



TRANSPORT, LOCAL GOVERNMENT AND INFRASTRUCTURE COMMITTEE

REPORT NO. 1: ESTIMATES 2011

INTRODUCTION

1. The Transport, Local Government and Infrastructure Committee (the committee) is a portfolio committee of the Legislative Assembly that was established on 16 June 2011 with the following areas of responsibility:
 - Transport
 - Main Roads
 - Marine Infrastructure
 - Infrastructure
 - Building Industry
 - Local Government.¹
2. Part of the committee's responsibilities is to examine and report on the proposed expenditures in the *Appropriation Bill 2011* for selected organisational units within the ministerial portfolios of:
 - the Minister for Main Roads, Fisheries and Marine Infrastructure - Main Roads and Marine Infrastructure
 - the Minister for Government Services, Building Industry and Information and Communication Technology - Building Industry
 - the Minister for Transport and Multicultural affairs - Transport
 - the Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State - Local Government.
3. The committee held a public hearing on 14 July 2011 at Parliament House to question the ministers about the above organisational units within their portfolio budget. A transcript of the hearing is available from the Parliament's website at:
<http://www.parliament.qld.gov.au/view/legislative/Assembly/hansard.asp>
4. Prior to the public hearing, the committee put questions on notice to each minister. Responses to all the questions were received.
5. The committee has considered the estimates referred to it by examining information contained in:
 - the Budget papers
 - answers to pre-hearing questions on notice
 - oral evidence taken at the hearing
 - documents tabled at the hearing
 - answers to questions taken on notice at the hearing
 - additional information provided to the committee.
6. Answers to pre-hearing questions on notice, questions taken on notice at the hearing and documents tabled at the hearing, together with the minutes of the committee's meetings, are included in a volume of additional information tabled with this report.
7. This report summarises the estimates referred to the committee and highlights some of the issues the committee examined.
8. The committee believes that the reforms to the hearing process, particularly the review of arbitrary time limits, have improved the hearing process and the committee's ability to inform itself. The committee has also resolved to make a submission to the Committee of the Legislative Assembly on further improvements.

¹ The Standing Orders, Schedule 6 (Portfolio Committees) identifies the committee's primary areas of responsibility.

MINISTER FOR MAIN ROADS, FISHERIES AND MARINE INFRASTRUCTURE

9. Schedule 1 to the Appropriation Bill would authorise the following payment to the Department of Transport and Main Roads (DTMR) portfolio, which includes Main Roads, Transport and Marine Infrastructure organisational units:

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Budget 2011-12 (\$'000)
Department of Transport and Main Roads	7,344,391	6,678,006	7,342,573

10. Schedule 2 provides further:

Department of Transport and Main Roads	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Budget 2011-12 (\$'000)
<i>Controlled Items</i>			
Departmental Services	3,357,634	3,560,433	3,708,928
Equity Adjustment	2,433,147	1,689,330	2,108,831
<i>Administered Items</i>	1,553,610	1,428,243	1,524,814
Vote	7,344,391	6,678,006	7,342,573

Source: Appropriation Bill 2011, Schedule 2, p. 10.

Main Roads

11. The purpose of DTMR is to plan, deliver and manage a transport system that connects Queensland.²
12. The Appropriation Bill does not provide information on the split of the appropriation between the Main Roads, Transport and Marine Infrastructure organisational units within the Department.
13. Upon request, DTMR provided the following information, which details the appropriation for the organisational unit of Main Roads within the DTMR portfolio for 2011-12 compared to the 2010-11 financial year:

Main Roads	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Budget 2011-12 (\$'000)
<i>Controlled Items</i>			
Departmental Services	1,719,134	1,671,085	1,972,682
Equity Adjustment	1,809,856	1,071,861	1,756,057
<i>Administered Items</i>	-	-	-
Vote	3,528,990	2,742,946	3,728,739

Source: Department of Transport and Main Roads

RoadTek

14. RoadTek is a major provider of transport infrastructure throughout Queensland.³ The appropriation for the commercialised business unit of RoadTek within the DTMR portfolio for 2011-12 compared to the 2010-11 financial year is:

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Estimate 2011-12 (\$'000)
RoadTek	488,083	644,836	688,999

Source: State Budget Papers 2011-12, SDS Book 2, p. 2-116.

Budget highlights

15. Key funding initiatives in 2011-12 include:
 - Delivery of the Transport Network Reconstruction Program to manage the delivery of reconstruction projects following the flooding and cyclone events during the 2010-11 summer, including:
 - National highway freight access project – Warrego and Landsborough Highways
 - Cotton industry freight access for roads around St George
 - Bruce Highway repairs between Gin Gin and Benaraby
 - Reconstruction of sections of the Peak Downs Highway
 - West Moreton Coal System (including Toowoomba Range)

² State Budget Papers 2011-12, SDS Book 2, p. 2-117.

³ State Budget Papers 2011-12, SDS Book 2, p. 2-138.

