



# ***ECONOMICS AND GOVERNANCE COMMITTEE***

**Members present:**

Mr LP Power MP (Chair)  
Mr RA Stevens MP  
Mr ST O'Connor MP  
Mr TR Watts MP  
Mr DJ Brown MP (via teleconference)  
Mr LR McCallum MP

**Staff present:**

Ms L Manderson (Committee Secretary)  
Mr J Gilchrist (Assistant Committee Secretary)

## ***PUBLIC BRIEFING—AUDITOR-GENERAL'S REPORT NO. 14 OF 2019-20, EVALUATING MAJOR INFRASTRUCTURE PROJECTS***

### **TRANSCRIPT OF PROCEEDINGS**

**FRIDAY, 17 JULY 2020**

**Brisbane**

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### **The committee met at 9.00 am.**

**CHAIR:** Good morning. I declare this public briefing open. I would like to begin today's proceedings by acknowledging the traditional owners of the land on which we are participating today and pay my respects to elders past and present. My name is Linus Power, member for Logan and chair of the committee. The other members of the committee are Ray Stevens MP, member for Mermaid Beach and deputy chair; Lance McCallum MP, member for Bundamba; Trevor Watts MP, member for Toowoomba North; Sam O'Connor MP, member for Bonney, who is joining us by phone; and Don Brown MP, member for Capalaba, who is standing in this morning for Kim Richards MP, member for Redlands.

The purpose of today's briefing is to assist the committee with its consideration of the Auditor-General's report No. 14 of 2019-20, *Evaluating major infrastructure projects*. This report was referred to the committee for consideration on 6 February 2020. Today's briefing is a proceeding of the Queensland parliament and is subject to the standing rules and orders of the parliament. The briefing is being recorded and broadcast live on the parliament's website. We have already tested the audio of participants today, but if you are not using your mobile phones can you make sure they are switched off or put onto silent mode. Of course, good etiquette is to put your microphone on mute unless you are speaking at the time. For participants here in the room, pushing away the microphone might be a good idea if it seems to be feeding back. This will prevent audio interference and background noise.

**FLEMMING, Mr Patrick, Assistant Auditor-General, Queensland Audit Office (via videoconference)**

**TOMA, Mr David, Director, Queensland Audit Office (via videoconference)**

**WORRALL, Mr Brendan, Auditor-General, Queensland Audit Office (via videoconference)**

**CHAIR:** Thank you for appearing today to brief our committee. To assist our Hansard reporters and any members of the public watching the live stream, I ask that you please identify yourself by name when speaking, particularly when speaking for the first time or when speaking in answer to a question that was not directed to you in the first instance but you are the best person to answer. The committee members will also endeavour to ensure they clearly identify themselves when asking questions. Thank you for agreeing to brief the committee this morning. I invite you, Auditor-General, to make a brief opening statement, after which committee members will have questions for you.

**Mr Worrall:** Thank you for the opportunity to brief. In relation to our audit evaluating major infrastructure projects, our report was tabled in May 2020. As part of our review we assessed whether Building Queensland effectively leads and/or assists agencies to deliver robust business cases for major infrastructure projects; provides agencies with expert advice; and operates effectively and efficiently. As part of our review we examined five business cases: the Arthur Gorrie Correctional Centre expansion; Brisbane Live entertainment arena; Bruce Highway, Caboolture-Bribie Island to Steve Irwin Way; the Gold Coast Light Rail stage 3A; and the Inner City South State Secondary College.

Building Queensland has developed best-practice frameworks and worked with government agencies to improve the quality of business cases. Government now receives more robust analysis to support investment decisions. Building Queensland's frameworks are generally sound and the business cases we reviewed generally aligned with its frameworks; however, Building Queensland does not always effectively apply its frameworks and some business cases could be more robust. Four of the business cases assessed options using qualitative analysis only. Three cases were endorsed on benefits that could not be monetised. This makes it difficult to adequately assess and measure the overall viability of the projects.

