

ESTIMATES COMMITTEE A

Mr L. S. Woolmer (Chair)	Hon. D. J. Hamill
Mr P. D. Beattie	Mr G. J. Healy
Mr A. M. Grice	Ms J. C. Spence

LEGISLATIVE ASSEMBLY (PARLIAMENTARY SERVICE)**IN ATTENDANCE**

Hon. N. J. Turner, Speaker of the Legislative Assembly
 Mr R. D. Doyle, Clerk of the Parliament
 Mr N. J. Laurie, Clerk-Assistant and Clerk of Committees
 Mr R. J. N. Bannenberg, Parliamentary Librarian
 Mr R. E. Fick, Director, Corporate Services
 Mr A. J. Watson, Chief Reporter, Hansard
 Mr M. J. Hickey, Manager, Finance
 Mr K. V. Jones, Chief Parliamentary Attendant
 Mr J. J. Fennis, Manager, Information Technology Services
 Mr G. J. Kinnear, Education Officer

The Committee commenced at 9 a.m.

The CHAIRMAN: Good morning, everybody. I declare this meeting of Estimates Committee A open. The Committee will examine the proposed expenditure contained in the Appropriation (Parliament) Bill 1997 and the Appropriation Bill 1997 for the areas as set out in the Sessional Orders. The organisational units will be examined in the following order: Legislative Assembly, Office of the Governor, Parliamentary Commissioner for Administrative Investigations, Queensland Audit Office, Department of Premier and Cabinet, Treasury Department and Department of Economic Development and Trade. The Committee is also agreed that it will suspend the hearings for the following breaks: morning tea, 10.50 a.m. to 11.05 a.m.; lunch, 1.15 p.m. to 2.45 p.m.; and afternoon tea, 4 p.m. to 4.15 p.m.

I remind members of the Committee, Mr Speaker and Ministers that the time limit for questions is one minute and that answers are to be no longer than three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. The questioner may consent to an extension of time for answers. A double chime will also sound two minutes after the extension of time has been given. The Sessional Orders require that at least half of the time available for questions and answers in respect to each organisational unit be allocated to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in the transcript.

In accordance with the Sessional Orders dated 4 June 1997, a member who is not a Committee member may, with the Committee's leave, ask Mr Speaker or a Minister questions. In this regard, the Committee has agreed that it will automatically grant leave to any non-Government member who wishes to question either Mr Speaker or a Minister. Also in accordance with the Sessional Orders, Mr Speaker and each of the Ministers is permitted to make an opening statement of up to five minutes.

In relation to media coverage of the Estimates Committee A hearing, the Committee has resolved that silent television film coverage will be allowed for the Chairman's opening statements, Mr Speaker's and each Minister's opening statement.

The first item for consideration is the Estimates of expenditure for the Legislative Assembly. The time allotted is 45 minutes. I now declare the proposed expenditure for the Legislative Assembly to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Mr Speaker, would you like to make a brief introductory statement or do you wish to proceed direct to the questioning?

Mr SPEAKER: I would like to make a statement, Mr Chairman. The 1997-98 Budget Estimates for the Parliament are the second that I have presented as Speaker, and it is with great pleasure and pride that I appear before you today. When delivering my first Budget Estimates in 1996-97, I indicated the focus of that budget was to assist members in the provision of better services to constituents. As 1996-97 draws to a close, I believe that I have been successful in achieving that.

Members representing the State's largest electoral districts have been provided with second electorate offices. All members have been provided with upgraded photocopiers and telephones. For the first time ever, members can now lease their cars through Q-Fleet. We have produced a spouse and members' handbook. As most people would be aware, on Level 7 the dining room, the corridors and the verandas have all been upgraded.

In preparing the 1997-98 Estimates, I hope to deliver a better Parliament using three key strategies. Firstly, I wish to continue to improve constituent support through the provision of additional part-time staffing resources in members' electorate offices. Under this initiative, all members, excluding Ministers, will be provided with an allocation of \$10,500 per annum to be used for part-time staff in electorate offices. This initiative had its origins in a 1992 Parliamentary Committee for Electoral and Administrative Review recommendation, and I am sure that all members, overworked electorate officers and constituents alike will applaud the additional assistance when it becomes available.

The second strategy in delivering a better Parliament is to initiate a significant capital reinvestment program for buildings within the parliamentary precinct. The historical and cultural significance of the parliamentary precinct to

Queensland is enormous. As Speaker, I am conscious of the importance of ensuring that the precinct and its buildings are maintained to a standard befitting its grand history. I am also conscious of the need to provide a safe, functional and comfortable workplace environment for members and staff, as well as a premium facility for all Queenslanders.

Some time ago, parliamentary officers provided me with an Asset Strategic Plan. The plan recognised the unique nature of the precinct and its buildings and noted that because disposal of either building or relocation to another site is not an option, the planning focus needed to be on preservation of the existing buildings. I am pleased to advise that following negotiations between Treasury and the Department of Public Works and Housing, funding has been made available in 1997-98 to give effect to many of the initiatives contained in the Asset Strategic Plan.

In 1997-98, the preservation of Parliament House will continue through the Stonework Restoration Program. Stage 4 of the 15-stage program will be completed in 1997-98. In addition, a three-year \$8m program for the refurbishment of the interior of the Parliamentary Annexe will commence. The exterior of the Annexe will also be restored during 1997-98 at a cost of just under \$1m. Energy management systems throughout the precinct will be upgraded, as will security. All of these initiatives will contribute to ensuring that the important work of the Parliament can be carried out effectively well into the next century, and long after I have moved on.

The third key strategy in delivering a better Parliament is to provide a better Parliamentary Service. The Committee is well aware that, as Speaker, I am responsible for supervising the management of the Parliamentary Service. In my first year as Speaker, I have come to realise the important role that the Parliamentary Service plays in delivering an effective Parliament. I would like to express my thanks to all Parliamentary Service staff for their dedication and support during my first year as Speaker. While I am sure I speak for all members when I say that the Parliamentary Service works well, there is always room for improvement. In consultation with management, I have instituted several new planning processes during 1996-97 with a view to improving communication within the Parliamentary Service and improving communication between the Parliamentary Service and members.

I strongly believe in the importance of good planning and I am hopeful that the recently developed Parliamentary Service Management Plan, which I forwarded to all members last week, will provide management and staff with a focus to their duties. It has always been my belief that this is a members' House. I believe in the independence of the Parliament. I consider it to be the focal point of Queensland. We bring ambassadors, consuls, parliamentary visitors and business people to this Parliament.

Finally, I would like to place on record my appreciation to the Premier and the Treasurer. Throughout the 1997-98 Budget development

process, discussions concerning funding for the Parliament have been conducted in a positive and cooperative manner, with appropriate recognition of the principles underpinning the separate Appropriation Bill currently before the Parliament. Mr Chairman, I wish the Committee well in its deliberations.

The CHAIRMAN: Thank you very much, Mr Speaker. In accordance with the Committee's agreement, the first period of questions will commence with the non-Government members.

Mr BEATTIE: Mr Speaker, in the Estimates Committee A hearing last year, we had some discussion about where the responsibility for the Opposition budget should sit. You indicated in answer to questions from me then that you believed that it would be more appropriate to have the Opposition budget handled through the Speaker than through the Government of the day. Since that time, you may know that the Opposition office budget has been set up similar to a ministerial office budget arrangement under the control of the Premier's Department. I just wonder whether you were involved in discussion about these arrangements. Are you happy with them or do you still believe that the Parliament should look at the Opposition budget coming under the umbrella of the Speaker's responsibility?

Mr SPEAKER: Following the last Estimates committee meeting, I had discussions with the Premier in that regard. It is ongoing as far as I am concerned. I have not resiled from my belief that the independence of the Parliament and the Opposition would be better served by it coming under the umbrella of the Speaker. I am quite happy to continue to pursue that matter with the Premier in the future.

Mr BEATTIE: In answer to question on notice No. 4, which dealt with a review of the Members Handbook, you indicated that you have considered all submissions and that they were sent to the Premier for his consideration on 2 April 1997. You also indicated that you would be forwarding a copy of the draft handbook to the leaders of the parliamentary political parties, the Auditor-General and the taxation and operations section of the Treasury Department. The response to the question on notice is helpful in that it sets out the timetable that has been adopted to deal with the process since 25 July 1996, when you wrote to the Premier seeking support for a review of the Handbook. However, you do not provide a timetable for the finalisation of the Handbook. Could you give that to the Committee now, please?

Mr SPEAKER: Mr Beattie, you have correctly identified the chronological order of what has transpired in an effort to get the handbook upgraded, which I really want to finish. Hopefully, if possible in the time left, I will have it up and running by 1 July. I am advised by Mr Fick that in discussions that he has had with the Premier's office this morning, they are hopeful that their response to it will be back within the week. Then it will follow the due process. As you would be well aware, I have to put it to the different political parties for their

interpretation or input. It then goes back to the Premier and then to the Executive Council. I appreciate that time is running out, but I have been pushing for it for quite some time to try to get it up and running before the commencement of the new financial year. There are a lot of benefits in what we have proposed, without any additional costs. It cuts out some of the areas where there has been duplication. I am quite sure that when it goes out to members they will be delighted with the recommendations.

Mr BEATTIE: At last year's hearings of Estimates Committee A, there was some discussion of the budget for parliamentary committees. You will recall that I raised those issues with you then. Do you believe that the current budget is sufficient for the operations of the committees? Are there any specific problems with the operations of the parliamentary committees because the budget is insufficient?

Mr SPEAKER: I will refer to Neil Laurie, if you please.

Mr BEATTIE: Thank you, Mr Speaker.

Mr LAURIE: Mr Beattie, since the 1996-97 financial year some changes have taken place within the Committee Office, as you would be aware. Additional resources have been given to some committees. For example, a full-time research officer has been allocated to the Members' Ethics and Parliamentary Privileges Committee—a position which it did not have before. In addition, the arrangement set in place before last year's budget for the sharing of an AO7 position by the Legal, Constitutional and Administrative Review Committee and the PCJC has continued.

There were concerns about resourcing for the Scrutiny of Legislation Committee and the Speaker has approved the appointment of an AO4 for that committee for three days a week. I have had recent discussions with the research director of the Scrutiny of Legislation Committee and she is satisfied with the resourcing at this point in time. Once again, we will monitor that. Obviously, the committee is prone to resource problems when a lot of urgent Bills are going through the House. We have attempted to deal with that by taking resources from other committees when the need arises because of the extra work being done by that committee. We have also increased the amount in the budget for that committee for the use of external consultants.

Resourcing is obviously also a continuing concern for the PCJC. I am currently having discussions with the research director of the PCJC to try to determine whether extra resources for that committee are required. One thing that was done during the last financial year and is budgeted for in the upcoming financing year is that the PCJC's research officer, a level A04 position, has been upgraded to an A05 position.

The only other committee that I would mention is the Legal, Constitutional and Administrative Review Committee, of which I am still the research

director. Given my other duties, it may be that at some time in the early part of the next financial year we will look at increasing the resources to allow me to step down from that committee.

Mr BEATTIE: Mr Speaker, are there any plans for or have there been any discussions on the privatisation of any services at Parliament House? If so, what the implications for staff numbers?

Mr SPEAKER: Nothing has been formalised in relation to privatisation. It was mentioned when I first became Speaker, but, as I indicated before, I was of the opinion that we should maintain the independence of the Parliament. There was some discussion about the possibility of saving money through the privatisation of the catering section. Whilst I do not have the figures available at the present moment, the amount that we subsidise the catering section by is nothing near as much as other Parliaments provide to their members in meal allowances. In Canberra and many other parliaments, Hyatt Regency or other such companies provide meals, but not always to the standard that one would expect for the price that they pay. The service is not fully utilised by the members. In discussions that I have had with members from other Parliaments, it is obvious that they believe that we have one of the better parliamentary catering services. In that regard, we do not lose money by helping our catering section. If we went the other way, I think it would be detrimental.

As I have indicated before, and not wishing to belabour the point, I believe in the independence of the Parliament. My position is different from a Ministry. My responsibilities are confined to inside the boundaries of Parliament House. I have expressed the view that I would prefer to have our own catering and security staff rather than go over to Wormald or similar companies, good as they may be. The staff who work here on a regular basis are thoroughly checked out and they know all the members. They provide a better service all round. I am not in favour of the privatisation of anything at this point, unless it can be demonstrated that there will be a tremendous saving. That has not been demonstrated to my satisfaction.

Mr BEATTIE: I refer to page 6, regarding the Attendants Subprogram. Firstly, can you advise what changes, if any, there will be to the staffing levels in the Attendants Subprogram? Can you provide some more detail on what is planned in relation to job rotation and on-the-job training which were identified in the MPS as key strategies in improving performance?

Mr SPEAKER: I will call Kevin Jones to answer that question.

Mr JONES: We presently have 12 full-time attendants and we utilise eight to nine casual staff in and out of session. It is believed that on-the-job training of attendants is the best way to proceed. We do have the ability to use, and we often do use, outside people to train the tour staff. With the number of duties that we have, we feel that on-the-job training and rotation of staff is the best possible way to go.

Mr BEATTIE: You do an excellent job, Mr Jones.

Mr JONES: Thank you very much.

Mr BEATTIE: I refer to page 2 of the Speaker's Program Statements, which notes that \$2m has been provided to commence the refurbishment of the interior of the Annexe. I also refer to page 13 and the Property Services Subprogram. Can you provide some more detail about what is planned under the proposed staged refurbishment. Recently, I studied the exterior of the Annexe from across the river—I was over there on official business. The exterior looks to be in poor condition and in desperate need of cleaning. Also, some Opposition members have complained to me about the shower facilities on the 7th floor. Will that be included in the work?

Mr SPEAKER: That is a two-part question. In relation to the exterior of the Annexe—and I am not apportioning any blame—this is a 20-year old building and it has not had any program of maintenance. Recently, a lot of concrete plugs and other pieces of concrete have been falling from the building.

Mr BEATTIE: Mr Speaker, that may explain the behaviour of some members.

Mr SPEAKER: Small concrete plugs have been falling from the top of the building. If they were to hit anyone, that person would be killed. We have commissioned a study of the standard of the building. I am holding a lump of concrete that was hanging loose and which was ready to fall from about the 17th floor.

Mr BEATTIE: My eyesight is not so bad after all.

Mr SPEAKER: It is not as bad as you think.

In relation to the exterior of the Annexe, we have had people go right over it and address safety issues. For example, they removed any pieces of loose concrete. We have an allocation of in excess of \$900,000 to be spent on the exterior—for cleaning it down and repairing any problems.

In relation to the Annexe and the refurbishment of its interior, I can give you a lot more detail. We are in the process of spending \$3.2m over this year on the refurbishment of levels 3 and 4. We are proceeding to refurbish levels 3, 4, 9, 10, 11, 12, 13 and so on. We have an ongoing commitment from the Government to spend some \$8m over the next three years. The work that has been carried out on the Speaker's Dining Room, the work around the lift area and what is going on in levels 3 and 4 is an indication of the standard of work being undertaken. It is long overdue. When we get up to the office level, it is my intention to set up a model office, if you like, and invite members from all political parties to have input. When it is decided what will be the best type of layout for an office, we will go ahead and do that work right throughout the building, finishing eventually at the top of the building.

I am delighted with the response that I have received from the Premier and the Treasurer in

relation to getting those ongoing funds. As I said, it is not a matter of saying who should have done this or that; that work is badly needed in a building that, because of very little maintenance, has been allowed to run down over the past 20 years.

Mr HAMILL: I wish to follow up the issue of general maintenance of the parliamentary precinct. I notice in relation to the stone restoration program, which is a matter we discussed last year, that some funding was taken from that program to do other capital improvements in the precinct. How much longer does that stone restoration program have to run and how much more expenditure will be necessary to maintain the fabric of this building?

Mr SPEAKER: Unfortunately, it will cost a tremendous amount of money. In total, there is a 14-year program to restore it. The table shows that the 1997-98 estimate for the restoration of Parliament House stonework is \$173,000. However, the Department of Works and Housing will be providing \$500,000 towards that program this year.

Mr HAMILL: Is that amount additional to the estimate?

Mr SPEAKER: Yes, that figure is on top of that. So the total amount available for the stonework restoration program in 1997-98 is \$673,000, which is the largest annual allocation for the stonework program since its commencement. That is exactly the same situation. If you look at the building from the Annexe, you will see stones that have fallen out and landed on the roof. It is in a pretty poor state and it is a very expensive program. However, this is one of the premier, prestige and heritage listed buildings in Queensland, and we have to do that work. The program is ongoing.

Mr HAMILL: I refer to page 15 of the Speaker's Program Statements. There is mention in the footnote about the factors involved in what looks like a fairly significant increase in salaries, wages and related payments this year. It is about a 7.3% increase. How much of that would be attributable to the enterprise bargain?

Mr HICKEY: A few factors caused that increase. The first one would be the funding for the electorate officers, which is three quarters of a million dollars. There has been an increase in members' salaries of about \$115,000, which is also in that salary, wages and related payments figure. There have been some new positions and some reclassifications which would also be factored in there. Enterprise bargaining is also a factor. I would guess that about \$250,000 of that increase could be attributable to EB, and a large portion of that would be because of the electorate officers. The electorate officer salaries are just under 30% of the total Parliamentary Service salaries. That is a fairly significant amount. Therefore, the EB increase is a fairly significant amount also.

Ms SPENCE: When looking at the senior officers of the Parliament this morning, I note a dearth of women in the audience. Do you have any plans to increase the number of women in the senior executive management positions in the Parliamentary Service?

Mr SPEAKER: We have not set any particular level at this time, no.

The CHAIRMAN: We turn to questions from Government members. Page 2 of the Speaker's Program Statements outline initiatives to provide \$750,000 to improve constituency support in members' electorate offices. How is that likely to occur and when? How will members access that money to provide extra support?

Mr SPEAKER: As you indicated—and I think I might have mentioned this in my introductory remarks—a figure of \$10,500 is allocated to all members other than Ministers, which will be able to be used, and should become effective, from 1 July this year. Members can hire staff within different pay rate scales. If they want to employ someone on a higher scale, they will get fewer weeks of assistance than they would had they employed someone on a lower scale. All of this information will be provided to the relevant members. It will be well received. I also point out to those members who feel that this will mean that they will need additional room in their offices that I have some news for them—and it is all bad. They will have to use the facilities that they have. They may choose to utilise that research person, or whoever it is, when they are at Parliament. Members can bring that person here if that employee is doing some research for them. It is very flexible and long overdue. It is an initiative that goes back long before my time. I am delighted that we are able to bring it into being.

Mr HEALY: On page 6 of the Speaker's Program Statements, under 1996-97 performance, the second last dot point refers to the Education and Protocol Office Subprogram and the Parliamentary Internship Program. Can you give us some details about this program, how it has been operating over the last 12 months and what plans there are for an expansion of the program?

Mr SPEAKER: I would be delighted to call Graeme Kinnear to answer that question.

Mr KINNEAR: The Queensland Parliamentary Internship Program has just completed its pilot phase for financial year 1996-97. The program had three universities involved: the University of Queensland, Griffith University and the Queensland University of Technology. We had 10 interns who started the program in semester 2 and eight completed semester 2 1996. They each produced a written report on a research topic which was mutually agreed to between the member of Parliament or the senior officer involved as a parliamentary supervisor, the intern and the university. The students were assessed and that report was assessed towards their undergraduate studies at the relevant university. In first semester 1997 we have four students in the program. They will complete their internships in July this year. So the pilot program has been quite successful. The standard of the reports has been very good and the standard of intern, from both an academic and professional perspective, has been very high.

For financial year 1997-98, we intend to invite the University of Queensland, Griffith University and

QUT to again be involved in the program. However, we intend to expand the program by inviting the University of Southern Queensland from Toowoomba to participate. Negotiations are under way. We already have two students who are ready to be placed with members of Parliament, and we are hoping to be able to place them with their local State members. This expansion is part of our Parliamentary Outreach Program, which is an objective of the Education and Protocol Office of the Queensland Parliament to expand into regional and rural Queensland our parliamentary education programs. We hope that in the future we will be able to move into the University of Central Queensland and James Cook University. We do put a limit on the number of students from each university—there is a maximum of five—and we intend to keep that limit of five students per semester per university to enable the expansion to occur and to enable all universities in Queensland to eventually participate. Just recently we have circulated to all members of Parliament an expression of interest form to participate for the coming financial year.

Mr GRICE: Are there any plans in place or do you envisage any plans to ensure the principal sourcing of food and wines, etc., in the parliamentary precinct from Queensland?

Mr SPEAKER: Yes. In actual fact I am moving at the present moment, in cooperation with a number of the local members from all political parties, to organise a wine-tasting function at Parliament House in conjunction with the Minister for Tourism. This is an issue about which I have felt strongly for some considerable time. We have wines that say they are the Queensland parliamentary chardonnay or riesling and in fact they come from Tyrrells or some winery down in the Hunter Valley or the Barossa Valley. I believe that we should retain those wines for people who might need them. However, just as when we promote Australia it is ridiculous to have teddy bears for the Olympic Games that are made in Korea, we do not really want our parliamentary wines to come from interstate and be promoting those wineries. Following that particular function, a selection committee will choose the wines that should carry our Queensland label. I think that this is a step in the right direction not just for the Parliament but for the wine industry in Queensland, which is an emerging industry. We produce wines comparable with those anywhere else in Australia—or the world, for that matter. So that is where we are proceeding in that regard.

The CHAIRMAN: My question relates to the provision of computing services in the parliamentary complex itself. In all of the plans for refurbishment, are there any plans for the future for wiring up the building to enable parliamentary offices to have simple jack plug-ins for computers and the facilitation of fibre-optic cabling in the building?

Mr SPEAKER: Yes, it is something that we are aware of, and we will be looking at all of these matters when we get into the refurbishment area. I would ask Mr Fick if he would respond.

Mr FICK: Part of the refurbishment of the Annexe will include a fibre-optic backbone through

the building which will handle not only computing facilities but also the audiovisual facilities.

Mr BEATTIE: I refer to MPS page 1 which refers to the increasing demands of key client groups, for example, the news media. In relation to the facilities provided to the news media on the fifth floor of the Annexe, what are the implications of the Premier's building and the expensive media room in the Executive Building? When this is functional, is there any plan to curtail or, for that matter, increase facilities for the media in Parliament House, and will we continue to televise Parliament?

Mr SPEAKER: I would not see any reason to curtail the facilities that are already available to the media here. I am unaware of what you are talking about in relation to the Executive Building, not being a member of Executive Council, but I can assure you that we are not looking at downgrading the facilities that are available here. The televising of Parliament is something that will continue. It appears to me that it is functioning fairly well. I have had talks with some of the leading media people who want to come back to me to look at putting forward a program which may eventuate in the total televising of Parliament. It is something that we would have to look at.

As I might have indicated at the last Estimates Committee hearing when I first came in as the Speaker, it was not going to cost the Parliament such a lot and the media were going to pick up about half of the cost, and then I found out that the media were not going to put in anything. It was going to cost us something like half a million dollars ongoing, plus a technician to run it to send it out to the TV channels. In the present financial climate, if you like, I did not think that that was feasible or proper. One of the things that concerned me at that point in time was that the proposal also included the removal of the scanning cameras that we have that monitor the proceedings of the entire Parliament. I thought that that was too useful an adjunct to lose, because the Whips use that service and members use it to ascertain who is in the Chamber, who is speaking and that sort of thing. It is something that we will look at, but in answer to your question: no, we have no proposal whatsoever to downgrade media services that have been provided here. We will be looking objectively at any proposals that might come forward towards finally televising Parliament.

The CHAIRMAN: Mr Grice has an elevating question!

Mr GRICE: Is there any plan afoot at all to assist the overworked two lifts in the Annexe?

Mr SPEAKER: When you asked the question and you said, "Is there anything afoot?"—yes, you can walk up! No, not at the present moment. I believe Mr Fick has some idea about this. The problem is in relation to the tremendous cost of changing to any degree the configuration of the lifts and the effect it will have right through all of the other floors if we were to look at that. I think it is fair comment to say at this particular point in time that we do not have any plans. Further down the track when it is necessary to replace the lifts we might get quicker lifts or something like that, but at this present

point in time we have not budgeted to do anything about it.

Mr HEALY: I have a question in relation to the Parliamentary Library Subprogram. It relates to the Concord Windows information retrieval module. Would you like one of your officers to respond to it?

Mr SPEAKER: I understand a lot about that, but I have brought Nick Bannenberg here at great expense, and I would ask him if he would respond.

Mr HEALY: The basis of the question relates to the Concord Windows library management system and what plans you have for this new system. How is that particular application working and what plans do you have for the future?

Mr BANNENBERG: The Windows system has only recently been installed, and it has not been released generally to members at this stage. We are using it within the library. In the systems area, things tend to happen kind of quickly, and almost overtaking Concord Windows in one sense is that we have been spending some time and resources on trying to ensure that members and other people have access to our parliamentary databases through the Internet. We have been working on an interface using browsers to allow a less complicated approach for anybody wanting to get to the information in our databases. Concord Windows itself is really, as the name suggests, a Windows application of the existing Classic system, so nothing has changed in the actual work that gets done; only the fact that it is possible to interface with other data. We are still able to look at the information management side of the library affecting our knowledge of what processes are being carried on throughout the library as well as the information retrieval system. The difference is, of course, that you just use the mouse to click and get the information through Windows rather than adopting the Classic approach through the keyboard and query language. Mr Healy, I am not quite sure exactly what you are asking for in this regard. Perhaps you could ask me a little bit more specifically and I could respond if that is necessary.

Mr HEALY: No that is fine. The question has been answered.

The CHAIRMAN: We have an Internet home page now for the House and we have got the CD-ROM of Hansard and Hansard on line. Is there any move to put the legislation on line and bring that forward like in other jurisdictions?

Mr SPEAKER: At great expense I have brought Mr Watson here to answer that.

