ECONOMICS AND GOVERNANCE COMMITTEE

Members present:

Mr LP Power MP (Chair)
Ms NA Boyd MP
Mr ST O'Connor MP
Mr DG Purdie MP
Ms KE Richards MP
Mr RA Stevens MP

Staff present:

Ms M Salisbury (Acting Committee Secretary)
Ms L Pretty (Assistant Committee Secretary)

PUBLIC BRIEFING—INQUIRY INTO THE REVENUE AND OTHER LEGISLATION AMENDMENT BILL 2018

TRANSCRIPT OF PROCEEDINGS

MONDAY, 3 SEPTEMBER 2018

Brisbane

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The committee met at 9.28 am.

CHAIR: I declare open the public briefing of the committee's inquiry into the Revenue and Other Legislation Bill 2018. I would like to acknowledge the traditional owners of the land on which we meet. My name is Linus Power. I am the member for Logan and the chair of the committee. With me here today are Ray Stevens, the member for Mermaid Beach and the deputy chair of the committee; Nikki Boyd, the member for Pine Rivers; Kim Richards, the member for Redlands; Sam O'Connor, the member for Bonney; and Dan Purdie, the member for Ninderry.

On 22 August 2018 the Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships, the Hon. Jackie Trad MP, introduced the Revenue and Other Legislation Amendment Bill 2018 into the parliament. The parliament referred the bill to the Economics and Governance Committee for examination with a reporting date of 5 October 2018. The purpose of the briefing this morning is to assist the committee with its examination of the bill.

The briefing is a proceeding of the Queensland parliament and is subject to the standing rules and orders of the parliament. It is being recorded and broadcast live on the parliament's website. Media may be present and will be subject to my direction. The media rules are available from committee staff if required. All those present today should note that it is possible you might be filmed or photographed during the proceedings. I ask everyone present to turn off mobile phones or switch them to silent.

Only the committee and invited officials may participate in the proceedings. Any person may be excluded from the briefing at my discretion or by order of the committee. I remind committee members that officers from the department are here to provide factual or technical information. Any questions about government or opposition policy should be directed to the responsible minister or shadow minister or left to debate on the floor of the House. Today we will hear from representatives from the Queensland Treasury, the Department of Aboriginal and Torres Strait Islander Partnerships and the Cross River Rail Delivery Authority who have been invited to brief the committee on the bill.

GOLI, Ms Elizabeth, Commissioner, Office of State Revenue, Queensland Treasury

JOLLY, Mr Richard, Deputy Registrar, State Penalties Enforcement Registry, Queensland Treasury

MEW, Mr Jason, Acting Director, Policy and Legislation Division, Office of State Revenue, Queensland Treasury

CHAIR: I welcome the representatives from Queensland Treasury. I invite you to make an opening statement to brief the committee after which committee members may have some questions for you.

Ms Goli: Good morning, Mr Chair and members of the committee. Thank you for the opportunity to brief the committee on the Revenue and Other Legislation Amendment Bill 2018. I will speak to the amendments made to the revenue legislation administered by the Office of State Revenue—namely, the Duties Act 2001, the Duties Regulation 2013, the Taxation Administration Act 2001, the Land Tax Act 2010 and the Payroll Tax Act 1971. I will also speak to amendments made to the State Penalties Enforcement Act 1999, which is also administered by my office, and related amendments to the State Penalties Enforcement Amendment Act 2017 and the Victims of Crime Assistance Act 2009.

The Duties Act, Duties Regulation and Taxation Administration Act will be amended to support the Department of Natural Resources, Mines and Energy's phased expansion of e-conveyancing and to support an expanded range of e-conveyancing transactions more generally by allowing most land based dutiable transactions which can be assessed by self-assessors to be lodged and settled through e-conveyancing.

Amendments to the Taxation Administration Act will ensure that the provisions relating to the registration of charitable institutions operate as intended. Specifically, entities seeking registration must ensure their constitution expressly includes restrictions as to the use of the entity's income and property. This will restore the intended position following a decision by the Supreme Court which held that an entity's constitution need not expressly provide such restrictions and it was sufficient that the practical effect of an entity's constitution within the framework of the relevant statutory and common law rules is that the restrictions are satisfied. The amendments also clarify that an entity's constitution may include a statute, a deed or other instrument constituting an entity and governing its activities or members.

