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Working together for a shared future

24 June 2015

Ms Erin Pasley Research Director Infrastructure, Planning and Natural Resources Committee Parliament House, George Street Brisbane Queensland 4000 Email: ipnrc@parliament.gld.gov.au

Dear Ms Pasley

Thank you for the opportunity to comment on the Building Queensland 2015 (the Bill).

As you are aware, the Queensland Resources Council (QRC) is the peak representative organisation of the Queensland minerals and energy sector. QRC's membership encompasses exploration, production, and processing companies, energy production and associated service companies. QRC does not represent the small mining or gemstone sectors. The QRC works on behalf of members to ensure Queensland's resources are developed profitably and competitively, in a socially and environmentally sustainable way.

As one of the major investors in infrastructure, (both in private and common user infrastructure) in Queensland over the past decade, the resources sector supports the establishment of Building Queensland to provide independent expert advice to Government about infrastructure. In particular, Building Queensland's provision of rigorous analysis of a project, including a cost benefit analysis will be a useful addition to the existing decision making framework.

QRC welcomes the Government's intention to increase transparency and improve public confidence in the assessment of infrastructure projects in Queensland. In presenting the Bill, the Deputy Premier described Building Queensland as an independent statutory body to ensure a whole-of-government perspective is brought to bear on major infrastructure planning, prioritisation and investment. QRC supports the establishment of Building Queensland.

However, QRC notes that the Bill is not specific about the infrastructure projects which are in scope for Building Queensland. QRC's assumption is that the focus is primarily on the Government's own procurement and purchasing, particularly for large or enduring purchases with a high value (Section 13(1)(a) and (b)), but can find nowhere in introductory speech, Bill or explanatory notes which defines the nature of Building Queensland's infrastructure projects. QRC would appreciate it if the Committee could seek clarification of this question.

QRC notes that one of the areas of advice for Building Queensland is "policy, pricing and regulatory issues that may impact on the use of infrastructure" (in Section 10(1)(b)) and also the "...efficient use of infrastructure" (in Section 10(1)(c). These are roles, which are currently performed by the Queensland Competition Authority (QCA) and perhaps also to some extent by the newly established Queensland Productivity Commission (QPC). QRC is not clear on the

delineation of responsibilities between the three independent statutory bodies in terms of advisory and regulatory roles. QRC suggests to the Committee that it might be useful to consider including an example in Section 10 to clarify the type and timing of advice that Building Queensland might furnish. As Building Queensland's focus appears focussed on the initial assessment of infrastructure projects, QRC would assume that the agency would not play an ongoing regulatory and operational role once the infrastructure is approved. Once again, QRC suggests that the committee seeks clarification of this question.

Section 11 requires Building Queensland to develop a framework for assessing the costs and benefit of infrastructure projects. In light of the purpose of Building Queensland encompassing "...promote public awareness of its functions" in Section 16(2), QRC suggests that this draft assessment framework should be released for public consultation and be readily accessible once it is finalised.

Section 18 allows for Ministerial direction to be given about the performance of Building Queensland's functions, including section 18(3), not to exercise functions under Section 10(1), 12(1), 13(1)(a) or (b) or 14(1). While these Ministerial directions will presumably be made public, QRC suggests that where these directions are more directive under Section 18(3), that these Ministerial directions should also include a brief rationale as to why it is in the public interest to override these specific sections.

Thank you for the chance to provide comments. QRC would welcome the chance to appear before the Committee. The contact at QRC is Andrew Barger on

Yours sincerely

Michael Roche

Chief Executive

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