Mr BANNENBERG: Excuse me, could I just make a quick response before Mr Watson answers that? We do in fact have the consolidated legislation available currently through the Concord Windows databases. People using search techniques on that are able to get the full text up to be able to browse. This is not exactly a cumulative approach to everything that has just been done in the last month or so, but certainly the basis of legislation is available already through the local area network here.

Mr WATSON: I think that really answers the question. The matter of legislation is really a matter for the Office of the Parliamentary Counsel.

Ms SPENCE: Can I just very quickly ask a supplementary question on the Internet? Are there any plans to provide electorate offices with Internet access?

Mr FENNIS: We are looking at a new Internet strategy and we have proposed to the information steering committee that we give all electorate offices a data connection. Whether we can provide Internet access through the parliamentary network, we are not sure yet. That would mean we would have to have the resources to operate as an Internet service provider, and it may be more economical to actually get members onto a local ISP to have Internet access.

Mr BEATTIE: What about e-mail facilities for electorate offices? I notice that that is on page 12 of the Speaker's Program Statements.

Mr FENNIS: As part of the upgrade of the electorate offices we were to supply e-mail dial-in to the parliamentary network. We had some technical problems when we finished the project in March—

Mr BEATTIE: Which is why I asked.

Mr FENNIS: We contracted a technical expert in to find out what was wrong. He found some problems with the server software and the client software. We had some fixes made. He documented those fixes. We applied the fixes to all the electorate offices, but we still had problems. So last month we did a survey of all the electorate offices. Of the survey, we had 75 responses and we found that there were 53 regular users of e-mail dialling in but we still had 24 offices reporting problems with connecting. We have now traced that back to Telstra lines. The main problem is that we use the fax line—we piggyback over the fax line, which is causing a lot of problems. That is why we recommended that each electorate office get a data line put in.

The CHAIRMAN: Thank you very much. The time allotted for the consideration of the Estimates of expenditure for the Legislative Assembly has now expired. I thank Mr Speaker and his officers very much for their attendance.

OFFICE OF THE GOVERNOR**IN ATTENDANCE**

Hon. R. E. Borbidge, Premier

Mr J. O'Connor, Official Secretary and Chief Executive Officer

Mr S. Blinkhorn, Executive Officer

The CHAIRMAN: The next item for consideration is the Estimates of expenditure of the Office of the Governor, and the time allotted is 15 minutes. For the information of the new witnesses, the time limit for questions is one minute and for answers it is three minutes. A single chime will sound as a 15-second warning and a double chime will sound at the expiration of these time limits. A questioner may consent to an extension of time for answers. The double chime will also sound two minutes after the extension of time has been given. The Sessional Orders require that at least half of the time available for questions and the answers with respect to each organisational unit be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. For the benefit of Hansard I would ask the departmental offices to identify themselves before they first answer a question.

I now declare the proposed expenditure for the Office of the Governor to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

The first period of questioning will commence with the non-Government members.

Mr BEATTIE: I wonder if there are any plans for any royal visits to Queensland this year or up to the year 2000 and, if so, what are the details?

Mr BORBIDGE: There are currently no plans for royal visits.

Mr BEATTIE: I refer to MPS page 1-1 where it states that in 1996-97 the Office of the Governor formed its own security service to replace that previously provided by State Government Security. Who now provides that service and what changes, especially in relation to staffing, has that entailed?

Mr BORBIDGE: On 1 January 1997 responsibility for the provision of security services at Government House passed from QPM State Government Security to the Office of the Governor. This move was precipitated by cost rather than any other dissatisfaction with QPM or the service provided. The change in security services resulted in an initial saving of \$40,000 and future savings of \$80,000 per annum. This has been achieved without any diminution in the level of security provided. The training provided by Consultel and the Queensland Ambulance Service, \$7,000, accords with the national security industry competency standards for security officers. Training was developed after consultation with senior management and an analysis of individual training needs. It is believed that the

outcome constitutes best practice for static security, and all security staff are eligible for licensing in Queensland.

Another aspect is that the Office of the Governor employs 34 staff, an increase of 9 staff members since 1995-96. The additional staff are all security officers recruited to fulfil the security function previously provided by State Government Security.

Mr BEATTIE: I refer to page 1-4 of the MPS which notes that in 1997-98 a review of staff remuneration will be undertaken to "remove complicated and divisive remuneration arrangements". What does that actually mean and entail?

Mr BORBIDGE: The Office of the Governor negotiated and implemented an agency enterprise agreement with staff in 1995. This agreement embraced core measures and was endorsed by Cabinet. Stage 3 pay increases were granted from 1 May 1996—4%—and the agency agreement effectively expired on 31 October 1996. Stage 3 wage increases were self funded through productivity dividends. Workplace negotiations are currently under way which are likely to see the continuation and extension of enterprise bargaining. These negotiations will be guided by whole-of-Government and wider Queensland Public Service outcomes.

The introduction of enterprise bargaining has resulted in real increases in remuneration for staff members and improved work practices within the Office of the Governor. The advent of enterprise bargaining has also underlined the ongoing modernisation of the office and continued the alignment of staff conditions with those of the Queensland Public Service, which was a recommendation of the 1993 external review. The official secretary may like to add to that.

Mr O'CONNOR: Justin O'Connor is my name; I am the Official Secretary at Government House. I think the core of your question relates to the complicated and divisive nature of conditions of service for the staff. The central issue in this matter is that there are two types of staff employed by the office. The first type are essentially administrative staff, the second type are domestic employees required for the running of Government House itself.

To go back a long way—these types of staff were paid under different conditions. As a result of the external review that was conducted in 1993, the Office of the Governor agreed, where feasible, to align the conditions of staff with those generally available in the wider Queensland Public Service. What we have been endeavouring to do over the last two or three years, through the medium of the agency enterprise agreement, is to align staff conditions to a similar level of remuneration. It is principally in relation to the matters of overtime equivalents and staff leave. As part of the enterprise bargaining agreement that we are currently negotiating, we are attempting to bring together a range of conditions so that there is not any divisive element of conditions across the whole of the staff.

Mr BEATTIE: On page 1-4 of the MPS, mention is made of providing "effective support to the changeover of the Governor." What will this entail, and what specific arrangements are being made for the changeover process?

Mr BORBIDGE: As honourable members would be aware, the Governor's term of appointment expires on 29 July 1997. Costs associated with the changeover of Governors include certain travel costs of \$34,000. In March 1997, the Governor paid a farewell call on the Queen. This is customary and provides an opportunity for the Governor to acquaint the Queen with the Governor's term in office and to familiarise Her Majesty with the situation in Queensland. The visit also provided an opportunity for the Governor to meet with embassy and consulate officials and with Queensland trade and investment officers in Great Britain, the United States and China. So there was a substantial trade component in respect of that particular trip. Other costs associated with the changeover of the Governor include: removals \$6,000; changeover of stationery, \$2,000; and official entertainment, \$3,000. In respect of the physical arrangements for the swearing-in of the new Governor—they will be based on precedent.

The CHAIRMAN: It is time for Government questions. Mr Premier, page 1-3 of the Ministerial Program Statements in relation to the Governor's performance states that, among other functions, support is required to cater for some 16,500 visitors to Government House per year. Is this figure an increase or decrease on that of previous years?

Mr BORBIDGE: I will refer that question to the Official Secretary.

Mr O'CONNOR: It is a decrease from the previous financial year. The previous financial year was in the order of 25,000 visitors. The decrease is largely attributable to reduced numbers of public visitors to the Government House estate during the regular open days provided by Her Excellency. The number of official visitors and other visitors to the Governor has remained at about the same level as previous financial years.

Mr BORBIDGE: I am advised that, during the year, Her Excellency has attended in excess of 200 external functions, many with speaking commitments, and hosted some 75 functions at Government House, attended by some 6,500 Queenslanders.

Mr HEALY: Mr Premier, on page 1-3 of the Program Statements under "Performance", the third dot point indicates that there is "continued improvement of office and domestic accommodation, facilities and grounds using a variety of means including Office of the Governor funding, opportunity funding and apprentice employment schemes". Could you outline details of how those apprentice employment schemes work and how many apprentices you have involved in those schemes?

Mr O'CONNOR: The apprentice employment schemes essentially relate to Q-Build's employment of apprentices within the maintenance and works area in Government House. The Office of the

Governor has a diverse range of maintenance and repair tasks that are ideally suited to the training and instruction of apprentices. Through the auspices of Q-Build management, we regularly take on up to three apprentices for either specific periods of training or specific projects. It assists both sides. The apprentices get quality supervision and a variety of training tasks, and the Office of the Governor, of course, gets the completion of tasks that might otherwise not be done.

Mr BEATTIE: In relation to briefing notes provided by departments to the Office of the Governor, are the costs of the preparation of this material borne by the Office of the Governor or are they carried by the department involved in the preparation of the brief?

Mr BORBIDGE: I will ask the Official Secretary to reply.

Mr O'CONNOR: The notes provided for the briefing of Estimates committees are provided by the staff of the Office of the Governor to the Premier's Department as part of our normal requirement to respond to information requirements from the Premier's Department or any other external agency. So the direct costs associated with the provision of Estimates briefs are borne by the Office of the Governor.

Mr BEATTIE: What I meant was: does that apply also to general briefings, not just the Estimates?

Mr O'CONNOR: Yes, it does. Going back to your question on the changeover of Governors—you will appreciate that a comprehensive range of official and private briefings are provided to the incoming Governor, and they are—

Mr BEATTIE: Borne by the Governor's Office?

Mr O'CONNOR: Yes.

Mr BEATTIE: Page 1-4 of the MPS refers to "continued enhancement of information technology to improve administrative flexibility and minimise costs". Can you provide the Committee with details of the proposed enhancement?

Mr BORBIDGE: Again, I will ask the Official Secretary to respond.

Mr O'CONNOR: As part of the ongoing modernisation of the Office of the Governor to which we are committed, we are intending to put in place a modest but sensible information technology regime. In the first instance, it involves a local area network based on desktop computers. At the moment it has nine stations. As funds become available, we intend to expand the size of that network to cover other operators on the staff. In the last financial year, essentially through internal efficiencies and savings that have resulted from enterprise bargaining agreements, we have introduced common software across all users, an electronic mail system that was not previously available, access to the Internet for specific staff that was not previously available, and enhancements of the hardware involved with that system. So what we are about is essentially maintaining a modern computer system fit for the

needs of the office. It is not cutting-edge technology, but it is reliable and suited to our requirements.

Mr BEATTIE: Mr O'Connor, I am sure you will wish the Governor well in her retirement on behalf of everyone here.

Mr O'CONNOR: I certainly will.

The CHAIRMAN: The time allotted for the consideration of the Estimates of expenditure for the Office of the Governor has now expired. I thank the officers for their attendance.

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS

IN ATTENDANCE

Hon. R. E. Borbidge, Premier

Mr F. Albietz, Parliamentary Commissioner

Mr M. Schafer, Director, Corporate and Research

The CHAIRMAN: The next item for consideration is the Estimates of expenditure of the Parliamentary Commissioner for Administrative Investigations. The time allotted is 20 minutes.

For the information of the new witnesses, I point out that the time allotted for questions is one minute, with three minutes for an answer. A single chime will be given at the 15-second mark, and there will be a double chime at the two-minute mark. Sessional Orders require that at least half of the time available is for the non-Government members to ask their questions. For the benefit of Hansard, I ask departmental officers to identify themselves before they answer their first question. I now declare the proposed expenditure for the Parliamentary Commissioner for Administrative Investigations to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Mr BORBIDGE: Mr Chairman, can I just state clearly that, as the Parliamentary Commissioner is an officer of the Parliament, I am happy for all questions, or as many questions as the Committee deems appropriate, to be directed directly to the Commissioner.

Mr BEATTIE: In light of what the Premier has just said, I direct this question to the Ombudsman. In your answer to my question on notice regarding the state of the backlog in the Ombudsman's Office, the office reveals an increasing number of outstanding complaints, in fact, a 15% increase over last year, as I work it out. We will not argue about 1% or 2%. Do you consider that the 9% increase in resources in staffing is sufficient to overcome that ballooning backlog, now numbering 1,826 outstanding matters, and the likelihood that 3,750 new complaints will be lodged in 1997-98? That is a 50% increase over the level of complaints recorded two years ago. In terms of the 60% rate of staff turnover, I raise the question about how you can attract quality staff with that level of workload.

Mr ALBIETZ: Very difficult—there has been a case backlog of some 1,200-plus cases since I took over the position some six years ago. We have attempted to try to get that down. It has been very, very difficult. We have had a very heavy increase in complaints received. We have endeavoured to process those. We have introduced demand management strategies to try to reduce the number of complaints coming in, and they have been successful. The number of new complaints coming in is pegged at about 3,400. I expect this year that the number will slightly increase to something like 3,450. Had it not been for the rather high attrition rate of

experienced investigators, we certainly would have met that target. I think we will fall only some 50 to 100 short of that number. I anticipate the backlog will increase by 100. It is a very solid backlog. The resources that have been provided this year will certainly help again; but it is only progressively chipping away. If any significant impact is to be made on the case backlog, additional staff resources would be needed.

Mr BEATTIE: How do we deal with reducing the extent of that backlog?

Mr ALBIETZ: I think that there is probably only one way, that is, additional resources. You either have to stop the demand coming in—and we have attempted to control that—or handle the backlog once you have it, or the cases coming in. Certainly, ongoing funding would be a help. Short-term, temporary funding certainly has its problems. There is a considerable down time in selecting, appointing and training new staff. Unless there is carryover funding, you lose the people that you engage. So you can train people up, and have them for only four or five or six months and then they leave. You cannot blame them: it is only short-term temporary employment.

Mr BEATTIE: In relation to your responsibilities, can you provide the Committee with some details of the major areas of complaint referred to you in 1996-97? Which departments or statutory authorities have featured most prominently in relation to complaints?

Mr ALBIETZ: I do not have not those figures with me, but off the top of my head, our largest customer is the Corrective Services Commission, which probably is not surprising. Apart from that, the Department of Education—

Mr BEATTIE: Is that from people within or without?

Mr ALBIETZ: Within. The largest departments are the ones that attract the most complaints and I guess that is understandable—Education, Health. We do get a number of police complaints, but generally they are not within jurisdiction.

Mr BEATTIE: I refer to page 3-2 of the MPS, which states—

"Focus on a more diverse presence and awareness in regional areas whilst attending to the highest source areas for complaints ..."

Can you advise how that is being achieved in each case?

Mr ALBIETZ: There is a Country Visitation Program, as there always has been. We certainly target the larger centres where the complaint numbers are. That is being done again this year and will be done again next year. While we are in the area, we advertise ourselves quite extensively. We move around the area from day to day. If we are located in Cairns, we will move around the various centres—Innisfail, Mossman, Atherton. While we are there, we will take advantage of the opportunity and look at the files of agencies and councils. We attempt to do as many on-site investigations as we can. Quite often that will give you a different aspect

of the complaint—just by going on the ground and talking to the people involved.

Mr BEATTIE: With reference to page 3-2 of the MPS, what is meant by the key initiative—

"Enhanced collaboration with 'like' operational agencies will also be undertaken to maximise available additional resources ..."?

Presumably, that is to reduce the backlog. What does that mean? Which other agencies are being referred to?

Mr ALBIETZ: We have always examined best practice initiatives and looked at other agencies to see if anything can be gained from their operations and methods. If you look at what is probably regarded as the best Ombudsman's Office, that is, the New Zealand Ombudsman's Office, which is held up as the best practice office—when you look at their case loads and compare them with mine, it is quite frightening. They look at a case load of 40 to 60. They regard 60 as an absolute maximum case load. My investigating officers are carrying case loads of about 120 to 150. Although you can adopt some of their methods, and we certainly do, at the end of the day you come back to that huge backlog, which is pretty much intractable.

Mr HAMILL: In what way do their methods differ from the methods that your office pursues?

Mr ALBIETZ: They do not vary greatly at all. In fact, all Ombudsman's offices operate very similarly. I guess it depends upon the quality of the product that you produce. Certainly while I have been there, I have tried to enhance the professionalism and quality of the work that is done. That has been my major role. I guess it is very easy to slip numbers out, but you are dealing with people and people's concerns. I have certainly during my term tried to improve the quality of the output. From feedback that I get back, I think that is largely being achieved.

Mr BEATTIE: As a result of your experience of dealing with reviews, have you made any recommendations for amendments to the FOI Act?

Mr ALBIETZ: Yes, there has been a series of amendments that has gone to the Attorney-General.

Mr BEATTIE: What areas do they cover?

Mr ALBIETZ: They cover some of the major areas, some of the exemption provisions and they also cover some of the administrative-type matters that we strike from day to day. When we are investigating matters and we come across a problem in the legislation, we make an endeavour to get that rectified. The FOI Act has been under internal review, as you are aware, an interdepartmental review. I would be hopeful that those amendments have been looked at during the process of that review.

Mr BEATTIE: I will not ask for any more detail; I will resist the temptation.

Mr HAMILL: I will ask a question of the Premier. We have had evidence again this year that that backlog is still growing and that there is a real problem for the Ombudsman's Office. Have there

been any further requests from the Ombudsman's Office for additional resources? In the light of the evidence that has been given this morning, will such requests be accorded favourable response from the Budget process?

Mr BORBIDGE: The 1997-98 budget represents a 10% increase on the prior year. That is primarily due to a reduction in the budget for capital expenditure for 1996-97, relating to a one-off purchase of a replacement of the office computer system, including software and hardware, and \$0.6m in additional funding, which is to be provided in 1997-98, of which \$0.470m relates to additional staff resources in the Offices of the Parliamentary Commissioner and the Information Commissioner. Part of the \$0.470m for additional resources includes permanent funding of \$0.23m approved as temporary funding in 1996-97 for the offices.

In addition a series of demand management strategies has been put in place to cope with the continued high volume of complaints received: the offices declined to investigate complaints more than 12 months old or where some other body is reviewing the matter or where the monetary value at issue is small; required complainants who have taken the case up with the agency at a low level to take it up again at a higher level; embraced technology and multiskilling to the maximum extent possible consistent with efficiency; provided guidelines to the Office of the Public Service for improving client service delivery within public sector agencies utilising an internal review dispute mechanism for dealing with complaints; detailed discussions have been undertaken with the Office of the Public Service; and issued report cards to agencies with high volume complaint numbers to identify to the agency the mistakes and errors that have occurred as well as the measures needed to be taken to prevent those mistakes or errors from recurring.

Work practices are continually being reviewed to expedite the processing of complaints. Initiatives such as staff specialising in particular agencies are assisting the office in coping with increases in new written complaints each year. Funding in 1997-98 to employ one permanent investigator as well as one temporary investigator will, we hope, further reduce or tackle the backlog of complaints.

The CHAIRMAN: Thank you, Mr Premier. Government members' questions.

Mr HEALY: If I may direct a question to the commissioner. I want to expand on a question that was asked earlier by Mr Beattie in relation to the regionalisation of Government services. I appreciate the fact that your office is keeping the community very well informed about your visits to the regional offices. I appreciate the fact that that is done. That is certainly a great help. I do not know whether you actually said it before, but is there a plan in the future to establish an office in regional areas throughout Queensland permanently? If there is, has any thought or consideration been given to the fact that if there were regional offices established, some of those complaints could be dealt with at a local level and that that may address some of the backlog that you are experiencing at the moment?

Mr ALBIETZ: As far as I am aware, there is no thought being given to a regional office. I guess that is a matter for Government policy—as to whether they would establish such an office. Certainly, it would help cut down travelling and travelling time. Again, there would be a cost factor involved in establishing the setting up of the office. I appreciate that. I think probably the greatest way in which the complaint numbers could be addressed would be if the departments themselves had some internal review structure—an efficient internal review structure—so that instead of the complaints coming to the Ombudsman, they are dealt with within the department. That would be the best way to handle those.

In the current year, I intend to have a look at the internal review processes within the agencies—that is local government as well as State—and just see if that can be beefed up a little bit. That will certainly have the effect of reducing the complaints coming to the Ombudsman. I think that you have got to look at both sides: the complaints coming in as well as processing while they are within the office.

If I can just mention on the regional program, I think there are about 102 visitations to country areas. It is a very extensive country visitation program. I think that is certainly welcomed by the people of Queensland. As I say, it does provide a great focus for us when we are in the area to resolve the complaints that we receive in those centres.

Mr GRICE: If I may, I would like to just follow on from that with a question to Mr Albietz. You mentioned that complaints from police were one of your larger groups. Could you categorise those at all?

Mr ALBIETZ: Most of the complaints that we receive from the police are about operational matters. They are not within our jurisdiction. They are advised to either go to the Commissioner of Police or to the Criminal Justice Commission. We do receive some administrative matters. They could relate to personnel-type issues—people being refused entry into the police force or those sorts of issues, or people having a dispute about some pay issue or something like that—purely administrative issues.

Mr GRICE: Secondly, you mentioned also that those types of complaints were reducing.

Mr ALBIETZ: I have not got those figures, but I think that they probably would, because I do not have jurisdiction to deal with them. That is pretty well known. So over the years, there has been a declining rate.

The CHAIRMAN: Mr Albietz, you said before that you regarded some of the longstanding cases as intractable and that you have to look at some of the issues of how you deal with those cases. It would appear that the backlog is consistent. Do you prioritise them on an urgency basis? Of those that are of a much longer period, would you regard some of those as almost, not frivolous, but of very minor import?

Mr ALBIETZ: I certainly would not regard them as of minor import. The ones that are there for two and three years—the volume of the file and work that is done on them is quite enormous. They certainly are not trivial or minor matters at all. They are certainly very detailed and very complex matters. Quite often, the complainant is a difficult person to deal with. The complainant has been to all the agencies, has been around the traps everywhere, and it is a problem that they take seriously. Certainly, the issue is of a magnitude that I certainly take seriously as well. There are not a lot of those cases, but there could be a couple of hundred that are very difficult and very complex cases.

The CHAIRMAN: So a couple of hundred of these cases have been bubbling on now for two or three years, you have just said?

Mr ALBIETZ: Yes.

The CHAIRMAN: Basically, there is a genuine process which all Ombudsman must follow with legal qualifications and legal responses to those types of issues. Do you follow all of those as well?

Mr ALBIETZ: Absolutely.

The CHAIRMAN: They all take time, do they?

Mr ALBIETZ: They certainly do take time. Quite a deal of research has to be done as well. It is not just a case of a submission to the agency and a response back. We have to go through the agency files, and sometimes they are quite detailed.

The CHAIRMAN: That is standard for most of the larger cases, is it?

Mr ALBIETZ: Yes, it certainly is.

The CHAIRMAN: Given that and the process that you have just outlined that you have locked your department in, would it not be fair to suggest that throwing more money at this problem is just not going to solve it?

Mr ALBIETZ: I do not think that is a fair assumption. The temporary funding that I mentioned previously does assist. There are problems with short-term funding but it does enable the experienced officer to concentrate on these older files and they are progressively being finalised. It is not as if they are not being touched. The older files are certainly looked at. I have a program where I look at these older files and make sure that we reduce those every year. Once they get to the three-year stage, I certainly focus on those and make sure that we clear those.

Mr GRICE: Mr Albietz, I seem to recall that, I think, at last year's Estimates some comment was made with regard to some departments being more difficult to deal with from your position than others. Is that still the case?

Mr ALBIETZ: No, that has not been the case. What I did say was, in the year prior to that again, I had some departments that I found were, in fact, not giving us accurate information.

Mr GRICE: The year before?

Mr ALBIETZ: It was the year before. It was

quite false information. I indicated to the departments that if that happened again, I would name those departments. That has not recurred.

Mr GRICE: Thank you.

The CHAIRMAN: Thank you very much. The time allotted for the consideration of the Estimates of expenditure for the Parliamentary Commissioner for Administrative Investigations has now expired.

QUEENSLAND AUDIT OFFICE**IN ATTENDANCE**

Hon. R. E. Borbidge, Premier

Mr B. Rollason, Auditor-General

Ms J. England, Assistant Auditor-General

The CHAIRMAN: The next item for consideration is the Estimates of expenditure for the Queensland Audit Office. The time allotted is 30 minutes. For the information of the new witnesses, the time limit for questions is one minute and answers is three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. The questioner may consent to an extension of time for answers. A double chime will sound two minutes after the extension has been given. The Sessional Orders require that for at least half of the time, questions be asked by the non-Government members. For the benefit of Hansard, I would ask that departmental officers identify themselves before they answer their first question.

I now declare the proposed expenditure for the Queensland Audit Office to be open for examination. The question before the committee is—

"That the proposed expenditure be agreed to."

Mr BORBIDGE: As the Auditor-General is an independent officer, again I am happy for questions to be directed directly to him, if appropriate.

The CHAIRMAN: Thank you.

Mr BEATTIE: What is the current status of the strategic review of the Office of the Auditor-General? What resources have had to be deployed to service that review?

Mr ROLLASON: The current status of it is that we expect a draft report from Mr Sheridan some time towards the end of this week or next. I think his aim, as we say in the documents here, which is based upon his advice to us, is that a report would be given to both myself and the Premier as required for our comment by about the end of June. The monetary resources?

Mr BEATTIE: Yes.

Mr ROLLASON: From our side of it, all I can tell you is that the estimate is roughly \$100,000, of which \$50,000 is paid to Mr Sheridan, \$26,500 is paid to Ernst and Young, which is doing a review of the audit methodology and work practices side of it for Mr Sheridan, and roughly \$20,000 is for accommodation and travel costs. The Audit Office will be meeting the costs of those things.

Mr BEATTIE: Page 2-4 of the MPS states that in 1997-98 you plan to implement, as appropriate, the findings of the strategic review. What resources have been set aside for that, outside your area? Are you aware of any other resources? Have you been given any resources, for example, by Government for that? Are any additional resources provided or are you expected to cover the \$100,000?

Mr ROLLASON: The \$100,000 is provided from what you might call surplus. When we lost the Suncorp/QIDC audits, resources were available for payment to contract auditors and to my own staff. The Government has agreed that we retain the non-contract auditor part of that and we are using it to fund this and other initiatives of mine to extend the Audit Office's involvement into audits of local government.