The remaining amendments to the Duties Act, Land Tax Act and Payroll Tax Act give retrospective legislative effect to five current beneficial administrative arrangements. The amendments relating to the State Penalties Enforcement Act support the implementation of a new service delivery model for SPER by addressing some minor technical and drafting issues in the legislation.

The amendments clarify the operation of provisions relating to SPER's non-monetary debt finalisation program for debtors in hardship, which is called work and development orders; the allocation of payments to different types of SPER debts; and the registration of debts with SPER. There are amendments in the bill that relate to legislation administered by the Office of State Revenue. The bill makes a number of amendments to other legislation. I will hand over to Mr Jason Kidd from the Department of Aboriginal and Torres Strait Islander Partnerships to speak to those amendments.

CHAIR: I think we will do a briefing on a particular section and then ask questions. I now call for questions about this section.

Mr STEVENS: Given that e-conveyancing services in Queensland are operated by PEXA, how is the government addressing any concerns about data security, privacy and storage with the operation of that particular service? In relation to the self-assessors, who provides the checks and balances on those self-assessors?

Mr Mew: With e-conveyancing there are a number of electronic systems at play. There is the PEXA system; the Office of State Revenue's revenue management system, OSRconnect; and then there is the title registry system. With PEXA and e-conveyancing transactions, for the duty component that part of it is assessed in the Office of State Revenue's revenue management system, OSRconnect. With a lot of the issues that have been occurring with PEXA and the system compromise, it does not affect revenue and duty because that is assessed outside of the e-conveyancing system in OSR's online revenue management system.

Ms Goli: The issues that arose with PEXA and security arose in New South Wales and they arose in relation to a particular solicitor's system in that a person hacked into that particular solicitor's email account and sent an email purporting to be their client which said, ‘Can you send the money to this account instead?' The solicitor sent the money to that account so the proceeds of the sale were sent to an account.

The system in Queensland is quite different in terms of the way that the payments are paid. There are different arrangements in Queensland for the payment of duty. For example, the payment of duty is paid into a trust account and the solicitor pays the duty directly to Queensland through the self-assessor arrangements, so the state's duty is protected through the self-assessment arrangements.

Mr STEVENS: So there is no possibility of people hacking into that?

Ms Goli: Into the arrangements?

Mr STEVENS: Yes, the arrangements.

Ms Goli: In relation to the duty, no, because the arrangements between the solicitor and OSR and OSRconnect are very secure. There is not any possibility for that to be hacked into because of the secure connection.

Mr PURDIE: I was going to ask for a bit more detail for myself and the committee about the advantages of this e-conveyancing system to the home owner but also to conveyancers and to the government.

Ms Goli: E-conveyancing was an initiative of COAG I think in 2009—I am not 100 per cent sure—to bring efficiencies into conveyancing. Conveyancing had always been paper based and it involved parties turning up at the titles office to do conveyancing on a paper based system. Titles at

some stage in the past went to electronic titles, so it was thought that we should go to an electronic system for transfer of titles as well.

PEXA came into effect in 2015. The states put in seed funding effectively through COAG to start electronic conveyancing. The point of it was to have a secure system for titles transfer. The banks and the titles office participate in it. The clearances are done via the Reserve Bank. It does all of the funding arrangements behind it. It is quite a secure system. Apart from the hacking issue that happened, it is quite a secure transfer of funds. It is instantaneous. People no longer have to physically turn up at a titles office. It produces economic efficiencies for the banks, for example. That was the reason it was thought that it would be something useful.

Ms BOYD: My question relates to the amendment to the Taxation Administration Act 2001 around charitable institutions. Can you talk us through in a little more detail the Supreme Court decision that has led us to make this amendment to the act?

Mr Mew: In the Supreme Court case, the particular charity in question did not have the express restrictions in their constitution. What the Supreme Court held was that the practical effect of the particular charity's constitution was within the statutory and common law framework and that the activities and the use of income and property were restricted in the way that the Taxation Administration Act requires.

I think the issue that we are seeking to address with these proposed amendments is to create a lot more certainty and clarity for both the Office of State Revenue and our charity clients by making sure that, where a charity's constitution expressly lists these restrictions, everyone can go into these exemptions and the transactions knowing that the relevant exemptions for charities will continue to apply.