- Upgrading of the Bruce Highway between Ingham and Innisfail on the Cardwell Range
- Construction of overtaking lanes on the Bruce Highway from Bajool to Gavial between Benaraby and Rockhampton
- Continued upgrading of the Ipswich Motorway between Dinmore and Goodna
- Continued upgrading of the Port of Brisbane Motorway
- Duplication from two to four lanes at Temples Lane-Farrellys Lane, south of Mackay
- Continued upgrading of the Pacific Motorway between Springwood South and Daisy Hill
- Completion of widening of Pacific Motorway from four to six lanes between Nerang and Stewart Road
- Upgrading of the Bruce Highway (Cooroy to Curra) from Sankeys Road to Traveston Road
- Continued widening of sections of the Warrego Highway between Roma and Mitchell
- Continued upgrading of the Kennedy Developmental Road between Hughenden and Winton.

Issues considered by the committee

16. The committee considered a range of issues at its public hearing, including:

- Investment in the State-controlled road network in 2011-12
- Investment in regional Queensland roads
- Impact of natural disasters on Queensland roads
- Funding from the National Disaster Relief and Recover Arrangements (NDRRA) use on roads affected by flooding and other natural disasters
- Access to funding from the Federal Government, excluding NDRRA funds
- Continued upgrading, funding and progress of the Bruce Highway (Cooroy to Curra)
- Update on the upgrade of the Pacific Motorway between Springwood and Daisy Hill, including funding set aside for land acquisition
- Funding for Logan road network
- Advances in traffic signal technology on State-controlled roads
- Bruce Highway – south of Cairns – Wrights Creek Bridge
- Commitment of funds to Mackay Ring Road - connection to the Bruce Highway

- Timing of the building of the Fursden Creek and Edmund Casey Bridges
- Completion of the Houghton Highway project
- Intelligent transport systems on State-controlled roads
- Post-disaster work undertaken on Bruce Highway
- Performance of RoadTek officers
- Road funding provided to regional Queensland compared to south-east Queensland
- Average spent on Australian roads compared with the average spent on Queensland roads
- Worst-hit sections of the Bruce Highway from rain event during summer of 2010-11
- Likely impact of carbon tax on outgoing years of the Main Roads budget
- Cost of road upgrade from Stevens to Harley Streets, Gold Coast
- Signage guidelines for Main Roads
- Update on AJ Wylie Bridge at Petrie
- Work on the Warrego Highway.

Marine Infrastructure

17. The Appropriation Bill does not provide information on the split of the appropriation between the Main Roads, Transport and Marine Infrastructure organisational units within DTMR.

18. Upon request, DTMR provided the following information, which details the appropriation for the Marine Infrastructure organisational unit within the DTMR portfolio for 2011-12.

Marine Infrastructure	Budget 2010-11 (\$'000)*	Est. Actual 2010-11 (\$'000)*	Budget 2011-12 (\$'000)
<i>Controlled Items</i>			
Departmental Services	-	-	80,599
Equity Adjustment	-	-	19,060
<i>Administered Items</i>	-	-	-
Vote	-	-	99,659

Source: Department of Transport and Main Roads

*There is no comparison between the 2010-11 and 2011-12 financial years, as provision to examine Maritime Safety Queensland separately was instituted this year.

Budget highlights

19. Key funding initiatives in 2011-12 include:

- Development of marine infrastructure focussing on enhancing safety of vessels
- Continued development and implementation of the Vessel Traffic Service strategy that address current and anticipated port developments
- Completion of construction of the Townsville Marine Precinct at the Port of Townsville
- Continued upgrade of Berth 10 at the Port of Townsville
- Construction of new recreational boating facilities throughout Queensland to meet growing demand.

Issues considered by the committee

20. The committee considered a range of issues at its public hearing, including:

- Budget priorities for marine infrastructure
- Port lease costs
- Impact of costs of sub-leases on small marine businesses and enterprises
- Boat harbour pricing policy
- Cost of providing boat harbour infrastructure, facilities and maintenance
- Moreton Bay Trailer Boat Club
- Removal of marine debris and opening of shipping lanes after floods
- Measures introduced to ensure efficiencies in area of marine infrastructure
- Expenditure on recreational boating infrastructure compared to revenue from recreational boat registration fees
- State Government built recreational boating infrastructure – value-added local government facilities
- Recreational boating in central Queensland and provision of boat ramps, including at Roslyn Bay
- Reports of ships rat-running the Great Barrier Reef and new ship tracking systems.