Mr BEATTIE: I have been a bit confusing, and I apologise for that. There are two issues here: the cost of the review and the cost of the implementation of the review.

Mr ROLLASON: No. Nothing has been talked about in relation to the cost of implementing anything, because we do not really know what Mr Sheridan will say, anyway.

Mr BEATTIE: Would you seek extra funds if there are costs of implementation?

Mr ROLLASON: If some very significant recommendation was made, but at this stage we have not even turned our minds to that.

Mr BEATTIE: Again I direct a question to the Auditor-General. I refer to page 2-8 of the MPS which indicates that this year you plan to complete a review of staff turnover. How big is the problem of staff turnover for your office?

Mr ROLLASON: It is a problem, but it is not a serious one. As I think I said in response to a similar question last year, we have about 8% to 10% staff turnover. However, one has to consider that the Audit Office has a very attractive pool of people. Unfortunately—but fortunately for the public sector—those persons manage to succeed in getting positions in the public sector. Fairly recently we lost a few staff to the internal audit division of Health and some to DTIR. We ring our hands a little at times, but by the same token we uplift ourselves by believing that we are training people for the rest of the sector and, hopefully, they will be honourable persons in whatever job they take on, having been trained in the Audit Office. It is an issue, but it is not a serious one. It is running no worse than it ever has done, which is around 8% to 10% a year.

Mr BEATTIE: I have always thought that one of your strengths was your retention of quality people over a period, in addition to the training for other areas that you do, as you have said.

Mr ROLLASON: The people who leave or who get positions in internal audit areas are from the lower end. There is no loss of experienced staff from the office. As a matter of interest, one factor that has just come out following a round of recent job offers is that a few people are returning to the fold. These are people who left and did their own—

Mr BEATTIE: The boomerang effect.

Mr ROLLASON: Yes. We regard that as a very positive sign. They return with other skills. They have obviously seen the light and come back to mother.

Mr BEATTIE: You must tell us about it. I am sure that the Premier and I could benefit from that

experience along the line! The term "return to mother" is used in a gender-neutral sense.

Page 2-8 of the MPS states that a security review will be held this year. What are the details of this review and why is it required?

Mr ROLLASON: The security review was commissioned mainly to convince ourselves that we are observing the requirements under the Act, one of which is section 92 where states that we must protect information and we must keep your mouths shut to the extent that that is necessary. With the utilisation of computers, that is, our own staff using computers and downloading information, understandably auditees get a little bit concerned that certain information of theirs will be in our possession where once that was not the case. We may have had extracts from things in the past, but now we have information on disks. The review really was to ensure that, if there were any black holes or any flaws in security, we would act accordingly.

The review was very positive. We have to address only a few things. The review was undertaken by a Canberra firm and we were very pleased with the outcome. We do not have to do anything dramatic, except constantly reinforce the matter to the staff. We do that from the very day they join through the graduate program, training programs, seminars and so on.

Mr BEATTIE: I notice that the Victorian Government is proposing to legislate to make significant changes to the Office of the Auditor-General. That is based on the Victorian Government's view that it must apply the National Competition Policy to the office, although I do not believe that any other State has done anything similar. I also understand that, if these changes come to fruition, the Victorian Auditor-General would lose the ability to directly audit the public sector and would be able to bypass the tender system only in rare cases of extreme public interest, leaving the Auditor-General to simply countersign the audit before it goes to Parliament. Do you have any comments on how that would effect us if a similar system was introduced in Queensland? Have any of the changes flagged in Victoria been raised in Queensland with you and your office? I am happy to direct the question to either the Premier or yourself, but there are two issues: whether it will happen and what effects that you as auditor, the professional whom it would most affect, think it would have?

Mr BORBIDGE: There has been no consideration by the Government to follow the Victorian model.

Mr BEATTIE: If somewhere along the line it was, and I accept what the Premier said, what effect would it have in terms of your professional services?

Mr ROLLASON: I will affirm what the Premier has said. There have certainly been no discussions with me at all in relation to any path like that. In a nutshell, I think that it is wrong. It is wrong from the point of view that I think it cuts out a lot of the constitutional issues and the role of the Auditor-General in all of that. I think that it is wrong from that point of view.

In terms of the operations of the Auditor-General, it would be quite devastating. The current State Act is a very good piece of law where it says that the Auditor-General has total control over the auditing process. The model that is produced for Victoria would suggest that the Auditor-General would not have total control, and that is quite an alarming situation. That is probably one of the real issues associated with that model.

The key to it all is not whether the Auditor-General's staff can audit better or worse than private sector auditors. We do not argue it on that basis. We are arguing it on the basis of the constitutional role of the Auditor-General and the relationship to the Parliament. No Auditor-General in the country can see how that model can provide the Parliament with the independent scrutiny which, according to the Westminster system, it wants. It would be very seriously diluted. I have answered questions before in relation to the extent of the contract audit work that I give out. That is quite acceptable, but controlling it is a problem. To have a situation like they have proposed in Victoria of having to go to tender for everything would be quite scary. In my view, it is quite wrong.

Mr BORBIDGE: I emphasise that the policy of the Government is clearly to maintain the independence of the office of Auditor-General.

Mr HAMILL: I wish to pursue Mr Beattie's line of questioning a little further. You refer to the constitutional role of the Auditor-General. How broad is that now under Queensland legislation? Over what area does your writ extend with respect to audits?

Mr ROLLASON: Under the current Financial Administration and Audit Act, the mandate of the Auditor-General covers all, what are described as, public sector entities. Every public sector entity in Queensland is defined as a department of State: all statutory bodies, local government, Aboriginal councils and island councils—and under the Acts Interpretation Act they are local governments—and all of the controlled entities of those entities. It also extends to Government owned corporations which are of the statutory model. So it is the whole lot.

Mr HAMILL: What does the term "controlled entity" mean?

Mr ROLLASON: They can be established companies wholly or partly owned by the entity or over which entities have a fairly substantial influential control in accordance with a definition under the Australian Accounting Standards.

Mr HAMILL: For example, would that not suggest that an entity such as Suncorp-Metway, which is a substantially controlled entity through the shareholding of the Queensland Government and its entities, should fall under your jurisdiction as Auditor-General?

Mr ROLLASON: My answer to that is simply what I reported to the Parliament last year—and this is my view—that it ought to have been subject to audit by the Auditor-General. It could have been conducted under a contractual arrangement with me but still controlled by the Auditor-General. I said that

to the Parliament last year, and I still believe that. But the Government chose another course of action.

Mr HAMILL: If that interpretation of your role in relation to Suncorp applies in the future, given that there is an increasing tendency for Governments to enter into partnership arrangements with the private sector, is that not a development that will further undermine the scope of your ability to undertake such public sector audits?

Mr ROLLASON: In my view, if that were to become widespread, yes, I think it would not be a desirable way to go. Auditors-General around the country are constantly holding discussions on that issue. Another issue that a lot of auditors-general are really pushing for is following the grant-aided dollar into agencies. A lot of money goes into grant-aided entities, and the Auditor-General cannot go in at all. There is a push in some other countries for that power to be given to the Auditor-General. Yes, that would be a concern if it went too far.

Mr HAMILL: I notice that 60 fewer organisations are subject to audit now as a result of the privatisation of Suncorp and the QIDC. Has that had a significant impact on the amount of work in your office in terms of undertaking the public sector audit as we previously knew it?

Mr ROLLASON: With the loss of the Suncorp and the QIDC work—

Mr HAMILL: That is a substantial amount of work, is it not?

Mr ROLLASON: Yes, most definitely. But as to what we did and what, in my view, we were not doing well enough—EARC recommended that the Auditor-General should have a far greater presence personally in the audits of local governments, and we had no resources for that.

Mr BORBIDGE: May I make the observation as a matter of policy in respect of Suncorp-Metway and the clear element of selling down the Government's equity that my advice is that the practice subsequently adopted by this Government was similar to the policy adopted by the former Federal Labor Government in respect of the Commonwealth Bank and Qantas.

The CHAIRMAN: Thank you very much, Mr Premier. The time for questions from non-Government members has now expired. I call on Mr Grice to commence the questioning from Government members.

Mr GRICE: With regard to your audit findings in respect of Aboriginal and Islander communities, there have been ongoing qualifications, as we know, each year, to the point at which your last report included a graph outlining your qualifications—good, bad or otherwise. Do you foresee those qualified accounts recurring as often in the future as they have in the past?

Mr ROLLASON: I would like to say that I will not, but I feel that they will. One of the encouraging signs that we have seen so far—and I have probably answered questions in this way before—is that many of the new councils that came into office in March seem to be taking a greater interest in financial

management. One of the benchmarks that we use is whether people will even answer or respond to us. For 1995-96 we have had a response from nearly every council, both Aboriginal and island. That gives us a bit of a glow. But it is an ongoing problem. Under the Government's initiative of appointing to the Public Service community service officers, we are starting to see that they are providing good advice and help. We can start to see that they may be putting them on the right track. In my view, it will not be solved for the 1996-97 audits. The year is nearly over now. It is encouraging, anyway.

Mr GRICE: Do you not think that that is just another wave in the trend? In the past, when new councils first come in, they pay attention and appear very diligent. However, you finish up making the same comments about them.

Mr ROLLASON: We have been involved with this area since 1985, when they came into existence. I have never before seen what appears to me to be a genuine concerted effort on the part of the various administrations of those councils to want to do something. I use the word "want"; in the past, I think there may have been some tendency to not want to do something. However, I think they now want to do something.

Mr GRICE: Across-the-board, would you say that you are satisfied with the contract auditors who have gone to the individual communities from time to time?

Mr ROLLASON: As I said in answer to another question, managing the use of contract auditors is always a problem for us. But all of the people who are doing the audits have been left on them for quite a considerable time. We are not switching people in and out all of the time. They are not learning and becoming accustomed to the culture. They are doing all of that. I am relatively happy with them. We provide them with a lot of guidance, checklists and constant on-line telephone and fax services. It is a problem for them because, whereas we insist upon reporting more deeply on compliance and regularity issues, those are not necessarily issues which private sector auditors are normally concerned with. They are more concerned with attestation of financial statements. So they are not entirely comfortable. However, over the years, they are getting quite comfortable with us. I think they perform very well. I hear certain comments made about some of them, but that is to be expected. But I would not damn them all as not being a valuable resource to me. Using them cuts down the cost. If I were always to fly up my people from Brisbane, the cost of air travel would get quite high. It is bad enough even taking people from Cairns to Thursday Island and around the islands. That alone costs an arm and a leg. It is a very costly business. We are persevering with the contracting arrangements, because it does keep costs down. Perhaps there may be some loss of quality, but in our view it is not a serious loss.

Mr GRICE: In the last lot of audits of those communities, could you tell us what referrals were made to the police or the CJC as a result of audit findings—not specifically, but a number?

Mr ROLLASON: Off the top of my head—and that is about all I could say—I do not think we had any referrals. There were no referrals that I made to the CJC. I am in a reasonable relationship with the CJC, as I have explained before, and even in my reports to the Parliament under a sort of protocol with them sometimes they are telling us things that they have heard which, as part of that protocol, I keep in confidence but sanitise it as appropriate for the benefit of the auditors to steer them in a particular direction. Often it is in relation to tendering and contracting where mainly their advices can come from, but to my knowledge I do not think I have referred any to them. I think they already know about it in most cases. In any case, where the council has had a fraud or whatever, they know the rules and we make sure that they refer the matter to the police and to the CJC and to me. By and large we find that they are well tuned in to that.

Mr GRICE: Can I just change the geography? Is there an audit going on at the moment with the Gold Coast City Council or is it imminent? It is about that time, is it not?

Mr ROLLASON: An interim audit, we would call it, and they are either there now or they are going in.

Mr GRICE: We have seen that the council has announced or admitted or mentioned that it has found a \$6.9m or \$7.9m black hole with regard to underassessing some income with regard to a sanitation cost. Are you aware of that?

Mr ROLLASON: I am not aware of it, no. Was this in the press or something?

Mr GRICE: Yes, and statements made by the mayor and other councillors down there.

Mr ROLLASON: We would take it on board; that is all I could say on that.

The CHAIRMAN: I would just like to change the geography back to the north again. Do you currently send auditors out mid year or on an interim basis to inspect the books and help with the accounts in the communities? Would there be any value in doing that?

Mr ROLLASON: No, we do not. That has been raised with me, even on Thursday Island when I have been up there. There is enormous cost for us to do that. We thought and we expect that the process which the previous Government put in place for funding of internal audit was the way to go, and that still applies. I think personally that is the better way to deal with that. They can be more locally attuned and raise issues more frequently and earlier so that by the time the external auditor gets there, some of those things could have been resolved or investigated. But it is very costly for us to be going out. Honestly, I would not have the resources to do an interim and a final. As Mr Grice was saying, with the Gold Coast City Council, we are doing that audit ourselves this time—I have given it to us—but because it is so large we have to do it in at least two bits. But these other ones would not warrant the cost of us traipsing all the way from Brisbane up to Mabuig or Saibai or somewhere like that. It would be enormously costly.

The CHAIRMAN: I was up there last week. One of the communities expressed a view that having an auditor fly in for four days, sit down, run over the books and then fly out and make reports and recommendations was not the most appropriate way to go. Do you have any—

Mr ROLLASON: What is this, the external auditor?

The CHAIRMAN: The external auditor.

Mr ROLLASON: He would be relying upon the work done by internal audit and others. They have a lot of other people who knock things into shape in readiness for the external auditor. The accounts are the accounts of the council, not the auditor, so they are required to have them in fairly good order for the auditor. We try to encourage them to get everything in place so that the auditor is not sitting on their backside, in a manner of speaking, because they are being paid fairly significant fees when they are dithering around. Some of the problems that we find with the councils is that the appropriate officers, particularly the elected officials with whom the auditor wants to speak and clarify things, are not available—they are not there.

The CHAIRMAN: I noticed.

Mr ROLLASON: They have gone off somewhere or other. Consequently, the auditor cannot just sit there hoping that tomorrow they will return. They have to get out and get on. It is a very devilish issue, I realise that, but we have heard all of what you are talking about. Of course, if you were to do interim audits—these people do not like paying for the audit fees, and they have to. We have enough difficulty in getting that resolved in the annual sense now without having an interim as well. I do not think they would be too keen on that.

The CHAIRMAN: One of the reports from one of the councils showed that the enterprises they were running lost \$1.2m over a 12-month period—roughly at \$100,000 a month—and that they were looking for guidance on the way through which was not forthcoming till the end of the 12 months when \$1.2m was gone. So I think the cost there in not doing it might be greater than the cost of doing it.

Mr ROLLASON: But in answer to that—it is not the role of the Auditor-General to be providing investment financial advice and then do the audit as well. It is a bit risky for the Auditor-General or any auditor to be engaged in that. I think you are talking about Lockhart River or the crocodile farms or whatever—I think it was them. But they really do have advisers in Cairns, so I do not know whether it is valid to suggest that the Auditor-General should be doing it.

Mr HEALY: Premier, earlier the Auditor-General referred specifically to grant-aided agencies. There has been some suggestion that I have heard that a position should be created to specifically assist those agencies with their process of accountability. In fact, I think that there was a position back in 1989 for that purpose. Is that the answer, or is there no real need for it, or has any research been done into what additional expenditure would be required to create such a position?

Mr BORBIDGE: I am not aware of any research being done of late, but I certainly take on board that it is a valuable suggestion. It would be something on which I would be interested to hear further the views of the Auditor-General. If the Auditor-General felt that it could play a constructive role in terms of his statutory obligations, then the Government would give it appropriate consideration.

The CHAIRMAN: Thank you very much, Mr Premier. The time allotted for the consideration of the Estimates of expenditure for the Audit Office has now expired. The hearing is now suspended for morning tea.

Sitting suspended from 10.48 a.m. to 11.07 a.m.

DEPARTMENT OF THE PREMIER AND CABINET**IN ATTENDANCE**

Hon. R. E. Borbidge, Premier
 Mr P. Ellis, Director-General
 Mr J. Sosso, Deputy Director-General
 Mr E. Bigby, Acting Executive Director,
 Government and Executive Services
 Mr T. Leighton, Acting Executive Director,
 Infrastructure and Coordination Division
 Mr J. Hows, Acting Director, Financial Services
 Ms S. Webbe, Acting Director, State Affairs
 Mr K. Wolff, Commissioner, Office of the Public
 Service
 Mr J. Okely, Assistant Director-General,
 Regional Services

The CHAIRMAN: The hearings of Estimates Committee A are now resumed. The next item for consideration is the Estimates of expenditure for the Department of the Premier and Cabinet. The time allotted is 2 hours and 10 minutes. For the information of the new witnesses, the time limit for questions is one minute and for answers, three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. The questioner may consent to an extension of time for answers. A double chime will also sound two minutes after the extension of time has been given. The Sessional Orders require that at least half the time available for questions and answers in respect of each organisational unit be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. For the benefit of Hansard I ask departmental officers to identify themselves before they answer their first question.

I now declare the proposed expenditure for the Department of the Premier and Cabinet be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Is it your wish to make a short introductory statement in relation to the elements within your portfolio or do you wish to proceed directly to the questioning?

Mr BORBIDGE: I would like to take this opportunity to make a short statement. I would like again to place on record my Government's and my personal commitment to personal accountability and to the Westminster system of responsible Government. Parliamentary Estimates committees are recognised as an integral component of the accountability process and it is through me as Minister that I am responsible for the public servants and held accountable to the Parliament and the public.

The purpose of these committee hearings is to put the Government's Budget and expenditure under parliamentary scrutiny to ensure the best possible outcomes for the people of Queensland. I am very

happy to appear before this Committee today and to answer questions relating to the expenditure budget and related activities of the Department of the Premier and Cabinet, Bureau of Ethnic Affairs, Office of the Public Service and the Office of the Queensland Parliamentary Counsel.

The past 12 months have been a time of significant achievement for the Government, in particular for those areas within my portfolio. One of the key achievements this year has been the development of the State Strategic Plan which sets the context and priorities for the provision of social and economic services and physical infrastructure facilities for Queensland. Previously, the annual Budget was the primary mechanism for determining the allocation and priority of Government resourcing. However, the State Strategic Plan and associated strategies now provide a more coherent, comprehensive and coordinated framework to assist in the formulation of the State Budget.

The State Economic Development Strategy, which is one of five key strategies supporting the State Strategic Plan, was also completed this year with significant contributions made by officers within my portfolio. This strategy will enhance the creation of wealth and employment opportunities for Queenslanders by improving the productivity performance for the Queensland economy. The role of the Co-ordinator General under the provisions of the State Development and Public Works Organization Act has been enhanced with the establishment of the Office of the Co-ordinator General. This office is the first contact point within the State Government for major and complex projects involving more than one agency or level of Government. Over the past 12 months this office has facilitated and assisted with such vital projects for this State such as Century Zinc, Ernest Henry, Phosphate Hill, Gladstone Magnesium and Korea Zinc refinery. The contribution that these projects are currently making and will make in the future represent critical milestones in the advancement and economic development of Queensland.

My Government's commitment to rural and regional Queenslanders has been further expanded through a network of regional offices of the Department of the Premier and Cabinet which are accessible by business and the community throughout regional areas of the State. These offices have enhanced the opportunities for rural and regional Queenslanders to participate in the decision making and planning processes of Government, and to secure positive economic and social development outcomes for their regions. The Office of the Co-ordinator General also provides assistance to small rural councils which experience difficulties in addressing issues associated with major project proposals. This assistance can prove to be invaluable, particularly when the complexity and the volume of issues which a small council has to resolve rises dramatically as a result of one or more large development projects being proposed within the council's boundaries.

The coordination and implementation of the State's Ethnic Affairs Policy, issues relating to

multiculturalism, and provision of specific services to people from non-English-speaking backgrounds received detailed consideration during the last 12 months. A comprehensive review was carried out by the Queensland Ethnic Affairs Ministerial Advisory Committee, and the report in relation to that review has been tabled in Parliament. To ensure that I am fully conversant with the issues impacting upon Queenslanders from diverse ethnic backgrounds, I also hope to establish 11 Ethnic Affairs regional advisory committees across Queensland.

The impartiality, accountability and responsiveness of the Public Service has also been greatly enhanced during the past year with the proclamation of the Public Service Act 1996 and the issue of new regulations and 16 general directives to support the Act. A comprehensive code of conduct has also been prepared and issued for the Department of the Premier and Cabinet and Office of the Public Service. The code of conduct has also been accompanied by ethics education and training for officers within those two agencies.

As leader of the Government, Chair of Cabinet, chief adviser to the Governor, a member of the Council of Australian Governments and Minister responsible for Ethnic Affairs, I am supported by dedicated, professional and competent departmental officers whose contribution to the good governance of Queensland is sincerely appreciated. I can assure these officers that the next 12 months will be equally challenging and exciting. The department will be responsible for ensuring the further development of the whole-of-Government strategic planning framework, which will include the new Rural and Regional Development Strategy and the Environmental Management Strategy. The development of the State forward Capital Works Program will be refined, and effective processes will be implemented to manage infrastructure coordination across Government. The Social Development Strategy will also be completed. This strategy will enhance the delivery of reliable, efficient and equitable social services, infrastructure and preventative programs.

The CHAIRMAN: I now call Mr Beattie for the first of the Opposition members' questions. We propose to do these in blocks of roughly 20 minutes.

Mr BEATTIE: My question is obviously to the Premier. I refer to your publication *Your Queensland*. I did seek to ask this question on notice unsuccessfully, so I will put it to you now. Does the Premier and the Premier's Department confirm all statistical information provided in the annual report 1996-97 or have errors been determined and, if so, what are they? Also, who was on the editorial committee?

Mr BORBIDGE: In respect of *Your Queensland*—the Government decided to produce an annual report for the very same reason as a public company, that is, to be properly accountable to shareholders. The annual report detailed policies, programs and strategies implemented during the coalition's first 12 months of office. The report was broken down into six distinct areas which covered all major portfolios. Factual information was gathered

from departments and ministerial offices. It was verified on two separate occasions with departments and separately by the Treasury. The document was delayed beyond the anniversary of the Government to allow for policies implemented in February to be included. It was also decided to delay the annual report until after the Brisbane City Council election, so as to avoid being accused of attempting to influence the result of that election. McLisky Young were chosen as project managers after competitive quotes were obtained. McLisky Young are a well-respected company. I also make the point that other Governments have produced annual reports, for example, Victoria's fourth annual report produced in 1996, and the Queensland Government plans to introduce an annual report again next year.

Mr BEATTIE: So you stand by the statistical information in the report?

Mr BORBIDGE: What I am saying is that, in respect of the information that was provided in that annual report, it was gathered from departments and ministerial offices, verified on two separate occasions with departments, and separately again with the Treasury.

Mr BEATTIE: And my second question in relation to the editorial committee?

Mr BORBIDGE: The editorial committee as such was conducted through essentially ministerial offices and Government departments.

Mr BEATTIE: So there was no specific editorial committee set up to write it?

Mr BORBIDGE: Not as such, no.

Mr BEATTIE: The second question is in relation to the recent visit to Australia by Dr Kohl. This falls within the responsibility of—and, of course, there are costs associated with—the Premier's Department. I refer to an article in the *Port Douglas-Mossman Gazette* of Thursday, 8 May 1997, in which the Douglas Shire Mayor, Councillor Mick Berwick, is quoted as saying that the visit to Port Douglas by the German Chancellor, Helmut Kohl, was "almost a diplomatic disaster" and that "the blame for that rested solely with the Premier's Department to organise the visit". Councillor Berwick said that he and the council had been keen to organise an official welcome for Dr Kohl but was told by the Premier's Department that it would take care of the arrangements, and then nothing was done. Given that you were in attendance at the time, are you aware of these concerns, and with whom does the responsibility lie for any problem with the organisation?

Mr BORBIDGE: I am not aware of any particular problems. In fact, in the time that I spent with the Chancellor he was extremely appreciative of the arrangements that had been put in place by the Queensland Government. In fact, he went on from Australia to New Zealand and returned through Brisbane. I met him that night while he was in transit at Brisbane Airport for about an hour or so after midnight, and Dr Kohl had only the highest commendations for the way in which his stay in Queensland had been handled. I think that there may have been some confusion in the mind of the Mayor

of Douglas Shire whereby perhaps the mayor may have wanted certain things arranged, but these official visits are coordinated through the Department of Prime Minister and Cabinet, the respective embassies and the protocol section of my department. What was arranged in Port Douglas for the Chancellor's visit was as a result of those consultations and those discussions with the German delegation and the Federal Government.

Mr BEATTIE: I refer the Premier to his responsibility for the Office of the Public Service and the State Government's commitment to both public sector employees and the Commonwealth Government in regard to the provision of military leave to public servants to participate in Army Reserve activities, and I ask: does the Government have any intention of moving away from this longstanding commitment to Queensland public sector employees in denying access to military leave?

Mr BORBIDGE: No.

Mr BEATTIE: My next question refers to page 4-26 of the MPS regarding regional offices of the Premier's Department. Why does the Government find it necessary to have a Premier's office and a regional Minister's office in Cairns? I am talking about the Minister for Families, Youth and Community Care. Would it not be a better use of resources to relocate one of these in another provincial city or region of Queensland or put the resources of one of these into services in Cairns?

Mr BORBIDGE: In respect of the regional office of the Department of Families, Youth and Community Care—that is a question that would have to be directed to the Minister. I made it very clear that it was the policy of this Government to establish regional offices of the Department of the Premier and Cabinet in a number of centres, and we have implemented that policy. The Department of the Premier and Cabinet is carrying out a very important role in Cairns. From my visits to that centre there seems to be general community appreciation that we have gone a long way towards devolving Government away from George Street. Certainly as a broad matter of policy, in the future as leases, for example, come up for renewal and where it makes sense for departments to cohabit, that will be something that will be given consideration. But, as far as I am concerned, the Department of the Premier and Cabinet in Cairns is playing a very important role in that community. It honours a commitment made by me to the people of Cairns. That office will be staying.