Building Queensland's assurance activities are well planned but not always fully implemented. Some assurance activities were informal and others were not conducted at the optimal time. In some cases, issues raised by peer reviewers remained unresolved and review logs were not always fully maintained.

The timing of infrastructure investment announcements affects the value of business cases. Early announcements create risk and lead to undue pressure to progress business cases. The Queensland government publicly announced the Inner City South State Secondary College and the Brisbane Live project investments before Building Queensland began developing those business cases. There are currently no guidelines for scenarios when government announces its preferred option before the business case is complete.

Building Queensland provides infrastructure advice about the business cases it develops and the projects that agencies propose; however, it has not necessarily fulfilled its legislative role to provide expert advice to government. Building Queensland's pipeline report overlaps with the State Infrastructure Plan. Building Queensland does not identify proposals through research and does not publish the criteria it uses to identify priorities.

Building Queensland effectively delivers and/or facilitates robust business cases but could be more efficient. Its significant use of external consultants limits its ability to develop its internal capability. Unlike agencies in other jurisdictions, Building Queensland both develops business cases and provides assurance. This affects how Building Queensland's stakeholders perceive its independence. Central government agencies value its independent assurance role, but agencies with extensive experience question its role in leading business cases.

We made six recommendations in the report to improve the effectiveness and the efficiency of Building Queensland including: improving application of its business case frameworks; improving transparency of criteria used to identify new proposals; reviewing the overlap between Building Queensland's infrastructure pipeline and the State Infrastructure Plan; and clarifying Building Queensland's dual role in leading business cases and in providing assurance. I welcome questions that the committee may have on this report.

**Mr STEVENS:** Mr Worrall, it is lovely to see you up here from the Gold Coast—another great Gold Coast resident.

**Mr Worrall:** Thank you.

**CHAIR:** Celebrating its Victorian-free status!

**Mr STEVENS:** Mr Worrall, your report reveals that in 2018-19 Building Queensland's total operating costs were \$22.2 million, of which \$15.5 million was spent on external consultants and contractors primarily to deliver business cases. Why do you think Building Queensland has to contract out 70 per cent of all its operating costs to spend on external consultants to deliver business cases? Is hiring this amount of external consultants proof that Building Queensland does not have the internal capabilities to fulfil its legislative role?

**Mr Worrall:** We do highlight in the report that one of the challenges Building Queensland has is that it needs to continue to build its own internal capability to lessen its reliance on external providers. By building its internal capability, it will be better placed not only to assist agencies in their development of business cases and lead its own business cases but also in advising government around strategic infrastructure, which is also part of its mandate.

**Mr STEVENS:** Just to be clear, you are saying it is basically underfunded to do the work it is legislated to do?

**Mr Worrall:** No, I am not saying that it is underfunded; I am saying that by lessening its reliance on external providers it will better develop its own internal capacity over time to deliver more of this work itself and not have the reliance on external providers that it currently does. It is about building its own knowledge base within Building Queensland.

**Mr STEVENS:** I am just trying to clarify what you are saying. You say that it needs to build its own internal capabilities, yet it is putting 70 per cent, or \$15.5 million, of its funding out to consultants. How does it build its own internal capacities to the tune of \$15.5 million without getting more funding? Does it hire more people itself? What is the answer to this reliance on external contractors?

**Mr Worrall:** Building Queensland needs to have a process whereby it is capturing learnings for its own staff and capabilities so that it can actually do the work itself. In terms of the expertise that is being provided by external providers, they need to have the capacity to provide that expertise themselves. They need to learn better off these external providers than they probably have in the past so that there is less reliance on those people. It is not really a question of the dollars; it is a question of who is delivering the work and who has the capacity to deliver the work. They need to be more focused on building up their own capacity so they can deliver more of this work themselves and lessen their dependency on external providers.