MINISTER FOR TRANSPORT AND MULTICULTURAL AFFAIRS

Transport

21. The purpose of DTMR is to plan, deliver and manage a transport system that connects Queensland.⁴
22. As detailed earlier in the Minister for Main Roads, Fisheries and Marine Infrastructure section of this report (paragraphs 9, 10), the Appropriation Bill does not provide information on the split of the appropriation between the Main Roads, Transport and Marine Infrastructure organisational units within the departmental organisation.
23. Upon request, DTMR provided the following information, which details the appropriation for the organisational unit of Transport within the DTMR portfolio for 2011-12 compared to the 2010-11 financial year:

Transport	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Budget 2011-12 (\$'000)
<i>Controlled Items</i>			
Departmental Services	1,638,500	1,826,820	1,736,246
Equity Adjustment	623,291	617,469	352,774
<i>Administered Items</i>	1,553,610	1,428,243	1,524,814
Vote	3,815,401	3,872,532	3,613,834

Source: Department of Transport and Main Roads

TransLink Transit Authority

24. The TransLink Transit Authority (TransLink) was established by the State Government under the *Transport Operations (TransLink Transit Authority) Act 2008*. TransLink's stated role is to lead, plan, specify and provide mass transit for people in south-east Queensland.⁵
25. The appropriation for the commercialised business unit of TransLink within the DTMR portfolio for 2011-12 compared to the 2010-11 financial year is:

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Estimate 2011-12 (\$'000)
<i>TransLink</i>	1,383,804	1,384,687	1,514,129

Source: State Budget Papers 2011-12, SDS Book 2, p. 2-116.

⁴ State Budget Papers 2011-12, SDS Book 2, p. 2-117.

⁵ State Budget Papers 2011-12, SDS Book 2, p. 2-145.

Budget highlights

26. Key funding initiatives in 2011-12 include:

- Continue construction of the Gold Coast Rapid Transit System light rail project from Southport to Broadbeach
- Commence construction of a new dual track rail line from Richlands to Springfield, including new stations at Springfield and Springfield Lakes
- Continue construction of the Keperra to Ferny Grove duplication and Ferny Grove Station upgrade
- Northern Busway - Enoggera Creek and Kedron
- Complete the Eastern Busway between the south-east Busway and Main Avenue, including Stones Corner and Langlands Park bus stations
- Commence work on the City Place bus station in Cairns
- Construction of 60 new bus stops at Barron River
- Installation of noise barriers along rail corridor – Yeerongpilly to Corinda
- Early works on the Moreton Bay Rail Link
- Launch of the 2011-21 Queensland Road Safety Strategy
- Implementation of a range of initiatives in the Queensland Taxi Strategic Plan 2010-2015
- Continue to host the National Heavy Vehicle Regulator
- Program to introduce upgraded vehicles into school bus fleets
- Continue the rollout of New Queensland Driver Licence equipment to 223 licence issuing centres across Queensland
- Continue the roll out of the TravelSmart Schools program to 100 schools
- Continue to deliver new cycleway projects
- Introduce arrangements for commercial management of advertising billboards in State-controlled road corridors
- Offering up to five year 12 students scholarships in science and engineering based fields, as part of the Indigenous Scholarship Scheme.

Issues considered by the committee

27. The committee considered a range of issues at its public hearing, including:

- DTMR internal audit report: car parking review - draft report
- Issuing of car park space passes by DTMR
- Fringe benefits tax payments by DTMR
- Reconstructing transport infrastructure after the floods, including the rail and public transport networks
- Queensland Rail response to flood recovery
- TransLink response to flood recovery
- Improvement of rail timetables in south-east Queensland
- Public transport services to the Gold Coast
- Plan for further busways in south-east Queensland
- Auditor-General report on Queensland driver's licence
- Cost of new and embedded computer chip on Queensland driver's licences
- Manufacturing of Queensland license plates and issuing of contracts
- Likely impact of carbon tax on running rail and public transport and costs for customers
- State Government subsidies for public transport
- Update of work on Moreton Bay Rail Link
- Construction of the Cross River Rail project
- Update on the Gold Coast Rapid Transit system
- Green transport systems and update on the Darra-Springfield transport corridor project
- TransLink customer satisfaction
- Performance pay and salaries link for DTMR staff
- Stabilisation works on Kuranda Scenic Railway
- Update on Cairns city bus station project
- Measures to assist remote and regional communities with access to transport services
- Budget commitments to cycling infrastructure
- Engaging with stakeholders on public transport issues
- Public transport patronage numbers
- Impact of increased fares on public transport patronage
- Affordability of public transport.

**MINISTER FOR GOVERNMENT SERVICES,
BUILDING INDUSTRY AND INFORMATION
AND COMMUNICATION TECHNOLOGY**

Building Industry

- 28. The committee has responsibility to examine the Queensland Building Services Authority (QBSA) within the portfolio of the Minister for Government Services, Building Industry and Information and Communication Technology.
- 29. The QBSA is a statutory body established under the *Queensland Building Services Authority Act 1991* (the Act). The Authority provides a comprehensive licensing regime for the building industry, and performs regulatory functions under the Act.⁶
- 30. The appropriation for QBSA for 2011-12 compared to the 2010-11 financial year is:

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Estimate 2011-12 (\$'000)
Queensland Building Services Authority	148,085	155,656	149,675

Source: *State Budget Papers 2011-12, SDS Book 2, p. 2-153.*

Budget highlights

- 31. Key funding initiatives in 2011-12 include:
 - Introduction of new technology to allow lodgement of licence renewals online and increase educational material available online
 - Continue education of contractors on business management skills and common defects
 - Continue to assist with providing advice and technical support in rebuilding Queensland following flood and cyclone events during 2010-11 summer.

