effectiveness of the administrative framework.

Human rights

We acknowledge our obligations as a public entity under the *Human Rights Act 2019*.

The objective of the Human Rights Act is to protect and promote human rights, to build a culture in the Queensland public sector that respects and promotes human rights, and to help promote a dialogue about the nature, meaning and scope of human rights.

No complaints were received about our conduct (under s. 58).

Corporate culture

We continue to explore innovative initiatives to support professional development that complement and extend the suite of training programs available to our staff. Our values (trust, respect, achievement, integrity and teamwork) underpin our culture. We

have a values recognition scheme, which allows staff to be recognised for living our values.

All staff contracts include the requirement to abide by the code of conduct and to disclose any potential or actual conflicts of interest. Board members and staff absent themselves from all deliberations where conflicts of interest, real or perceived, are suspected or arise. This is further reinforced through awareness sessions and training.

Risk management

We monitor our major risks, including physical risks, employee practices liability, financial management risks, information management risks and reputation risks. We review the risk register quarterly to check mitigation and to monitor controls and activities. We also identify operational risks in our annual operation plan. The risks are reviewed half-yearly.

The board reviews all potential risks annually and watches over key and critical risks to ensure adequate mitigation and controls are effective.

Covid-19 response

We maintain a Work Health and Safety Plan for covid-19, to ensure the ongoing health and safety of our staff. Both the implementation of this plan and our working arrangements were adjusted throughout the year to align with updated state government advice. During mandated lockdown periods, our normal operations were adjusted to accommodate staff working from home. Meetings and other discussions were conducted via video- and teleconferencing.

Policy and corporate documents

We routinely review and update our policies and guidelines. Policies reviewed or created during the reporting period include:

- Acknowledgement of Country guideline
- Banned shares list
- CEO and staff authorisations policy
- CEO complaints policy
- Fee framework
- Finance manual
- Financial sustainability policy
- Human influenza and other virus pandemic policy
- Operational plan
- Purchasing manual
- Purchasing policy

- Risk management policy
- Risk management register
- Strategic plan.

All staff periodically receive awareness training and guidance on the application of policy requirements.

Financial performance

We reported a surplus of \$0.5 million for the 2021–22 financial year.

Our total revenue was \$0.7 million higher than budgeted, largely due to higher-than-budgeted revenue from DBI Management (\$0.4 million) and Aurizon Network (\$0.5 million). This was offset with decreased activity related to the projects for Queensland Rail (\$0.2 million) and Seqwater (\$0.4 million). There was an additional boost to the surplus from the early termination of the QCA lease (\$0.4 million).

Our total expenditure was \$1.0 million lower than budgeted. Employee expenses (\$0.8 million), specialist services (\$0.4 million) and IT expenses (\$0.1 million) were less than budget. There was an unbudgeted increase in expense due to the asset write-down with the early lease termination (\$0.3 million).

The favourable combined revenue and expenditure variances explains the improved financial position relative to the budgeted shortfall of \$1.2 million.

Expenditure, including performance against budget, is reported monthly to the board.

Environmental statement

We maintain an environmentally friendly workplace. The Ann Street office has a 5.5-star NABERS energy rating and a 4-star NABERS water efficiency rating. We support the efficiency measures initiated by the building's management.

The office environment benefits from low sills and a stepped perimeter ceiling that maximises the natural light penetration and, together with motion-activated lighting, saves energy. We also promote recycling and use recycling bins for paper and cardboard. The building facilities also support our policies on work–life balance, with excellent end-of-trip facilities (including secure bike racks and showering facilities).

During the year, our environmental impact reduced with the downsize in office space from two floors to one floor at Ann Street. The project involved reusing existing materials where possible.

Open data

Statutory bodies are not required to maintain an open data strategy. However, we subscribe to open data principles and, unless deemed confidential or not required to publish by direction or legislation, we publish and provide access to information necessary to inform stakeholders. Information on the

Queensland Government's open data policy is available on its Open Data Portal.

Consultancies

We use consultancies to augment our in-house capacity. When necessary, engineering firms and law firms undertake work and advise on specific requirements of a direction notice, or comprehensively review and assess draft access undertakings and other submissions. We are mindful of the need to achieve value for money, and where possible, we use state government procurement standing offer arrangements or issue clearly specified tenders.

Overseas travel

There was no overseas travel during 2021–22.

Our performance framework

We established a performance framework, along with a set of key performance indicators (KPIs) in June 2018. The framework focuses on operational practices, rather than matters of policy or legislation. At the highest level, the framework reflects our commitment to innovate, manage costs, improve productivity and achieve practical outcomes.

Four themes underpin our performance objectives. They form the basis for the KPIs:

- effective and efficient regulatory outcomes
- timely and transparent processes
- efficient and reasonable costs and regulatory fees
- effective stakeholder engagement and communication.

Assessing our performance

An annual self-assessment and a biennial external review form part of our performance framework.

The self-assessment is an assessment of each project in our work program against all relevant KPIs. The assessment results are also peer-reviewed internally and are submitted to the QCA board for approval before they are published.

We had our second biennial review in June 2022. Orima Research was engaged to independently survey a wide range of stakeholders—including entities we regulate, customers of those entities, special interest and advocacy groups, our Consumer Advisory Committee and government representatives.

Orima Research developed a questionnaire in consultation with us and sent the online survey to 72 individuals.

At the conclusion of the survey period, 32 out of 72 stakeholders responded, which is 44%. Fifteen respondents were from regulated entities, 11 were from non-regulated entities, and 6 were from the Queensland Government. A summary of the

performance results of 2020 and 2022 is presented below. The full report will be published on our website.

The next review is scheduled for July 2024.

Performance results for 2021–22

A snapshot of our performance results for 2021–22 is shown below. Each of the 11 projects had a different set of circumstances and requirements. Some were guided by ministerial directions, while others were

statutory reviews or research and development projects. Therefore, not all KPIs applied to all of them.

Mostly, those key performance targets that were relevant for projects were met. Where we did not meet our performance targets, it was mainly due to the ongoing challenges during the global pandemic in delivering a series of regional workshops and meetings. This was overcome by using virtual meetings and workshops.

Results of the external stakeholder survey, June 2020 and 2022

	Result (index points)	
	2022	2020
Overall impression of the QCA	68	66
The QCA's effectiveness in regulating access to rail network services	98	76
The QCA's effectiveness in regulating access to port services	90	75
The QCA's effectiveness in contributing to water regulation	61	54
The QCA's effectiveness in electricity regulation	60	63
The QCA's regulatory processes	76	61
The QCA's engagement with stakeholders	71	65
The QCA's fees	63	61

Note: The scale used is index points converted to a 100 scale. The higher the number, the more favourable the result.

Performance assessment against KPIs, 2021–22

LEGEND	
Not Applicable	
Not Achieved	
Achieved	

Key performance indicators

Efficiency and prudence of QCA costs and regulatory fees

1.1	1.1.1	QCA costs based on fee framework.
	1.1.2	Regulated entities notified of estimated costs prior to 30/06.
	1.1.3	Costs tracked monthly and >15% deviations from estimates reported to regulated entity.
✓	1.2	1.2.1 QCA fees independently audited annually to verify fees charged in accordance with fee framework.
✓	1.3	1.3.1 Continuous improvement to the cost efficiency of QCA's projects and operations - consultancies assessed on best value basis, increase in discretionary employee expenses less than greater of CPI or 3%.

Timely and transparent processes

2.1	2.1.1	Timeliness of decisions on or under 'Access Undertakings' - statutory timeline met.
✓	2.2	2.2.1 Timeliness of all other statutory decisions - reporting completed by Ministerial deadline.
✓	2.3	2.3.1 Availability of submissions and decisions - all non-confidential submissions and decisions published on our website within 10 working days.
	2.3.2	Assessment of confidential submissions within 30 days.

Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking.

