1. The key legislation governing the contracting and provision of passenger transport services in Queensland is the *Transport Operations (Passenger Transport) Act 1994* (the Act). The key objective of the Act is “to achieve the best possible public passenger transport at reasonable cost to the community and government, keeping government regulation to a minimum".
2. Section 37 of the Act defines the purpose of service contracts as "to hold operators accountable for minimum service levels to ensure the communities served under the contracts receive, at a reasonable cost, quality and innovative public passenger services".
3. Bay Islands Transit System holds a service contract with the State Government for a five year period and provides essential connectivity between Moreton Bay Islands and the mainland. Last year the ferries moved more than 1.2 million passengers including pensioners and students.
4. The recently introduced Moreton Bay Marine Park Plan ensures that marine animals in Moreton Bay, particularly dugongs and turtles, are protected from possible boat strikes.
5. Bay Islands Transit System have committed to the Marine Park Plan by designing and developing new ferries.
6. The innovative ferries will:

* be jet propelled instead of having propellers that can cause injuries to dugongs and turtles;
* have a unique rounded hull design; and
* provide an increased passenger capacity.

1. Cabinet:

* noted the impacts on ferry operations associated with “go-slow” zones for vessels over 8 metres in the Moreton Bay Marine Park Plan;
* approved an extension to the exemption period for regulated government ferry services in Moreton Bay to five years;
* noted the intention of the Department of Transport and Main Roads to fund four ferries in accordance with the provision of the *Disability Discrimination Act 1992* (C’wlth) to a maximum of 25% of the capital replacement costs.