Issues considered by the committee

- 32. The committee considered a range of issues at its public hearing, including:
 - Protection of home buyers in Queensland
 - Dispute resolution process
 - Specific budget measures for QBSA
 - Queensland Civil and Administrative Tribunal (QCAT) resolution process for home owners
 - Building contractors initiating procedures with QCAT

- Measures in the budget to implement KPMG recommendations⁷
- Costs to homeowners of accessing additional advice due to their building dispute going to QCAT
- Impact and number of building disputes on QCAT's caseload
- QBSA's dispute processing times
- Number of subsidence claims due to rain
- Improvements in the relationship between the State Government and Queensland building industry
- Developments at the Office of the Queensland Government Architect
- Update on KPMG organisational review of the Authority.

DEPUTY PREMIER AND ATTORNEY-GENERAL, MINISTER FOR LOCAL GOVERNMENT AND SPECIAL MINISTER OF STATE

Local Government and Planning

- 33. The responsibility of the Local Government organisational unit within the Department of Local Government and Planning (DLGP) is to partner with local governments to deliver sustainable and accountable local government services and infrastructure, provide services and advice in the areas of governance, monitor and performance analysis, interventions and investigations, and targeted initiatives in support of Indigenous local governments, capacity building and funding.⁸
- 34. The department's responsibilities within its Planning organisational unit is to provide leadership by collaborating with State agencies, local government and other stakeholders to effectively plan for growth and infrastructure provision in Queensland, to maintain a high quality of life and facilitate sustainable development.⁹
- 35. Schedule 1 of the Appropriation Bill would authorise the following payment to the DLGP portfolio¹⁰:

⁷ KPMG report on QBSA - 'Organisation Review Project - Final Report June 2011'.
⁸ State Budget Papers 2011-12, SDS Book 2, p. 2-92.
⁹ State Budget Papers 2011-12, SDS Book 2, pp. 2-91.
¹⁰ DLGP was formerly the Department of Infrastructure and Planning, which was restructured as part of changes to the machinery of government in February 2011.

⁶ State Budget Papers 2011-12, SDS Book 2, p. 3-168.

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Vote 2011-12 (\$'000)
Department of Local Government and Planning	1,217,240	1,040,870	1,082,739

36. Schedule 2 provides further:

DLGP	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Budget 2011-12 (\$'000)
<i>Controlled Items</i>			
Departmental Services	649,788	724,830	663,312
Equity Adjustment	116,412	2,941	2,880
Administered Items	451,040	313,099	416,547
Vote	1,217,240	1,040,870	1,082,739

Source: Appropriation Bill, Schedule 2, p. 9.

Urban Land Development Authority

37. The Urban Land Development Authority (ULDA) is a planning and development body established in November 2007 to facilitate the release of urban land for development purposes and the provision of affordable housing.¹¹

38. The appropriation for the statutory body of the ULDA within the DLGP portfolio for 2011-12 compared to the 2010-11 financial year is:

Agency	Budget 2010-11 (\$'000)	Est. Actual 2010-11 (\$'000)	Estimate 2011-12 (\$'000)
<i>Urban Land Development Authority</i>	70,445	54,237	147,097

Source: State Budget Papers 2011-12, SDS Book 2, p. 2-85.

Budget highlights

39. Key funding initiatives in 2011-12 include¹²:

- Deliver the new Local Government Grants and Subsidies Program
- Assist councils with reconstruction from damage caused by monsoonal flooding and tropical cyclones in wet seasons prior to November 2010
- Support for the introduction of the new stand-alone local government election legislation
- Support for Indigenous local governments

- Evaluation of the financial sustainability of all local governments and developing and implementing capacity building programs
- Upgrade the sewage treatment plants at Innisfail, Kuranda, Cannonvale and Proserpine
- Complete the upgrade of the Innisfail Water Treatment Plant
- Initiate upgrade of the Whitsunday Regional Council Water Treatments Plants
- Implement the Water and Sewerage Program across the state to assist councils upgrade sewage treatment plants.
- Provide for the Mackay Showgrounds upgrade
- Release of the 2011 Queensland Infrastructure Plan
- Establish the Major Projects office to coordinate State government planning and approval processes for projects
- Deliver a range of solutions to improve the outlook for the building industry
- Implement the Council of Mayors (SEQ) and Local Government Association of Queensland's Development Assessment Process Reform Program
- Facilitate finalisation of local government priority infrastructure plans
- Continue to progress the Growth Management Program
- Develop a Queensland Regionalisation Strategy to encourage sustainable economic and population growth outside south-east Queensland
- Progress the Townsville Futures Plan for release
- Complete the Mount Peter Structure Plan and the Kinross Road Structure Plan
- Complete the Mackay Isaac Whitsunday, and Wide Bay Burnett Regional Plans
- Release the Resource Town Housing Affordability Study
- Progress master planning for the Princess Alexandra Hospital, the Royal Brisbane and Women's Hospital and for Sippy Downs Smart Community
- Plan for transit oriented development (TOD) opportunities for the Moreton Bay Rail Link project and progress stage 1 of the Yeerongpilly TOD
- Finalise development agreements for Albion, Ferny Grove Stage 1 and Cooparoo Junction TODs

¹¹State Budget Papers 2011-12, SDS Book 2, pp. 2-109.