✓	3.1	3.1.1 Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking.
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Effective stakeholder engagement

✓	4.1	4.1.1 Projects involving stakeholder input are well communicated - publish Statement of Regulatory Intent or Information Notice explaining purpose, process and timeframe as well as opportunities for consultation and communication.
	4.1.2	Fact sheets published for all pricing decisions and recommendations.
4.2	4.2.1	Opportunities for stakeholder consultation - period of consultation to be at least 25% of total duration of project.
4.3	4.3.1	Digital engagement - webinar within 60 days of regional retail electricity pricing <u>draft</u> decisions.
4.4	4.4.1	Regional engagement - at least 5 workshops prior to regional retail electricity pricing <u>final</u> decisions.
4.5	4.5.1	Industry consultation - at least 2 Consumer Advisory Committee workshops annually.
4.6	4.6.1	Industry engagement - engage with regulated entities (e.g. site visits).
	4.6.2	Stakeholder engagement - engage with stakeholders (e.g. meetings, forums, written notices).

2021 - 22 PROJECTS											
	Aurizon Network's Insurance draft a mending access undertaking (DAAU)	Competitive Neutrality review	DBI Management & expansion price ruling	Regional retail electricity prices	SEQ electricity market monitoring 2021-22	Solar feed-in tariff 2022-23	SEQ Bulk Water Review	Handbook—applying for declaration or revocation of services	Rate of return review	Inflation forecasting	Dailymple Bay Coal Terminal (DBCT) Arbitration Guideline
✓											
✓											
✓											
✓											
✓											
4.2											
4.3											
4.4											
4.5											
4.6											

Projects undertaken in 2021–22

The way our projects performed, based on our KPIs, is summarised below for each project. Information about the financial performance is not listed and is captured on page 19.

Performance assessment by project, 2021–22

Project	Background	Status	Summary
Aurizon Network's Insurance draft amending access undertaking (DAAU)	We received a proposal seeking to reduce the minimum level of public liability insurance that train operators are required to hold from \$350 million to \$150 million for any one occurrence.	Completed	<p>Timeliness and transparency: Aurizon Network submitted the DAAU on 25 March 2022, and we published it on our website. We published our final decision on 26 May 2022.</p> <p>Stakeholder engagement: We invited submissions on Aurizon Network's proposal and provided stakeholders with two weeks to comment. No submissions were received.</p> <p>Benefits/outcome: The amendments reduced the level of insurance operators are required to hold, in line with changing industry conditions and practices and Aurizon Network's updated operating and risk environment. Aurizon Network proposed the DAAU in response to user concerns, and the proposal was generally supported by operators in the central Queensland coal network.</p>
Competitive neutrality review	We received a competitive neutrality complaint about green waste bin services in a local government area. We investigated the complaint and produced a report with recommendations.	Completed	<p>Timeliness and transparency: We received the complaint on 15 October 2021 and began our investigation on 21 October. We issued the final report to the council and notified the complainant on 1 July 2022, in accordance with the local government Regulation.</p> <p>Stakeholder engagement: We issued two requests for information to the local council and invited further submissions from the complainant. We sent a penultimate version of the report for fact-checking first to the local council, in May 2022, and then to the complainant, in June 2022.</p> <p>Benefits/outcome: Our investigation concluded the local council did not conduct its green waste bin service in accordance with the competitive neutrality principle. Our report made recommendations on how the local council can conduct its green waste bin service in a way that complies with the competitive neutrality principle.</p> <p>Competitive neutrality is the principle that a public sector entity that is conducting a business activity in competition with the private sector should not enjoy a net</p>

Project	Background	Status	Summary
			<p>advantage over competitors (or potential competitors) in a particular market only because that entity is in the public sector. The underlying objective of competitive neutrality is to remove distortions in resource allocations arising out of public ownership.</p>
DBI Management 8X expansion price ruling	<p>We undertook an investigation of DBI Management’s application for a ruling on the pricing method applicable to the 8X expansion. DBI Management submitted its application in accordance with s. 150D of the QCA Act.</p>	Completed	<p>Timeliness and transparency: DBI Management submitted its application on 16 March 2021, which we published on our website. We published a draft determination for stakeholder consultation before issuing a ruling notice to DBI Management on 18 November 2021.</p> <p>Stakeholder engagement: We invited submissions on DBI Management’s application and our draft determination, providing a six-week and five-week consultation period, respectively. We received eight submissions from five parties (including one party responding on behalf of seven existing users) as well as a response to our draft determination from DBI Management.</p> <p>Benefits/outcome: We made a ruling that the appropriate pricing method for the proposed 8X expansion is socialisation. Making a ruling on this matter provided DBIM and other relevant stakeholder with regulatory certainty as to how such matters are to be considered in future regulatory decisions. We are bound by our ruling in making an access determination for the declared service at the terminal and deciding whether to approve a draft access undertaking relating to the service.</p>
Regional retail electricity prices	<p>We undertook a pricing review to determine the regional retail electricity prices that Ergon Energy must charge customers on standard contracts during 2022–23.</p>	Completed	<p>Timeliness and transparency: We published a final determination for 2022–23 by 31 May 2022, as required.</p> <p>Stakeholder engagement: We gave stakeholders opportunities to comment through submissions and held a virtual information session to inform stakeholders. We received 18 submissions over the course of the review. We also published an information booklet, which summarises the prices, process and bill impacts in an easy-to-read format.</p> <p>Benefits/outcomes: We applied our established methodology during the determination and adapted our approach to account for developments in the electricity market environment. Overall, typical customers on all major tariffs will experience an increase in their regulated price bills, primarily due to an increase in estimated energy costs.</p>

Project	Background	Status	Summary
South east Queensland electricity market monitoring 2021–22	We monitored and reviewed the operation of the retail electricity market in south east Queensland (in the Energex distribution area) from 1 July 2021 to 30 June 2022.	Completed	<p>Timeliness and transparency: We published the annual market monitoring report for 2020–21 on 21 December 2021 and continued to monitor the market for the period from 1 July 2021 to 30 June 2022.</p> <p>Stakeholder engagement: We do not undertake stakeholder consultation as part of monitoring the retail electricity market. Fact sheets published alongside the annual report make the key findings clear in a concise format.</p> <p>Benefits/outcomes: Whilst south east Queensland is deregulated, our work in monitoring and comparing prices and offerings by electricity retailers helps the Queensland Government to assess the extent to which customers have the opportunity to benefit from deregulation.</p>
Solar feed-in tariff 2022–23	We were directed under s. 93 of the Electricity Act 1994 to determine a solar feed-in tariff for regional Queensland.	Completed	<p>Timeliness and transparency: We published the solar feed-in tariff report by 31 May 2022, as required. An accompanying fact sheet summarises how the tariff was calculated.</p> <p>Stakeholder engagement: No consultation was required for the solar feed-in tariff determination, as set out in the ministerial direction.</p> <p>Benefits/outcome: The 2022–23 feed-in tariff for regional Queensland is 9.3 cents per kilowatt hour (c/kWh), which is 41 per cent higher than last year's feed-in tariff of 6.583 c/kWh. This increase is driven mainly by increases in both wholesale energy costs and ancillary services fees.</p>
South east Queensland bulk water pricing review	We investigated Seqwater's bulk water pricing practices and recommended bulk water prices to apply from 1 July 2022 to 30 June 2026.	Completed	<p>Timeliness and transparency: We published a draft report in December 2021 and a final report in April 2022 and provided copies to the Minister as required under the ministerial referral.</p> <p>Stakeholder engagement: We gave stakeholders opportunities to comment through submissions before and after our draft report. We received 10 submissions over the course of the review. We also published a pricing fact sheet, which summarises our recommendations in an easy-to-read format.</p> <p>Benefits/outcomes: Based on our recommendation, bulk water prices would increase by 2.14% for each of the next four years, which is below forecast inflation, providing a real decrease in bulk water prices to customers.</p>