Mr BEATTIE: In other words, as Premier, you do not coordinate where ministerial offices will be outside of Brisbane?

Mr BORBIDGE: No, what I am saying is that that is a matter for the Minister—

Mr BEATTIE: Each Minister?

Mr BORBIDGE: Each Minister—to determine in respect of ministerial offices.

Mr BEATTIE: As Premier you do not say to your Ministers, "I've got a Premier's office in Cairns;

that's sufficient." You are leaving it up to them to put a ministerial office wherever they wish?

Mr BORBIDGE: That is an option that is open to us. As a general rule of thumb, it is up to the Ministers to locate their offices as they see fit.

Mr BEATTIE: I refer to page 4-12 of the MPS, which notes the replacement arrangements for the Government Air Wing King Air aircraft. I ask: what are the replacement arrangements for the Westwind aircraft?

Mr BORBIDGE: By way of background for the Committee, I point out that, in May 1996, following consideration of recommendations in a report by Travers Morgan Pty Ltd on a valuation of the deployment, suitability and replacement requirements for Government aircraft, a decision was made to replace the 17-year-old Beech Super King Air 200, being operated at that time by the Air Wing, with a new Beech Super King Air 350—an aircraft of superior speed, range and payload capabilities. The Treasury Department advised that the most appropriate method of funding the purchase of the replacement aircraft was by a finance/lease arrangement through the Queensland Treasury Corporation.

On 23 August 1996 QTC signed a contract with Hawker Pacific Pty Ltd for the purchase of a new Beech Super King Air 350 at a cost of \$5,959,193 for delivery on or before 31 December 1996. The Air Wing took delivery of the new aircraft on 23 December. A master lease agreement with effect from 23 December has been executed with QTC. The agreement provides for quarterly rent payments of \$213,264.64 until 23 December 2006. At the end of the leasing facility, the department will have the option of purchasing the aircraft for \$1. Following the calling of public offers, the replaced aircraft was subsequently sold for US\$950,000. The Government at this stage has made no decision in respect of the replacement of the Westwind II aircraft.

Mr BEATTIE: I refer the Premier to page 4-16 of the MPS, which shows the actual expenditure of the Government Air Wing was \$2.3m, whereas only \$1.7m was budgeted. There is a further increase, with \$2.6m budgeted for the next financial year. I ask: what is the reason for the increase in expenditure?

Mr BORBIDGE: The expenditure for the 1996-97 year exceeded the allocated budget by \$596,000 due to the cost of increased flying hours, reduced revenue retention from organ retrievals and unscheduled maintenance. There were a number of major maintenance problems with the old King Air. The subprogram was provided with an additional allocation in the midyear budget review totalling \$616,000, which will offset that expenditure. The estimated expenditure for 1996-97 comprises labour costs of \$523,000; non-labour operating costs of \$1.224m, including \$589,000 for maintenance costs, \$422,000 for aircraft costs and \$89,000 for travel costs; repayment of loans and advances of \$747,000, including \$300,000 interest and retained revenue from organ retrievals of \$237,000.

Mr BEATTIE: Why was the amount coming in from organ retrievals down?

Mr BORBIDGE: There were not as many. It dropped off, as I understand it.

Mr BEATTIE: Had the demand changed for organ transplants? I would find that interesting if that were the case.

Mr BORBIDGE: For organ retrievals—actual hours from 1 July 1996 to 31 March 1997, 60; estimated hours from 1 April 1997 to 30 June 1997, 20. It does tend to go up and down from time to time, although the Air Wing works always on the premise that, for organ retrieval work, search and rescue work, emergency work—those particular organisations and individuals have first call on the aircraft. I am also advised that there has been an increase in the number of hospitals around Australia now carrying out organ transplant work.

Mr BEATTIE: Given that an election will be almost certainly held in the next financial year—although that is matter for your domain, of course—has the budget for the Government Air Wing taken into account increased resources presumably utilised during an election campaign? Has the planning factored in equal access for Opposition use during the campaign?

Mr BORBIDGE: I can assure the Leader of the Opposition that during the course of the next election campaign he will be better looked after than his predecessor.

Mr BEATTIE: I am not sure that that is any comfort.

On what date do the contracts for the directors-general appointed by the current Government expire? Do they all expire on the same date?

Mr BORBIDGE: In respect of the completion dates of contract—Kevin John Davies, 30 June 1998; Dr Robert William Day, 30 June 1998; Peter Lancelot Ellis, 30 June 1998; Thomas David Fenwick, 26 September 1999; John Hocken, 30 June 1998; Anthony Krimmer, 30 June 1998; Reverend Allan Male, 30 June 1998; Kevin James Martin, 30 June 1998; Dr Douglas McTaggart 30 June 1998; Raoul Edward Nieper, 30 June 1998; Dr Robert Linton Stable, 24 January 2001—he preceded the Government like Mr Fenwick—Colin William Thatcher, 30 June 1998; Richard John Wharton, 30 June 1998; Kevin William Wolff, 30 June 1998; Kevin James Yearbury, 30 June 1998; Thomas Patrick Tolhurst, 30 June 1998.

Mr BEATTIE: I thank the Premier for that. It is obviously a June 1998 election.

Mr HAMILL: Supplementary to that question, I ask the Premier: in the event that the election is not held prior to 30 June 1998, is it the Government's intention to renew those contracts or merely to extend those contracts that expire on 30 June 1998 with a view to allowing the incoming Government to make its own arrangements?

Mr BORBIDGE: I indicated at the time in respect of new directors-general being appointed that my view is that they should be for the life of the

Government. Clearly, if the election is later than that, there will be extensions given for that period.

Mr HAMILL: Of the existing contracts?

Mr BORBIDGE: Yes. Can I say that that is in no way meant to indicate any pessimistic view of the outcome of the next election from the Government's point of view.

Mr BEATTIE: We will share our optimism on another occasion. I refer to the new Public Service UK initiative, which is set out in the Budget papers, and I ask: how many senior executives are going to utilise this program? Who are they likely to be? What is the nature of the expenses that are to be paid under the program? It just seems to me that \$4.5m seems a lot of money to send a few executives to England. I am not opposed to people being educated and getting experience overseas. I am not trying to be negative about it. It just seems to me to be a lot of money.

Mr BORBIDGE: A proposal originating from the Audit Commission Implementation Office has been developed and incorporated into the OPS Leadership and Development Project. The proposal was endorsed by Cabinet and funding approval for three years has been granted by the Cabinet Budget Committee.

The proposal in the form in which approval was granted is for a one-year placement of a limited number of senior Public Service officers each year to obtain intensive training and exposure to leading-edge overseas experience in the British Civil Service and other jurisdictions. The purpose of the program is to develop senior managers in the Queensland Public Service through giving them exposure to leadership and management practices in another country which has demonstrated success in directions in which Queensland is heading. There are significant lessons to be learned, especially in areas identified by the Commission of Audit recommendations.

The original proposal was to send 20 officers each year at a cost of \$5m. CBC recommended that \$1.5m be allocated per year. Final costings have not been determined but it is anticipated that this will enable five officers to participate each year at a cost of around \$300,000 per appointee, including administrative costs. Costs to be covered will include air fares and accommodation, less officer contribution for each officer; attendance at a course at the Civil Service College; and salaries and allowances for the officers. Allowance estimates are based on those paid by the Department of Foreign Affairs and Trade for officers at similar levels. It is anticipated that the program will include attendance at senior management training programs as well as placement in relevant Civil Service agencies. Similar arrangements will be looked at in other jurisdictions.

An officer seconded to the OPS travelled to the United Kingdom in May to make arrangements for training and placements in 1998. The Public Service Commissioner also met with officials in London. Officers participating in the program will bring back knowledge, skills and experience in leading-edge public sector management practices, which will

contribute substantially to the success of Queensland's public sector in the future. I would also place on record my appreciation of the outstanding cooperation that the Queensland Government has received from both the former and the new British Government.

Mr BEATTIE: In relation to the Ethnic Affairs Bureau, I refer the Premier to the decision that he has made to place Ethnic Affairs in a bureau within the Premier's Department rather than as a separate department. I just wonder whether that shows a lack of priority and focus. Is there any consideration being given to establishing a separate department in light of the experience of the operation of the bureau?

Mr BORBIDGE: I took the view when we came to office that for a long time the Bureau of Ethnic Affairs had been an appendage to other Government agencies. By locating it within the Department of the Premier and Cabinet, we were giving it central agency status so that when the bureau had a problem with Health, or had a problem with Education, or had a problem with Transport, by virtue of the bureau being part of or attached to the Department of the Premier and Cabinet, it would be a lot easier to resolve those particular difficulties that may be experienced. From my discussions I think that the new arrangements are working well. The director has access to me on an as-required basis. I think that, in terms of having an overall coordinated Government response to ethnic affairs, it has been a big improvement on what was previously the case.

Mr BEATTIE: So you are happy to keep it in its current form?

Mr BORBIDGE: Yes, I am. I would just say that currently, of course, we have a review of ethnic affairs in Queensland. That is currently under consideration by the Government. Obviously, recommendations contained in that report will receive consideration in due course.

The CHAIRMAN: The time for non-Government questions has expired and for Government questions to commence. I refer to page 4-3 of the Ministerial Program Statements and, in particular, the schedule of program outlays. Could you please outline why the budget for your department has increased by \$26.7m from \$72.9m to \$99.6m?

Mr BORBIDGE: Yes. There are a number of major reasons for this: firstly, the assumption by the department of lead agency responsibility for native title issues; and, secondly, the provision of some \$21m for new initiatives.

Native title issues have emerged as a key factor in the State's economic development. Although to date the effect of the Wik decision remains unresolved, the Government must have the resources and mechanisms in place to deal with this issue. Previously, Crown law and DNR handled native title issues for the Government. That often meant duplication; it often meant not the most efficient use of resources. The new arrangements will mean a more centralised approach to these issues resulting in more efficient management of claims and

a better contribution to the claims process. Moreover, the department has a coordinating role in the development of Queensland through major capital works programs across the State and often native title issues emerge in connection with the development of these projects.

The incorporation of the Legal Branch into the department accounts for some \$3.14m of the budget increase. Some of the major initiatives planned include \$11.5m for the upgrade of the Townsville Breakwater Entertainment Centre. This reinforces the Government's commitment to regional areas of the State and will provide a world-class facility for cultural, sporting and conference activities benefiting the people of Townsville. In addition, \$5.3m has been included as a provision for the Co-ordinator General to meet the cost of outstanding commitments entered into in 1996-97 and also to be used as a contingency fund within the context of an aggregated 1997-98 capital works budget of \$4.25 billion. This fund will provide a source of funds to implement or expedite emergency projects of strategic importance to Queensland. Also, there is \$1.5m for the Leadership and Development Program, to which the Leader of the Opposition referred a short time ago. An allowance of \$1m has been provided for the establishment of the Queensland Science and Technology Council. This will provide a vehicle to harness the State's research and development capabilities to ensure continued growth and development for Queensland's industries and enterprises.

Overall, the budget increase represents a commitment by the Government to have its central coordinating agency properly resourced to provide cost-effective oversight for projects that will ensure development of the State's physical, human and cultural infrastructure resources.

Mr GRICE: Following on from that, could you give us the current position with regard to native title land claims?

Mr BORBIDGE: The Native Title Tribunal accepts various applications in respect of native title matters. Claimant applications are lodged by prospective native title holders seeking a determination. As at 13 May 1997, 149 of these applications had been lodged, 108 have been accepted for determination, 28 are being considered for acceptance and 13 have been rejected or were withdrawn. The NNTT accepts claimant applications over all land except current private freehold. Approximately 31% of Queensland is currently under claim. Potentially, 85% of Queensland may now be subject to claim.

In relation to claimant applications—the State's position is that it will recognise native title where it can be demonstrated to still exist. Non-claimant applications are lodged by parties who wish to deal in particular parcels of land and who are seeking to establish whether native title exists. Eleven have been lodged. Of these, seven have been finalised and four are still current. Compensation applications are lodged by native title holders seeking compensation for the extinguishment of their rights and interest. Four have been lodged and await

finalisation. Future act determination applications are lodged by parties involved in negotiations over matters such as the granting of mining leases. They request the NNTT to determine whether or not an act can occur. Seven have been lodged.

Mr Chairman, I will table for the information of the Committee the latest map which demonstrates claim activity under native title legislation in the State of Queensland as at 30 May 1997. As honourable members will see, it is very substantial.

Mr HEALY: I refer to the statement of subprogram outlays on page 4-16 of the Ministerial Program Statements and, in particular, to the budget for the Opposition Office. Why has the budget for this office increased so significantly? It has increased by 32%, from \$1.251m to \$1.651m.

Mr BORBIDGE: The Budget for the Opposition Office is provided through the Parliamentary and Government Services Program of the Department of the Premier and Cabinet. Traditionally the budget has been provided to meet the costs of staff and operating expenses for office support staff. However, in response to petitions from the Leader of the Opposition about differences between his entitlements as a Minister and the administration of the Opposition Office, new guidelines for the financial management of the Office of the Leader of the Opposition were issued in February 1997. The new guidelines provide considerably greater flexibility for the Leader and the Deputy Leader of the Opposition in the administration of their office. They also assist them with the conduct of official business by providing them with more flexible arrangements for travel and hospitality. In addition, the financial and staffing resources of the office have been considerably enhanced by me. I see no useful purpose in continually restraining the Opposition Office in the way that the former administration did when I was in Opposition.

In aggregate, I have approved a budget increase of \$400,000, or 32%. This money is not tied, but is available to the Leader of the Opposition for use on whatever purpose he desires. This contrasts greatly with the practices of the Goss Government which made me get on bended knee for any increase in budget and which deprived the office of adequate accommodation and facilities.

The budget has provided a significant increase and supports an increase of 19% in staff from 16 to 19. The budget also supports costs associated with significantly upgraded and expanded accommodation provided during the term of the current Government, with additional floor space being provided in the Parliamentary Annexe and a new office established in Albert Street.

No doubt, the Leader of the Opposition will want more and would probably argue that he needs more. However, I must report to the Committee that I have been particularly generous. I point out that the Opposition Leader has done very well: a 32% increase in budget, a 19% increase in staff, significantly enhanced accommodation and he has been given more flexibility in the administration of his

affairs so that, unlike his predecessor, he has a user-friendly Premier.

Mr BEATTIE: I am sure that future Opposition Leaders will enjoy it!

Mr WOOLMER: I refer you to page 4-38 of the Ministerial Program Statements and, in particular, to the reference to the role of the Government Infrastructure and Coordination Division in developing and maintaining the State Strategic Plan. Could you please outline the significance of the development of the first State Strategic Plan for Queensland and how this plan will actually add value to existing Government planning and budgeting processes?

Mr BORBIDGE: Before the Government resumed the Treasury benches, we gave a commitment to develop a State Strategic Plan to guide the future development and direction of development in the State. The report of the Commission of Audit emphasised that strategic planning at the highest level of Government is a prerequisite for good public administration and effective service delivery. The commission endorsed the development of the State Strategic Plan which had already been set in train by the Government. With the plan, for the first time in Queensland the Government has established a mechanism to bring the full range of Government activities together under a single corporate umbrella, the bottom line being to achieve a set of clearly identified objective strategies and actions for the economic and social development of the State.

The State Strategic Plan is the first attempt by any Queensland Government, indeed any Government in Australia, to develop a long-term plan for the future of the State and to back it up by structuring budgetary and policy processes to support it. The State Strategic Plan is the centrepiece of the Government's planning for Queensland's future. It represents the culmination of a detailed process of consultation within Government involving input from all Ministers, their departments and agencies, resulting in a dynamic plan for the future delivery of services and good government.

The goal of the State Strategic Plan is to progressively increase the standard of living and quality of life for Queenslanders. To achieve this, the plan specifies four fundamental objectives: a stronger economy, a stronger community, sustainable environmental management and the delivery of quality public services. The plan specifies five whole-of-Government strategies which will be prepared to support the achievement of these objectives: an economic development strategy, a social development strategy, a rural and regional development strategy, an environmental management strategy and a strategic management framework for the Public Service. The economic development strategy was released in tandem with the State Strategic Plan on 23 May. The other strategy documents will be released progressively over the next 12 months.

The plan is not a static or one-off document. There is no document of smoke and mirrors or the

secret language of bureaucrats and economists. It is about providing leadership and direction for the State, recognising that Government needs to provide a clear statement of its economic and social objectives and priorities for the economy as a whole and for particular regions or groups of the community. The importance of providing clear policy directions within a strategic framework is that individual Ministers and departments then have the basis for establishing priorities and allocating resources consistent with the overall objectives of the Government. Indeed, the plan has already been used in this respect. As the Treasurer mentioned in her Budget Speech of 27 May, the State Strategic Plan provided the framework for the development of the 1997-98 Budget.

The plan is important in respect of future delivery of services and good government by Queenslanders. It is a process by which Government can, in a systematic and structured way, develop priorities for action in particular policy areas which are attuned to the needs of the community at large.

Mr GRICE: Premier, with your approval I would like to direct this question to the Chair of the Information Policy Board, Mr Ellis. I refer you to pages 4-39 and 4-40 of the Ministerial Program Statements which refer to telecommunications. As you know, the telecommunications industry is being deregulated by the Commonwealth Government on 1 July 1997. Is the Queensland Government going to take advantage of this, in particular to provide reliable and cost-effective telecommunication services to rural and regional Queensland?

Mr ELLIS: The Government is very much aware of the role it can play to ensure that the State has at its disposal an efficient and robust telecommunications infrastructure, not only for use by Government agencies but also to ensure that the general community and businesses, particularly those in rural and regional Queensland, are provided with better infrastructure and services. The Government regards telecommunications infrastructure as being important to those areas of physical infrastructure which Governments have traditionally planned for, namely, roads, rail, ports and so on.

To this end, in late 1996 the Government commissioned a strategic review of its telecommunications future in light of the knowledge that the Commonwealth was deregulating the industry on 1 July 1997 and that the Government's own arrangements with Pacific Star were terminating in August 1997. Some of the main findings of that review were that, firstly, telecommunications infrastructure in Queensland, particularly in regional and rural areas, has been and still is uncompetitive by Australian and world standards largely as a result of market shortcomings and the decentralised nature of Queensland; secondly, rural and regional marketing inadequacies will not be resolved simply by the transition to the 1997 environment of further market liberalisation in telecommunications; thirdly, inadequate telecommunications infrastructure in rural and remote areas is restricting access to key services and limiting the potential for regional development; and, finally, individual agency

purchasing of telecommunications will be insufficient to drive major market changes and to correct infrastructure shortfalls.

The Government considered the outcomes of that review earlier this year and, in the State Budget, the Treasurer announced that \$37.4m has been allocated over the next three years to ensure that Queensland remains at the forefront of Australia in providing the right environment in which the IT industry can continue to grow, and efficient telecommunications and on-line services can be delivered to all Queenslanders. In particular, \$23m has been allocated to facilitate the deployment of enhanced digital telecommunications services to 1,000 education and health locations in rural and regional areas of Queensland. This will enable the delivery of Internet access, video conferencing and telemedicine services. This will also allow access by the local communities and business sectors to reliable and cost-effective services.

The Government is also implementing strategies to provide the integrated electronic delivery of Government services for business and community use in all parts of the State. Other funds are being provided to ensure that businesses trading with the Government are able to do so electronically, thus cutting costs and time for both the vendor and purchaser.

As well as the need to ensure that the hard telecommunications infrastructure is rolled out to all parts of Queensland, the Government has also recognised that there is a need to specifically target and develop skills and to enhance awareness of the benefits and use of technology, both to the community as a whole and, in particular, to managers of small businesses. In fact, the rolling out of telecommunications infrastructure will be one of the most important drivers into the new millennium.

Mr HEALY: Mr Premier, I refer you to page 4-11 of the Ministerial Program Statements, which mentions the Parliamentary and Government Services Program and the program performance assessment in relation to the Departmental Code of Conduct and the Code of Conduct for Ministerial Staff. Would you outline what steps have been taken towards implementing a code of conduct in your department as required under the Public Sector Ethics Act 1994?

Mr BORBIDGE: I am sure honourable members will recall that the Public Sector Ethics Act obliges all departments and agencies to create their own codes of conduct relevant to individual corporate circumstances and the ethical problems likely to be faced. The Act provides that employees be consulted on the drafting of codes of conduct. In the case of my department and the Office of the Public Service, group consultation occurred with the staff of each branch and unit within the organisations on the basis of discussion drafts. Staff were also invited to submit any suggestions orally or in writing, anonymously if they wished. Many suggestions made by staff were incorporated in the final document, which is well illustrated by hypothetical examples giving guidance on the practical

application of ethical principles and obligations, as set out in the Act.

Following staff consultation, the relevant unions and industrial organisations were also consulted. No objections or criticisms were received. I was then pleased to be able to approve the Code of Conduct for the Department of the Premier and Cabinet and the Office of the Public Service, with effect from 1 January 1997. The code has been printed in a convenient desk-drawer size and issued to all staff. Training has been provided to all staff on the use of the code and the ethical principles set out in the Act. Two training modules over 15 sessions were made available: a whole-day workshop for managers and staff involved in purchasing, administration of consultancies and development approvals; and a half-day workshop for other staff. One whole-day workshop was held in Townsville.

Training was provided by a consultant and by staff of the Office of the Public Service and coordinated by staff of my department. As you are aware, the Department of the Premier and Cabinet employs all ministerial staff and staff of the Office of the Leader of the Opposition. These employees are in a unique and distinct ethical environment. For example, the proscription on public advocacy in defence of public positions which applies to departmental staff would not be appropriate for ministerial staff. Similarly, it would be inappropriate to require staff of the Leader of the Opposition to be responsive to Government policy or to avoid public criticism of the Government.

The Act provides for special codes for specific classes. Accordingly, discrete codes of conduct have been developed, again in consultation with staff and relevant industrial organisations, to cater for the special requirements of ministerial and Opposition staff. The Code of Conduct for Ministerial Staff has been operational since 31 March. Training in the form of half-day modules is being provided to ministerial staff during June. Training will also be made available to the Office of the Leader of the Opposition at the convenience of the office.

Following staff and union consultation, I have also recently approved codes of conduct for the Office of the Queensland Parliamentary Counsel and the Office of the Leader of the Opposition. My department has provided assistance to the South Bank Corporation and the Office of the Independent Member in the development of their individual codes. Lastly in this context, I would like to note that the implementation of codes of conduct is being conducted with an eye to efficiency and economy.

The CHAIRMAN: I wish to ask a question about the Byfield National Park and the role of the Co-ordinator General in State development issues across Queensland. In 1995 it was an election commitment of this Government to expand the Byfield National Park. What is being done to achieve that?

Mr BORBIDGE: It is correct that the expansion of Byfield was a 1995 coalition election commitment, and it is one on which we will deliver. The extension of the Byfield National Park is intended to incorporate an area known as the

Bayfield landmass into the existing Byfield National Park, north of Yeppoon. The area comprises sensitive coastal dune areas which should be preserved as part of the National Park Estate. For the national park to be extended, the Government must negotiate the surrender of an existing mining lease and the rejection of a mining lease application. The granted mining lease is likely to be too small to be economically mined on its own because of high infrastructure costs. Some environment degradation has occurred on the land to be acquired resulting from uncontrolled recreational use. Rehabilitation work as well as the development of appropriate recreational infrastructure is expected to occur after the extension of the national park is gazetted.

To facilitate the extension of the Byfield National Park in accordance with our election commitment, I have submitted a new initiative proposal in this year's Budget context which resulted in funds being approved to undertake negotiations under the Mineral Resources Act 1989 and to facilitate the eventual addition of the Bayfield landmass to the Byfield National Park under the Nature Conservation Act 1992. Administrative costs associated with the negotiations, including the provision of legal advice on the issue of compensation which might be payable to the companies involved, have been included in the allocation provided in the Budget. Funds have been provided through the budget of the Department of Environment, as the appropriate Government department, since the project will extend the State's national parks.

My department, through the Office of the Co-ordinator General, has already commenced consultation and liaison with relevant Government departments, including the Departments of Mines and Energy, Natural Resources and Treasury. It is a magnificent piece of coastline. If honourable members have not had the opportunity to inspect it, I wholeheartedly recommend that they do so. It will be a very worthwhile and important addition to the National Park Estate of Queensland.

The CHAIRMAN: We must all go and see it. The time for questions from Government members has expired.

Mr BEATTIE: I refer to page 4-16 of the MPS and the budget for the Ministerial Services Branch. In asking this question, I note that a number of ministerial offices reported substantial budget overruns, including that of the Minister for Mines and Energy, 25.6%; Public Works and Housing, 25.5%, Training and Industrial Relations, 21.2%; Tourism, Small Business and Industry, 15.4%; and the Deputy Premier and Treasurer, 9.3%. Why was it determined to move the responsibility of the branch from Treasury to the Premier's Department? Can you explain why these massive overruns have occurred and what mechanisms are being put in place to avoid a repeat of this type of ministerial overexpenditure?

Mr BORBIDGE: Part of the rationale for moving it over to the Premier's Department was to deal with the very issues raised by the Leader of the Opposition.

Mr BEATTIE: That is, the overrun.

Mr BORBIDGE: I will explain what happened. The Ministerial Support Unit and the Ministerial Services Branch were established in separate departments by the former Government in 1990. The Ministerial Support Unit provided advice and support in relation to human resource management, including the updating and placement of press advertisements, the maintenance of press advertisements and position descriptions and general personnel and pay services. The Ministerial Services Branch was responsible for the administration of the guidelines for the financial management of the office of the Minister, covering matters such as allowable expenditure, internal financial management and control, and external financial reporting and control. The branch was also responsible for setting policy and monitoring the information technology needs of ministerial offices.