Ms BOYD: And there will be a period of time for charities to become compliant through the implementation?

Mr Mew: That is right.

Ms BOYD: How many different charities are you looking at in terms of this income and property component in their constitution?

Mr Mew: At the moment there are approximately 80 charities that have been registered on the basis of the Supreme Court decision. Following passage of the bill, the Office of State Revenue will write to each of the affected charities notifying them of the change and giving them information about the time within which they have to comply. There will also be communication at an industry-wide level with charities.

Ms BOYD: In practical terms, how is this an effective deterrent in terms of charities' activity?

Mr Mew: It is not a deterrent as such. In the Taxation Administration Act, in order to qualify for registration as a charity there are a number of requirements that a charity must meet. There are restrictions about the use of income and property. It must be used solely for the charity's pursuits. Income and property must not be distributed to members, for example. That position has always been maintained. The issue that we are seeking to address now is really to make sure that these restrictions are expressly contained in the entity's governing documents.

CHAIR: In that way it restores it to what was the expectation—

Mr Mew: That is right; it restores the intended operation of those provisions. Even charities that do not have these express restrictions in their constitutions at the moment still operate according to those restrictions. The issue is: whether or not an entity qualifies as a charity is tested at the time of registration and then every other time the entity seeks to access valuable exemptions for duties, payroll tax and land tax. Having these express restrictions in a constitution will create certainty for the Office of State Revenue and our clients by making sure that everyone knows that, because these restrictions are expressly contained in a constitution, there is certainty for everyone.

Ms RICHARDS: Do you see any impacts on charities during that transitional period?

Mr Mew: Charities will need to amend their constitutions where the constitutions do not have these express references. As the member for Pine Rivers noted, charities will get a period of time in order to update their constitutions as required. For entities that are created under a constitution, that period of time will be six months. The general approach for making changes to a constitution is to pass a special resolution and then update the register from the governing authority. There may be a fee associated with making that change to the relevant authority.

Mr STEVENS: You mentioned you identified around 80 charities that you would write to, so they would have to have a special general meeting to change their constitution within that six-month

period. What happens to those that are not aware they are caught up in this bracket, the ones that you probably do not write to?

Mr Mew: There will be a two-pronged approach for the communication strategy adopted by the Office of State Revenue. We will write specifically to the charities that we are aware of, but there will also be broader communication at an industry-wide level. We will write to the charities or key bodies in those industries so that other charities that may not be aware of these changes are notified through the appropriate channels.

Mr STEVENS: Do you have a register of all charities?

Mr Mew: We have a register of the charities that have applied to us for registration as charities to access state revenue exemptions.

Mr STEVENS: Are they the only ones that will apply to?

Ms Goli: Just to clarify, any charity can be registered, but they approach us to seek exemptions. There are any number of charities out there, but they only seek an exemption when they need to. There are a broader range of charities out there, but they may not have sought exemptions. It will only come up if and when they come to seek an exemption from us. Then we will look to see whether or not it is in their constitution at that time. Our practice generally at that point is: if it is not in their constitution, we will tell them it needs to be in their constitution. They will go away and put it in their constitution, and then we will register them. That is what we do today. That is what we have always done. This court case said that it did not need to be in their constitution, so the amendment reinstates our practice and our understanding of the law, which was that it needed to be in the constitution. If a charity was constituted tomorrow and then it came to us next year and decided it wanted to seek an exemption but it did not have it in its constitution, we would tell them that if they want to be registered as a charity for state tax purposes they need to have it in their constitution. They would go away, add it to their constitution, and we would register them as a charity. We will actually backdate it for them as well.

CHAIR: That process restores it to what it was before the court case. It is a process that charities had a general understanding of?

Ms Goli: Yes, exactly.

Mr O'CONNOR: I note that the cost of implementation is low or non-existent. Has there been any modelling on the revenue forecast from these changes for Treasury?

Ms Goli: There is no revenue because it is an exemption. It would be revenue forgone. Because it is a reinstatement of the position and it is an exemption, there is not actually any revenue involved.

Ms BOYD: The deputy chair has a particular interest in SPER debt recovery. In terms of the amendments that are foreshadowed through this bill, what is the envisaged outcome for government? Is it intended that this would see an increase in the recovery of SPER debt?