Project	Background	Status	Summary
Handbook—applying for declaration or revocation of services under Part 5 of the QCA Act	We have published a handbook on the declaration of services for third party access.	Completed	<p>Timeliness and transparency: We published the handbook in March 2022.</p> <p>Stakeholder engagement: There was no stakeholder engagement in terms of developing the handbook. However, the foundation for the handbook was the QCA’s 2020 declaration review process, which involved a very comprehensive consultation process.</p> <p>Benefits/outcomes: The handbook, available on our website, is a comprehensive guidance document on the declaration/revocation of services for the purposes of third party access. The handbook should help potential applicants requesting declaration/revocation of a service for third party access under Part 5 of the QCA Act to better understand the access criteria and the relevant information to provide when making a request. The handbook should result in substantial cost savings to the QCA in reviewing subsequent requests under Part 5 of the QCA Act. It should also save applicants costs when they make declaration or revocation requests, as the handbook should reduce the need for consultant or legal advice. As such, the Part 5 provisions in the QCA Act should become more accessible to those seeking access to monopoly services.</p>
Rate of return review	We reviewed our approach to how we determine reasonable rates of return for the businesses we regulate.	Completed	<p>Timeliness and transparency: We released our final report on rate of return matters in November 2021, which was 12 months from when we started the review by releasing a consultation paper.</p> <p>Stakeholder engagement: We consulted extensively with stakeholders before developing our final report on rate of return matters. Consultation included publishing a ‘request for comments’ paper in November 2020 and seeking stakeholder submissions on a draft report that was released in June 2021.</p> <p>Benefits/outcomes: We have reviewed our approach to determining reasonable rates of return for entities that are subject to the various regulatory regimes provided for in the QCA Act. The review will promote confidence in our methods and provide stakeholders with transparency over our cost-of-capital approach. The findings of the review could also guide future regulatory submissions.</p>
Inflation forecasting	We reviewed our approach to estimating expected inflation in future regulatory reviews.	Completed	<p>Timeliness and transparency: We published a final position paper in October 2021, which was 7 months after we started the public process with the release of an issues paper in March 2021.</p>

Project	Background	Status	Summary
			<p>Stakeholder engagement: We undertook extensive stakeholder consultation in developing our final position paper, including asking for stakeholder submissions in response to an issues paper in March 2021, and publishing a draft position paper in July 2021.</p> <p>Benefits/outcomes: The final position paper sets out our position on estimating expected inflation and input cost escalation for future regulatory reviews. This review will assist stakeholders in future regulatory reviews by providing them with greater transparency about, and confidence in, our inflation forecasting approach.</p>
Dalrymple Bay Coal Terminal (DBCT) arbitration guideline	We released a guideline that relates to disputes in relation to the DBCT service when the QCA is the arbitrator.	Completed	<p>Timeliness and transparency: We released version 2 of the DBCT arbitration guideline on 1 July 2021, at the same time as we approved the 2021 DBCT access undertaking. Following further consultation, we released the final version 3 of the guideline in December 2021.</p> <p>Stakeholder engagement: We consulted with stakeholders on a draft of version 3 of the guideline and received a submission from the DBCT User Group. We took account of the submission in producing the final version 3 of the guideline.</p> <p>Benefits/outcomes: Version 3 of the DBCT arbitration guideline incorporates additions to the previous versions, including more emphasis on the role of alternative dispute resolution, including mediation, in achieving negotiated outcomes; advice on how to lodge a dispute; and templates of documents we expect parties to complete before and during the dispute resolution process.</p>

Our people and workforce profile

As at 30 June 2022, we employed 39.3 full-time equivalent employees (headcount totalled 41) in a range of technical and support roles. Six employees (14.6%) have worked for us for more than 15 years, including two for more than 20 years. Employees who have worked for us for more than 10 years made up 48.8% of the staff, and 78% have worked for us for more than 5 years.

Queensland public service values

The Queensland public service values are:

- Customers first
- Ideas into action
- Unleash potential
- Be courageous
- Empower people.

Our values align with these values. We aim to be a high-performing, impartial and productive workplace.

QCA ethics principles

We continued to value, actively support, and promote an ethical workplace throughout 2021–22.

The QCA code of conduct for employees provides employees with an outline of ethical considerations to guide decision making. It also offers guidance where there may be conflicts of interest, to ensure consistent ethical standards are adopted. The code of conduct is based on the four ethics principles that are fundamental to good public administration and is consistent with the *Public Sector Ethics Act 1994*. The principles are:

- Integrity and impartiality
- Promoting the public good
- Commitment to the system of government, and
- Accountability and transparency.

All employees must take personal responsibility for upholding this code and demonstrating the principles and values of the *Public Sector Ethics Act 1994* in the performance of their duties. New employees receive training on the code of conduct during their induction, and online refresher training is provided to employees on a regular basis.

Diversity and workplace equity

We are committed to having a workplace that is fair and inclusive, promotes our values and positive workplace culture and reflects diversity. Workplace equity and anti-discrimination principles remain enshrined in our policies and procedures.

We have a comprehensive set of policies on diversity in the workplace and expected workplace behaviours. To reinforce these messages, staff completed 'respect in the workplace' refresher training online during the year, and celebratory and awareness days, such as International Women's Day, were acknowledged.

Workforce planning

Our staffing levels are based on the annual operational plan and projected resources required for projects. We also engage consultants or contract staff for specialist advice and, if necessary, for meeting peak activity demands.

Mentoring program

Our mentoring program provides an opportunity for a mutually beneficial mentoring relationship between participants. The program is designed to enhance professional development and increase reflection on performance and career goals, encourage and develop leadership at all levels of the QCA, improve performance and achievement, and encourage a culture of support and guidance.

Employee development and performance management framework

Employee learning and development is supported by a comprehensive training and development matrix, which provides information on relevant courses and programs for all employees, as well as leadership development programs. All employees are encouraged to develop an individual learning development plan, to ensure training options are targeted to meet their specific needs and to enhance their professional development. Formal study by staff is also supported by the QCA's Study and Research Assistance Scheme.

The corporate induction program for new employees covers HR and general QCA policies (including the code of conduct and public interest disclosure policy), health and safety, document management, IT and systems induction, corporate style and writing tips, and general orientation.

The performance framework for employees is centred on setting KPIs annually. The results of annual KPI reviews are considered as part of the annual salary review process. Feedback from this process also informs decisions regarding placement of employees projects and suitability for promotions.

Knowledge sharing and team connectivity

This year, employees were again provided with the opportunity to learn from experienced colleagues and to develop professional and personal skills via regular lunch-and-learn forums conducted on-site.

Our values, organisational culture and connection while working in a hybrid environment were paramount this year. Staff participated in a team-building workshop, 'Team QCA', which reinforced our QCA values while providing the opportunity to share positive learning experiences as a team.

Leadership development framework

Our Leadership Development Plan provides a framework that supports and develops our leaders and shapes the QCA leadership culture. The plan is mainly aimed at the senior leadership team, existing corporate/project/program leaders and emerging leaders. This plan is complemented by a matrix of leadership competencies and relevant training and development options for all target groups.

Our Young Professionals Group continues to develop early leadership building blocks and a peer-coaching culture.

Work–life balance

We encourage our employees to maintain a healthy work–life balance. During the year, 100% of employees were able to work from home at various stages. Additionally, 12% of employees work part-time, and 32% of staff either worked a 19-day month or purchased additional leave.

Our employees are encouraged to use annual leave accruals between projects, ensuring appropriate periods of revitalisation. We also have a mother's room available to employees as needed.

Support for mental and physical wellbeing

We have a longstanding commitment to employee safety and wellbeing via our Health and Wellbeing Program, which proactively supports employee good health. Employees had access to practical health services such as flu vaccinations, skin checks and health assessments. In addition, all employees had access to specialist advice, counselling and support through the QCA's Employee Assistance Program. Services available included personal counselling, manager hotline services, resilience programs, physical health and wellbeing coaching, and monthly webinars.

A number of health awareness events (including mental health awareness) were held, including 'R U OK? Day', which provided information and resources for employees.

Our end-of-trip facilities (showers and changeroom) are well-used by staff who exercise on their way to and from work, or during their lunch break.

Employee safety remains a priority for us. In 2021–22, there were no workplace incidents that resulted in lost time due to injury. All employees must complete an ergonomic checklist annually, and if they change residences.

Ongoing impact of the pandemic

Covid-19, lockdowns and working from home requirements had an impact on everyone. Our leaders and staff were supported with technology and resources and could therefore efficiently adapt to working remotely. Productivity remained high, with

staff collaborating on projects and communicating often. We embraced working differently, by being flexible, using technology and collaborating.

We updated some of our policies, such as sick leave and travel policies, to include new covid protocols. We also re-enforced physical distancing and extended hygiene procedures and protocols when working in the office.