A review of these services by the OPS recommended the merger of these two entities into a single Ministerial Corporate Services Branch to be located in my department. The role of the new branch would be effectively to coordinate and manage the provision of personnel, procurement, financial, computer and other corporate services for ministerial offices. Apart from logical efficiencies, the merger can be justified on a number of bases. It offers efficiencies and increased client focus through improved coordination of decision making, improved accountability and responsibility for service delivery, improved access to and recognition of service providers by service users, reduced overlap and duplication of activities, and fewer incidences of gaps in services.

It is consistent with trends in other Australian jurisdictions and, as Chair of Cabinet, the responsibility and accountability for the administration of the human, financial and physical resources allocated to Ministers is properly one for my department. The budget is administered by the Ministerial Services Branch. However, how it is spent and the responsibility for overseeing staff and employment are matters for the responsible Minister. So questions regarding individual offices and expenditure in individual offices should be directed to the relevant Minister.

Mr BEATTIE: Do you not believe that, as Premier, you have some responsibility for the disciplining of your Ministers if they exceed their budget to the extent they have? We all understand that there will be some overruns from time to time; I am not being unreasonable. However, the top four areas have overruns of 25%, 25%, 21% and 15%.

Mr BORBIDGE: For 1996-97, the ministerial offices' budget is expected to exceed the approved budget by \$1.382m, or 7.6%. The increase was primarily as a result of: an increase in overseas travel by Ministers and staff; an increase in domestic travel, including travel to remote regions; a higher proportion of regional Ministers, therefore requiring greater travel to and from electorates; the establishment of Parliamentary Secretaries and their associated costs; the appointment of an additional 10 support staff in ministerial offices; the expenditure of \$144,000 relating to the previous Government

which was not originally anticipated—and that principally relates to termination payments; delays in the payment of some 1995-96 expenditure by coalition ministerial offices until 1996-97, principally due to finalisation of travel costs; an increase in charter costs; and an increase in telephone and facsimile costs of ministerial offices.

Mr HAMILL: Further to your answer in relation to that—you put great store in the fact that there were more regional Ministers, but was it not the same for last year? In terms of the ministerial line-up, I think the only change has been to substitute another Brisbane Minister for a Gold Coast Minister. Secondly, it would appear from your decision to take these areas and bring them into the area of responsibility for your department that you believe that greater control can be exercised over this area of ministerial spending than was the case when it was within the Treasurer's portfolio. Is that a fair assessment of your views in relation to this matter?

Mr BORBIDGE: It was a recommendation of the Office of the Public Service. Part of the problem was that we had the MSB and we had the MSU, and to a certain extent the two units would often act in isolation from one another, which meant that there was an overall lack of coordination. When the OPS had a look at the situation to see how we could improve things, it was recommended that we merge the two units and that it should rest with the Department of Premier and Cabinet. Certainly that gives me a greater degree of control than was previously the case. I would also just say, though, as I just indicated to the Leader of the Opposition, there were a number of costs from the previous year that ran over into this year. I think we had a situation where under the previous Government something like 55% of the Ministry came from the capital city. That is substantially different with the composition of the Ministry this time round.

Mr HAMILL: With respect, the situation has not changed in this financial year to last financial year.

Mr BORBIDGE: No, but we travel more. The previous Government hardly got out of Brisbane. Can I just demonstrate? We had more regional Cabinet meetings last year than any other Government since 1957. For example, we are going to Thursday Island on Monday week, which is a very substantial logistical exercise.

Mr HAMILL: Will all Ministers be attending?

Mr BORBIDGE: All Ministers attend country Cabinet unless they are representing the Government, with my permission, somewhere else. So I think what you have is, realistically, a Government that is travelling more, travelling more at home—

Mr BEATTIE: And overseas.

Mr BORBIDGE: On the figures that were tabled most recently in the Parliament, I would dispute that. In fact, in the most recent return to the Parliament, overseas travel, from memory, was actually less than under the previous Labor Government.

Mr BEATTIE: We will argue about that somewhere else. Page 4—48 of the MPS indicates that guidelines for the financial management of the office of the Minister will be reviewed. I just wonder what the aim of that review is and what changes to the guidelines for the financial management of the office of the Minister have been made since the change of Government on 19 February 1996.

Mr BORBIDGE: The guidelines for the financial management of the office of the Minister provide detailed guidelines to assist Ministers in the financial management of their offices to ensure uniformity between ministerial offices in respect of what constitutes official expenditure and how such expenditure is accounted for and reported. The guidelines are an attachment to the Ministerial Handbook and are issued in accordance with Public Finance Standard 221(d). The guidelines for the financial management of the office of the Minister will be reviewed in the near future. The guidelines have remained essentially unchanged since 1990, and a review is required to ensure that they maintain accountability controls yet reflect contemporary accounting practices and current administrative requirements. Specific changes are necessary because the Ministerial Services Branch has moved from Treasury to the Premier and Cabinet, and references to the Under Treasurer as accountable officer and chief executive need to be changed to the Director-General, Department of the Premier and Cabinet. The guidelines need to reflect the amalgamation of the Ministerial Services Branch and the Ministerial Support Unit. Delegations under the guidelines require amendments to reflect the transfer of the MSB.

The guidelines need to specifically account for administrative requirements which have become apparent since the guidelines were originally drafted—for example, the ability of the Ministerial Services Branch to approve equipment infrastructure costs spanning a number of offices; the ability to ensure timely payment of accounts when Ministers are unable to personally sign—for example, when overseas; the need to account for Parliamentary Secretaries and determine appropriate levels of allowable expenditure; and the need to more clearly reflect electorate, ministerial, departmental and party political expenditure and entitlements. Administrative practices need to be revised to ensure procedures are in line with up-to-date accounting and administrative systems—for example, use of Q-Fleet for vehicles—and procedures require review to ensure that they are in line with amendments to the Financial Administration and Audit Act. It is intended that the office of the Leader of the Opposition will be brought under the control of the Ministerial Services Branch, and the guidelines will need to reflect this change, including bringing allowable expenditure more in parallel—because I am aware from my time as Leader of the Opposition that was somewhat of a problem—and a significant consultation process with ministerial offices and with the office of the Leader of the Opposition will be undertaken as part of this review.

Mr BEATTIE: Mr Premier, in relation to your responsibilities for the MSB, can you advise whether

any staff of any Minister have utilised accommodation, travel, Amex cards or fuel cards contrary to the guidelines on any occasion and, if so, what are the details?

Mr BORBIDGE: Firstly, in respect of accommodation—I am advised that chauffeurs based in Brisbane who are required to drive Ministers to their electorates outside Brisbane and required to stay overnight are paid accommodation and allowance according to determination No. 10—travelling and relieving allowances under the Public Service Management and Employment Regulations. This is consistent with the procedures used by the previous Government. Ministerial chauffeurs who reside in the Minister's electorate and who are required to stay overnight in Brisbane are also paid accommodation and expenses aligned with determination No. 10. This is in accordance with a clause added to their contracts of employment. Chauffeurs with this clause in their contract are Ms J. Brannelly, Deputy Premier and Treasurer, and Mr R. Cross, Attorney-General and Minister for Justice. I do have a table which I can make available to the Committee which provides information relating to questions on notice from 1996 about accommodation allowances paid in respect of staff staying in Brisbane who reside outside Brisbane. I can make that available to the Committee.

Mr BEATTIE: Please.

Mr BORBIDGE: In respect of credit card policy arrangements—ministerial staff are issued with credit cards to allow them to charge official expenditure back to the ministerial office. The cards that are issued are either the American Express card or the Queensland Government Corporate Card MasterCard for certain administrative expenditure. Charge cards are also issued for taxis, fuel purchases and toll charges. Amex corporate cards are issued to staff within ministerial offices to meet the costs associated with official entertainment and domestic travel. There is an established policy for the use of the card, and all card holders have been issued with a copy of the policy. If official charges are incurred for the Minister or guests of the Minister, these are identified separately and reflected in separate cost centres. Ministers have been issued with personal Amex cards specifically for overseas travel. The card is maintained by the MSB when Ministers are not travelling overseas. The card is exclusively for official expenditure and uses the American Express corporate card system for recording purposes only. The Queensland Government Corporate Card MasterCard is issued to enable certain administrative expenditure to be charged to ministerial offices. It is expected that operating efficiencies will be gained from the use of these cards. The Government's current policy on the types of expenditure that can be charged to this card has been applied to ministerial offices. The Queensland Government Corporate Card has been in operation in departments for a number of years, and no adverse audit reports have been evident during that time in relation to misuse of cards. All credit card expenditure is rigorously scrutinised for personal expenditure. If personal expenditure items are incurred, they are paid directly by the relevant

person or the expenditure is recovered from the officers. Guidelines on use of official credit cards are contained in part 5.6 of the guidelines for financial management of the office of the Minister. Operating policies for official credit cards are contained in the Ministerial Procedures Manual which has been issued to all offices.

Mr BEATTIE: So you are not aware of any breach of those guidelines?

Mr BORBIDGE: No—well, I am happy to take that on notice just to be doubly sure.

Mr BEATTIE: With the Premier's permission, I direct a question to Mr Ellis, the head of the Premier's Department. Mr Ellis, what is the role of Ms Wendy Armstrong in the Department of the Premier and Cabinet and what is her current designation and remuneration?

Mr ELLIS: First of all, Miss Armstrong's title is Principal Executive Coordinator. The purpose of the Principal Executive Coordinator is to provide expert advice and support to the director-general and the Premier in relation to strategic policy and planning within the department and across Government, particularly with respect to major State development, intergovernmental and intragovernmental issues of significance for the State. The Principal Executive Coordinator assists the director-general in complex and sensitive matters including the following: sending high level documentation, such as Cabinet submissions and information papers, correspondence and reports from the director-general; preparing analyses for relevant Cabinet submissions for the director-general with particular reference to testing conformity of recommendations with formal policy positions of the Queensland Government; and representing the director-general at discussions with other Government departments and interest groups. The position also liaises with all Ministers and director-generals' offices in relation to the coordination of the Queensland Government policy content in proposed Cabinet submissions and also with respect to the implementation and monitoring of Queensland Government policy requirements.

The position assists the director-general as an adviser to the Cabinet Budget Committee, especially in checking Budget bids against Queensland Government policy. The Principal Executive Coordinator liaises with the office of the Opposition with respect to policy determination with the Queensland Government that might impact on that office. The position liaises with the Cabinet Secretary and advises the director-general and the Premier on the policy implications of proposed Cabinet submissions suggesting, where appropriate, alternative recommendations to reflect whole-of-Government considerations. The position also maintains a watching brief on relevant current affairs issues which impact upon the departmental policy advice that I might provide to the Premier.

Mr BEATTIE: Did you say liaise with me as well?

Mr ELLIS: She is available, yes, to liaise with you in relation to any matters that might impact on your office.

Mr BEATTIE: I refer to the transfer of responsibilities for native title from the Department of Natural Resources to the Department of the Premier and Cabinet notified in the Government Gazette of 24 April 1997. I want to know generally: why was this transfer deemed necessary? Did it have anything to do with a possible conflict of interest involving the Minister for Natural Resources, Mr Hobbs? As this matter of native title continues to be discussed, will you be insisting on him absenting himself from Cabinet deliberations on the issue?

Mr BORBIDGE: The Leader of the Opposition may recall that native title was originally with the Premier in the previous Labor Government. It subsequently went over to the Department of Lands, and responsibility at the Commonwealth level is with the Department of Prime Minister and Cabinet. It just made good sense that it be with the central agency. To assist the Leader of the Opposition and further to some information that I provided earlier, there are approximately 15,000 pastoral leases in the State, and also as at 13 May 1997 there were 136 native title claims covering approximately 31% of the State. To implement the lead agency function, 23 officers and approximately \$1.288m for establishment and operational costs for the remainder of the 1996-97 financial year were transferred from the Departments of Justice and Natural Resources. So it was not just DNR; there were officers who were handling native title in the Department of Justice as well and who have been transferred to the Department of the Premier and Cabinet. To me it just made good sense.

Mr BEATTIE: In terms of the part of the question about Cabinet deliberations on these issues, Wik in general and indeed the legislation that was reintroduced into the House last week?

Mr BORBIDGE: The Leader of the Opposition will be aware that the Prime Minister's 10-point plan also includes reference to freehold land; it includes reference to airspace; and it includes references to rivers and sea beds. I think that, if we took the Leader of the Opposition's proposition through to a conclusion, he would be saying that, if someone owned freehold property or breathed the air or went for a swim, they may not be able to participate in a decision or a discussion with respect of native title. I think that there is a difference between an interest in common—an interest that is shared with a great many other people—and a particular pecuniary interest. Clearly these are areas where commonsense simply has to prevail.

Mr BEATTIE: I guess I was being a little specific in addition to that general question, that is, the possibility of the relevant Minister being able to upgrade his own pastoral lease.

Mr BORBIDGE: The relevant native title legislation will remain.

The CHAIRMAN: Time has expired.

Mr BORBIDGE: I may not have any leasehold land, but I do have freehold property and I do go for a swim.

Mr BEATTIE: But you will allow the Minister to participate in Cabinet discussions on it?

Mr BORBIDGE: In my view it is an interest in common.

Mr HAMILL: It is not a very common interest.

The CHAIRMAN: Time has expired.

Mr BORBIDGE: There are 15,000 pastoral leaseholders to start with.

Mr BEATTIE: But not all of them—

Mr BORBIDGE: We know your views on native title.

Mr HAMILL: There is a bigger ratio of Cabinet Ministers to the general population.

Mr BORBIDGE: We know you do not want the problem fixed.

Mr GRICE: I refer the Premier to the Ministerial Program Statements for the Office of the Co-ordinator General and, in particular, to funding provided to the South Bank Corporation. I understand that the corporation is responsible for the operation and performance of the Brisbane Convention and Exhibition Centre. Could the Premier outline the arrangements in place for the management of the centre and indicate how it is performing?

Mr BORBIDGE: The South Bank Corporation owns the Brisbane Convention and Exhibition Centre on behalf of the Government. The centre was officially opened in June 1995, and the 1996-97 financial year represents its second full year of operation. The centre is managed by Convex, a private enterprise consortium, under a management agreement with South Bank Corporation. Under the agreement, Convex is responsible to the corporation for the operational performance of the entertainment centre. A performance-based management fee is paid to Convex for its services. For the 1996-97 financial year the centre expects to hold over 600 events, including 46 conventions, including 14 international events; 48 exhibitions; over 500 other events, including concerts, corporate and social functions and meetings. Total revenue earned for the current financial year is expected to be \$18m, which is 14% above target. Operating profit before depreciation is forecast to be \$2.8m, and it is estimated that the activities of the entertainment centre will inject \$127m into the Queensland economy.

Financial performance for the 1997-98 financial year is targeted to reach at least those levels currently being achieved. Around 750,000 people are expected to visit the centre this financial year. Recent indications are that the centre holds over 700 bookings through to the year 2005. The centre's success is also reflected in its receipt of a number of industry awards in categories such as best five star venue, best catering venue and event of the year, as well as architectural and building awards.

Mr HEALY: I refer you to the Parliamentary and Government Services Program and, in particular, the critical role of COAG in relationships between the State and Commonwealth. I ask: could you outline what involvement the department had in the operation and organisation of COAG?

Mr BORBIDGE: State level policy development is often influenced by the Federal

system. Policy making at home frequently requires national issues to be taken into account. This is especially the case where the Commonwealth has either a direct responsibility or a major capacity to influence the outcomes. In such situations, policy development often requires the State, Territory and Commonwealth to work together to achieve outcomes that are in the best interests of all stakeholders. Intergovernmental policy making takes place in many forums, including ministerial councils, official committees and bilateral communications among Commonwealth, State and local government agencies. Significant issues having whole-of-Government implications are monitored and coordinated by the Department of the Premier and Cabinet in close cooperation with line agencies.

Central coordination is particularly important where issues are under consideration by the Council of Australian Governments, the principal intergovernment forum attended by the Premier. COAG comprises the Prime Minister as chair, Premiers, Chief Ministers and the President of the Local Government Organisation. At its 14 June 1996 meeting, heads of Government considered a broad agenda that included reform of health and community services, public housing, gun control, treaties, National Competition Policy in respect of gas, trans-Tasman mutual recognition agreement and Northern Territory statehood.

The Intergovernmental Relations Branch was responsible for providing briefings and advice on these issues. During the year, the IGR branch represented Queensland at senior officials meetings, which coordinated development of COAG's agenda. The branch also took part in several national working groups, including the Health Data and Payment System Working Group, the COAG Committee on Regulatory Reform, the Steering Committee for the Review of Government Service Provision, the Schools Working Group, the Australian National Training Authority Working Group, the Intergovernmental Committee on Ecologically Sustainable Development and the Commonwealth/State Standing Committee on Treaties.

A subsequent COAG meeting was due for Brisbane in November 1996 but was cancelled by the Prime Minister because of the Western Australian State election. The branch undertook extensive administrative arrangements for the proposed Brisbane meeting and provided comprehensive briefings on COAG issues throughout the year. During the year, the Intergovernmental Relations Branch became the first unit within the department to establish a site on the Worldwide Web. The site has provided a useful and popular means of distributing information about the outcomes of key intergovernmental forums such as COAG.

The CHAIRMAN: Mr Premier, I refer you to the Ministerial Program Statements for the Parliamentary and Government Services Program and, in particular, the operation of the Cabinet Secretariat. Could you indicate how the Government demonstrated its commitment to regional and rural Queensland through the conduct of Cabinet meetings outside Brisbane?

Mr BORBIDGE: Since July 1996, the Cabinet Secretariat has organised six regional Cabinet meetings in rural and regional areas of the State. They have been held in Bundaberg, Cairns, Charters Towers, Townsville, Maryborough and Charleville. As a demonstration of the Government's continued commitment to the holding of Cabinet in rural and regional areas, the next regional Cabinet meeting will be held on 23 June on Thursday Island. Cabinet visits to regional centres allow Ministers the opportunity to meet people throughout the State and to discuss with them the problems that they are facing. The overall program for regional Cabinet includes a variety of opportunities for Ministers to meet with representatives of the local council and community.

Practical demonstration of the increased access that the community has to Cabinet through the regional meeting process is the fact that 384 deputations were held in association with the last six regional Cabinet meetings. Regional Cabinet was held, on average, once every seven weeks over the past year and to date, on average, 64 deputations were held with each regional Cabinet. The location of regional meetings has been distributed widely across the State and, in some cases, away from commercial flight paths, necessitating alternative travel arrangements to be made for the Cabinet to meet its commitments. In most locations, Cabinet has announced various policy matters to assist; for example, the announcement of the commencement of the Walla Weir at Bundaberg, the drought assistance measures at Charters Towers, the cyclone testing station at JCU in Townsville, the guaranteeing of the railway rolling stock contract in Maryborough, and assistance measures for non-farm businesses affected by drought at Charleville.

Mr GRICE: Mr Premier, with your approval I would like to direct this question to the Public Service Commissioner, Mr Kevin Wolff. I refer to the clearly stated role outlined in the Ministerial Program Statements for the Office of the Public Service. Could Mr Wolff please indicate the current situation with occupational stress claims within the Queensland public sector and outline what the Office of the Public Service has done in response to these issues?

Mr WOLFF: The Government is vitally concerned with the morale and wellbeing of the Public Service to assist it in the delivery of its policy program for the State. The Office of the Public Service has been specifically given the responsibility of supporting the operational efforts of Government agencies and ensuring that the organisational effectiveness of the service continues to be enhanced. The Office of the Public Service has made considerable progress in ensuring that the morale and effectiveness of the Public Service remains high. The office has launched an innovative project, the Organisational Climate and Performance Project, which seeks to link the issues of organisational climate and morale to absenteeism management and to develop benchmarks and best practice management strategies. The project is widely recognised as being among the most advanced in Australia, having received a nomination

from the Prime Minister's awards for innovation in the public sector and being the focus of a key presentation at the Best Practice in Public Administration Conference held in February this year. The model, developed through this project, has been applied across many jurisdictions and, most recently, is being used as a basis of the Australian Defence Department's approach to the issue of occupational stress.

The efforts of the office and its Organisational Climate and Performance Project have seen significant reductions in a range of measures of occupational stress claims, specifically: an estimated reduction of 26% in the number of new occupational stress statutory claims across the core public sector in 1996-97, representing a decrease of 253 claims; an estimated reduction of 17% in total payments for stress claims for the core public sector in 1996-97, representing a reduction of \$2m, and a decrease of approximately 43% in new statutory stress claims, 534 fewer stress claims, and 36% in total payments in the three years that the project has been operating.

The Office of the Public Service has placed major emphasis on the development of measures of morale and the relationship to organisational effectiveness and productivity. This has been done through the development of the Queensland public agency staff survey, an instrument which measures organisational climate; successful implementation of the survey in Education, the Royal Women's Hospital and the Queensland Police Service to direct organisational improvement initiatives; and undertaking a collective research proposal.

Mr HEALY: Premier, I refer to you the Ministerial Program Statements for the Office of the Co-ordinator General Program. I understand that the right-to-negotiate process for the negotiation of Century Zinc was quite expensive. Could you outline what resources were required to conduct that process and whether or not the allocation of those resources contributed to the successful outcome?

Mr BORBIDGE: One of the Government's early acts on coming to power was to issue notices under section 29 of the Native Title Act triggering the right-to-negotiate process with respect to Century Zinc. As negotiations between Century Zinc, gulf Aboriginal groups and the Government were ongoing, and given Century Zinc's optimism with respect to a successful outcome, formal negotiations under the right-to-negotiate process were not commenced immediately. However, by July 1996, given that negotiations had not resulted in agreement, it was necessary for the Government to formally commence negotiations in good faith.

In that regard, the Government appointed a right-to-negotiate team, led by the Honourable Bill Hayden, AC, to conduct the negotiations with Century Zinc Ltd and the native title parties on behalf of the State. The right-to-negotiate team consisted of a number of public servants who were experienced with respect to the complex issues pertaining to the project. The members of the team were drawn from various Government departments, including the Premier and Cabinet, Treasury, Economic Development and Trade, Justice, and

Families, Youth and Community Care. The team required resources with respect to arranging numerous meetings with parties in the gulf and in Brisbane, travelling and accommodation expenses, venue hire, and the provision of services with respect to formal negotiation meetings, catering for parties attending those meetings, and general administration costs.

Mr Hayden, supported by the right-to-negotiate team, conducted negotiations until 13 February, by which time a comprehensive agreement with respect to the project had been drafted. It was expected that the draft agreement, negotiated with the legal representatives of the other parties, would be signed. However, the agreement was signed by only four parties and, accordingly, Century Zinc referred the matter to arbitration by the National Native Title Tribunal. In that regard, it was necessary for the Government to engage senior counsel, instructed by Crown law, to represent the State. The tribunal held a number of preliminary hearings, including teleconferences, and made directions with respect to the conduct of the arbitration with which it was necessary for the State to comply. Further, a number of the native title parties made allegations with respect to the State's negotiation in good faith, and it was necessary for a substantial volume of material to be prepared and produced.

Throughout March and April all remaining native title parties signed the agreement prepared as of 13 February. The agreement with those signatories and that of Century Zinc was handed to the State on 6 May. The arbitration commenced in Mount Isa on 5 May, the Labour Day public holiday. The hearing was adjourned twice to enable the agreement to be finalised. I signed the agreement on behalf of the State on 7 May, thus finalising the agreement and bringing the arbitration to an end. The agreement that was ultimately signed by all parties is the same agreement negotiated up to 13 February. The State would not entertain any amendments to the terms of the agreement in the intervening period. Bill Hayden and his team of approximately 25 dedicated public servants dedicated their efforts to the right-to-negotiate process almost full time for six to seven months. The process was expensive. It is estimated that total costs will amount to some \$1m.

The CHAIRMAN: Mr Premier, with your permission, I would like to direct a question to Mr Ellis.

Mr BORBIDGE: Yes.

The CHAIRMAN: I note with interest that the role of the Co-ordinator-General in the facilitation of major State development projects. I ask: what role does the office play in assisting small rural communities to resolve the many complex issues that arise for them in the progression of major projects?

Mr ELLIS: The Office of the Co-ordinator General plays an important and valuable role in assisting small rural councils that experience difficulties in addressing issues associated with major project proposals. The small councils in question frequently have no experience in dealing with major multinational companies and numerous State Government departments involved with development

proposals. In addition, the capacity of small councils to allocate resources to effectively facilitate major project proposals is constrained by the lack of funds associated with having a small population base split over a large area. When faced with one or more major project proposals in a particular region, councils can find it difficult to deal effectively with issues arising from complex negotiations, impact assessment studies, planning processes and approval applications involving numerous Government departments, local community groups and private companies.

When a council is experiencing difficulties that potentially threaten its ability to deliver services to its constituents or its ability to facilitate a project proposal in a timely manner, resources within the Office of the Co-ordinator General are made available to assist the council. That assistance is generally targeted at helping the council develop solutions to specific economic, social or environmental issues that arise in relation to a major project proposal. Given that the Office of the Co-ordinator General is located in a central Government agency which reports directly to the Premier, the office can effectively mobilise cross-agency input into regional development planning processes. The office also utilises the Department of the Premier and Cabinet's network of regional offices to ensure important local issues are addressed.

An example of the valuable role my office can play is evident in the development of proposals in Bauhinia Shire Council. The developments currently being investigated in the Bauhinia Shire region include two major coalmine proposals, Tuggerah North and Tuggerah South, and the Department of Natural Resources' Comet River dam proposal. Those developments could have significant impacts on the economic and social infrastructure systems of the region. As a result, joint planning and coordinated action across the State Government are necessary to ensure that development occurs in an efficient and timely manner. Faced with at least three major development proposals, the council foresaw difficulties in attempting to facilitate across-Government cooperation without assistance from a central Government agency. The development coordination activities that needed to be undertaken on an ongoing basis include facilitating the involvement of relevant Government agencies in the design of necessary upgrades to infrastructure systems in the shire, collating and distributing information regarding the action plans of numerous Government departments, negotiating appropriate infrastructure funding contributions with the project proponents, assisting in community consultation programs, monitoring the progress of impact assessment studies and ensuring that community interests are being addressed.