¹²Local Government and Planning Budget Highlights, State Budget 2011-12, Agency Budget Highlights.

- Complete the first stage of development in the Townsville, Mackay, Gladstone and Roma Urban Development Areas (UDA)
- Complete stages 5 and 6 and the construction of the new Community Centre and commence Stages 7 and 8 at Fitzgibbon Chase
- Commence the ULDA's residential developments in Blackwater and Moranbah
- Declare new UDA at Tannum Sands
- Complete the Brisbane Valley Rail Trail and the Boonah to Ipswich Recreational Trail
- Progress development of the Flinders Street Mall upgrade and the Jezzine Barracks Redevelopment projects.
- Role of department and the number of staff involved in preparing the Queensland Infrastructure Plan and the timing of its release
- Commitment of funds to projects in the Queensland Infrastructure Plan and funding and timing of projects for central Queensland
- Reasons for convening the Building Revival Forum in April 2011 and key outcomes
- Impact of the capping of infrastructure charges on the construction industry
- Update on ULDA projects at Bowen Hills, Hamilton, Woolloongabba, Yarrabba and Greater Flagstone

Issues considered by the committee

40. The committee considered a range of issues at its public hearing, including:

- Processing *Sustainable Planning Act* planning scheme amendments, specifically: providing state interest comments within the 40 business day timeframe and government department mechanisms for achieving and reporting on planning scheme timeframes
- *Growth Management Queensland's Department Assessment, Monitoring and Performance Program - annual report* - resourcing of department to meet timeframes to respond to referrals
- Planning service area staffing and projected growth in corporate staffing allocations of full-time equivalents
- Update on recent internal audits and programmed internal audits for 2011-12
- Federal funding of local governments for post-disaster work
- Process councils required to undertake to receive NDRAA funding
- Funding for infrastructure projects relating to water and sewerage
- Benefits and objectives of Local Government Grants and Subsidies Program
- Update on funding for infrastructure in the Torres Strait and northern Cape York Peninsula regions
- Likely impacts of carbon tax on Queensland local governments and ratepayers
- Mechanisms to address land use conflicts and the development of regional development plans
- Far North Queensland Regional Plan - range of planning mechanisms to protect areas of high ecological usage extended to high agricultural usage
- Statutory land use controls in regional plans
- Protection of agricultural land in Darling Downs through statutory land use controls
- Advice to local governments on NDRAA funding approval process
- Sustainable local governments and viability of Torres Strait Regional Council
- Environmental measures to protect Pumicestone Passage from impacts of Caloundra South UDA
- Growth of TODs, including encouraging private sector development
- Opportunities for Moreton Bay Rail link and TODs
- Comments by the Productivity Commission on the state of planning and the capping of infrastructure charges in Queensland
- ULDA provision for additional permanent housing supply in Moranbah and Blackwater and affordable housing in Fitzgibbon.
- ULDA strategies to achieve affordable housing for households with incomes under \$40,000
- Fitzgibbon Chase Development: budgeted and sales figures, impact of competitive neutrality payments on budget figures and impact of development managers and marketing program
- Definition of affordable housing and stock available.

Recommendation

41. The committee recommends that the proposed expenditure, as detailed in the *Appropriation Bill 2011* for the organisational units in the portfolios referred to it, be agreed to by the Legislative Assembly without amendment.



Mr Evan Moorhead MP
Chair
1 August 2011

Committee Membership



Mr Evan Moorhead MP, **Chair** ^{*13}
Member for Waterford (ALP)



Mr David Gibson MP, **Deputy Chair**
Member for Gympie (LNP)



Mr Scott Emerson MP
Member for Indooroopilly (LNP)



Ms Lillian van Litsenburg MP
Member for Redcliffe (ALP)



Dr Mark Robinson MP
Member for Cleveland (LNP)



Ms Mary-Anne O'Neill MP
Member for Kallangur (ALP)



Ms Grace Grace MP
Member for Brisbane (ALP)
(The Leader of House appointed Ms Grace Grace MP to replace Ms Mary-Anne O'Neill MP on 14 July 2011 from 2.00pm – 7.15pm.)

Secretariat:

Ms Rachelle Stacey, A/Research Director
Ms Margaret Telford, Principal Research Officer
Ms Liz Sbeghen, Principal Research Officer
Ms Anne Fidler, Executive Assistant

¹³The Chair, Mrs Jo-Ann Miller MP, Member for Bundama, advised of her inability to attend the committee during its examination and reporting on the proposed expenditures in the *Appropriation Bill 2011*. In accordance with Standing Order 202, the Leader of House appointed Mr Evan Moorhead MP, Member for Waterford, as Chair for this period of time.