Industrial and employee relations framework

Quarterly all-staff meetings give employees the opportunity to raise and discuss workplace issues. In addition, the QCA intranet is a forum for feedback on any policies or procedures that affect employees' employment or employment conditions.

Early retirement, redundancy and retrenchment

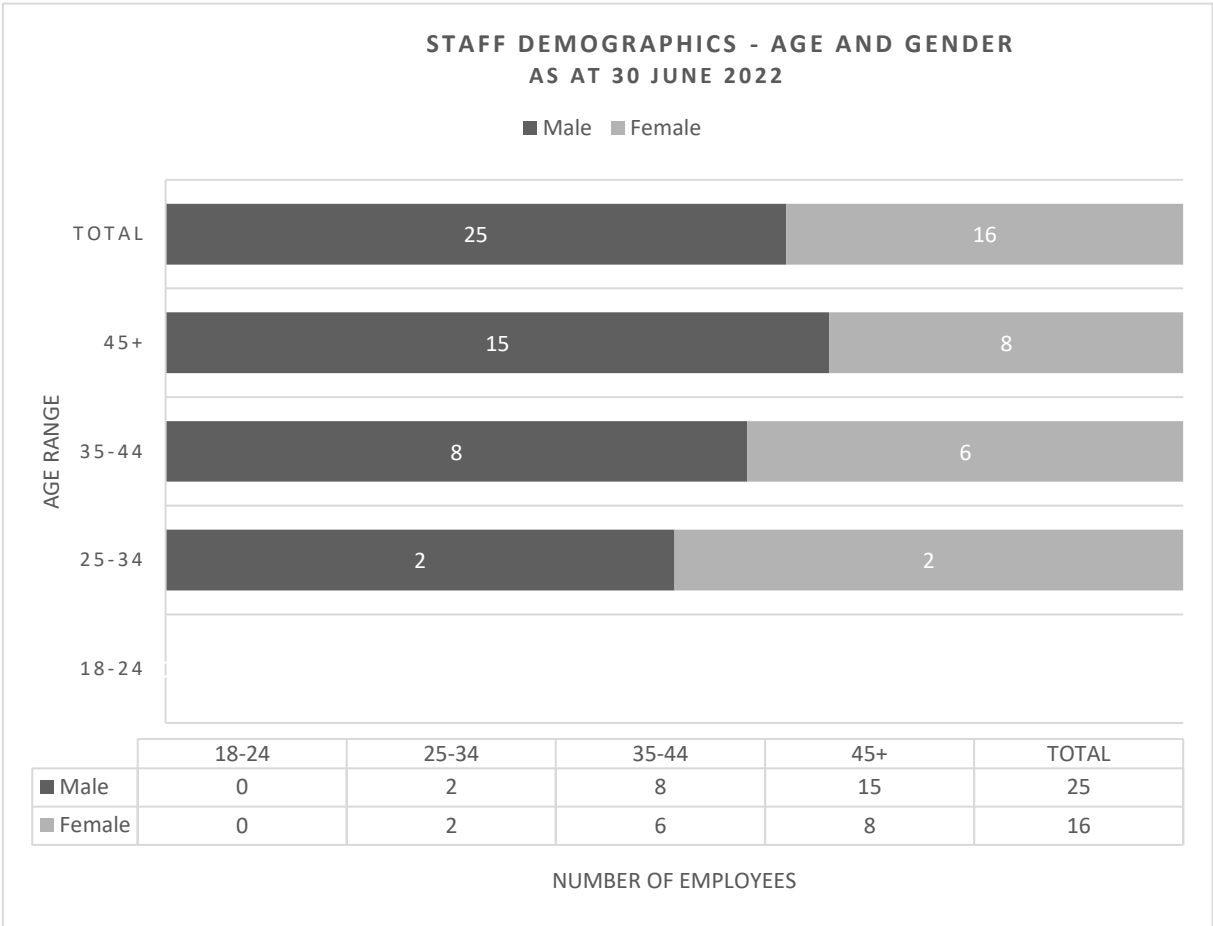
No redundancy, early retirement or retrenchment packages were paid during the period.

Workforce profile as at 30 June 2022

	Total employees	Male	Female	NESB*	A&TSI**
Chief Executive Officer	1	1	0	0	0
Directors	3	2	1	0	0
Technical employees	27	18	9	4	0
Support employees	10	4	6	3	0
Total	41	25	16	7	0

*Non-English speaking background (voluntary disclosure)

**Aboriginal and/or Torres Strait Islander (voluntary disclosure)



Flexible work arrangements as at 30 June 2022

	Employees with flexible arrangements	Part-time employees	Employees who purchased leave
Male	25	1	0
Female	16	4	3
NESB*	7	1	0
Technical staff	27	3	2
Support staff	10	2	1

* Non-English speaking background (voluntary disclosure).

Our publications

Publications released and submissions received

Project	Publications	Submissions
DBCT Management's 2019 draft access undertaking	1	0
DBCT arbitration guideline and dispute preparation	7	1
Pricing of shared infrastructure—guidance paper	1	0
Electricity prices for regional Queensland 2022–23	10	18
Seqwater bulk water prices 2022–26	3	10
Rate of return review 2021	1	0
Handbook on applying for declaration or revocation of a service	1	0
Inflation forecasting review 2021	2	6
Request for declaration of the Carmichael Rail Network	1	5
General compliance—Aurizon Network	9	21
General compliance—Queensland Rail	1	2
General compliance—DBI Management	3	10
General compliance—Electricity	16	0
Competitive neutrality	2	1
Corporate documents	1	0
Total	59	74

Publicly available publications

Publicly available documents are available on our [website](#). Hard copies can also be obtained by contacting us.

Release date	Publication
2022	
June 2022	Aurizon Network's regulatory asset base 2020–21—acceptance letter
May 2022	Solar feed-in tariff for regional Queensland in 2022–23—report
	Solar feed-in tariff for regional Queensland in 2022–23—fact sheet
	Solar feed-in tariff for regional Queensland in 2022–23—media release
May 2022	Regulated retail electricity prices for regional Queensland 2022–23—final determination
	Regulated retail electricity prices for regional Queensland 2022–23—final determination: technical appendices
	Regulated retail electricity prices for regional Queensland 2022–23—final determination: information booklet
	Regulated retail electricity prices for regional Queensland 2022–23—final determination: media release
May 2022	Aurizon Network's annual reference tariff review 2022–23—decision notice
May 2022	Aurizon Network's Insurance draft amending access undertaking—approval notice
April 2022	Aurizon Network's 2020–21 capital expenditure claim—letter and determination
April 2022	Aurizon Network's Insurance draft amending access undertaking—notice of time periods
April 2022	Seqwater bulk water prices 2022–26—final report
	Seqwater bulk water prices 2022–26—fact sheet
April 2022	Register of breaches (by energy businesses)
March 2022	Applying for declaration or revocation under Part 5 of the QCA Act—handbook for applicants
February 2022	Ergon Energy Retail—compliance with section 22A of the National Energy Retail Law (Queensland)
February 2022	Regulated retail electricity prices for regional Queensland 2022–23—draft determination
	Regulated retail electricity prices for regional Queensland 2022–23—draft determination: technical appendices
	Regulated retail electricity prices for regional Queensland 2022–23—draft determination: information booklet
	Regulated retail electricity prices for regional Queensland 2022–23—draft determination: media release
January 2022	Queensland Rail's 2020–214 West Moreton capital expenditure claim—stakeholder notice
2021	
December 2021	SEQ retail electricity market monitoring—2020-21 market monitoring report
	SEQ retail electricity market monitoring—2020-21 market monitoring report: appendices
	SEQ retail electricity market monitoring—2020-21 market monitoring report: media release
	SEQ retail electricity market monitoring—2020-21 market monitoring report: fact sheet residential customers
	SEQ retail electricity market monitoring—2020-21 market monitoring report: fact sheet small business customers
	SEQ retail electricity market monitoring—2020-21 market monitoring report: fact sheet assisted customers
December 2021	DBCT arbitration guideline—version 3
	DBCT arbitration guideline—version 3: stakeholder notice
	DBCT arbitration guideline—version 3: markup against draft
December 2021	Regulated retail electricity prices for regional Queensland 2022–23—interim consultation paper
	Regulated retail electricity prices for regional Queensland 2022–23—stakeholder notice
December 2021	Request for declaration of the service to be provided by the Carmichael Rail Network—decision notice