The Bauhinia Shire approached the Department of the Premier and Cabinet to provide planning advice and ongoing assistance with its development coordination activities. The Office of the Co-ordinator General is now in constant contact with the council and has provided valuable assistance on a number of development facilitation matters. Specifically, it has encouraged information

exchanges, commissioned the production of specialised maps, organised planning meetings, provided advice on Government processes and otherwise pulled the whole lot together.

Ms SPENCE: In answer to my question on notice as to why the 1996-97 Budget for the office of indigenous affairs was not spent, you answer that remaining funds are available to establish the office should that be considered necessary. Why has there been a budget for an office of indigenous affairs for two years now if the office is not in existence and there are no definite plans for it to be in existence in the foreseeable future?

Mr BORBIDGE: The office of indigenous affairs will ensure that the interests of indigenous people in this State are taken into account in all appropriate areas of policy and administration. That will be achieved by ensuring that we have a whole-of-Government approach to policy development and service delivery where those affect indigenous people in Queensland. Operational delivery of the Aboriginal and Torres Strait Islander Program will continue to be the responsibility of all relevant departments with the primary responsibility for service delivery remaining with the Department of Families, Youth and Community Care. It is proposed that the office will have an initial staff establishment of three and a proposed Budget in 1997-98 of \$560,000.

I would, however, also refer the honourable member to the Ministerial Program Statements of the Minister for Families, Youth and Community Care, where he has established an Indigenous Affairs Interdepartmental Committee comprising key public sector service agencies chaired by the Minister. The Overview Committee and the Aboriginal Justice Advisory Committee combined to form the Indigenous Advisory Council with an increased membership and expanded role, the IAC being chaired by Neville Bonner, AO. We are in the process of holding discussions with that Minister to make sure that we do not duplicate and that we are in a position to deliver something that does not just double up with what has already been initiated in what is a very substantial move by that Minister.

Ms SPENCE: I would like clarification: is the office of indigenous affairs already in existence or is it something you are preparing to establish?

Mr BORBIDGE: It is proposed. I refer you to the Program Statements for the Minister for Families, Youth and Community Care. He has already initiated certain action that does take up some of the work that we would see the office of indigenous affairs doing. There will be discussions with that Minister prior to the establishment of the office of indigenous affairs in Premier and Cabinet, so that we are not merely doubling up.

Ms SPENCE: I find it extraordinary that you have committed a budget to the office of indigenous affairs in last year's Budget and you had a staffing of three people in that budget and they have not been employed. You are doing it again this year with a budget of over half a million dollars to that office, yet you do not know whether you are going to establish that office or not.

Mr BORBIDGE: I thought the Committee would welcome the Government not duplicating resources—money, personnel and staff—and making sure that we are prudently managing the budget allocation that the department gives us. What we are in the process of doing, subsequent to the Minister for Families, Youth and Community Care establishing the Indigenous Advisory Council, is to make sure that we do not set up another group somewhere else that is duplicating the quite outstanding work that is being carried out by the IAC under the chairmanship of Neville Bonner. It is planned to establish the office. I just do not want to duplicate what is being done elsewhere.

Ms SPENCE: In answer to a question on notice regarding women in the Public Service, you state that you have targets to get women into the middle and upper management positions of the Public Service, namely, the target of 20% of SES positions and senior officer by the end of the year 2000, and a target of 25% of SES positions and senior officer positions by the end of the year 2005. Given that the Public Service now comprises 52.2% of women, why are those targets that you have set yourselves so very modest?

Mr BORBIDGE: I believe that they are targets that are achievable. I do not subscribe, as some do, to the concept of quotas. What we are seeking to do is to set realistic targets and then seek to meet those targets and hopefully exceed them.

Mr HAMILL: I notice in the Program Statements on page 4-2 and at 4-39 that there is the establishment of a whole-of-Government capital works monitoring system. Page 4-2 states—

"... that will facilitate the effective management of capital works across government."

Is it fair to say that you have been unhappy with the management of your Capital Works Program, as one can conclude from statements that you have made from time to time criticising Ministers' performances over the past few months?

Mr BORBIDGE: Quite the contrary. We have had a record Capital Works Program. The underexpenditure this year has been in the vicinity of, I think, about 5% compared with previous Governments with lesser Capital Works Programs where the underexpenditure has been in the vicinity of about 8%. So we have done better. That is not to say that we should not do better still. For that reason, we are keen to make sure that we have administrative procedures in place that improve on what we were able to achieve this year.

Mr HAMILL: Are there any particular departments that have let you down this year?

Mr BORBIDGE: They have not let us down. There have been a number of issues that did impact on aspects of the Capital Works Program, for example, native title in respect of uncertainty of land tenure in regard to certain proposals. There were some delays in regard to the Roads Program.

Mr HAMILL: What about Health?

Mr BORBIDGE: Health did not do too badly. Their expenditure is about \$10m, I think, under budget.

Mr HAMILL: Premier, as you know I have been asking a series of questions of the Treasurer about the progress of the capital works budget. On the last occasion that that question was answered, the Treasurer declined to provide the information. Now that you are taking this responsibility, I seek to place a question on notice to you so that we can appreciate the monitoring of the Capital Works Program and so that we can understand how departments have been progressing through March, April and May this year.

Mr BORBIDGE: Sure.

Mr HAMILL: Thank you. I place that question on notice accordingly.

Mr BEATTIE: To the Premier, what system currently exists for the coordination of Cabinet submissions within the Department of the Premier and Cabinet? How many staff are specifically involved in that process? Who is the senior officer responsible for the process, reporting, presumably, to the director-general? I appreciate that the director-general spelled out a role earlier for Ms Armstrong, but I am talking in addition to that. What system exists to give quality to Cabinet decisions?

Mr BORBIDGE: The Leader of the Opposition might recall the sealed-off level of the 13th floor of the Executive Building, which was the dreaded and hated Cabinet Office for six years of the previous Labor Government. One of the first decisions taken by this Government was to abolish the Office of the Cabinet and replace it with a smaller Cabinet Secretariat. The Cabinet Secretariat has eight full-time positions comprising the Cabinet Secretary, SES 2; manager, AO 8; senior Cabinet officer, three, AO 5; Cabinet officer, AO 4; Cabinet officer, two, AO 3. Miss Merryl Finney, formerly senior Cabinet officer AO 5, was transferred to the Department of Public Works and Housing in January 1997 to a position in that area that Miss Finney had sought secondment to previously. Mr Peter Rashford has been seconded to the Department of Families, Youth and Community Care from 1 April to assist that department establish proper Cabinet systems. Miss Kylie Duncan and Mr Wayne Buckley have been seconded to the secretariat from within the department for a period of up to three months respectively to the Cabinet officer positions. Vacant positions are in the process of being filled through the normal Public Service processes. Clearly, in terms of Cabinet submissions, my department and my office keeps an overview.

Mr BEATTIE: Mr Premier, in relation to page 4-23 of the MPS in the section headed "Description of Services Provided", what support is provided to the Parliamentary Secretary, the Premier's representative in north Queensland, in formulating and implementing Government policy and securing positive economic and social development outcomes for the region? What specific economic and social development achievements have arisen from the activity of the Parliamentary Secretary? He is yours, as you know.

Mr BORBIDGE: Yes, I am aware that is mine, Mr Beattie.

Mr BEATTIE: We are quite happy to let you keep him, I might say.

Mr BORBIDGE: I am very pleased with the performance of the regional offices. I think that it is important that we try to make north Queenslanders feel that the Government is not a George Street Government and that when they do have problems or they do have development projects or they do have issues that affect them, they have a conduit to the Cabinet room through my Parliamentary Secretary in north Queensland and through the role of the assistant director-general of the department, who is housed in the Townsville office.

There have been several outcomes directly related to the regional presence which have been handled by that office. I refer to the \$11.5m upgrade of the Townsville Entertainment Centre; an \$8m commitment to a small craft marina in Mackay; the chairmanship of the Trinity Inlet management committee, which is now handled by my Parliamentary Secretary, Mr Stoneman; a revitalisation of the process designed to get the Nelly Bay, Magnetic Island project under way again; and also in respect of advice in relation to the awarding of three air services contracts valued at \$40m. Basically, what we have been seeking to do is to decentralise the department through the departmental office there and make sure that local issues are receiving the priority that the local community rightfully expects.

Mr BEATTIE: There is not much in it for Cairns, though.

Mr BORBIDGE: I can say to you that in respect of a whole range of issues, the Cairns office has been very active. The Cairns office has had an involvement in respect of Aboriginal and Torres Strait housing throughout Cape York. There have been issues relating to the Cairns boat harbour, which copped it during the recent cyclone. There have been a range of local issues that have been very effectively handled through the Cairns office of the Department of the Premier and Cabinet.

The Cairns office has also a wider constituency in respect of servicing Cape York and the hinterland. In fact, in Herberton we had a situation where the local banks were all leaving town. Through the provision—and I will just go through this because I think that it shows how these offices can help in little ways as well—in mid 1996, the last—

Mr BEATTIE: Is this the Parliamentary Secretary that we are talking about?

Mr BORBIDGE: No, I am talking about Cairns. You said that Cairns had not been doing much. I am telling you what Cairns has been doing.

Mr BEATTIE: No, under the Parliamentary Secretary.

Mr BORBIDGE: Am I replying to your first question or to your second question?

Mr BEATTIE: No, you are giving me a lot of waffle.

Mr BORBIDGE: No, you suggested that the Cairns office had not been doing much.

Mr BEATTIE: I asked about the Parliamentary Secretary.

Mr BORBIDGE: You suggested that the Cairns office had not been doing much and I proceeded to tell you that the Cairns office—

The CHAIRMAN: I call for order.

Mr BEATTIE: This is typical. All we have had is complete garbage all morning.

The CHAIRMAN: Gentlemen, I call for order. The Premier can answer the question how he sees fit.

Mr BEATTIE: Mr Chairman, you have given me enough protection. I am delighted you are continuing. It was a simple question about the Parliamentary Secretary. I am not trying to be difficult. If you want to give me propaganda about the Premier's office, that is fine.

Mr BORBIDGE: With respect, you said that the Cairns office had not been doing much and I was proceeding to Cairns—

Mr BEATTIE: I said nothing much for Cairns, not the Cairns office. There is not much for Cairns from the Parliamentary Secretary is what I said, not from the Cairns office.

Mr BORBIDGE: No, I would certainly take issue with that. There have been regular issues. The Parliamentary Secretary has had input into the aviation task force. There was a lot of work done by the Parliamentary Secretary and the Cairns office in respect of the co-sharing arrangements that Qantas and JAL entered into. There was a need for an appropriate response when the cyclone damaged the Marlin wharves in Cairns. There are proposals coming through to Cabinet which have the heavy involvement of the Parliamentary Secretary and the Cairns office in respect of a whole range of local issues.

Mr BEATTIE: And the question about support for him?

Mr BORBIDGE: Support?

Mr BEATTIE: In the first part of my question, I asked what support is provided to the Parliamentary Secretary.

Mr BORBIDGE: The ministerial staff come out of my ministerial entitlement, which is substantially less than that of my predecessor. I can give you the figures.

Mr BEATTIE: What does he actually have? Does he have secretaries? An office? What does he actually get?

Mr BORBIDGE: It will be on my staff entitlement. We will just find it for you.

Mr BEATTIE: I am happy to put it on notice.

Mr BORBIDGE: I have some four fewer staff than my predecessor and it comes out of my ministerial staff.

Mr BEATTIE: I am happy to put it on notice and move on.

Mr BORBIDGE: Fine.

Mr BEATTIE: On page 4-20 of the MPS, you announce a review to take place this year of the impact on sectorwide employment trends of the abolition of compulsory age-based retirement. Does the Office of the Public Service currently have any views which they can share with the Committee of likely trends in this regard? What is going to be the impact of that? If you abolish compulsory age-based retirement, it has to have an impact. I am happy to put it on notice if you need more time.

Mr BORBIDGE: To get you a detailed reply, could you place it on notice? We would appreciate that.

Mr BEATTIE: Returning to the question of Cabinet's consideration of native title, is it not true that if Cabinet were the board of a Queensland Government owned corporation and Mr Hobbs were its director, under the legislation of the Parliament he would be required to absent himself from any deliberation on native title due to a conflict of interest as he stood to have personal finances affected by the outcome? That is the definition of it. Why should Cabinet be any different from the board of directors of any of our companies? Earlier today, in relation to a question I asked on Your Queensland, you made great play of referring to it as a board. If you report to those shareholders, why should the shareholders in relation to native title be any different?

Mr BORBIDGE: It is drawing a longbow to raise this issue before the Estimates Committee, but I am quite happy to reply. As I understand it, Minister Hobbs received a ruling from the Clerk of the Parliament that there was no conflict of interest in his presiding over legislation that the Leader of the Opposition took offence to and subsequently delayed its passage. Certainly I respect the written advice of the Clerk of the Parliament and I suggest that the Leader of the Opposition does the same.

Mr BEATTIE: In the time that you have been here, and you have been here longer than I, have you ever seen the Clerk given a written opinion like that? No-one else ever has.

Mr BORBIDGE: You would have to direct that question to the Clerk. As I understand it, Minister Hobbs and Minister Slack sought advice from the Clerk of the Parliament, which is an entirely appropriate course of action.

Mr BEATTIE: Do you think it was appropriate to put the Clerk in that position?

Mr BORBIDGE: The Clerk gives rulings in respect of matters before the Parliament every day.

Mr BEATTIE: And the Speaker makes the decisions.

Mr BORBIDGE: But the Clerk offers advice to the Speaker. It is not for me to answer questions on behalf of the Clerk or the Speaker.

Mr HAMILL: From what you said earlier, I understand that you will be the one to bring legislation back to the Parliament in relation to this matter. If that is the case, are you questioning the view of the Clerk of the Parliament? Are you not satisfied that there is sufficient distance between the

personal interests of the Minister for Natural Resources and the matter that is the subject of the legislation?

Mr BORBIDGE: Not at all. In fact, previously I indicated at some length the reasons why responsibility for native title had been transferred from the Minister for Justice and Attorney-General and the Minister for Natural Resources to the Premier.

Mr HAMILL: Is it too hot for this particular Minister to handle?

Mr BORBIDGE: No. I am the Minister responsible for native title. As such, I am the one who sits down with the Prime Minister and the other Premiers to sort out the native title mess that we inherited from the previous Government.

Mr BEATTIE: That is a bit rough!

Mr HAMILL: Is not the legislation proposing to amend legislation which falls under the administrative responsibility of the Minister for Natural Resources?

Mr BORBIDGE: I am saying that I am the Minister responsible for native title, and in regard to subsequent legislation that may be required to be presented to the Queensland Parliament dealing with the Prime Minister's Wik decision—and it is likely that there will have to be complementary legislation—I will be bringing that to the House.

Mr BEATTIE: When did the Labor Party take over the High Court? You said we were responsible for the Wik decision. I wonder when we took over the High Court.

Mr BORBIDGE: I recall your previous Government, Premier and Prime Minister legislated to the effect that pastoral leases extinguished native title—

Mr BEATTIE: And then there was a decision called Wik which came after that.

Mr BORBIDGE: —and then, of course, it was very convenient, when your legislation was inadequate, despite the promises and assurances given by your Government and the Keating Government, to run the other way and roll over in front of the High Court. If that is what you want to do, we can argue about it some other day. I am sure that there will be a wide-ranging debate on native title.

Mr BEATTIE: One other matter that I want to pursue is the Public Service UK initiative. I have referred to it but did not have a chance to follow it up. I am disappointed and concerned that we are only using one initiative—to go to London. Were any other options considered, either overseas or interstate? Surely there are practices in the Australian Public Service which we could look at as well.

Mr BORBIDGE: Certainly. I thank the Leader of the Opposition for his question. We are looking at other options as well. From memory, I think that the original Cabinet decision may also have referred to the possibility of looking at places such as the United States and New Zealand. Needless to say, there are major protocols to put in place relating to intergovernmental relations and, obviously, that requires the involvement of the Federal Government

as well. I hope that this program, once it is up and running, will be extended beyond the United Kingdom.

Mr BEATTIE: But there are plans for the rest of Australia as well, presumably?

Mr BORBIDGE: I am more than happy, as it develops. It seems to me that we are fairly comfortable and fairly up to date with what is happening in the Public Service across Australia. A lot of the interesting and innovative reforms to public service administration have occurred in the UK in recent years. They have set certain benchmarks and perhaps we can learn a lot from their successes and failures. For the benefit of the Leader of the Opposition, the decision covered Europe as well as the UK.

Mr GRICE: Mr Premier, I refer to your department's role in infrastructure coordination as outlined in the Ministerial Program Statements on page 4-38. I know that you touched on this a little while ago, but could you tell us what action the Government has taken to address the problem of delays in capital works expenditure which have occurred in past years? Can you point to any particular initiatives that have been announced to address this problem?

Mr BORBIDGE: The Government recognises the fundamental importance of capital works. In the past, capital works have been allowed to slip, with the result that large amounts of work remain incomplete at the end of the year causing significant amounts of expenditure to be deferred or carried forward. In past years the magnitude of the carry forward has been in the order of 8% to 10% of the Capital Works Program, with \$128m carried forward in 1993-94, \$154m in 1994-95 and \$178m in 1995-96. It must be recognised that every \$1m of work carried forward equates to 13.4 lost full-time jobs for Queensland. The Government has demonstrated that it is not prepared to accept this level of underperformance in an area so vital to the future of the State. The Government has undertaken a range of activities to ensure that the State's investment in capital works is properly managed.

Despite encountering a range of significant problems beyond the control of the Government, including delays in Commonwealth funding, delays in uncertainty surrounding Wik and native title and adverse weather conditions including floods and cyclones, the Government has been able to deliver on one of the largest capital works programs ever undertaken. Due to the mechanisms put in place during 1996-97, the amount carried forward to the Consolidated Fund for this year has been reduced to \$119m, around 5.2% of a record capital works budget. However, from 1 July 1997 the Government will be introducing a capital works monitoring system which will gather data on capital works across all departments. As well as providing more effective executive reporting for individual departments, this system will provide the Government with a complete whole-of-Government perspective on how effectively the Capital Works Program is being delivered. That will not only improve coordination but will also identify problem areas more quickly and

provide for more effective management. The planning and reporting initiatives that the Government has undertaken provide a strong framework to ensure that sufficient focus is placed on the effective coordination of capital works and that they are efficiently delivered in accordance with State needs. This will also ensure an ongoing reduction in the level of capital works deferred or carried forward to future years.

In short, the Government recognises the importance of the coordinated and timely delivery of the Capital Works Program. It has taken steps to ensure the effective management of capital works. Specifically, the Government has clearly articulated to departments the importance that it places on the delivery of their capital works commitments, has provided them with the support to achieve this and has established a whole-of-Government plan, a monitoring and reporting framework for capital works. As a direct result of these actions and despite significant hurdles, the Government has already delivered the largest Capital Works Program to date. In addition, the framework is now established for effective delivery of yet another record Capital Works Program in 1997-98. In respect of underspending this year—on a percentage basis there has been a very substantial improvement despite the problems that I have referred to.

Mr HEALY: I note from the Ministerial Program Statements that the Parliamentary and Government Services Program includes funding for the Intergovernmental Relations Branch. Could you tell me whether the Government, through the Intergovernmental Relations Branch, can monitor and influence the activities of the Commonwealth Government in relation to international treaties?

Mr BORBIDGE: The Intergovernmental Relations Branch monitors Queensland's input into significant negotiations to ensure that the State's interests are adequately considered. In June 1996, COAG agreed to establish a Treaties Council composed of the Prime Minister, Premiers and Chief Ministers. The Treaties Council will consider Commonwealth treaty negotiations of major significance to the States and Territories. The first meeting of the Treaties Council was due to be held in Brisbane during November 1996. The branch coordinated the agenda for the proposed meeting.

In the process, the following treaties were identified as having major significance to all State and Territory Governments: the UN Convention to Combat Desertification, the Draft Declaration on the Rights of Indigenous Peoples, the Agreement on Mutual Recognition in Relation to Conformity Assessment, Certificates and Markings between Australia and the European Community, the Framework Convention on Climate Change, Protocol or other Legal Instrument, and the World Trade Organisation Agreement on Government Procurement. In the event, the Treaties Council was postponed due to the Western Australian election. However, the work done by the branch in identifying current treaty issues of significance to Queensland proved extremely useful.

The branch also coordinated Queensland's submissions to four inquiries by the Joint Standing Committee on Treaties. Queensland Government officials represented the States and Territories at four international treaty negotiations. The attendance by Queensland representatives was coordinated by the branch. The negotiations were: Stockholm, September 1996, the World Congress Against the Sexual Exploitation of Children; The Hague, September 1996, the Hague Convention on the Protection of Minors; Rio, November 1996, the Conference of Parties to the Convention of Biological Diversity; and Brussels, April 1987, the Agreement on Mutual Recognition in Relation to Conformity Assessment, Certificates and Markings between Australia and the European Community Designation Systems Verification. I am sure all honourable members are well acquainted with that agreement!

The branch also coordinated interagency work on the recognition of core skills for environmental health officers. The Trans-Tasman Mutual Recognition Agreement was signed by Australia at the June 1996 meeting of COAG and subsequently by New Zealand in July 1996. During the year, the branch oversaw the preparation of Queensland legislation designed to incorporate the agreement into State law. The Torres Strait Treaty between Australia and PNG was established in 1975 to coordinate issues relating to the area between Cape York and Papua New Guinea. During the year, the branch coordinated all activities associated with the treaty. Issues included health, education, maritime safety, fisheries, environmental protection and policing. These issues were coordinated through a State-based working group and through a joint advisory committee which included representatives from the Commonwealth, Queensland and Papua New Guinea.

The CHAIRMAN: Mr Premier, I take you to page 438 of your Ministerial Program Statements, which refers to the Queensland Commission of Audit recommendation that the Government should take action to ensure the maintenance of the value of its assets. What action has the Government taken to address the deterioration in its portfolio of assets?

Mr BORBIDGE: When the Government came to power, we inherited public sector infrastructure that had suffered years of neglect. Whilst assets can be neglected in the short term, this is false economy. Clearly, this is not a responsible way to manage Queensland's \$66.5 billion investment in public infrastructure. The Government recognises that effective public infrastructure is fundamental to the delivery of social and economic services. It is vital to Queensland that infrastructure is properly delivered and properly maintained now and into the future. This is more than bricks and mortar; it is about a long-term investment in the future of the State. In recognising this, we began the process of rebuilding infrastructure from our first day in office.

On coming to power, we established a Commission of Audit to perform the first comprehensive audit of the State's finances and infrastructure. Prior to this, there was no coordinated

information on what assets the State controlled. In addition to the need to provide new infrastructure, we have also inherited a need to start rebuilding existing infrastructure. In our first Budget, we announced a \$1.6 billion Infrastructure Rejuvenation Package to begin the task of rebuilding our public infrastructure base. This three-year package will include over \$730m for health infrastructure, over \$560m for transport, \$90m for schools and \$70m for water. This program has already begun addressing the critical run down in State infrastructure, with \$214m worth of expenditure during 1996-97 and a further \$641m to be spent in 1997-98.

In March of this year, we approved a \$51m Special Capital Works Accelerated Program aimed primarily at deferred maintenance. This program is being delivered at no additional cost but through more effective management of capital works by reprioritising work that had been delayed. This is in stark contrast to action by previous Governments. In terms of rebuilding Queensland's public infrastructure, we announced and delivered on a record capital works budget for 1996-97, and we will repeat that performance for 1997-98. The amount of money that we are directing to capital works over these two years far exceeds the commitment of any previous Government. As the record shows, this administration is serious about ensuring that public infrastructure is appropriately maintained to service the needs of Queenslanders.

The Government has for the first time identified the State's assets, identified and articulated the service delivery needs and direction for the State, recognised the urgency with which the critical run down in public infrastructure must be addressed, delivered the largest Capital Works Program to date and is implementing an effective management framework that will provide not only for the restoration of Queensland's assets but also for the maintenance of public sector net worth.

The Leader of the Opposition asked a question with respect to staffing in the Townsville office. I now have that information. At the time the Ministerial Program Statements were prepared, there were five full-time equivalent staff in support of the Parliamentary Secretary. That figure included one temporary officer employed for a six-week period only. There are now four full-time equivalent staff employed in the Parliamentary Secretary's office—senior media adviser, executive officer, liaison and research officer and a trainee.

Mr BEATTIE: Are they separate from the Premier's Office?

Mr BORBIDGE: They come under my ministerial staff establishment.

Mr BEATTIE: Is there any way that you can differentiate between what the Parliamentary Secretary gets and what the Premier's Office has in Townsville?

Mr BORBIDGE: Yes, we can.

The CHAIRMAN: That can be done at a later date.

Mr GRICE: I refer the Premier to the Ministerial Program Statements and the Bureau of Ethnic

Affairs. What is the Government doing to enhance service provision for ethnic communities in regional Queensland?

Mr BORBIDGE: The Government recognises the tremendous contribution that people who have come from overseas have made to their communities, Queensland and our nation. However, consultation with ethnic communities in regional Queensland has revealed that they feel remote from Government service providers and lack information about Government services. To rectify this, the Bureau of Ethnic Affairs has developed a proposal under which communities in 11 regions across the State would form Ethnic Community Advisory Committees. A final decision on structures will be made in light of the review on Queensland ethnic affairs policy.

These committees will provide advice to Government agencies at the regional level through regional managers forums, as well as to the bureau, to enable issues to be coordinated. Each committee will nominate a representative to sit on the State Reference Group, which will advise me, as the responsible Minister, and the bureau on Statewide issues. The proposal has been received enthusiastically in the regions. Steering committees have been formed in Rockhampton, Mackay, Wide Bay/Burnett, Mount Isa, the Gold Coast, Logan and the Sunshine Coast to set up Ethnic Community Advisory Committees. Townsville and Cairns communities have suggested an alternative version which will better serve their regions utilising existing structures, such as migrant resource centres. The bureau is assessing these alternative models.