Mr Jolly: I think these amendments themselves will not make a difference to the SPER debt because they are just really fixing up some technical issues from the original amendment act. These are really technical legislative issues to clarify some definitions and terminology in the act. The purpose is to ensure that the objectives of the amendment act passed last year are fully realised.

Ms BOYD: It is more of an alignment process?

Mr Jolly: Yes, just fixing up some technical issues in the act.

Mr STEVENS: With regard to court debt payments, will victims of crime be protected or in any way disadvantaged through this proposed amendment?

Mr Jolly: No. The amendment in this act relates to debt from Victims Assist Queensland, which is a government agency within the Department of Justice and Attorney-General. It is different to restitution debt, which is payable directly to the victim. The administrative scheme here is that the state, the VAQ, pays the victims of violent crime a certain amount under the administrative scheme. That person receives their payment. This is a debt to the state from the offender. Victims Assist Queensland is recovering on behalf of the state. It makes no difference to—

Mr STEVENS: You are saying there is no disadvantage?

Mr Jolly: The victims have already been paid out, and these are really changes to the registration process. It is really a machinery provision.

CHAIR: Thank you.

CHENG, Mr Tony, Acting Director, Legal Policy, Department of Aboriginal and Torres Strait Islander Partnerships

KIDD, Mr Jason, Acting Deputy Director-General, Policy, Department of Aboriginal and Torres Strait Islander Partnerships

TARRAGO, Aunty Isabel, Director, Cultural Heritage Unit, Department of Aboriginal and Torres Strait Islander Partnerships

CHAIR: We have two issues: the production of alcohol and cultural heritage. Does anyone wish to make a brief opening statement?

Mr Kidd: I would appreciate the opportunity to make an opening statement. I would like to start by acknowledging the traditional owners of the land upon which we are meeting and pay my respects to elders past, present and with us today. My name is Jason Kidd; I am the acting deputy director-general. I look after policy in the Department of Aboriginal and Torres Strait Islander Partnerships. I would like to introduce my colleagues: Aunty Isabel Tarrago, who is the director of the Cultural Heritage Unit; and Tony Cheng, who is the acting director of our legal policy area.

I thank the committee for the opportunity to brief you on the amendments in the bill, particularly as they relate to the Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act—I will refer to that as the JLOM act hereinafter—and the Aboriginal Cultural Heritage Act 2003 and the Torres Strait Islander Cultural Heritage Act 2003, which I will refer to as the cultural heritage acts. I propose to brief the committee on the key points to both of those areas of amendment, and then I am obviously very happy to take questions from the committee.

The background to the JLOM amendments is that alcohol management plans are in place in 19 remote and discrete Aboriginal and Torres Strait Islander communities across the state. There are measures in place, which vary from community to community, to reduce the supply of alcohol into those communities. The overall purpose of the regulation is to enhance community safety and wellbeing for the communities. The provisions include prohibiting the possession of home-brew concentrate, home-brew kits or equipment and the supply of homemade alcohol in nine of those particular communities, eight of which are zero-carriage-limit communities and one of which is a prescribed community in Doomadgee. Easy access and the relatively low cost of homemade alcohol ingredients, combined with the ability to use more common household items in its manufacture, means that homemade alcohol continues to be a source of concern in those communities. In some ways it undermines the benefits of the alcohol management plans in general.

Emerging methods are coming forward using everyday household ingredients such as fruit juice, multivitamins and fertilisers and everyday equipment to make homemade alcohol. This is undermining our safety goals. The issue of homemade alcohol in particular has been raised by the community of Mornington Island in recent times. They did extensive consultation with their community and developed a strategic plan. Out of that consultation the issue of turbo yeast in particular was raised as one particular product being used to make homemade alcohol. The community asked the government to look into that and seek amendments to the legislation to better address that issue. This issue arose originally from a 2013 Court of Appeal decision which interpreted home-brew concentrate, which is banned by the legislation currently, to mean that the particular product in question needs to include malt and hops. This meant that, in that instance, turbo yeast was not covered by the ban; therefore, police could not enforce the ban on turbo yeast to reduce the supply of homemade alcohol into the communities.

The proposed amendments to the JLOM act will support the original policy intent of the provisions and the regulation by better capturing and prohibiting emerging substances—which includes turbo yeast and other things—that can be used to make homemade alcohol. This will be achieved by creating a new offence provision that will prohibit the possession of a substance or a combination of substances other than home-brew concentrate—that is already covered—with the intention of using those substances to make homemade alcohol. That is under section 38.