Release date	Publication
December 2021	Aurizon Network's 2020–21 revenue adjustment amounts—letter and decision notice
December 2021	Disputes—mediator pool
December 2021	Seqwater bulk water prices 2022–26—draft report
November 2021	Handbook for competitive neutrality complaints—State Government Handbook for competitive neutrality complaints—Local Government
November 2021	DBCT price ruling for the 8X expansion—ruling notice and determination
November 2021	Aurizon Network's FY21 maintenance cost claim—letter and decision notice
November 2021	Rate of return review 2021—final report
October 2021	Solar feed-in tariffs in SEQ 2020–21—monitoring report Solar feed-in tariffs in SEQ 2020–21—monitoring report: appendix C (supplementary data) Solar feed-in tariffs in SEQ 2020–21—monitoring report: public data set Solar feed-in tariffs in SEQ 2020–21—monitoring report: media release
October 2021	Inflation forecasting review 2021—final position paper
October 2021	DBCT arbitration guideline—draft version 3 DBCT arbitration guideline—draft version 3: stakeholder notice—comments on arbitration guideline
October 2021	Aurizon Network's 2020–21 capital expenditure claim—stakeholder notice 1
September 2021	Guidance paper on pricing of shared infrastructure
September 2021	Request for declaration of the service to be provided by the Carmichael Rail Network—media release
September 2021	Queensland Competition Authority annual report 2020–21
September 2021	Guaranteed Service Level scheme annual report 2020–21
August 2021	Aurizon Network's reference tariff adjustments—decision letter endorsed variation event: QCA levy 2021–22
August 2021	DBCT price ruling for the 8X expansion—draft determination DBCT price ruling for the 8X expansion—stakeholder notice: draft determination
July 2021	DBCT arbitration guideline—version 2
July 2021	Inflation forecasting review 2021—draft position paper
July 2021	Dalrymple Bay Boast Terminal's 2019 draft access undertaking—final approval

Financial statements

CONTENT

Statement of comprehensive income	37
Statement of financial position	38
Statement of changes in equity	39
Statement of cash flows	40
Notes to and forming part of the financial statements	41
Certificate of Queensland Competition Authority	53
Independent auditor's report	54

Statement of comprehensive income

for the year ended 30 June 2022

	Notes	2022 \$	2021 *(Restated) \$
Income from Continuing Operations			
Fees	2	7,037,710	6,438,798
Government Grant	3	4,000,000	3,650,000
Other Income	4	604,817	637,524
Total Revenue		11,642,527	10,726,322
Gains			
Gain on sale of plant and equipment		8,547	-
Total Income from Continuing Operations		11,651,073	10,726,322
Expenses from Continuing Operations			
Members' Expenses		425,402	419,607
Employee Expenses	5	7,275,676	7,571,495
Supplies and Services	8	1,177,561	1,640,975
Borrowing Costs - Interest on Lease	14	47,028	91,247
Depreciation and Amortisation	13, 14	1,891,627	1,904,501
Other Expenses	9	376,106	42,030
Total Expenses from Continuing Operations		11,193,400	11,669,855
Operating Result from Continuing Operations		457,673	(943,533)
Total Comprehensive Income		457,673	(943,533)

* Comparative statements have been restated. Refer to note 1(f)

The accompanying notes form part of these financial statements

Statement of financial position

as at 30 June 2022

	Notes	2022 \$	2021 \$
Current Assets			
Cash and Cash Equivalents	10	8,515,484	9,078,032
Receivables	11	1,523,573	1,820,149
Prepayments		210,569	389,845
Total Current Assets		10,249,626	11,288,026
Non Current Assets			
Plant and Equipment	12	854,975	740,179
Right-of-use Assets	13	3,714,728	2,118,887
Total Non Current Assets		4,569,703	2,859,066
Total Assets		14,819,329	14,147,092
Current Liabilities			
Lease Liabilities	13	648,122	2,339,190
Payables	14	803,637	916,409
Accrued Employee Benefits	15	720,900	739,908
Total Current Liabilities		2,179,065	3,995,507
Non Current Liabilities			
Lease Liabilities	13	3,066,607	1,005,576
Accrued Employee Benefits	15	125,829	155,854
Total Non Current Liabilities		3,192,436	1,161,430
Total Liabilities		5,371,501	5,156,937
Net Assets		9,447,828	8,990,155
Equity			
Accumulated Surplus		9,447,828	8,990,155
Total Equity		9,447,828	8,990,155

The accompanying notes form part of these financial statements

Statement of changes in equity

for the year ended 30 June 2022

	Accumulated Surplus	
	2022	2021
	\$	\$
Balance 1 July	8,990,155	9,933,688
Operating Result from Continuing Operations	457,673	(943,533)
Other Comprehensive Income	-	-
Total Comprehensive Income	457,673	(943,533)
Balance 30 June	9,447,828	8,990,155

The accompanying notes form part of these financial statements

Statement of cash flows

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
<i>Inflows:</i>			
Government Grant		4,000,000	3,650,000
Fees		7,493,074	5,458,797
Interest		57,729	83,431
Other		162,099	605,391
GST collected		735,247	535,516
GST input tax credits from ATO		346,906	430,445
		12,795,055	10,763,580
<i>Outflows:</i>			
Members' Expenses		(425,402)	(419,607)
Employee Expenses		(7,379,035)	(6,961,360)
Supplies and services		(1,177,492)	(2,971,309)
Borrowing costs		(47,028)	(91,247)
GST paid to Suppliers		(401,204)	(424,116)
GST remitted to ATO		(753,411)	(521,641)
		(10,183,572)	(11,389,280)
Net cash provided by / (used in) operating activities		2,611,483	(625,700)
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds from disposal of Plant and Equipment		8,547	-
<i>Outflows:</i>			
Payments for Plant and Equipment		(843,390)	(10,204)
Net cash provided by / (used in) investing activities		(834,844)	(10,204)
Cash flows from Financing activities			
<i>Outflows:</i>			
Lease payments	13	(2,339,190)	(2,197,690)
Net cash provided by / (used in) Financing activities		(2,339,190)	(2,197,690)
Net increase/(decrease) in cash and cash equivalents		(562,550)	(2,833,594)
Cash and cash equivalents at beginning of financial year		9,078,034	11,911,628
Cash and cash equivalents at end of financial year	10	8,515,484	9,078,034

The accompanying notes form part of these financial statements

Notes to and forming part of the financial statements

for the year ended 30 June 2022

Note 1:

Basis of Financial Statement Preparation

(a) General Information

These financial statements cover the Queensland Competition Authority (QCA). The QCA is a statutory body established under the *Queensland Competition Authority Act 1997* (QCA Act).

The objective of the QCA is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements. The head office and principal place of business of the QCA is Level 27, 145 Ann Street, Brisbane Queensland 4000.

(b) Compliance with Prescribed Requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

These general purpose financial statements are prepared in accordance with the disclosure requirements of Australian Accounting Standards - Simplified Disclosures. The financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations applicable to not-for-profit entities, and the presentation requirements in those standards as modified by AASB 1060.

(c) The Reporting Entity

The QCA does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity of the QCA as an individual entity.

(d) Underlying Measurement Basis

The historical cost convention is used unless otherwise stated.

The financial statements are prepared on an accruals basis (with the exception of the statement of cash flows which is prepared on a cash basis).

(e) Other Presentation Matters

Currency and Rounding

Amounts included in financial statements are in Australian dollars, are rounded to the nearest dollar and may not add to the correct sub-totals or totals due to rounding.

Comparatives

Comparative information reflects the audited 2020–21 financial statements. Comparative information is restated where necessary to be consistent with disclosures in the current reporting period. There have been no material restatements during the year.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or when the QCA does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

(f) New Accounting Standards and Change in Accounting Policies

Change in Accounting Policies

The QCA did not voluntarily change any of its accounting policies during 2021–22 except as detailed below.