**CHAIR:** Recognising that you said they need to continue to build their own capacity, are there any times, where there are peaks of business cases or very specialist business cases, when it is not realistic to handle that capacity? In some cases, there are specialist things that come with a particularised business case that may benefit from somebody with outside expertise.

**Mr Worrall:** I think you are right. In business cases there will be some areas of quite specialist or narrow focus where it may be difficult to have all of the skills that might be required. External expertise will be required from time to time, but it is probably more around these very specialised areas. Let's say it is trying to validate the road usage on a toll road or something like that. That might be quite specialised. It may not have those skills, but I guess having overall skills to develop business cases and to provide assurance around aspects of the business case is probably the core thing it needs to continue to build on. Those specialised areas are probably more the exception, where it can access those skills as it needs to.

**Mr McCALLUM:** My question is around the recommendation relating to social infrastructure and the fact that there seem to be less developed datasets available for projects of these types. Can you expand a little on that and the response from Building Queensland?

**Mr Worrall:** I might get David to answer this one.

**Mr Toma:** One of the observations we made on some of the business cases we reviewed as part of this audit in terms of the benefit-cost ratio they came up with to justify proceeding with the project is that they were quite low. The reason they were low—and the Inner City South State Secondary College and Brisbane Live are two examples—is that there are other benefits that are not as quantifiable. They were relying on these other social benefits to justify the projects. The challenge is that it is very difficult to quantify that and it makes it very difficult to then develop the argument for why we are proceeding with the project without being able to quantify what that actually looks like. Building Queensland acknowledges that this is a challenging area, particularly in relation to social infrastructure projects. Around the transport sector, for example, there are much more established datasets that enable them to do that, but in some of the other sectors that data is not as readily available. Building Queensland acknowledges this as a challenge for the sector broadly. It is also a challenge nationally for all governments. I believe they indicated in their response that they will continue to look at ways of improving that.

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**CHAIR:** In terms of quantifying and being able to monetise particular social benefits, we have seen discussions about the dataset from the national deaths in custody program. Obviously it may be difficult to monetise, to use a harsh word, but we have a moral obligation to ensure that people in the custody of the state have due care and protections. When there is a goal to reduce deaths in custody, is it difficult for the Auditor-General to quantify the social value and moral value of those sorts of issues and the expenditure aimed at reducing those deaths?

**Mr Worrall:** In terms of expenditure, I think that should be able to be quantified in terms of money that is being put into particular government programs. If that is being tracked, that should be quantifiable. Measuring any social benefit, as David has just said, is difficult. Trying to put a dollar value on social benefits can be difficult. Decisions around pursuing social benefits will ultimately be policy decisions of the government of the day—whether that is the investment they want to make. From my point of view, we can quantify what that investment is. The difficult bit is trying to monetise the return on that investment. There will be indicators around the impact those investments may have had, but this probably leads into outputs versus outcomes. Outputs are generally a lot easier for agencies and auditors-general to measure. Outcomes are harder to measure, because there are many things that impact on social outcomes—not necessarily just the area you are putting money into. That is the challenge for not only auditors-general but also governments.

**Mr McCALLUM:** I think you partly answered this already with your final remarks. Is some of the challenge that is coming through in this report that it is hard, from your perspective as auditors, to be able to effectively audit social benefits? Things like social and environmental—triple bottom line—have been around for a long time and have been represented through government policy and government agencies for a long time. That is what I am curious about. Is it a difficulty when you are performing an audit to assess that within the framework you have to work with?

**Mr Worrall:** As I have said, measuring social benefits is difficult and is a challenge. The difficulty is that there are many factors that impact on those outcomes—not solely where the attention may be. Yes, that may have had an impact, but how much of that impact is as a result of that or is that a result of other external factors that are at play as well? That is the challenge, as I said, for government and for policymakers in working out the areas of investment and what sort of investment needs to be made and then tracking how much impact that investment had as a result of intervention.

**Mr WATTS:** I refer to page 26 of the report where it states—

... project teams did not implement all assurance activities as planned and did not adequately address some issues identified from the assurance activities.