Statement of Reservation

STATEMENT OF RESERVATION

TRANSPORT, LOCAL GOVERNMENT AND INFRASTRUCTURE COMMITTEE

General Comments on Estimates Process

The LNP Members of the committee welcome the recent changes in the Estimates Committee process as an improvement. However, we offer the following comments on the reformed Committee procedures in the spirit of ensuring Estimates Committees are able to truly examine the Government's appropriations and ensure the Executive is held to account.

We believe insufficient time is allocated for hearings by Estimates Committees when considering portfolios like Local Government and Planning, Transport and Main Roads that are vital to Queensland's future, resulting in non-Government Members having insufficient time during Estimates Committees Hearings to pursue issues. This lack of time was exacerbated by Labor's insistence on opening statements for Ministers, despite an earlier decision by the Committee to do away with this formality.

Notwithstanding our ability to hold the government much better to account, a number of Ministers and some senior officers still tried to avoid answering questions on what should have been straight forward issues.

We bring attention to the ongoing issue that the Budget Papers are generic in nature and the outline for the forward years of expenditure is often lacking in detail sufficient to have confidence in government's planned expenditure, showing the Bligh Government is living for the moment rather than forward planning for Queensland's future.

Across portfolios there have been many announcements made by the Government since the Appropriation Bills were introduced that were not included in the Budget Papers. Such announcements underline the out of control spending and the lack of accountability that continues to add to a budgeted debt of \$85 billion in 2014-15.

In addition, it should be noted that concerns are held that the questioning by Labor Members failed to hold the Bligh Government accountable for waste, poor planning, and a lack of transparency.

LOCAL GOVERNMENT AND PLANNING

David Gibson MP, Shadow Minister for Local Government and Sport, Member for Gympie. Jeff Seeney MP, Leader of the Opposition, Shadow Minister for State Development, Infrastructure and Planning, Shadow Minister for Reconstruction, Member for Callide concurs with this statement.

Government's failure to meet State Interest Review KPIs

The Labor Government has failed to meet Sustainable Planning Act planning scheme state interest review KPIs, which specify a timeframe under the 40-business days for completion. Indeed, the average is 107 days to conduct the first interest check, representing more than a 150 per cent blow-out. In many cases the first process of providing state interest comments has not been completed within the 40 business day target, setting the scheme up for failure.

Answers to the Committee failed to clearly identify the reasons why these set timeframes are not being met, or what actions are being undertaken to ensure they will be met the future.

An admission by the Acting Chief Executive Officer of Growth Management Queensland that "there have been DLGP resourcing issues" with regard to processing SPI interest checks further calls into question the Government's commitment to date to ensuring timely responses under the Sustainable Planning Act.

The Minister's refusal to identify Departments that are causing delays in completing state interest checks does nothing to assist in applying pressure on Departments to identify and clear bottlenecks in the approval process, and meet their deadlines. It highlights the broader failings of a tired 20-year-old Labor Government to implement beneficial changes and improve the performance of Government processes across the board, but particularly in the planning process.

Government's failure to adequately resource the Department

The LNP members of the Committee questioned the Acting Director General of the Department of Local Government and Planning on Growth Management Queensland's *Development Assessment Monitoring and Performance Program—Annual Report* which showed that Department of Local Government and Planning has the worst record for approval times with a median time frame of 29 business days.

The Acting Director General confirmed that more resources were needed, again confirming the Labor Government's failure to adequately supply and target resources within the Department to meet set timeframes for development approvals.

An answer to a question taken on notice during the Committee's consideration regarding median time frames further highlighted the time pressures facing staff to meet statutory deadlines, particularly for complicated development proposals (preliminary approvals). The LNP believes that the fact a proposal is complicated does not mean that it should fall outside set timelines for approval, and that the Department should be adequately resourced to deal with such proposals within the set deadlines.

The failure of the Government to target Department resources to meeting approval timeframes was again highlighted by answers from the Acting Director General, confirming that Communications staff numbers in the Department were

being cut in favour of frontline service staff. These answers were recanted in a correction to the record stating that Communications staff numbers in the Department have actually risen in the past year.

Failure to supply full internal audit details to Committee

Information provided to the Committee prior to the Estimates Hearing did not contain details of internal audits undertaken by the Department in 2010-11, and/or those planned for 2011-12. Furthermore, the Department was unable to provide these details during the Hearing, and took the question on notice. The LNP acknowledges that internal audit details were provided by the Minister following the Hearing, and that no anomalies were identified in DLGP audits. However, detailed information pertaining to an issue that was identified in the former DIP (Now DEEDI), and referred to the Crime and Misconduct Commission was not provided. The LNP will seek further information from the Minister on this issue.