Fee Income

The QCA voluntarily changes its accounting policy for the 2021–22 year relating to the presentation of regulatory fee income where amounts received during the year are in excess of the costs of providing the related services. As per Note 2 to the financial statements, the QCA recognises fee revenue in the accounting period in which services are rendered, and in compliance with the *Queensland Competition Authority Regulation 2018*, any regulatory fee income received in excess of the costs of providing the related services in a year are repaid in the next financial year.

Prior to 2021–22, amounts repayable were recognised as fees expense in the Statement of Comprehensive Income. The QCA has now elected to present these amounts in the Statement of Comprehensive Income as a reduction of revenue in the period in which the adjustment relates to. This change was implemented as the

QCA is of the opinion that this presentation will provide more relevant information, and result in a more accurate reporting of revenue from regulatory fees by reflecting the amounts of fees that the QCA expects to be entitled to receive. Amounts received by the QCA from regulated entities in excess of the final regulatory fees determination will continue to be presented as a payable (refer Note 14) in the Statement of Financial Position.

In accordance with AADB 108, this change in accounting policy is presented retrospectively and the following table provides a summary of the amounts of the adjustments for each financial statement line item affected for the comparative period.

Adjustments made to Statement of Comprehensive Income (extract)

	2021 (Previously Reported)	Adjustment	2021 (Restated)
	\$	\$	\$
Fees	6,948,628	(509,830)	6,438,798
Total Revenue	11,236,152	(509,830)	10,726,322
Fee Expense	509,830	(509,830)	-
Total Expenses	12,179,685	(509,830)	11,669,855

Change in Accounting Standards

The QCA did not early adopt any new accounting pronouncements in the 2021–22 financial year.

One new accounting standard was applied for the first time in 2021–22:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-For Profit Tier 2 Entities introduces the Simplified Disclosures framework for general purpose financial statements prepared entities under Tier 2 of the Differential Reporting Framework. This new disclosure framework applies to the QCA. While most of the disclosures remain the same as 2020–21, there have been some changes by way of additional or reduced disclosures reflected in these financial statements.

The new accounting standard does not change any recognition or measurement requirements, and the QCA's financial statements continue to comply with the recognition and measurement requirements of all applicable accounting standards and interpretations.

(g) Authorisation of Financial Statements for issue

The financial statements were authorised for issue by the Chair and the Chief Executive Officer at the date of signing the Management Certificate.

Note 2:

Fees	2022	2021
	\$	\$
Fees	7,037,710	6,438,798
Total	7,037,710	6,438,798

Accounting Policy

Fee revenue is recognised in the accounting period in which the services are rendered and is in compliance with the requirements set out in the *Queensland Competition Authority Regulation 2018*.

The *Queensland Competition Authority Regulation 2018* only permits the QCA to charge fees for providing a service or performing a function that is no more than the reasonable cost of providing that service or performing that function. Regulatory fee income is calculated based on the associated costs of providing the related services.

Any regulatory fee income received in excess of the costs of providing the related services in a year is disclosed in the Statement of Financial Position as a payable (Accrued Fees Payable per Note 14). All amounts payable are repaid in the next financial year.

Any cost of providing the regulated services in excess of the regulated fee income received in a year is disclosed in the Statement of Financial Position as a receivable and is recognised as revenue in the Statement of Comprehensive Income. All amounts receivable are invoiced in the subsequent financial year.

Note 3:

Government Grant	2022	2021
	\$	\$
Grant - Queensland Treasury	4,000,000	3,650,000
Total	4,000,000	3,650,000

Accounting Policy

The Government grant is recognised upon receipt of the grant funding. The grant is non-reciprocal in nature.

Where the grant agreement is enforceable and contains specific performance obligations for the QCA to transfer services to a third party on the grantor's behalf, the grant is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred as unearned revenue (contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant is accounted for under AASB 1058 Income for Not-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding except for special purpose capital grants received to construct non-financial assets to be controlled by the QCA. The QCA did not receive any specific purpose capital grants in this financial year.

Disclosure - Grants and other contributions

The grant received from Queensland Treasury is accounted for under AASB 1058.

Note 4:

Other Income	2022	2021
	\$	\$
Interest	60,061	79,036
Sub-lease rent income	162,374	446,055
Other*	382,382	112,433
Total	604,817	637,524

* Other income for the 2021–22 year relates to the gain on lease modification connected with the early surrender of the QCA's leased office premises as detailed at Note 13.

Accounting Policy

Sub-lease rent income is derived from leasing floor space to Queensland Productivity Commission (which became part of Queensland Treasury on 2 June 2021) and is classed as revenue and does not offset rent expense. Rent is received monthly in arrears with an annual increase of 4.25%. The sub-lease expired on 30 September 2021.

Lease income is recognised when the right to receive the revenue has been established.

Note 5**Employee Expenses**

	2022	2021
	\$	\$
Employee Benefits		
Salaries	5,450,598	5,819,352
Annual Leave	481,392	443,933
Sick Leave	185,097	128,299
Employer Superannuation Contributions	612,142	595,560
Long Service Leave Central Scheme Levy	139,636	133,429
Employee Related Expenses		
Payroll tax	328,689	334,029
Staff Training Costs	43,983	37,960
Staff Recruitment Costs	-	36,326
Other Staff Expenses	19,664	25,383
Workers Compensation Premium	14,475	17,224
Total	7,275,676	7,571,495

The number of employees including both full time employees and part time employees measured on a full time equivalent basis at the end of each year is:

39.3	43.5
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Accounting PoliciesSalaries and sick leave

Salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As the QCA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual and long service leave

Annual leave liabilities are accounted for as short term employee benefits and are presented as current liabilities as QCA does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period. Annual leave liabilities are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future salaries and anticipated future leave requirements of staff. These are discounted at rates at the end of the reporting period on government bond rates at the end of the reporting period that coincides with the expected timing of estimated future payments.

All directly associated on-costs (for example employer superannuation contributions, payroll tax and worker's compensation insurance) are also recognised as liabilities.

The QCA joined the State Government's Long Service Leave Central Scheme (the Scheme) from 1 July 2002. Under the Scheme, a levy is made on the QCA to cover this expense. Amounts paid to employees for long service leave are claimed from the Scheme quarterly in arrears.

No provision for long service leave is recognised in the Financial Statements from 1 July 2002, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Staff Retention Scheme

Included in accrued employee benefits is the amount payable to staff under the QCA's staff retention scheme. Eligible staff are entitled to a payment following continuous service to the QCA after three and after six years. The amount recognised is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate estimates of future salaries, duration of current service and probability of employee turnover and are discounted at rates at the end of the reporting period on government bond rates. Upon measurement of obligations under the staff retention scheme, the net obligation is recognised in profit or loss as part of employee benefits expense.

Superannuation

Contributions to superannuation meet the minimum requirements of the *Superannuation Guarantee (Administration) Act 1992*. Contributions to employees' superannuation plans are charged as an expense as the contributions are paid or become payable. Employees of the QCA may elect to be members of QSuper or any other complying superannuation fund.

Other Employee Related Expenses

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Note 6:

Key Executive Management Personnel and Remuneration Expenses

The key executive management personnel that had authority and responsibility for planning, directing and controlling the activities of the QCA during 2021–22 are detailed below.

Position	Responsibilities	Contract Classification and Appointment Authority
Chair	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. The Chair is also responsible for the collegiate functioning of the members and Ministerial liaison.	Governor in Council/ <i>QCA Act 1997</i>
Deputy Chair	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. In the absence of the Chair, the Deputy Chair assumes the Chair's responsibilities.	Governor in Council/ <i>QCA Act 1997</i>
Member	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act.	Governor in Council/ <i>QCA Act 1997</i>
Chief Executive Officer	The Chief Executive Officer is responsible for management of the Authority in accordance with directions of the Members and the QCA Act.	Individual Contract issued by the Authority

The remuneration of Members is set by the Governor in Council. The remuneration of the Chief Executive Officer is set by Members of the Authority and detailed in an employment contract.

Total Remuneration comprises:

- Short term benefits which include:
 - Base - consisting of base salary and leave entitlements paid and provided for the entire year
 - Performance payment - based on a set of key performance indicators set by the Members at the beginning of each financial year that focus on the delivery of work plan and organisational goals.
 - Non-monetary benefits - consisting of other employment benefits together with fringe benefits tax applicable to the benefit
- Long term employee benefits consisting of payments towards long service leave entitlements
- Post employment benefits consisting of superannuation contributions
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment.