The approach taken in relation to the new offence will mitigate the risk of unnecessarily criminalising people in the communities for possession of everyday products, because it is the combination of having the relevant product and the intent to produce homemade alcohol. The onus of proof will be on the police to prove the case. The provision was worded that way because it was impossible to pre-empt all of the possible products and combinations thereof that could be used to make homemade alcohol. Providing a general provision around the substances that can be used and tying that to proving the intent to use it to make homemade alcohol is the preferred way forward. The

active possession of those products extends right through the production of making the alcohol, so it will cover it right through to the homemade alcohol produced. The new offence mirrors the penalty provisions that are already in the legislation.

We also have some minor amendments to better clarify that the purpose of part 5 of the JLOM act is achieved by: prohibiting homemade alcohol in certain areas; the possession or supply of homemade alcohol; the possession of substances used to make; and possession of the things used to make. We have differentiated that out in the purpose provision to make it entirely clear. In summary, the amendments will address a gap in the legislation. We are responding to strong community feedback around this. We understand that the community is very comfortable with what we propose.

I will move on to address the cultural heritage acts amendments. I will then take questions on either issue, if that suits the committee. The cultural heritage acts amendments arose due to case law. The two cultural heritage acts aim to provide effective recognition, protection and conservation of Aboriginal and Torres Strait Islander cultural heritage. This is primarily achieved by setting up a framework whereby proponents for land development identify and work with the relevant native title and Aboriginal parties who are the custodians of the cultural heritage for that area. Under the cultural heritage acts, a cultural heritage management plan is developed between the proponents and the Aboriginal bodies that sets out all of the conditions to mitigate any risk of harm to the relevant cultural heritage in that area.

Section 34 sets out four ways to determine who is a relevant native title party for that process. I will not deal with the other three areas, but one in particular, subsection 34(1) (b) (i), provides that a native title party for an area can be what we call the last claim standing. That is where you are the last claimant to have a claim registered that has failed. It has been registered under the native title claims area, there is no other registered native title claimant and there is not and never has been a native title holder for the area. On that last provision about not having a native title holder for the area, the intent when that provision was drafted was that that meant 'never has been a prior registered native title holder for the area'. The effect of the case law decision late last year was that that was interpreted to include common law holders of native title, which of course opens up a really broad range of potential native title party holders for an area. That meant that it essentially made the provision impractical for us to be able to administer, because the department could not pre-empt court decisions over whether or not a proponent was actually a native title holder in common law.

The provision basically inserts the word 'registered' into that final provision, to make it clear that the last-claim-standing provision applies where there has not been a registered native title holder for the area. The overall purpose is to create greater certainty for the land users and enable them to identify clearly who they should be negotiating a cultural heritage management plan with to protect the relevant heritage of the area. The policy intent is to reinstate that last-claim-standing provision as has been previously understood by the department and has been administered for over 80 cultural heritage management plans across the state and over 65 claimants. It will give all of those parties certainty going forward.

There are also some provisions to allow for the validation of those prior decisions so that existing cultural heritage management plans can continue and the work can proceed and those negotiations are still relevant, and some transfer provisions are in place in the window before the amendments come in to ensure that people are not disadvantaged by the amendments. In short, that will provide greater certainty for all of the parties and that is our overall intent. That is probably it, Chair. I am happy to take questions.

CHAIR: Thank you, Mr Kidd.

Mr STEVENS: Mr Kidd, I sympathise greatly with the moving feast you have in terms of products that are used to make these illegal concoctions, or whatever it is that is used up there. However, when obtaining illegal ingredients through suppliers, I am guessing many would come through the internet; they are online purchases? Is there any way of policing and attacking at the source, because after this legislation goes through they will probably swap to another product? I am not a chemist, but I am sure there are others out there.

Mr Kidd: On your first point about increasing access to products through the internet, although in some of these communities the internet access is certainly not what it should be—

Mr STEVENS: The people who supply would get it.

Mr Kidd: Yes, there are more options for the purchase of different products now. I think that is your point, and I accept that. That is in part why the provision is framed around substances or a combination of substances more generally used with the intent to create homemade alcohol.