Mr HEALY: In reading about the Parliamentary and Government Services Program in the Ministerial Program Statements, I noted with considerable interest that the department is responsible for managing master media advertising arrangements. Can you outline what that constitutes and what benefits are received by centrally administering this type of arrangement?

Mr BORBIDGE: The master media advertising arrangement is administered by my department on behalf of all departments, statutory authorities and other instrumentalities. The master media advertising arrangement is an arrangement whereby the State, purchasing media services as a single buying group rather than as individual departments or agencies, is able to negotiate substantially reduced advertising fees. The operation of the master media advertising arrangement on behalf of the State provides substantial savings to all departments, statutory authorities and other instrumentalities through the consolidated volume buying of all advertising and its placement in all media. Discount levels in the order of 20% to 50% have been achieved through these arrangements. These discounts have resulted in savings estimated to be worth \$9m, or 15%, per annum over and above that which could be achieved by individual departments and agencies.

A practical example of the success of the arrangement is highlighted by the fact that expenditure by departments, regional health councils and TAFE on classified advertising is projected to be \$7.11m for 1996-97 compared with \$9.5m for 1995-

96. That equates to a 25% reduction in expenditure. Remuneration to the master media agencies is by way of commission paid directly by the media to the agencies. No fees are paid by the Government to the master media agencies. Similar arrangements have been in place for more than 10 years, with contract periods varying from two to three years. The current contract period commenced on 1 April 1996 and will expire on 31 March 1999.

Contracts are currently held by AIS Media Master Media Campaign Advertising Services and TMP Worldwide Master Media Non-campaign Advertising Services. The master media arrangement is a practical demonstration of where my department, acting in a coordinating role on behalf of all departments, agencies and instrumentalities, can achieve substantial cost efficiencies for this State.

The CHAIRMAN: Mr Premier, with your permission, I would like to direct a question to Mr Wolff. I refer to page 4-18 of the Ministerial Program Statements and ask: what was the implementation process for the Public Service Act of 1996 and how effective was it?

Mr WOLFF: It was effective. The process of communicating and implementing the opportunities that the Public Service Act offered the Queensland Public Service has been very effective as assessed by the feedback received to date. The basic philosophy behind the Act is to broaden the career paths of the vast majority of public servants with the umbrella permanency of tenure while at the same time giving greater discretion and authority to chief executives to manage departments with a strong client and results-oriented focus. In order to ensure that this measure was successfully conveyed to the broadest possible audience, an implementation awareness strategy was developed that combined a number of different approaches and focused on particular target groups across the sector. Key elements of this approach included: chief executives were given a special presentation and human resource practitioners were targeted as another special group for a presentation.

As these departmental practitioners would be reviewing policies and giving advice to senior management and employees, it was considered vital to present detailed information sessions to this group. Many other presentations were conducted for all employees in departments in both Brisbane and

regional areas. These presentations included cross-department and department-specific groups in country centres when requested. To ensure all Public Service employees were aware of the new Act and of the major changes, articles were also published in the sector-wide publication which comes out monthly. A separate presentation was conducted for public sector unit employees. Although the Act does not directly cover these agencies of the public sector, there are transitional arrangements and other future considerations that need to be taken into account in these organisations. To avoid confusion, the public sector was taken out separately and was addressed independently. In addition to presentations, we set up a hotline with a free-call number that was available and promoted for the assistance of all Public Service employees who had any queries. Queries were either answered directly or, if more complex, within 24 hours after the officer conferred with colleagues in order to provide an accurate response to the inquirer.

The CHAIRMAN: The Premier has indicated that he has some further information to previous questions.

Mr BORBIDGE: I have further information in relation to two matters raised by the Leader of the Opposition. In respect of ministerial guidelines and possible breaches—that question is on notice. I understand from subsequent advice that there has been, over the years, a degree of confusion over interpretation under this Government and under the previous Government, but I will provide further details to you in respect of that. If there have been breaches, they would be of a minor, technical nature only, but I will provide further information.

The Leader of the Opposition also raised a question in respect of military leave. Whilst what we have told you is correct from our department's point of view, DTIR is presently drafting a directive covering special leave which incorporates military leave. Minor amendments will amalgamate provisions from the existing Governor in Council determination No. 8. Military leave will not be abolished.

The CHAIRMAN: The time allotted for the consideration of the Estimates of expenditure for the Department of Premier and Cabinet has now expired. I would like to thank the Premier and all officers for their attendance.

Sitting suspended from 1.15 p.m. to 2.47 p.m.

TREASURY DEPARTMENT**IN ATTENDANCE**

Hon. J. M. Sheldon, Deputy Premier, Treasurer and Minister for The Arts
 Dr D. McTaggart, Under Treasurer
 Mr M. Gray, Deputy Under Treasurer
 Mr G. Poole, AUT (Portfolio and Executive Services)
 Mr G. Waite, AUT (Corporate Services)
 Ms M. Jackson, Executive Director, Office of Women's Affairs
 Mr K. Radbourne, Executive Director, Office of Arts and Cultural Development
 Ms T. Roberts, Arts Review Implementation Office

The CHAIRMAN: The hearings of Estimates Committee A are now resumed. The next item for consideration is the Estimates of expenditure of the Treasury Department and the time allotted is three hours. For the information of the new witnesses, the time limit for questions is one minute and for answers, three minutes. A single chime will give a 15-second warning and a double chime will sound at the expiration of these time limits. The questioner may consent to an extension of time for answers. A double chime will also sound two minutes after an extension of time has been given. The Sessional Orders require that at least half of the time available for questions and answers in respect of each organisational unit be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. For the benefit of Hansard, I ask the departmental officers to identify themselves before they answer their first question.

I now declare the proposed expenditure of the Treasury Department to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Is it your wish to make a short introductory statement in relation to the elements within your portfolio or do you wish to proceed directly to the questioning?

Mrs SHELDON: No, I would like to make an introductory statement. I thank you for the opportunity to make the statement and to introduce for the benefit of the Committee the wide range of responsibilities that are before it this afternoon in the examination of my portfolio. The 1996-97 year which has almost passed was the first full Budget year for this Government, and the Estimates for 1997-98 provide a solid and exciting continuation of this Government's policy agenda in my areas of responsibility of Treasury, Women's Affairs and The Arts.

Queensland Treasury's mission is to provide leadership in economic and financial management, and its corporate goals are to enhance the State's fiscal position and advance the performance of the

Queensland economy. The Estimates of expenditure for 1997-98 will fund full expression of this mission and these goals as well as providing for strategic departmental initiatives which will provide funding for significant whole-of-Government activity. During 1996-97 the Treasury portfolio has put great effort into planning for the future, and the 1997-98 Estimates represent a transition to a new program structure based on the outcomes that the portfolio is seeking to achieve. On this basis, four new programs appear in 1997-98 for the first time and these programs in turn reflect key strategic outcomes and outputs.

The Resource Allocation and Management Program seeks to improve the allocation and use of Government resources and enhance the efficiency and effectiveness of service provision across Government. The Financial Performance and Measurement Program seeks to enhance the net worth of the State for the benefit of all Queenslanders. The Revenue Program seeks the development and maintenance of a simple, efficient and equitable tax/legislative framework and revenue collection system. The Economic Enhancement Program seeks the development of a more productive and competitive economy for Queensland.

This program structure more clearly reflects the shift in focus from goals to outcomes and outputs, and aligns very clearly with the outcomes identified as the key to the department's activities. As I mentioned earlier, this is a transitional structure and adjustments to other programs will be made in the progression to a fully output-focused program structure.

The strategic management framework has been developed in conjunction with the team of central agencies. It will provide an integrated set of financial, information and people management strategies to foster continuous and lasting improvements in productivity and competitiveness across the public sector. It is being developed in response to the Commission of Audit Report 1996 on Queensland's finances. The framework's ultimate outcome is the promotion of efficient and quality service delivery to the Queensland community. The framework will also provide the basis for the introduction of accrual output budgeting for the 1999-2000 Budget year.

As part of the 1997-98 agenda for National Competition Policy, the Queensland Competition Authority will be established as from 1 July 1997, and reform will continue in water, electricity, gas and road transport. Corporatisation and commercialisation activities for the year will include reform of the gaming and wagering industries in Queensland, including the role of the TAB. Recent legislative changes have also provided the foundation for a program of major change in gaming regulation. The Office of Gaming Regulation will progressively implement a new model for gaming regulation in 1997-98 as a result of the review of the Queensland gaming machine regulatory arrangements. The key focus of the changes is to ensure that the OGR is flexible and responsive to clients and that its functions have a clear regulatory focus.

As members will be aware from my recent announcements, the Office of State Revenue will move in a new direction in 1997-98 following a major independent review. The emphasis in 1997-98 will be on active promotion of self-assessment, voluntary compliance, improved client service and increased taxpayer education and certainty. It will also involve internal development of systems, practices and people who are able to support the new direction. Continued Commonwealth initiatives in superannuation prompted a major review of the State's superannuation arrangements in 1996-97. In 1997-98 this review will be completed and the outcomes will be implemented by the Government Superannuation Office.

As part of its place at the leading edge of public sector administration, Treasury will implement a range of major information technology projects in 1997-98, including the SAP R/3 finance and asset management system and replacement human resource management systems. Treasury operating systems will be upgraded and portfolio-wide communication and information sharing will be enhanced by the implementation of the groupware project utilising Lotus Notes. Members of the Committee will be aware from my Budget Speech that a series of new initiatives will be undertaken by the Office of Women's Affairs in 1997-98. I would also like to say that a great deal of work has been done in 1996-97 in The Arts portfolio. I have not got time to detail the women's initiatives and the arts initiatives, but we all look forward to participating in the Committee discussion this afternoon.

The CHAIRMAN: The first period of questions is allocated to the non-Government members. I call Mr Hamill.

Mr HAMILL: I refer you to Budget Paper No. 2 Table 1.2 at page 8. I was wondering, given that we now have an overall deficit for the State Government sector shown in those papers, when was the last time the Government brought down a similar outcome for the State?

Mrs SHELDON: I assume you are referring to the overall State financial position as set out there?

Mr HAMILL: Table 1.2.

Mrs SHELDON: As you would well know, \$850m has been taken from the electricity industry to put into assets for our State. You would also be well aware that your Government took \$1.4 billion out in 1995 in order to give \$1 billion of that to Paul Keating to help his Budget deficit in front of an election.

The \$500m turnaround in the State's overall financial position, as measured in GFS terms, is entirely due to the substantial increase in the State's capital account deficit from an estimated \$3.2 billion in 1996-97 to a budgeted \$3.7 billion in 1997-98. I refer you to page 129 of Budget Paper No. 2. Underlying this increase in the State's capital account deficit is the \$4 billion State Capital Works Program. Total fixed capital expenditure is set to increase by 18.2%, compared with the 1996-97 Budget. And further, to the extent that the larger

deficit is being run by the capital account, this is being matched by an increase in the State's physical assets, thereby strengthening the State's balance sheet and contributing to the higher economic growth of this State.

Mr HAMILL: I will ask the question again: when was the last time the State brought down a deficit in overall State Government finance GFS?

Mrs SHELDON: The reason this was necessary—

Mr HAMILL: No, when?

Mrs SHELDON: You asked the question. I will answer it the way I wish.

The CHAIRMAN: Order! The question has been asked. The Treasurer will answer it.

Mr HAMILL: I take a point of order. I asked "when", not "why".

The CHAIRMAN: The Treasurer is in the process of answering the question. The question can be answered in whatever way is seen proper, as per the Standing and Sessional Orders. I call the Treasurer.

Mrs SHELDON: Thank you, Mr Chairman. If I may continue to answer—the reason we needed the \$850m to put into asset management in this State was that, under Labor, the assets of this State, particularly in social infrastructure, had run to an appalling low.

Mr HAMILL: So you do not know the answer then?

Mrs SHELDON: You do not want to hear the answer, Mr Hamill.

Mr HAMILL: I have already heard that answer.

The CHAIRMAN: Order!

Mrs SHELDON: Mr Hamill, could I also say—as I guess you should be aware—that these sorts of statistics have been collected only since the early 1990s, so there is not a lot of leeway there to go back and compare, anyhow. But the essential—

Mr HAMILL: So you have made history?

Mrs SHELDON: The essential answer is that it was necessary for this Government to do what it did to provide the basic social infrastructure that we saw as a primary requisite for this State, which you and your Government negligently did not supply when you were in Government.

Mr HAMILL: I refer the Treasurer to page 23 of her Ministerial Program Statements. In there it is indicated that the State's econometric model is going to be redrawn or re-established. Why does the Treasurer deem that to be necessary?

Mrs SHELDON: There has been general restructuring and updating, but I will find out definitely what that answer is for you. I think it is fairly self-evident. There is a changing structure in the economy. We are totally upgrading the information that is available to the Treasury and to all departments, particularly with the view for accrual accounting. So it was very important to upgrade our econometric model.

Mr HAMILL: Have you been disappointed with the forecasting that the existing model has produced for you?

Mrs SHELDON: I am sure you would agree that there is always room for improvement.

Mr HAMILL: So this is really finetuning rather than a re-establishment of the model?

Mrs SHELDON: It is upgrading, which I think needs to be done, particularly as the whole of Treasury is moving towards best practice management.

Mr HAMILL: Why I was interested in that is this: on page 20 of Budget Paper No. 2 are a number of forecasts. Presumably these are the outputs from your department. In particular, I am reminded that, when you brought down the Budget last year, you indicated that we could expect 45,000 new jobs and 2.5% employment growth. We see, though, on page 20 that 1.7% employment growth is now the forecast for the current financial year. Also, the model last year indicated that unemployment would average 9.3%, whereas 9.7% is the figure that you have in the Budget papers. Is this an indication that the model is failing or that the Government policy is failing?

Mrs SHELDON: It indicates the volatility—as you would fully appreciate—of the unemployment situation in our nation and the reasons applying to that volatility. I do not think it has anything to do with the forecasting that does occur. Indeed, those forecasts were put in on the basis of information available at the time.

Mr HAMILL: On the basis of the forecasting, how do you deduce 50,000 additional jobs being created on the basis of an employment forecast growth of 2.5% this year?

Mrs SHELDON: Yes, I see the real hub of your question, and that is that you do not really want jobs created in Queensland and hope like heck that we will not do it.

Mr HAMILL: Treasurer, don't be offensive, just answer the question.

Mrs SHELDON: Mr Hamill, you shouldn't be offensive, either.

Mr HAMILL: Just answer the question.

Mrs SHELDON: I am. The fact of the matter is that we have every reason to believe that, with the economic growth that we have forecast as well, which will be 4.5%, with the fact that all economic experts say that when you reach growth of 4% you will kick-start the economy and that jobs will grow, and with a number of independent indices that have been quoted over a period showing uplifts and upsurges in our economy, we have reason to believe that we can adequately forecast that those jobs will be created. Now, I suppose that at the end of next year we will see the reality, but we can only forecast on the information available to us at the time, and that is that 50,000 jobs will be created—full-time job equivalents.

Mr HAMILL: Should the people of Queensland rely upon the material you present in the Budget papers as a fair statement of the economy and where you see it going for the next 12 months?

Mrs SHELDON: Yes, I think they should. They obviously did rely on the statements of Treasury when your Treasurer was in place.

Mr HAMILL: Then how can they give reliance to a forecast of 2.5% employment growth, which would extrapolate to 38,600 additional jobs, when you keep running around claiming that there will be 50,000 additional jobs coming out of 2.5% employment growth?

Mrs SHELDON: The fact is that you are mixing up two sets of figures. Indeed, that is the forecast that is put forth. I think the people of Queensland realise that these are estimated figures right throughout the Budget and, as I said initially, have as much reason to believe the information coming out of Treasury now as they did a couple of years ago when you were the Government.

Mr HAMILL: It seems to me that there are two sets of figures here, because 50,000 additional jobs certainly would not be generated on 2.5% employment growth. Nevertheless, I raise another matter from the Budget—

Mrs SHELDON: Seeing as you have raised that, I would like to answer that, and that is—

Mr HAMILL: That was not the question.

Mrs SHELDON: You raised the point.

Mr HAMILL: I will give you a question. On pages 41 and 51 of the Budget papers are figures which state a certain amount of gaming machine tax to be collected. But on page 206 of the Budget papers is quite a different figure for receipts for gaming machine tax. How can the people of Queensland be confident on your figures when you contradict yourself in your own Budget papers?

Mrs SHELDON: Firstly, to get back to the erroneous statement that you made a little earlier—the projection of 50,000 jobs is on a total budget and a total capital works expenditure of \$4.2 billion. Those figures have been accepted, strangely enough, by all the economic experts around the nation, except possibly yourself—if you put yourself into that bracket. Also, the figures that we have for gaming are estimated, I think, in the figures there—I do not have them in front of me—at \$180m. We believe that it will be closer to \$189m, and then we have estimated further figures in the forward Estimates.

Mr HAMILL: Gaming machine tax is not \$180m. On page 206, the estimate for 1997-98 is given as \$99.1m; but back on page 51 of Budget Paper No. 2 the figure that is suggested is, in fact, \$95m. That is the inconsistency that I am trying to highlight within your own Budget papers.

Mrs SHELDON: That is because of keno tax receipts. The difference between the amount shown for gaming machine tax receipts on pages 41 and 206, which are the pages that I think you referred to, is due to the inclusion in the amount shown on page 206 of keno tax receipts, which are included in "Other Taxes" in the text on revenues. I refer you to page 51.

Mr HAMILL: Is that not the very point that I am trying to make: there is a different treatment of the

figures at different points in your Budget papers, and a reasonable person would believe that, where there is reference to gaming machine tax on pages 41 and page 51, it would mean the same as the entry against gaming machine tax on page 206.

Mrs SHELDON: There has been no difference in the method of reporting figures in this Budget from the Budgets when you were in Government.

Mr HAMILL: Keno is something that is being introduced. You cannot rely upon the fact that you are going to introduce a new measure of taxation and include it under one heading in one part of your Budget papers and put it under another heading in another part of your Budget papers. Surely the people of Queensland are entitled to accuracy in reporting in the State Budget from the State Treasurer.

Mrs SHELDON: There is accuracy in reporting, but you would also be well aware that keno is not yet on the books. Indeed that is why it has been included in the manner it has. It is not a tax that we have received.

Mr HAMILL: With respect, Treasurer, you are including keno receipts in your Budget papers and you are including it in different sections under different headings in different parts of your Budget papers. My point is that it saps the confidence that people would have in your statements when the papers that you are presenting are so inconsistent in the space of 150 pages.

Mrs SHELDON: I do not think that Treasury is out to hoodwink the general public.

Mr HAMILL: I was not attacking Treasury; I was attacking you, Treasurer.

Mrs SHELDON: You are trying to. I think it is very clearly set out under "Other Taxes" on page 51. I do not think there is any discrepancy in the way it is set out. I do not think the people of Queensland are going to be misled or misunderstand what is in these papers.

Mr BEATTIE: My question to the Treasurer also relates to figures. In your Budget Speech you talked about creating 1,022 new jobs for teachers; however, the Budget papers show the extra numbers of teachers are as follows: preschool, an extra 48; primary, 840; LOTE, 20; supply, 1; secondary, 268; supply, 3; special education, 114—and these are your documents—making a total of 1,294, from which you subtract 426 teachers transferred from the Schools Operations Program to make the net number of new teachers only 868, or 18% fewer than you have claimed. How do you explain that discrepancy in the Budget papers? That is very clear.

Mrs SHELDON: There is no discrepancy. The 1,022 were new teachers. They were the figures supplied to us by the Education Department. We have been told that the difference is in normal attrition. The other jobs are as you have read out. That is the information that has come to us from the Education Department itself.

Mr BEATTIE: The Budget papers themselves show 868.

Mrs SHELDON: I will read out the exact information. The 1997-98 Budget provides for 1,022 additional teachers.

Mr HAMILL: Additional teachers?

Mrs SHELDON: New teachers—they are made up—

Mr HAMILL: New additional teachers?

Mrs SHELDON: New teachers.

Mr BEATTIE: Additional teachers?

Mrs SHELDON: New teachers.

Mr BEATTIE: Is there a difference?

Mrs SHELDON: You asked me the question. I answered you: new teachers. I will tell you how they are there: enrolment growth, 334; new facilities, 38; non-contact time, 412; languages other than English, 20; behaviour management, 67; disabilities, 60; reading recovery, 91—which comes to 1,022.

Mr BEATTIE: Treasurer, in terms of the figures that you refer to—I will wait until Mr McTaggart has finished.

Mrs SHELDON: No, feel free; he can speak to me at any time.

Mr BEATTIE: My only concern is that you do not listen when he is speaking.

Mrs SHELDON: We are both listening. I assure you that we are both listening—

The CHAIRMAN: Order. Ladies and gentlemen, members of the Committee—we are going to be here for a very long afternoon. I am going to ask for some courtesy, decorum and respect from all members of this forum. I will invoke the Sessional Orders if I need to. I call Mr Beattie.

Mr BEATTIE: Thank you Mr Chairman. I assume that that also means that we will get answers to questions.

My question to the Treasurer is very simple. Taking into account the figures that you gave and the questions that I have put to you, you still end up with 868 teachers.

Mrs SHELDON: No.

Mr BEATTIE: I assume from what you are saying "new" means "extra". There is no trick in that. I assume "new" means "extra". I do not know what else it can mean.

Mrs SHELDON: "New" means "new". They are new teachers and that is how they are added up. I will read it again if you wish.

Mr BEATTIE: I am aware of what you said.

Mrs SHELDON: It adds up to 1,022.

Mr BEATTIE: You end up in net terms, with teachers transferred to the Schools Operations Program, with 868.

Mrs SHELDON: As you would know, the information comes from your program Ministers. I can tell you that that is the information and it adds up to 1,022.

Mr BEATTIE: What you are saying is that this is what has been provided by the Education Department, so if there is any discrepancy in terms of

the figures it lies with the Education Department and not with you?

Mrs SHELDON: Indeed it does, because we can only rely on the information in Program Statements as given to us by Education. That is where we got the figures from.

Mr HAMILL: There have been a number of questions here as to the accuracy of figures that have been presented in various parts of your Budget papers. I want to ask a couple of questions regarding your expenditure for this year. In particular I ask: on what basis are estimated actuals estimated? Is it on the basis of patterns of expenditure in previous years, or is some other mechanism used to try to project actual expenditures, in this case for the period to the end of June?

Mrs SHELDON: There are two parts to your question. Firstly, there has been total accuracy in the way the figures have been presented. It is only to your mind that there is not.

Mr HAMILL: I was not suggesting there is—

Mrs SHELDON: Yes, you were suggesting it, so let's just clear that up. Secondly, you asked about the method of estimating those figures—on what basis they were estimated and was that going to be the same. Yes, it is. It is the pattern of expenditure, as I think you indicated yourself, plus reports and cash flows from other departments. They are the bases that we get the figures from.

Mr HAMILL: On that basis, I note that, in the estimated actual for the policy area of law, order and public safety, for example, it is suggested that the estimated actual expenditure for the year to the end of June would be about \$1.38 billion. Now, to achieve that level of expenditure, the departments administering that policy area would have to bring out an average level of expenditure for May and June this year of around \$177m. As that is about \$50m a month more than the peak level of expenditure in any month in the 10 months to date, are you confident that that level of expenditure will be reached?

Mrs SHELDON: I think you should ask the relevant Minister that question.

Mr HAMILL: You are the relevant Minister. You have responsibility for Budget management.

Mrs SHELDON: I am not the relevant Minister. As you would well know, we are here debating the Estimates of the Treasury portfolio, Arts and Women's Affairs.

Mr HAMILL: We are also asking the Treasurer about one of the key responsibilities of her portfolio, that is, Budget management.

Mrs SHELDON: The question you are asking is also relevant to the Budget management of another department. I suggest the correct person to direct that to is the relevant Minister.

Mr HAMILL: Is the Minister also confident that the Health Department, which in the year to date has only managed to expend \$262m maximum in the month, can actually sustain a level of expenditure of in excess of \$360m per month in the months of May and June?

Mrs SHELDON: From all the information coming from the Health Minister, yes.

Mr HAMILL: I ask the Treasurer: given her responsibility for Budget management and given her answer to my earlier question about how estimated actuals are arrived at, if we are looking at the pattern of expenditure to date, it seems to be a rather tall order to expect that Health can actually increase its level of monthly expenditure by 50% over and above the highest monthly expenditure in the year to date and do so in two months in a row. I ask the Treasurer again: can she be confident that her figures for estimated actuals can be borne out based on the expenditure patterns to date?

Mrs SHELDON: Based on the reports and cash flow from the particular departments, and you are talking about Health at the moment, yes.

Mr HAMILL: So you are relying upon line Ministers. Treasury has totally stepped away from monitoring the pattern of expenditures in departments?

Mrs SHELDON: You asked a question before about how we reached the estimated actuals. I told you the answer to that. Part of that was going on reports and cash flows from departments. That is what the figures are based on for Health. If you wish to ask any further questions, you should ask them of the Health Minister.

Mr HAMILL: Can I ask just one other question in relation to the matter that has been raised by the Leader of the Opposition? When you claim in your Budget papers that there will be an extra 1,022 teachers, are you saying that that advice came from the Minister for Education?

Mrs SHELDON: That is correct.

Mr HAMILL: So that was not something which you had derived from your own Budget preparations within Treasury?

Mrs SHELDON: I would imagine you are well aware that the programs in the Programs Statements come from the relevant Ministers and their departments. We can go only on the accuracy of the information that we get.

The CHAIRMAN: Time has expired for Opposition questions. The Government questions will proceed. Mine is to the Treasurer: what is the strategic management framework designed to achieve? It is at page 12 of the Program Statements.