The following disclosures focus on the expenses incurred by QCA during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

1 July 2021—30 June 2022

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	\$	Non-Monetary Benefits				
Chair (1/7/21-30/6/22)	135,897	-	-	13,590	-	149,486
Deputy Chair (1/7/21-30/6/22)	67,948	-	-	6,795	-	74,743
Member (1/7/21-30/6/22)	67,948	-	-	6,795	-	74,743
Member (1/7/21-30/6/22)	67,948	-	-	6,795	-	74,743
Chief Executive Officer (1/7/21-30/6/22)	424,096	-	8,906	23,487	-	456,490
Total Remuneration	763,838	-	8,906	57,462	-	830,206

1 July 2020—30 June 2021

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	\$	Non-Monetary Benefits				
Chair (1/7/20-30/6/21)	137,042	-	-	13,019	-	150,061
Deputy Chair (1/7/20-30/6/21)	68,521	-	-	6,509	-	75,030
Member (1/7/20-30/6/21)	68,521	-	-	6,509	-	75,030
Member (1/7/20-30/6/21)	68,521	-	-	6,509	-	75,030
Chief Executive Officer (1/7/20-30/6/21)	400,687	-	8,414	21,537	-	430,638
Total Remuneration	743,292	-	8,414	54,083	-	805,789

Performance Payments

The 2020–21 remuneration package for the Chief Executive Officer included a potential performance payment of up to a maximum of \$20,999 for successful completion of Board set key performance indicators. The assessment process for the performance payment yielded a performance payment of \$18,374 which was paid in the 2021–22 financial year.

The 2021–22 remuneration package for the Chief Executive Officer includes a potential performance payment of up to a maximum of \$22,062 for successful completion of Board set key performance indicators. The assessment process for calculating this years' performance payment has not commenced.

Note 7:

Related Party Transactions

There were no related party transactions with the QCA's key management personnel in 2020–21 or 2021–22.

Note 8:

Supplies and Services

	2022	2021
	\$	\$
Specialist Services	496,647	989,424
Occupancy Costs	202,009	223,818
Information Technology Costs	232,615	209,744
Travel and Accommodation Costs	4,747	1,828
Bank Fees and Charges	16,956	17,727
General Administration Costs	148,156	104,078
Other	76,431	94,356
Total	1,177,561	1,640,975

Accounting Policy

Expenses for supplies and services are recognised upon receipt of the goods or services ordered and are measured at the nominal amount.

Note 9:	2022	2021
Other Expenses	\$	\$
External Audit Fees*	26,100	26,100
Insurance Premiums	17,348	15,930
Loss on disposal of plant and equipment**	332,658	-
Total	376,106	42,030

*There are no non-audit services included in this amount.

** Loss on disposal of plant and equipment relates to the write off of plant and equipment due to the QCA's early surrender of the leased office premises as detailed at Notes 12 and 13.

Total audit fees quoted by the Queensland Audit Office relating to the 2021–22 financial statements are \$26,100 (2021: \$26,100).

Note 10:	2022	2021
Cash and Cash Equivalents	\$	\$
Cash at Bank	895,517	1,492,113
Cash on Hand	500	500
Cash in QTC Cash Fund	7,619,467	7,585,419
Total	8,515,484	9,078,032

Accounting Policy

Cash assets include cash at bank, cash on hand and cash with Queensland Treasury Corporation (QTC). All cash amounts are at call and can be redeemed in under one working day at their face value. The QCA does not have any borrowing or overdraft facilities.

Note 11:	2022	2021
Receivables	\$	\$
Trade Debtors	1,650	1,375
Other Receivables	96,377	10,326
Accrued Fee Income*	1,323,264	1,778,628
Sub Total	1,421,291	1,790,329
GST Receivable	102,282	47,984
GST Payable	-	(18,164)
Sub Total	102,282	29,820
Total Receivables	1,523,573	1,820,149

Accounting Policy

Trade Debtors are recognised at the nominal amounts due, with settlement generally being required within 30 days from invoice.

The collectability of receivables is assessed annually with provision being made for expected credit losses.

The receivable loss allowance calculation, based on the probability and timing of potential defaults has been assessed at zero for 2021–22, taking into account forecasts of future economic conditions as well as past events. There have been no bad debts.

*Accrued Income represents reasonable costs in excess of regulatory fees received that will be invoiced in the next financial year.

Note 12:**Plant and Equipment and Depreciation Expense**

	2022	2021
	\$	\$
(i) Plant and Equipment		
Plant and Equipment: At Cost	174,292	3,944,611
Less: Accumulated Depreciation	(125,317)	(3,204,432)
Work in progress	806,000	-
Total	854,975	40,179

(ii) Plant and Equipment Reconciliation

	Plant and Equipment
Carrying amount at 1 July 2021	740,179
Acquisitions (including upgrades)	37,390
Disposals*	(332,658)
Depreciation Expense	(395,935)
Work in progress	806,000
Carrying amount at 30 June 2022	854,976

Accounting Policy

The Queensland Government's policy, titled *Non-Current Asset Policies for the Queensland Public Sector*, establishes prescribed asset measurement methods and recognition thresholds. In accordance with this policy, the assets of the QCA are measured at current replacement cost. On acquisition, assets are valued at cost including all expenses necessary to have the asset ready for use. Items of plant and equipment with a cost value equal to or in excess of \$5,000 are recognised for financial purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

The carrying amounts for plant and equipment at cost approximate their fair value.

The amount for Work in progress represents the value of works carried out to 30 June 2022 with regards to the refurbishment of QCA premises at Level 27, 145 Ann Street Brisbane. No depreciation will be recorded until the project has been completed and ready for its intended use.

Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QCA determines the asset's recoverable amount. Any amount by which the asset's carrying value exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the Statement of Comprehensive Income.

Depreciation Expense

Depreciation of plant and equipment is calculated on a straight line basis so as to allocate the net cost of each asset, less its estimated residual value, progressively over its estimated useful life to the QCA. Fixtures and fittings are depreciated over the lesser of the unexpired period of the QCA's building lease and the estimated useful life, while other plant and equipment is depreciated over the estimated useful life.

The estimation of the useful lives of assets is based on historical experience with similar assets and asset turnover practices of the QCA. Reassessments of useful life estimates are implemented prospectively.

* The lease surrender detailed at Note 13 required additional write off of plant and equipment associated with leasehold improvements. Disposals represent the carrying amount of plant and equipment that would have applied as depreciation in 2022–23.

In general, the following depreciation rate ranges have been used:

Plant and Equipment:	10%–20%
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Note 13:**Leases**

	2022	2021
	\$	\$
Right of Use assets - Buildings		
Opening balance at 1 July	2,118,887	3,614,579
Depreciation charge	(1,495,692)	(1,495,692)
Additions	3,714,728	-
Other adjustments*	(623,195)	-
Closing balance 30 June	3,714,728	2,118,887
Lease Liabilities		
Current	648,122	2,339,190
Non-current	3,066,607	1,005,576
Total	3,714,729	3,344,766
Amounts recognised in profit or loss		
Interest expense on lease liabilities	47,028	91,247
Depreciation on Right-of-Use assets	1,495,692	1,495,692
Reduction in Right of Use asset and Lease Liability for early termination of lease	(382,381)	-
Total cash outflow for leases	2,339,190	2,197,690

Accounting Policy

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), initial direct costs incurred and the initial estimate of restoration costs (where applicable). Subsequent to initial recognition, right-of-use assets are measured at cost.

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the QCA is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise:

- fixed payments (less any lease incentives receivable),
- variable lease payments that depend on an index or rate (initially measured using the index or rate as at the commencement date),
- the amount of residual guarantees,
- the exercise price of a purchase option (where the QCA is reasonably certain to exercise the option); and
- payments for termination penalties (if the lease term reflects the early termination).

The QCA's incremental borrowing rate is used when measuring the lease liability for the lease of office premises as the interest rate implicit in the lease cannot be readily determined. The incremental borrowing rate used is the fixed loan rate published by the Queensland Treasury Corporation that corresponds to the lease's commencement date and lease term.