Therefore, if they are currently accessing a turbo yeast type product and it is labelled as such, that is fine; that can be captured. However, if other products are accessed through the internet or otherwise and they are being used to create homemade alcohol, they can also be picked up. It allows for those changing circumstances over time.

Ms RICHARDS: In terms of the change to the legislation and looking at intent, will education be provided across those communities in terms of what that means to them on the ground?

Mr Kidd: Yes. In terms of enforcement, certainly we have worked with our partner agencies—police and the Department of Justice and Attorney-General—to make sure that those processes will be well understood. We will also work through our regional directors network, which works very closely with the communities. In some of the communities we have DATSIP staff on the ground in community to provide messages about the new offence provision. In fact, we have already sent out some material in that regard and what the police process will be to prove intent and make out the provision, so that there are no surprises for community members. That sort of messaging will be couched in terms that our overall intent around these processes of regulation is to improve the overall safety and wellbeing of the whole community. We are working with the community and responding to their feedback on what they think are growing areas of concern.

Mr PURDIE: You talked about negotiating or liaising with your partner agencies. Were the police consulted in relation to this new legislation, particularly in relation to proving intent? Obviously, a lot of these products are fruit juice, fertiliser and other innocuous products. How do police prove intent, short of the person making admissions as to why they had it or they were in the process of making it? Would it be hard for the police to prove intent if they have innocuous things in their homes?

Mr Kidd: Certainly we explored that practical issue with the QPS, to ensure they were comfortable that they would be properly able to make out this offence provision, and they are. Basically, this provision finds the right balance between not overcriminalising people who may just have everyday products for everyday reasons in the family home and enabling the police and putting the onus on them to prove intent. It would include, as you mentioned, relevant admissions and also what particular products were in the house, the combination of products found in the house and the quantity of products, together with the equipment in the house that might be used for home-brewing. The police would be putting statements together with evidence of the products and the equipment to make out the case. To answer your question, the QPS are comfortable that this is a provision they would be able to enforce.

Mr PURDIE: What you outlined there sounds like a pretty legitimate investigation for police. It is not just that you have been found with something or you are caught in possession of it, like a dangerous drug. It would involve statements, admissions and evidence to that effect. Are the police on Mornington Island equipped? Obviously they are already busy doing the day-to-day policing duties that no doubt they do. Will that be a burden on them? Are they in a position to take on the further investigations that could require some time and resources?

Mr Kidd: These sorts of regulations have been in place for some time now. The police have developed a pretty high level of expertise in terms of enforcement, but they themselves have indicated that the gap we have identified here was causing a concern for them about enforcement. It was leaving them unable to prosecute in certain instances. This will, in fact, overall make easier their job to administer this legislation and make sure there are not essentially any loopholes in that regard. As I am sure you are aware, the police and the communities do communicate regularly with community members. A lot of it is about forming those relationships and good education processes. Then, when they know the parties are doing the wrong thing, this will enable them to take action. Yes, they are quite able to do that.

Mr O'CONNOR: Can I get some advice from you on the community feedback that you had on these proposed changes, especially from the mayors of the communities?

Mr Kidd: At this stage, we have sent information out to the community justice groups, once introduced, and to the mayors and to our regional directors. The response has been fairly quiet, which we are taking as a good thing. We certainly had a detailed conversation with the CEO, for example, of Mornington Island, who is a particular driver for the issues that they are experiencing in that community. He was more than comfortable with what we put forward, that it will essentially address that issue. It was on Mornington Island where it was a major concern, but it came up in the other communities in the wet season as well. We are quite comfortable that the mayors will be very supportive of this as contributing to the overall safety of the community.

Mr O'CONNOR: You sent out the proposed changes and a lot of them did not get back?

Mr Kidd: We sent information out directly to the mayors and the chairs of the community justice groups, and also to our regional directors, to enable them to have those on-the-ground conversations. At this stage, the feedback has been either fairly quiet or quite positive.

Ms RICHARDS: There have been some reports in the media on the success of the AMPs. Do you think this legislation goes a significant way towards improving the success rate within these communities in terms of safety and wellbeing?

Mr Kidd: The broader review of how the AMPs are operating and some research done by Professor Clough have identified that, whilst there were improvements made under AMPs, some of the successes that have been achieved were being watered down, basically, by the sort of situation where either home-brew is made in communities or sly grog is brought into communities. Over time, parties were finding other ways to get around the regulation. Really, this will fill one of the significant gaps identified to enable the broader system of restricting the quantity of alcohol in communities to safe levels.