Do you think shortcuts are being taken in the process? Given the size of some of these projects being evaluated by Building Queensland and the hundreds and millions, potentially billions, do you think Queenslanders should be gravely concerned about some of these shortcuts?

**Mr Worrall:** We actually make some observations around this, even beyond the discussion in that part of the report. Out of the business cases we reviewed, some activities were not complete. There were some review queries or peer review queries that were not all fully finalised and left unattended. That is definitely not an ideal situation. In terms of frameworks and applying frameworks, completeness of that should be the goal. Certainly, in doing audits, that is something that auditors are very mindful of. Ultimately, the business cases have been approved by the Building Queensland board. In doing that, they would have had to weigh up the materiality of any of those items that may not have been 100 per cent complete to work out whether that is a risk they are willing to take. As a general principle, if you have a framework and you are applying a framework, you would expect compliance with the framework in all material respects.

**Mr Toma:** The peer review process that Building Queensland uses should increase confidence that there is a lot of rigour applied to assessing how well these business cases are developed. The issue we found is that, as peer reviewers are coming up with issues, the documentation in terms of how those issues were closed off before finalisation is what we as auditors found difficult to find evidence of. They were certainly doing very rigorous peer reviews and issues were being raised. We just could not obtain evidence in how they considered those issues before closing it off.

**Mr WATTS:** Do you believe there is political pressure on Building Queensland to deliver favourable outcomes for government endorsed projects that has caused some of these assurance practices not to be followed?

**Mr Worrall:** In the report we note that a couple of projects were preannounced. Building Queensland's business case development and assurance framework has three stages. There were two projects where the government had preannounced. In those instances, two went straight to stage 3, and one went to stage 2 then stage 3. There were three preannouncements. I guess that does create a risk in that for the outcomes being announced the business case still needs to be progressed through at least stage 3. Potentially, that creates some time pressures. It is a suboptimal outcome.

It is really similar to what we called out in our report last year where we looked at market-led proposals. We would have looked at a similar number of case studies. In that report also there were at least two case studies where there were preannouncements. It is pre-empting the process that needs to happen.

The framework is there for a purpose. It has three stages. If the whole three stages are followed, it is a build-up to some robust analysis. The risk is that in going straight to stage 3 you are missing some of that analysis on the way. You also potentially are missing out on other options that may be available before getting to that third stage. We have called that out and have a recommendation around that – that there should be some framework on how Building Queensland can deal with that when those occurrences happen. Ideally, we would prefer not to see preannouncements.

**CHAIR:** As part of the democratic process of competing democratic groups, it would be very difficult for an opposition group that by nature has not put forward business cases for proposals it puts forward from opposition. You are not putting forward the case that oppositions should not be able to put forward alternative ideas without a business case framework, are you? Is it just one of these difficulties that we have to deal with?

**Mr Worrall:** At the moment there is probably no framework around preannouncements for entities like Building Queensland or even the agencies themselves that may be the subject of these initiatives. We are saying that there should be some framework around preannouncements.

**Mr Toma:** Another risk arises when a project has already been announced and Building Queensland is asked to develop a business case. Doing that is a very costly exercise. In the case of the Inner City South State Secondary College, it cost over \$1 million to develop that business case even though when the business case was developed the project was already announced and the site was already selected.

**CHAIR:** If we were to follow the logic of the questions, obviously oppositions would not be able to announce any projects. That is obviously a difficulty of the process.

**Mr WATTS:** What advice do you have around politicians having ideas and wanting concepts proved versus delivering sound business cases to protect taxpayers' dollars?

**Mr Worrall:** In relation to Building Queensland, it is quite clear in terms of its mandate. It will get involved in business cases between \$50 million and \$100 million and is required to lead business cases in excess of \$100 million. There are some carve-outs for the Department of Transport and Main Roads. Their threshold is actually half a billion dollars. That is because they have some in-house expertise around business cases around roads and things like that. In terms of BQ, it is only seeking to be involved where it is between \$50 million and \$100 million to assist in the development and then over \$100 million to lead the business case. The fact that they have a framework, which we have said is robust, is a good thing and the fact that they have been brought into apply that framework on business cases within those thresholds is also a good thing, because rigour is being applied in a more open way than if it had not gone through Building Queensland at all.