Concerns over NDRRA Arrangements

The Committee's questioning highlighted a number of issues in the administration of NDRRA funding to Local Governments following a major natural disaster. The LNP raised the issue particularly of Council day staff employed in cleaning up after floods, and the situation that is frustrating for councils when those day staff are not able to perform clean-up work that attracts payments to Council under the NDRRA arrangements. This is an issue that needs to be given strong consideration as part of negotiations with the Federal Government to form strategies to manage and clean up after future flood and cyclone events.

Concerns were also raised over a backlog in the number of submissions already received by Government for State approval of NDRRA-funded projects undertaken by Councils, given that a great number of Councils have already expended funds on projects. There remains a question mark over Councils' ability to make use of the advance funding with confidence that they will be reimbursed for the work that is undertaken using advance payment funds provided by the State Government.

\$100 million cut from wastewater and sewerage projects

While the Minister chose went to great lengths to highlight the implementation in 2011-12 of the Government's \$45 million Local Government Grants and Subsidies Program, the LNP draws attention to Labor's continued failure to explain why it has cut the \$100 million that has been previously made available for local wastewater and sewerage projects, by slashing the Wastewater and Sewerage Program (WASP). This valuable program has provided Queensland local Councils with a subsidy for local infrastructure projects that have become more urgent as the Department of Environment and Resource Management (DERM) becomes more focussed on green ideology and attracting green preferences for Labor, instead of focussing on actual green outcomes.

Failure to assist Local Government on Carbon Tax

LNP Committee members condemn the failure of the Government to undertake modelling and make relevant economic information available on the impacts of Labor's Carbon Tax on Local Government, and highlights the following views expressed by the Minister

"... local governments, by and large, are not big energy emitters in the sense of what the Commonwealth government is proposing. My department undertaking modelling strikes me as being not a sensible proposition..."

"...It is not the role of the state government to do the modelling for councils. If they think there is some impact upon them they can do that, but my department will not undertake modelling for councils."

The Minister failed to adequately address the issue of costs to Councils of fugitive emissions from landfill sites under the Carbon Tax regime.

LNP Committee members are concerned that Brisbane City Council's preliminary estimate of the annual Carbon Tax cost would be around \$20 million alone, even as one of the largest users of green energy in Australia, having offset 100% of its carbon emissions.

UDA development concerns

LNP Committee members drew attention to the high number of Urban Development Areas (UDAs) that have been declared by the government, and will continue to monitor the situation and hold the Government to account to ensure adequate resources are available to properly plan and develop UDA's that have been identified by the Government for priority development.

LNP members also continue to hold concerns over the circumstances surrounding the declaration of the Caloundra South UDA, where even the CEO of the Urban Land Development Authority said that it came '*as a bit of a shock*'. This again draws attention to Labor's record of making planning decisions based on politics, instead of on achieving the best planning outcomes for Queensland.

Further concerns are held over the definition, and the low percentage of housing being developed in UDAs at the lower end of the range deemed affordable for low income houses.

TRANSPORT

Scott Emerson MP, Shadow Minister for Transport, Multicultural Affairs and the Arts, Member for Indooroopilly

The Department failed to adequately answer questions relating to the audit of the Department's car parking in the Brisbane CBD and Fortitude Valley. An audit undertaken found the Department had lost 16 car parks at a cost of at least \$80,000 to taxpayers. Repeatedly, the Minister and Department failed to answer basic questions such as how long the car parks had been lost, how they came to be lost, whether they had been found, and how much taxpayer money had been wasted. Issues of waste and poor accounting are of critical importance to the public yet the answers given to the committee did not meet that expectation. The Department also failed to allay the committee's concerns of fraud relating to car park access cards, following the audit's findings that previous access cards issued to former employees remained unaccounted.

The New Queensland Drivers Licence continues to be plagued by poor planning and project management. An Auditor-General's report this year found the cost of the new 'smart card' had blown out by around \$100 million. Furthermore, the cost of a new drivers licence will more than double from \$73 to \$152 for a five year licence. In light of this, there appears to be a reticence on behalf of the Minister and Department to acknowledge anything has gone wrong with this project at all. Despite the fact that in last year's budget, the capital expenditure was due to be completed but delays have meant over \$7 million will be required this year to wrap up the project.

The Department and statutory bodies failed to outline any impact of the carbon tax on public transport services. Government departments in other states have already been able to release data on how the carbon tax will likely increase operating costs, by the Bligh Government seems more concerned with standing up for Julia Gillard than for Queensland. The Minister refused to answer whether the increased operating costs of the carbon tax would be passed on to public transport commuters. Furthermore, it is unclear if any risk management strategy has been put in place to ensure capital works projects do experience budget blow outs as a result of the carbon tax.

Public transport fares continue to increase adding cost of living pressures to Queensland families commuting to work. Fares went up by 20 percent last year, 15 percent this year, and 15 percent every year until 2014. The latest TransLink Tracker shows more people believe public transport is becoming unaffordable. Despite the massive hikes in public transport fares, and the potential for more under Labor's carbon tax, there has been no increase in service to match the public's expectation.