Certainly, going back to well before the AMPs were introduced, there was a very large quantity of alcohol in a lot of the communities and extremely high rates of harm. At this stage, this is seen as one part of the way to better respond to that. Obviously, the government is still looking at a range of improvements in terms of service delivery in the communities and strategies in terms of the justice system, domestic and family violence and child safety system reforms, which are all part of the support process into communities. This is the regulatory aspect.

CHAIR: For the benefit of the public, the particular strains of yeast that we are talking about are designed for a particular use within home-brewing. Why are they different from, say, baker's yeast that can consume sugars and produce alcohols?

Mr Kidd: To take the example of turbo yeast—

CHAIR: It is a particular brand?

Mr Kidd: Yes. It enables brewing at a much higher concentrate and much faster, so it can produce higher volumes at higher levels of alcohol and in much quicker times—up to 48 hours, whereas a normal brewing process can take a number of weeks. It speeds up the supply of quite dangerous levels of alcohol into communities. As we mentioned, the types of products can evolve. This provision will allow for taking account of any evolution in the types of products that are accessed.

CHAIR: We will move on to cultural heritage questions. Are there any questions on the last-claim-standing provisions with regard to Indigenous cultural heritage management?

Mr STEVENS: Yes. In reversing the decision of the court, the Nuga Nuga decision, is the bill proposing to remove the so-called hierarchy identified by the court of native title party status in section 34 of the Aboriginal Cultural Heritage Act?

Mr Kidd: Basically, the amendments will reinstate the situation that was in place previously. As I said—Aunty Isabel would know the finer details—there are over 80 cultural heritage management plans in place. They have already been through an extensive process of consultation and engagement between proponents and the native title owners. It protects the rights of those parties. I would not say that it puts in place an order of merit as such but rather it validates all of the good engagement that has happened with communities previously and provides a level of certainty and stability going forward. Each individual case will be assessed on its merits in accordance with the law, but it will provide that certainty.

Mr STEVENS: Earlier you mentioned that the last claim, if you like, was the one that was in place. Does that in any way preclude any other people, who may not have had the capacity to afford to lodge a claim et cetera, from getting in the queue, if you like?

Aunty Isabel Tarrago: It does not give the Aboriginal person any more rights to come in, because that native title process has already been through the courts. It has been judged through the courts for genealogies and for having the right to speak for that particular country. That gives them the right to go through and negotiate with any industry and work for anyone on country. If this provision that we have put through does not go forward, it would turn into a position where everyone can put their hand up and you will not get an outcome. Therefore, it is very important that this provision has gone through and, going forward, we do make the process of Aboriginal and Torres Strait Islander people having an economic base and having a Queensland stand of putting money back into the state.

Mr STEVENS: It gives certainty to a claimant.

Aunty Isabel Tarrago: Yes.

CHAIR: We obviously value and respect the common law rights Aboriginal people have. The Mabo and Wik decisions are part of that. This could be critiqued as extinguishing a possible common law right for the benefit of a project or for the benefit of the status quo of expectations. Is it reasonable to critique it like that or is it more complex than that?

Mr Kidd: I would argue that it is more complex than that. Common law rights will continue. Proponents that have a common law claim to a certain area will always have the opportunity to take that through the court system and have native title determined. None of this will extinguish those rights. If those decisions are made by a court—and that is the appropriate venue for those decisions to made—what this provision provides is that it is not appropriate for DATSIP, in administering our legislation, to be making decisions over the rights of this proponent versus that proponent, whether they be in common law or otherwise.

CHAIR: When it comes to cultural heritage, there may not be a second chance to examine the value of the cultural heritage on the ground after the project has gone forward?

Mr Kidd: There are a range of different measures in the cultural heritage acts. In short, it is not a finishing point for the process. There is ongoing assessment of relevant claims and relevant interests in the area. There are provisions to allow for those discussions to occur. It would not stop further consideration of interested parties becoming involved.

CHAIR: I hope you understand that the committee will approach this with great caution. There being no further questions, thank you very much for your time.