Lease instalments paid will be split between interest expense and a reduction in the Lease Liability. The Right of Use Asset is amortised over the term of the lease.

Disclosure - Leases

The offices occupied by the QCA are subject to a lease which expires on 22 November 2022. During the 2021–22 year, the QCA negotiated an early surrender of the existing lease with the term ending on 30 June 2022. The lease was calculated with annual increases of 4.25%. There are no options beyond the expiry date.

A bank guarantee in favour of the Landlord for \$970,068 being equivalent to six months rent has been issued for the lease of levels 26 and 27 in 145 Ann Street which has been handed back following completion of the lease on 30 June 2022. This is enforceable should the QCA default on its lease commitments.

As part of the early surrender of the existing lease at 30 June 2022, a new lease was entered into commencing 1 July 2022, which expires on 30 June 2027. The lease is calculated with annual increases of 3.75% after the second year. There is a 5 year option beyond the expiry date. The QCA has not included the optional period in the lease term as it is not reasonably certain to exercise the option.

A bank guarantee in favour of the Landlord for \$545,040 being equivalent to six months rent has been issued for the lease of level 27 in 145 Ann Street which commences on 1 July 2022. This is enforceable should the QCA default on its lease commitments.

*Other adjustments represent the reduction in right of use asset due to the accounting for the lease modification with respect to the early surrender of the existing leased premises in the 2021–22 year.

	2022	2021
	\$	\$
Lease Liability Maturity		
Undiscounted future lease payments included in the lease liability are as follows.		
Not later than one year	783,135	2,612,912
Later than one year but not later than five years	3,326,580	1,059,786
Less discounting of lease payments to present value	(394,997)	(327,932)
Lease liabilities at 30 June 2022	3,714,718	3,344,766

Note 14:

Payables

	2022	2021
	\$	\$
Accrued Expenses	341,485	146,144
Trade Creditors	99,907	234,335
Audit Fees Payable	26,100	26,100
Accrued Fee Expenses*	342,551	509,830
Total	810,043	916,409

*Accrued Fee Expenses represents reasonable costs less than the regulatory fees received that will be repaid in the next financial year.

Accounting Policy

Trade Creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount; i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Trade creditors are generally unsecured, not subject to interest charges and are normally settled within agreed business terms.

Note 15:

Accrued Employee Benefits

	2022	2021
	\$	\$
Current		
Annual Leave	620,545	646,164
Staff Retention Scheme	100,355	93,744
Total	720,900	739,908
Non-Current		
Staff Retention Scheme	125,829	155,854
Total	125,829	155,854

Accounting Policy

Accounting policies for employee benefit liabilities are disclosed in note 5.

Note 16:

Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the QCA becomes a party to the contractual provisions of the instrument.

Classification

The QCA's only financial assets and liabilities are as follows and they are measured at:

- Cash and cash equivalents - held at amortised cost
- Receivables - held at amortised cost
- Payables - held at amortised cost
- Lease Liabilities held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The QCA does not enter into, or trade with, such instruments for speculative purposes, nor for hedging.

Note 17:

Leases

	2022	2021
	\$	\$
<i>Leases as lessor</i>		
Future sub-lease rentals not recognised in the financial statements are receivable as follows:		
Not later than one year	-	132,364
Total commitments	-	132,364

Part of the offices occupied by the QCA are subject to a sub-lease with the Queensland Productivity Commission (which became part of Queensland Treasury on 2 June 2021) which expired on 30 September 2021. The lease is calculated with annual increases of 4.25%. There were no options beyond the expiry date.

Note 18:

Other Information

Taxation

The activities of the QCA are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office have been recognised in the Statement of Financial Position.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Key Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of accounting estimates, assumptions, and management judgements that have the potential to cause a material impact on the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are included in the calculation of the following financial statement notes:

- Accrued Fee Income—note 11
- Depreciation—note 12
- Right of Use Assets and Liabilities—note 13
- Accrued Expenses—note 14
- Accrued Fees Payable—note 14
- Accrued Employee Benefits—note 15

Impact of COVID 19

While we recognise the impact of COVID 19 at the State and National level, our ability to deliver services to government and our stakeholders have not been materially affected. Our customers and suppliers have continued to trade and through the use of appropriate technology our processes are sufficiently robust and allow our operations to continue through a mixture of office and home based activities. Whilst the current environment is quite fluid, given the size and scale of the entities we regulate and the strength of the supply chains we all utilise, we are confident viable future operations can be maintained by stakeholders and the QCA.

Certificate of Queensland Competition Authority

These general purpose financial statements have been prepared pursuant to s.62(1)(a) of the *Financial Accountability Act 2009* (the Act), s. 39 of the *Financial and Performance Management Standard 2019*, and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Competition Authority for the financial year ended 30 June 2022 and of the financial position of the Authority as at the end of that year.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Chair
F. Menezes
PhD U of I
25 August 2022

Chief Executive Officer
C Millsted
BEcon (Hons) BA
25 August 2022



INDEPENDENT AUDITOR'S REPORT

To the Board of the Queensland Competition Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Queensland Competition Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosure, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Carolyn Dougherty
as delegate of the Auditor-General

31 August 2022

Queensland Audit Office
Brisbane

Glossary

Term	Definition
ACCC	Australian Competition and Consumer Commission
ACT	Australian Capital Territory
AEMC	Australian Energy Market Commission
CQCN	Central Queensland coal network
DAAU	draft amending access undertaking
DAU	draft access undertaking
DBCT	Dalrymple Bay Coal Terminal
DBI	Dalrymple Bay Infrastructure
Electricity Act	<i>Electricity Act 1994</i>
ERA	Economic Regulation Authority (Western Australia)
IPART	Independent Pricing and Regulatory Tribunal
KPI	key performance indicator
Minister	Minister for Natural Resources, Mines and Energy
NESB	non-English-speaking background
SEQ	south east Queensland
QCA	Queensland Competition Authority
QCA Act	<i>Queensland Competition Authority Act 1997</i>
UT5	Aurizon Network's 2017 access undertaking

Appendices

Queensland Competition Authority

File Ref: 1477142

12 September 2022

The Honourable Cameron Dick MP
Treasurer and Minister for Trade and Investment
GPO Box 611
Brisbane Qld 4001

Dear Treasurer

Queensland Competition Authority—annual report 2021–22

I am pleased to submit for presentation to the Parliament the annual report 2021–22 and financial statements for the Queensland Competition Authority.

I certify that this annual report complies with:

- The prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*; and
- The detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at pages 61–62 of this annual report.

Yours sincerely



Professor Flavio Menezes
Chair

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Appendix B: Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	60
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	i 57
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	63
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	63
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	Back of cover page
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	2–3, 12
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	12–30
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	8–10, 12–30
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	12–33
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	19, 37–52
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	6
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	4–5
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	7
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	27
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	18
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6	27
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	18
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	N/A
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	18
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	18
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	18
	<ul style="list-style-type: none"> Information Security attestation 	ARRs – section 14.6	N/A
	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs – section 15.1	27–30

Summary of requirement		Basis for requirement	Annual report reference
Governance – human resources	<ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment 	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	28
Open Data	<ul style="list-style-type: none"> • Statement advising publication of information 	ARRs – section 16	19, 63
	<ul style="list-style-type: none"> • Consultancies 	ARRs – section 31.1	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Overseas travel 	ARRs – section 31.2	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Queensland Language Services Policy 	ARRs – section 31.3	N/A
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	53
	<ul style="list-style-type: none"> • Independent Auditor's Report 	FAA – section 62 FPMS – section 46 ARRs – section 17.2	54–56

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

Annual report access

Additional copies

A copy of this report can be obtained by contacting us.

email annualreport@qca.org.au

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This report is available in PDF format
on our website: <https://www.qca.org.au/our-role/>

Open data

Further information on the following is available through the Queensland Government's Open Data portal, <https://data.qld.gov.au>

- Consultancies 2021–22
- Overseas travel 2021–22.

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Translating and interpreting assistance

We are committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on (07) 3222 0555 and we will arrange an interpreter to assist you.



Feedback

Readers are encouraged to provide feedback on the contents or structure of this report by contacting us at annualreport@qca.org.au