There is particular concern that the performance of TransLink is not entirely well reported. It appears TransLink does not keep account of the number of customers who request an adjustment to their fare if they believe they were incorrectly

charged. It makes it impossible to scrutinise whether the performance of go card fixed fares is fair, when TransLink cannot confirm what percentage of requests for adjustments are denied. While the go card is a well regarded product, it should not be represented as perfect and free from errors. There is a need for much greater scrutiny over its performance, as well as the performance of TransLink who manage the complaints of customers who believe they are unfairly charged.

MAIN ROADS AND MARINE INFRASTRUCTURE

Dr Mark Robinson MP, Shadow Minister for Main Roads, Fisheries and Marine Infrastructure, Member for Cleveland

The following are raised as points of reservation as identified during the Main Roads and Marine Infrastructure sessions:

State Government contribution to Main Roads budget

The Minister was asked about the \$326m cut in funding from 2010/11 to 2011/12 for State Network roads; excluding the NDRRA money. This figure is consistent with an economic analysis conducted by the RACQ. The Minister did not address the funding decline and in his statement “*you cannot extrapolate that funding for disaster recovery because you have to remember that as we are out there fixing up our roads after the flooding event we will actually have better roads*” he seemed to be misconstruing the question. Concern is held as, as demonstrated within the Capital Statement, these pools of funding are clearly separate and the Minister seemed to be deliberately misconstruing the question to his own ends.

Federal Government cut to National Network funding

Concern is held regarding the Federal Government’s \$165m cut to the National Network-component of the Main Roads capital budget from 2010/11 to 2011/12 (excluding NDRRA).

Irreconcilable figures

Concern is held the Minister’s assertion that “*this year we will be spending \$1.8 billion from state funds on our roads*” isn’t borne out by analysis of the Capital Statement. Notwithstanding RoadTek, Busways, Queensland Motorway (unlisted), and miscellaneous property, plant and equipment; the figure set for acquittal on State Network roads (construction and maintenance) from State Government coffers is \$1.1 billion. Further clarification on this issue is required

Unexplained NDRRA allocation

Similarly, the Minister stated that “there is \$1.4 billion in NDRRA funds this year for roads across Queensland.” The Capital Statement reveals an \$882.7m (approx) contribution; a discrepancy over \$500m. This might have been an error on Mr Wallace’s behalf and further explanation is warranted.

Non-answer to Fursden Ck/Edmund Casey Bridge question

The Shadow Minister enquired as to the purpose of building Mackay's Fursden Creek and Edmund Casey Bridge at different times, considering the flood-prone Fursden crossing serves the exclusive northern access to the Edmund Casey that spans the Pioneer River and the impact the upgrade of Edmund Casey Bridge may not have had regard to the frequent inundations of the Fursden crossing and the questioning went to the cost-effectiveness of the construction program. The Lack of answer by the Minister on this issue is disappointing.

Carbon Tax

The Minister was asked about the effect of the proposed Carbon Tax on future expenditure within his portfolio – with particular reference to the 'out years' of the 2011/12 State Budget. Unfortunately, the answer did not address the impact this tax would have on Queenslanders as far as road construction is concerned. The ramifications of the proposed tax should have been contemplated by the Queensland Government by this time and the hearing was an appropriate time to account for this.

Seabed lease costs

The Shadow Minister asked regarding the comparative 'seabed' lease costs charged by Queensland's four government-owned Port Corporations. Each CEO (or acting CEO) provided an answer regarding their corporation, however, Minister sought to took the matter 'on notice' and provide a summary based upon 'global' figures supplied by each authority. Whilst the Minister's concern about potential breaches of commercial-in-confidence arrangements (in relation to specific lessors) is noted, the numerous assertions linking lease rises to CPI have not been confirmed by the Minister's answer. Figures relating to at least two of the port corporations show increases (shown as aggregate revenue) that exceed CPI and appear to contradict Mr Wallace's assertion. Further investigation is warranted, considering the discrepancy between what the Committee heard during the session and the data provided by the Minister.

BUILDING INDUSTRY

The LNP Members of this Committee make the following statement on the Building Industry on behalf of Ros Bates MP, Shadow Minister for Government Services, Building Industry and Information and Communication Technology, Member for Mudgeeraba with which we agree.

With regard to Building Services, there issues of concern centred around avenues for dispute resolution and a blow-out in processing times.

In relation to the loophole that allows builders to take a matter to the Queensland Civil Administrative Tribunal (QCAT), effectively preventing the Building Services Authority from investigating, the Minister admitted the existence of a major problem, but denied it was disadvantageous to homeowners, and failed to give a timeframe to rectify the problem.

The Minister stated that increased numbers of subsidence claims were responsible for delays in dispute processing times, but was unable to provide up-to-date evidence of the number of claims.



DAVID GIBSON MP
Shadow Minister for Local Government
and Sport
Member for Gympie



SCOTT EMERSON MP
Shadow Minister for Transport,
Multicultural Affairs and the Arts
Member for Indooroopilly



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