COE, Mr Matthew, Principal Adviser, Cross River Rail Delivery Authority

GLOVER, Mr Michael, Chief Financial Officer, Cross River Rail Delivery Authority

SILVESTER, Mr Peter, Director, Interface Operations, Cross River Rail Delivery Authority

CHAIR: Would anyone like to make a brief opening statement about the clauses of the bill relevant to the delivery authority?

Mr Glover: Thank you, Chair. Thank you to the committee for allowing us the opportunity to address you today with regard to the introduction of the Revenue and Other Legislation Amendment Bill, including amendments to the Cross River Rail Delivery Authority Act 2016, which we will refer to as the CRRDA going forward, to enhance the administrative efficiency of our act. The bill also includes an amendment to the Acquisition of Land Act 1967, which we will refer to as the ALA, to confirm that compulsory land acquisition applications may be endorsed by the minister administering the Cross River Rail Delivery Authority Act 2016.

I turn to the amendments to the Cross River Rail Delivery Authority Act and the ALA 1967. The bill has four key objectives relating to the Cross River Rail Delivery Authority. It proposes to clarify the board membership by updating section 33(1) (c) of the CRRDA Act to replace the current reference to the repealed Transport (Rail Safety) Act 2010 with reference to the current Rail Safety National Law (Queensland) 2017. It expressly confirms that the board may appoint a short-term interim chief executive officer in instances where the position becomes vacant. This will remove any doubts about the capacity of the board to appoint the interim chief executive if a position is vacated for any reason. The bill will achieve the objectives of enhancing administrative efficiencies for the delivery authority by removing the requirements to have the budget completed by 31 March each year, which has proven administratively challenging due to the misalignment with the standard Queensland government budget time frames. It expressly confirms that the minister administering the CRRDA Act is the relevant minister for compulsory land acquisition purposes for the ALA, reducing the potential for duplication of effort between multiple government agencies and mitigating potential project delays. I am happy to take any questions.

Mr STEVENS: I note in this bill that there are proposed amendments to the Acquisition of Land Act 1967. Will those amendments circumvent any rights under the existing arrangements where owners of land have to go to the Land Court to appeal the compensation amount being paid and the time in delivering that appeal?

Mr Silvester: The short answer is that it does not affect the rights of a landholder going to the Land Court. All it is is an administrative amendment that inserts the relevant minister as the minister administering the Cross River Rail act. All of the processes that apply around the compulsory acquisition of land still apply. It is just a matter of which minister you go to to seek the endorsement for that compulsory acquisition of land.

Mr O'CONNOR: Could we get some more clarification of why the requirement to have the budget completed by 31 March was removed?

Mr Glover: Under the normal government process under the FAA the requirement is 30 April. Given that the minister may approve the budget prior to that, it was just a difficulty in terms of timing—that is, getting it up and getting it through the process before 31 March with board approval and then ministerial approval prior to it going up to our agency, which is currently Queensland Treasury, for approval. It gives us the extra 30 days from an administrative point of view.

Mr O'CONNOR: The minister for this act is the Treasurer?

Mr Glover: Correct, the Treasurer and Deputy Premier is the minister responsible for our act.

Mr O'CONNOR: Why is it not the Minister for Transport and Main Roads?

Mr Glover: That was charged with the MOG. Our act was transferred across to the Treasurer and Deputy Premier.

Mr O'CONNOR: It was a government decision and nothing that you can comment on?

Mr Glover: Yes.

Ms RICHARDS: Just going back to the land acquisition part of the bill, do you envisage any issues arising in terms of land acquired for Cross River Rail?

Mr Silvester: As a quick update, back in 2017 the Coordinator-General approved the reference design for the Cross River Rail project. That project identified all the land requirements at that point in time. We are in a detailed procurement process with proponents at the moment. They will be bidding back land requirements as part of their bids. When a successful proponent is awarded it will go through another assessment process with the Coordinator-General, so any changes to land requirements from the requirements of February 2017 will be identified and the public consulted at that point in time.

CHAIR: Most of the questions here are technical. There being no further questions, I thank you very much for your participation today. I thank all the departmental officials who have made the time to present to the committee this morning. That concludes this briefing. Thank you for the information you have provided today. Thank you to our Hansard reporters. A transcript of these proceedings will be available on the committee's parliamentary web page in due course. I note that there were no questions taken on notice. I declare this public briefing closed.

The committee adjourned at 10.23 am.