**Mr BROWN:** I think you were stating that oppositions that have already announced major building projects should have the ability whilst in opposition to have these costed out by Building Queensland. The one that comes to mind is the massive \$15 billion Bradfield Scheme. Are you suggesting that oppositions should have the ability to go through Building Queensland? Obviously the government would then have to spend to undertake a business plan for these massive infrastructure projects?

**Mr Worrall:** No, I am not saying that at all. I am saying that there is a framework in place. Building Queensland has a three-stage process. When there is preannouncement of a project and it goes straight to stage 3, there is no broader framework on how those situations should be dealt with. Like David said, money is still being spent on business cases even though there is certainty about that proceeding anyway. I guess that is a value for money question over that. Having an evaluation framework, as already exists, and a way to capture these business cases with monetary thresholds is a good thing.

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Obviously governments and oppositions of the day will have policy positions and will announce policy positions. What we are saying is: when announcements by governments are about projects that are going to happen and then they still go through a stage 3, having some framework around how that can still happen would be a good thing. At the moment there is no framework and I think that creates pressures for Building Queensland. I think that can also create pressures for the entities involved in actually delivering on those business cases in an environment where an announcement has been made and people already know that is going to happen.

**Mr BROWN:** Going back to capturing expertise, I note that Building Queensland is a relatively young organisation—probably four years old when you started the audit process. How do you capture the knowledge of specific external contractors? I note the differences between the Bruce Highway and a school or an entertainment precinct. When that work is contracted out, is there really that much scope for internal staff to really get that expertise while that contract is out, or does the contract go out and come back and the result is the result?

**Mr Worrall:** There needs to be a concerted effort and a plan by any entities trying to learn from external providers. The worst-case scenario is that you have a consultant, you give them a brief, they go away and do the work and then they come back and give you the answer. You are not really going to learn much at all from that process. You really want to work out what sorts of competencies you want your staff to have and what strategies will you have in place to acquire those competencies.

As I was saying earlier, there are probably some core skills that could or should be acquired in relation to business cases generally. They could be broken down into different sorts of specific competencies and then there could be a strategy for those competencies to be learned by the staff—in this case the Building Queensland staff—off these providers. You could do that by working with them and being part of the team in developing the business cases. There will be aspects of the business cases where you could specifically get hands-on experience with one or more of these competencies. They are the sorts of strategies that could facilitate the learnings coming back in-house and staying in-house. As I said, in any consultancy where you just give them a brief and you get a report you will not learn much out of that process; you need to work with the consultants and be part of the delivery. That is the way to learn. You need to be quite specific when you are engaging consultants that a transfer of skills is expected and required under the contract. You need to build it into the process. If you are not building it into the process, you will never get past just getting a report.

**Mr STEVENS:** In your audit conclusions on page 11 you state that Building Queensland had not necessarily fulfilled its legislative role to provide expert advice about infrastructure to government. Can you please clarify how the agency is failing its legislative role, and is that failure of Building Queensland to fulfil its legislative role resulting in delays of infrastructure projects or the inefficient spend of taxpayers' money on infrastructure projects that have not been objectively reviewed?

**Mr Worrall:** The intent of that part of the legislation is that Building Queensland provide strategic advice around infrastructure. I think that means beyond individual projects. Obviously they have involvement in individual projects, so this is more the bigger picture advice to government around infrastructure generally. What are the trends within Australia around infrastructure? What are the pressure points around infrastructure? What is the demand for infrastructure? What are the global trends around this? What are the changing ways for infrastructure to be delivered by government in different sorts of partnerships with other providers? They are the potential areas where the legislation was probably going.

There is also the State Infrastructure Plan that I mentioned. There is the situation at the moment where we have two pipelines of infrastructure within the state: the State Infrastructure Plan and the pipeline from Building Queensland. They are the sorts of things that I think Building Queensland could be doing under that part of the legislation. I think the legislation is actually going beyond individual business cases. Its advice at the moment is more restricted to individual business cases.

**Mr STEVENS:** Is the legislation faulty or is Building Queensland's compliance with that legislation faulty?

**Mr Worrall:** I think what we call out in the report is that, as you quoted at the start, based on the legislation, Building Queensland is not fulfilling that part of its mandate.

**Mr Toma:** It is probably important to understand that, when Building Queensland was established, one of the objectives government wanted to achieve was to get an uplift in the quality of business cases being developed. Building Queensland has quite intentionally focused in this period of time on business case development. In our report we are saying that the legislation envisaged something broader than that. BQ stakeholders have also said that they would see value in BQ providing advice wider than the individual business cases. They certainly do provide the expert infrastructure advice when delivering specific business cases, but we could not see a focus on the section 10 part of their legislation, which refers to it providing advice to government on the infrastructure challenges that it faces.

**Mr McCALLUM:** I also refer to the audit conclusions in your report. You found that Building Queensland has effectively delivered and/or facilitated robust business cases for major infrastructure projects and that it also has generally sound frameworks for developing and assuring business cases. However, as you pointed out and as has been discussed, there are some opportunities for improvement, and that would be the basis for the recommendations contained in the report. Could you go to the responses that you have received from both Building Queensland and the department of state development, manufacturing, infrastructure and planning and give us a little bit more information on the timeline you expect for those recommendations to be implemented?

**Mr Toma:** I have the agency responses on page 44 onwards. The time frames Building Queensland have provided for responding to the recommendations certainly look reasonable from our perspective. They are targeting the second and third quarter of 2020 for most of the recommendations. That is something that we would monitor as part of our ongoing monitoring of the progress that agencies are making in implementing our recommendations.

**Mr McCALLUM:** It is wonderful to hear that you are happy with that. Thank you.

**Mr WATTS:** I note that on page 10 of the report you state—

... TMR has some ... concerns with BQ's overall value for money, costs of assurance reviews, and duplication of effort in developing business cases.

Do you believe there is some strain in the relationship between the two bodies? Given that historically TMR undertook business case work before BQ was established, would it be fair to say that both agencies have a level of duplication of services?

**CHAIR:** Just as a general comment for questioners, seeking an opinion on a strain in relationships may be too much, but I think the second part was more objective for the Auditor-General's office to answer.

**Mr Worrall:** I am happy to answer that. There were changes to the legislation last year. Pre last year, Building Queensland would have got involved with all of Transport and Main Roads business cases between \$50 million and \$100 million and then would have led those business cases over \$100 million. Obviously, some of Transport and Main Roads' individual projects are easily over half a billion dollars anyway. There are a lot between \$100 million and \$500 million. Some of those comments were in some way reflective of the situation previously—that Building Queensland was involved in these business cases yet Transport and Main Roads had well-developed infrastructure in this area and it was used to doing business cases on an ongoing basis, year in and year out, and had built up its expertise for that. That was sort of the historical backdrop.

Last year the legislation was changed and there is a carve-out of those thresholds for the Department of Transport and Main Roads. The thresholds that I mentioned earlier—where BQ would need to assist in a business case between \$50 million and \$100 million and then lead a business case of over \$100 million—do not apply anymore to the Department of Transport and Main Roads. The threshold that applies to that department is that BQ would need to have involvement and lead a business case where the project is over half a billion dollars. The legislative change recognised the reality of the situation. That in itself has greatly lessened any duplication between the two bodies. Now, for any business case under half a billion dollars Transport and Main Roads will just run with that on its own, and it is only over half a billion dollars that Building Queensland would get involved.

**Mr WATTS:** Going back to the internal expertise that was spoken about earlier, you were saying that they would get involved for projects over half a billion dollars. Would they have the internal expertise to be able to do that, or will that end up back out with external consultants—rather than leaving it with TMR in the first place?

**Mr Worrall:** Based on what was said elsewhere in the report and the discussions we have had around internal expertise, there is still a dependency on external expertise around business case and peer review by Building Queensland. Earlier I said that they need strategies to move those external skills into their own people. If that was to happen tomorrow, there is probably still some involvement of external people on such a business case.

**CHAIR:** To take a specific example, the recently announced school for Greenbank and North Maclean, which happens to be in the electorate of Logan, is a \$65 million investment by the education department, but effectively the analysis of the number of students, design costs and the procurement of land is core business for the education department. Is there an argument that the siting and development of new schools, similar to TMR, is core business in doing business cases and the expertise exists within the education department?

**Mr Worrall:** I think the same sorts of pressures or feedback that may have come during our review in relation to TMR have not really been there in relation to the Department of Education, but David might have more to say about that.

**Mr Toma:** The benefit of the BQ model to date is that they have been involved in developing a couple of key business cases with the Department of Education: the Inner South State Secondary College and the Five Schools Project. That has helped develop some expertise within the Department of Education. There is a point of view that could say that, because this is bread and butter in terms of what the Department of Education does, that is expertise they should be able to develop and be able to develop more of these business cases with them leading it. The dollar threshold that you mentioned earlier sits within the range where Building Queensland does not need to lead the development of business case but is there to assist the agency in developing the business case.

**CHAIR:** They have developed a more flexible model with those that have much of that capacity in-house?

**Mr Toma:** For those that have more capacity, Building Queensland will adjust its role to focus more on the assurance aspect of it. In the report we mentioned that the legislation sets an expectation that for projects over \$100 million Building Queensland will lead all those business cases. In our view, that creates a little bit of confusion because the reality is that some agencies have a much higher level of maturity in being able to lead the business case development, with Building Queensland doing the assurance function. Building Queensland certainly analyses the risk in developing these business cases and does assess what role it should play in those larger projects.

**Mr STEVENS:** As you are aware, the committee is currently undertaking an inquiry into the Queensland government's economic response to COVID-19. Infrastructure projects have been identified as playing a crucial part in the state's economic recovery strategy. Moving forward, expert advice in this area will be very important. You have recommended that Building Queensland publish information in its infrastructure pipeline reports on how it uses its assessment criteria to identify infrastructure proposals that it considers to be a priority for the state. Did you also critically examine those particular criteria? If so, are they appropriate criteria going forward with what will be needed in terms of some very quick decisions in starting off our COVID-19 recovery?

**Mr Worrall:** I am pretty sure the issue there was that the criteria they had has not been public. You get a list of projects, but it is hard to understand the relative merits of the ones on that list as opposed to ones that may not be on the list. We are saying that there needs to be a bit more rigour around what is the criteria to feature on that list anyway. What is a priority and what is less of a priority? That is the bit that is missing, and that is really the essence of that recommendation.



**Mr STEVENS:** The reasons for that priority? Is that what you are saying?

**Mr Worrall:** That is exactly right. There might be 100 infrastructure projects that are possible, so what makes the ones get on the priority list as opposed to the ones that do not? Having that criteria out in the public domain would be a good thing to see so that people can judge for themselves the relative merits of projects on that list as opposed to ones that did not make the list. At the moment, if you are a member of the public you cannot really make that assessment because you do not know what the criteria are.

**CHAIR:** Thank you very much, Auditor-General. I thank you and all of the team. You can see that the committee has a great deal of interest in the work you have produced. We think both your work and that of Building Queensland adds some real value for Queensland. Thank you for the information you have provided. Thank you to our Hansard reporters. A transcript of these proceedings will be available on the committee's webpage in due course. I note that there were no questions taken on notice. With that, I declare this public briefing closed.

**The committee adjourned at 9.49 am.**