Mrs SHELDON: I thank you, Mr Chairman. The framework is one of five strategic documents supporting the implementation of the State Strategic Plan. The framework aims to deliver services of high quality with maximum efficiency that positively support the economic and social development of the State while, of course, maintaining that fiscal responsibility. The framework sets out an integrated approach to the management of key public resources such as finance, information and people. The framework was a collective project of Queensland Treasury, the Office of the Public Service and the Information Planning Branch and it was prepared in close consultation with line departments.

The specific policy direction is implementation processes and time lines. These support the intent of the framework and they will be developed in partnership with line departments. Of course, these will be disseminated over the coming year. The framework supports accrual output budgeting and other key financial management initiatives which will enable resources to be allocated to services delivered and not inputs consumed. We are very keen to see that that is followed through.

It will also ensure that the Government is informed of the full cost of service provision. Also, it will improve the quality of performance information. This includes the quantity, the quality, the timeliness and the cost of the services to be delivered. It provides information which will enable the Government to better manage the financial performance of the State and our State's net worth.

The framework will provide public servants with sound financial and information management systems, and they do wish for this. It will also provide clarity of expectations and the flexibility to introduce innovative work practices. It will also promote investment in training. All told, I think it is a very worthwhile project.

Mr GRICE: Treasurer, can you inform us as to what progress has been made in implementing the new generation Queensland Government Financial Management System?

Mrs SHELDON: Thank you, Mr Grice, for your incisive question. The Queensland Government Financial Management System, which is called QGFMS, is the Queensland Government's State strategic management system. This will be used by all Budget sector agencies.

The Department of Families, Youth and Community Care implemented the new generation SAP R/3 on 1 July 1996. The Transport and Main Roads Departments implemented their system on 1 October 1996. The Department of Mines and Energy and the Department of Primary Industries, Fisheries and Forestry completed partial implementation of the asset management function of the system in July/August 1996.

For your information, the following departments have commenced projects for the implementation of the system in the 1996-97 financial year: Training and Industrial Relations, Treasury, Premier and Cabinet, Economic Development and Trade, the Queensland Audit Office and Public Works and Housing. The balance of the departments have either commenced projects or they expect to commence projects to migrate to the new generation QGFMS within the next 12 months.

Of course, Queensland Treasury is the lead agency for financial systems. It has established panel contracts for implementation and for the provision of facilities, management and bureau services for SAP R/3 to address the cost implementation and the operation of the new generation QGFMS. Treasury has also liaised with a range of other agencies. This was to identify common requirements that had been incorporated into the standard systems model. This model provides a cost-effective entry point to the

new generation QGFMS and allows agencies to take advantage of the savings associated with the move to client service technology. The Treasury, Premier and Cabinet, Economic Development and Trade Departments and the Queensland Audit Office adopted the standard model approach. This was a shared project to implement the system. Associated with the standard system model, Treasury has also established training courses that are available to agencies to support the implementation of that model.

Mr HEALY: Treasurer, I refer to page 11 of the Ministerial Program Statements which refers to the 1996 Commission of Audit. Could I ask you what the Audit Commission Implementation Office has achieved?

Mrs SHELDON: Thank you, Mr Healy. It has achieved a considerable amount since it was put in place. Since we as a Government endorsed the broad thrust of the Queensland Commission of Audit report, many of the individual recommendations have been progressed. I will list some of those for you. The Government is developing new structures, policies, strategies and information systems which are designed to implement the recommended leading edge public sector strategic management framework. Of course, as you would know, the State Strategic Plan and the State economic development strategy have now been released and a new Public Service Act has been put into place. This provides for more flexibility in staffing policies.

The Government has established an Electricity Reform Unit. This is to implement the recommendations of the electricity reform task force for a competitive electricity supply industry to our State. The Government is moving to introduce tradeable water property rights and increase the community's involvement in facility management and also to move water operations to a more commercial footing. We have a telecommunications review. This has recommended a framework for the efficient and effective delivery of Queenslandwide television communication infrastructure and services.

In November 1996 the Government announced that it would exit from ownership of the public abattoir system. Expressions of interest are now being assessed. This was very well received within that whole network of people. We are also progressing with the privatisation of Suncorp/QIDC following the Metway merger. We are currently assessing issues and options for the future of the TAB. I notice that that certainly brought some interesting comment of a divided nature from the Labor conference on the weekend.

Mr BEATTIE: Minuscule compared to your comments.

Mrs SHELDON: Government ownership of gaming machines is to cease and a competitive market introduced. At least ours was not boring! Of course, the Golden Casket is to be corporatised shortly. The Government is close to finalising a program to dispose of surplus Government land, and the estimated value of that is about \$750m. A Red Tape Reduction Task Force has been established to review all regulations and their impact on business.

That has a large representation from the private sector and some Government input as well. There is an Integrated Regional Transport Plan for south-east Queensland. That addresses many of the concerns of the Commission of Audit. That has been released also. A review has been carried out into the delivery of corporate services to central agencies. That recommended an innovative common best practice approach to service delivery. I think that you would agree that that is a fairly impressive list of what has been achieved.

The CHAIRMAN: Treasurer, what have been the results of the review of the Office of State Revenue? What action will be taken over the review?

Mrs SHELDON: Thank you, Mr Chairman. Recently, I released a report on the review of the Office of State Revenue, which was far reaching and will really make the Office of State Revenue very much client friendly and will affect the efficiency of the office. This was well received by the business community and by the employees of the Office of State Revenue, who see a really good career structure developing.

Essentially, the report recommended a new direction for tax administration in Queensland. It embraced four critical success factors. These were voluntary compliance, client service, taxpayer certainty and getting the systems right; and in relation to the right systems—getting the practices and people to support these critical success factors. I would like to run through each of those for you in more detail. Firstly, voluntary compliance will be a key driver in the new system of tax administration. A voluntary compliance division will be established within OSR. This will identify where clients require assistance. It will provide information to clients with regard to their tax obligations and will develop revenue rulings. The principle of voluntary compliance will permeate the revenue and compliance division of the office and OSR staff will adopt that approach.

The issue of client service was clearly identified in the review and it is certainly a key strategy of the director and the Government for tax administration. OSR has identified the assessment area in revenue and the investigative area in compliance as being the main points of client interface. OSR will identify officers in these areas as being key players in the provision of client service. Support mechanisms will then be put in place to ensure a best-practice client interface. Complaints will be handled by an area outside of the client interface and this section will report directly to the executive director. Client consultation will be developed and broadened through the formulation of two new consultative committees, members of which will include clients and consumers.

Taxpayer certainty was also strongly identified and it was certainly a third critical success factor. Legislation is a key element in providing taxpayer certainty and, with the implementation of the review of OSR, we look forward to the development of an ongoing legislative program. The right systems, practices and people to support those first three critical success factors is the final and perhaps the

most important of the critical success factors. In order to ensure that OSR is able to carry out these initiatives, a restructure is appropriate. That is being put in place as well.

Mr GRICE: Turning to page 18 of the Ministerial Program Statements and dealing with land tax, what benefits have been achieved through the development of the land tax computer system?

Mrs SHELDON: The development of a new land tax computer system has certainly delivered significant cost savings to the Government, with the added benefit of improved services to the public. The old land tax computer system was developed in 1983. It was certainly expensive to run and poorly designed. Its operational costs were around \$2.4m in 1995-96 and the last seven months of operation cost \$1.9m, which is approximately \$3.25m per annum. Our indications are that the cost to continue that same methodology would have skyrocketed.

The old system was, in fact, made up of a number of fragmented databases which developed over time. They were poorly integrated. Of course, this meant delays and inefficiencies in providing day-to-day services such as land tax clearance certificates—which are very important to people who have to pay land tax—the issuing of assessments and answering taxpayer inquiries. Further to that, CITEC advised that the computer on which the old land tax system ran was to be decommissioned in early 1997. Without a computer system, the Office of State Revenue would have been unable to maintain the flow of revenue to the Government from land tax. For this reason alone, it was obvious that a new computer system was necessary.

The first release of the new land tax computer system was implemented on schedule in January 1997. There was an immediate reduction in operating costs to \$250,000 per annum, which is a considerable saving. This means that the cost for 1996-97 will be contained to \$1.91m from what, under the old system, was thought to be \$3.25m. The cost of operating a land tax computer system in future years will be at least \$3m less because of the development of the new computer system.

The second release, which is scheduled for implementation in August 1997, brings with it improvements in service delivery. To give an example, it will be possible to issue immediately assessments and amended assessments. The best that the old system could achieve was 10 days. That is certainly focused on service delivery. Most clearance applications will be automatically processed and will receive an immediate answer. Currently, approximately only half of the applications made via CITEC's public access system are processed immediately. The benefits will be achieved with a total investment in the new land tax computer system of around \$1.8m. It is expected that the new computer system will pay for itself in less than one year.

Mr HEALY: On the subject of economic enhancement, what has the delay been in the release of the reviewed private sector infrastructure guidelines? There is some reference to that on page 24 of the Ministerial Program Statements. Do the

guidelines give a carte blanche to the private sector to develop public infrastructure in Queensland?

Mrs SHELDON: In order to be effective, the guidelines must adequately address the concerns and requirements of, obviously, a wide range of Government and industry stakeholders in relation to policy and procedural matters. A lot of work has gone into this and a lot of discussions have been held with the section of our community that provides infrastructure. Obviously, the private sector is very interested to see the outcomes and we have worked closely with it. Clearly, the achievement of this has necessitated a fairly exhaustive consultative process and the interactive development of a new framework. We want the right guidelines to be in place.

In future, the private sector will not be presented with a carte blanche to develop public infrastructure. Certainly, the key tenet of the guidelines is the achievement of value for money in the delivery of public infrastructure and services. In all cases, this process will be carefully managed to ensure that the outcome is the most cost effective solution, having regard to risk allocation and service standards. Considering our major Capital Works Program, this is all fairly important. In any particular case, it may involve a wholly Government provision or a wholly private sector provision or some appropriate partnership between the Government and the private sector. The current Surat Basin/Dawson Valley project has been very exciting and private enterprise sees it as such. The number of applications received to the tender advertisement in the paper has been quite extraordinary, both from groups which want to do it all themselves and from private sector entities which want to do part of it. The guidelines will be released reasonably soon. They will be of major benefit not only to the private sector but also to Government.

The CHAIRMAN: What are the anticipated economic benefits, especially for Queensland Treasury, from private sector involvement in the Robina and Noosa Hospital projects? Is the private sector able to provide and maintain quality health services at both of those sites?

Mrs SHELDON: There is certainly a potential to achieve whole-of-life cost efficiencies above that currently available from the public sector. Given that both of those hospitals are greenfield developments, private sector involvement provides an opportunity for significant innovation in design, construction and service delivery which will be incorporated into the projects.

When developing the Robina and Noosa Hospitals, the Government will benefit from the experience of the delivery of public health services by the private sector in other States. The Health Minister has been going through this in some detail. For example, Latrobe Regional Hospital is a private sector built, owned and operated project in Victoria. It serves as a useful benchmark for how to achieve real efficiencies for the private sector delivery of public health services. In this case, the private sector is taking full market risk, except for emergency care. It will deliver services below the most efficient public sector cost. At the other end of the spectrum, Port

Macquarie Hospital in New South Wales has attracted significant criticism for the risk underwritten by the Government. It highlights the pitfalls to be avoided. There are many precedents that we can look at to ensure that we have the right model.

The State Government has sought expressions of interest from qualified and experienced private sector hospital operators to provide public health services at Robina and Noosa Hospitals. When the detailed proposals from the short list of proponents is evaluated, the Government will have regard to the cost effectiveness of the proposals to the State and the proponent's ability to provide and maintain a high-quality service during the life of the agreement.

The Government and the Minister have made it very clear that, should the private sector not be able to provide a high-quality and cost-effective service at Robina and/or Noosa, the hospital projects will be undertaken by the Government. A fair and clear indication has been given to the private sector regarding these hospitals. The Government is most keen to get the most cost-effective and efficient output.

The CHAIRMAN: We move to questions from Opposition members.

Mr HAMILL: Treasurer, I again draw your attention to page 206 of Budget Paper No. 2, on which there is an estimate for payroll tax collections for 1997-98. Can you confirm that my understanding of that line is correct? Would it appear that you expect that in 1997-98 an extra \$56m will be collected in payroll tax over the estimated actual for 1996-97?

Mrs SHELDON: That was due to economic growth and growth in employment.

Mr HAMILL: Based on that figure, do you agree that there is an extra \$56m?

Mrs SHELDON: Yes, there is.

Mr HAMILL: That was my understanding. From that figure, I adduced that there was an extra \$56m; that there was \$56m more than there was in the previous year. That leads me back to your Budget Speech in Budget Paper No. 1. On page 18, in talking about delivering better services, you state—

"To do this, we are providing:

1,022 extra teachers ..."

You say "extra" teachers in your Budget paper.

Mrs SHELDON: I said "new" teachers in my Budget Speech.

Mr HAMILL: My understanding of "extra" is the same as your understanding of "extra"; it means "in addition to". I put it to you, Treasurer, that you went out and told the people of Queensland that there were to be an extra—an additional—1,022 teachers in this year's Budget. However, that is not borne out by the Ministerial Program Statements of the Education Department, which show that that figure is misleading and a falsehood.

Mrs SHELDON: Mr Hamill, if you check Hansard, you will find that I said "new" teachers.

Mr BEATTIE: But your speech says "extra".

Mrs SHELDON: Check Hansard; that is the record.

Mr HAMILL: This is from Budget Paper No. 1 presented in the Chamber, and it appears again in Budget Paper No. 4, in which you speak about "extra" teachers. Before, you tried to tell the Committee that you just accept the advice that comes from the line departments in relation to these matters. I ask: does Treasury not have someone who has responsibility for overseeing the Education Department budget and, if so, who is that person?

Mrs SHELDON: I refer you to what I said in Hansard, which was "new" teachers.

Mr HAMILL: I refer you to your Budget paper, the one which was published.

Mrs SHELDON: I refer you to Hansard.

Mr BEATTIE: This is your speech, Treasurer.

Mrs SHELDON: Yes, and my speech is in Hansard, Mr Beattie.

Mr BEATTIE: This is the speech you distributed to the people of Queensland.

Mrs SHELDON: I will get you a copy, if you like.

Mr BEATTIE: No. I have a copy of your speech that you distributed to the whole of this State, including members of Parliament such as us, and it says "extra".

Mrs SHELDON: It says "new" in Hansard, you will find.

Mr HAMILL: Treasurer, do you not have someone in your department who keeps an eye on the budget of the Department of Education?

Mrs SHELDON: Treasury keeps an eye on most things, Mr Hamill, including the Opposition.

Mr HAMILL: Do you have someone with responsibility for keeping an eye on the Education budget?

Mrs SHELDON: The budgets of all departments are kept an eye on by the main Budget section of Treasury, and there are a number of people in it.

Mr HAMILL: Did you receive any advice from the Budget section of Treasury which has responsibility for dealing with the Education budget to suggest that your claim that there would be 1,022 extra teachers was gilding the lily somewhat, was somewhat misleading or could not be borne out by the evidence in the Ministerial Program Statements?

Mr BEATTIE: Which is why you said "new"?

Mrs SHELDON: The information that came from Education to the Budget section was as set forth and as was told to us, and that is clearly what I was given. If you think there is a discrepancy in this, I suggest you ask the Education Minister.

Mr HAMILL: I am certain that we will be asking the Education Minister, but we thought perhaps that the Minister with responsibility for overall Budget management may know the detail of the Budget.

Mrs SHELDON: And I gave it to you.

Mr BEATTIE: Treasurer, why have you imposed a capital works charge on hospital projects that have been introduced over and above those funded under Labor's Hospital Rebuilding Program? I note that the charge rates are considerable, with an annual charge of 5% for the first \$150m over \$1.5m, and around 8.5% for the further \$400m in currently scheduled works. I ask: from where is Treasury drawing these funds to justify such exorbitant rates? They seem like commercial borrowing rates. Would it be fair to suggest that this scheme effectively represents borrowing to pay for social infrastructure?

Mrs SHELDON: The fact of the matter is that we are supposed to be questioning expenditure, not revenue, as I think you are well aware.

Mr BEATTIE: I see. So you are not going to answer the question?

Mrs SHELDON: You should go by the guidelines set down by the Committee, of which you are a member.

Mr BEATTIE: I see. In other words, you will not answer questions that are appropriately put to you as Treasurer?

Mrs SHELDON: There are forums for questions. You were part of the Committee that suggested what the basis of these questions would be.

Mr BEATTIE: No, we have never agreed to that, and you know darned well that we have not agreed to that.

Mrs SHELDON: You know darned well that the Committee's procedure is to examine expenditure, not revenue.

The CHAIRMAN: Order!

Mr BEATTIE: Mr Chairman, I will proceed. I think the record will speak for itself—the Treasurer is unwilling to cooperate with the Committee. Treasurer, let me ask you a question in relation to electricity debt. What will be the aggregate level of annual repayments for the additional \$850m of debt that you have imposed upon the electricity industry in this State for the first time in our history?

The CHAIRMAN: Order! I rule the question inadmissible.

Mr BEATTIE: On what grounds?

The CHAIRMAN: On the grounds that it is not pertinent to the expenditure under the Appropriation Bill for Treasury.

Mr HAMILL: On a point of order—

Mr BEATTIE: Are you going to be a hack, or are you going to chair the meeting?

The CHAIRMAN: The hearing is adjourned. We will meet in B27. Thank you very much.

Sitting suspended from 3.40 p.m. to 3.46 p.m.

The CHAIRMAN: I resume these proceedings. I am going to allow the question to stand on the grounds of revenue into the Treasury. I have made it expressly clear that I will not allow questioning on the intricacies of the portfolio relating to the electricity industry. I call—

Mrs SHELDON: Before you do that, Mr Chairman—I would just like a ruling. Most of the questions directed by the Opposition have been on the general Budget, not on the MPS of Treasury. Under the Committee procedures, that is where their questioning is supposed to be. I seek a ruling from you on that.

Mr HAMILL: What have you got to hide?

Mrs SHELDON: Nothing, but I think that when a procedure is put in place it should be followed, and you agreed to the procedure.

Mr BEATTIE: No, we didn't. Let us be very clear about that.

Mrs SHELDON: So you are not part of the committee system that agreed to the procedure on what questions would be asked and on what basis?

Mr BEATTIE: I am prepared to go rationally through this as the Chairman has ruled. Can we just get back to the question?

Mrs SHELDON: I am quite happy to answer your question; I just wanted clarification by the Chairman on the fact that you have not followed the protocol as set down that this Committee is supposed to follow.

Mr BEATTIE: The Chairman has made certain rulings which we are happy to follow.

Mrs SHELDON: No, this is generally speaking and for the future handling of this Committee. They are not on the Program Statements as set out in the Budget papers; they have been generally on the Budget as a whole.

Mr BEATTIE: So are you afraid to answer questions on the Budget?

Mrs SHELDON: No, I am asking a question of the Chairman.

Mr HAMILL: Point of order, Mr Chairman. Before you rule in relation to this matter, I draw your attention to the General Public Services policy area and the Resource Allocation and Management Program, page 6 of the Ministerial Program Statements, which states—

"To improve the allocation of government resources, and to enhance the efficiency and effectiveness of service provision across government ... This program is responsible for the management of the State Budget."

If the Treasurer is not prepared to manage the State Budget, I would like to find out who is.

Mrs SHELDON: That was not the basis of my question, Mr Hamill, as you are well aware.

The CHAIRMAN: Order!

Mrs SHELDON: However—

The CHAIRMAN: Order! Based on the question put by the Treasurer, I will assess all questions question by question in the future in light of what has been said. I call Mr Beattie.

Mr BEATTIE: Thank you, Mr Chairman. To the Treasurer: what will be the aggregate level of annual repayments for the additional \$850m of debt that you have imposed upon the electricity industry?

Mrs SHELDON: As has been set out pretty clearly, the corporation will borrow at commercial rates through the QTC and they will repay it accordingly. We have no set program of repayments, and I would imagine the corporation will handle that themselves. Any interest costs will be offset by a reduction in dividend payments.

Mr BEATTIE: So what is the level of annual repayments?

Mrs SHELDON: I have said that to you. That will be handled by the corporation itself. It has borrowed through the QTC at commercial rates.

Mr BEATTIE: So you are not aware of what it is; it will just be something the industry will have to sort out.

Mrs SHELDON: It is something the corporation itself will handle, and it is a commercial matter for the corporation.

Mr HAMILL: Just in light of that—last year you made a lot of noise about Governments funding Budgets from one-off sources. I note in this Budget that \$900m is claimed to be one-off sourced funding to hold the Budget. To meet the forward Estimates, does the Treasurer envisage other one-off sources being tapped to fund the Budget?

Mrs SHELDON: We did use one-off sources. They were clearly identified, unlike yourselves in your last Budget where you used one-off sources and never identified them.

Mr HAMILL: Really?

Mrs SHELDON: Yes, really. I suggest you check back—

Mr HAMILL: What was the value of those funds?

Mrs SHELDON: So I suggest that you look at the Budget, which has been completely transparent. We have nothing to hide. We are using those one-off sources for social infrastructure which is needed out there in the community.

Mr HAMILL: In relation to Budget transparency, Mr Chairman, the Treasurer before stated that the Budget Speech was effectively inaccurate in relation to the statement of 1,022 extra teachers—

Mrs SHELDON: No, you said it was, not me.

Mr HAMILL: No, no—and the Treasurer claimed that Hansard would bear out her version of the story. I draw the attention of the Treasurer to the Hansard where not once but twice the Treasurer stated that an extra 1,022 teachers would be employed.

Mrs SHELDON: New teachers.

Mr HAMILL: I table that for the information of the Committee.

The CHAIRMAN: So tabled, but is there a question here?

Mr HAMILL: Yes, the question is: the Treasurer has been seeking to mislead this Committee in this hearing as to what in fact she stated in her Budget Speech in respect of the number of extra teachers that the Budget would

provide, and I think it is important for the record that the Committee have before it the Hansard which the Treasurer was relying upon.

Mrs SHELDON: I suggest that you check that with Alan Watson, Mr Chairman, who heads Hansard.

Mr HAMILL: Pardon?

Mrs SHELDON: I suggest you check that with Alan Watson, who heads Hansard.

The CHAIRMAN: Order! Next question. I call Mr Hamill.

Mr HAMILL: In order to obtain one-off funding of \$850m this year for your Budget, you have fiddled around with the debt equity ratio in the electricity industry. I ask—and I am happy to put it on notice, because it may require a bit of information to be gathered—what the debt equity ratios are for other Government owned corporations and whether you intend fiddling around with them for next year to plug the funding gap which will be caused by your reliance upon one-off funding in the Budget.

Mrs SHELDON: We do not fiddle around and we have made it very clear up front what the debt equity ratio was. I refer you to your own question B6 in which you have asked for the debt equity ratio with regard to the electricity industry, which was spelt out very clearly to you. I am quite happy to read that out if you wish me to. But we will take your question on notice. We have no reason to hide anything.

The CHAIRMAN: The time for questions from Opposition members has finished. The next question will be asked by Mr Grice.

Mr GRICE: Treasurer, I refer you to the Ministerial Program Statements at page 24, where it deals generally with Comalco. Could you tell us how you justify the assistance offered to Comalco and what is the Government's exposure under the assistance packages that were offered to Comalco?

Mrs SHELDON: Obviously we are very concerned to help Comalco establish its refinery in Queensland. One of the other areas it is seriously considering is the proposed alumina refinery in Malaysia. The Government considered the assistance package offered to Comalco to secure its proposed refinery for Queensland, and certainly across Government it was considered appropriate given the significant economic benefits that were expected to accrue to Queensland as a result. A completed refinery of all stages would represent additional capital investment in Queensland in the order of \$3.5 billion. This could result in the creation of average annual construction jobs of approximately 660 over that period of construction, and that is involved in three stages of the project. The completed refinery would also involve the creation of approximately 1,020 full-time equivalent job positions. The creation of this number of permanent positions would be of substantial benefit to Queensland in general and to the Gladstone region in particular.

Mr GRICE: Almost a plank of social rationalism.

Mrs SHELDON: Yes, but we mean what we say. It is also expected that the integrated refinery

would result in an increase in the total or in the real gross state product for Queensland of at least \$250m a year—obviously a significant boost. The refinery would also add significant value to Queensland's natural mineral resources, with the output largely destined for export markets. As you would be aware, we are very interested in helping support companies that have a high focus on export.

Exports from the integrated refinery could reach up to 4.5 million tonnes of alumina per year. The associated electricity cogeneration facility that is associated with this refinery would provide substantial additional base load generation to the Queensland grid. This would help promote a competitive market and lower electricity prices.

The projected natural growth demand of the Comalco refinery and the cogeneration plant would be substantial. So the potential Comalco custom would also be a significant factor in securing an expansion of the proposed Chevron natural gas pipeline from Townsville to Gladstone. We are discussing this issue with Chevron at the moment. Obviously, the increased availability of natural gas from the Chevron pipeline coming down from Papua New Guinea and the expected increase in the electricity market competition from the proposed Comalco cogeneration plant would facilitate even more industrial economic development in the State. A potential site for the plant has been identified in Gladstone. The refinery would be constructed over a number of stages and, as I mentioned, it would also involve a cogeneration facility. This would provide significant additional base load capacity for our State's electricity market.

Mr HEALY: In the MPS at page 24, there is a general reference to the Brisbane Airport which leads me to a question about PVC's investment in the airport. Has the Queensland Government accepted a contingent liability through that investment and what does Treasury see as the economic benefits of this investment?

Mrs SHELDON: The debt financing for PVC's investment was, as I think you know, secured at arm's length from Government, that is, without the provision of any Government guarantees or assistance. Consequently, just like any other bidder for the airports, the PVC has had to secure its financing requirements at fully commercial rates. Overall, they have adopted a very sound commercial approach to their investment. For example, PVC's balance sheet will now be geared at approximately 33% debt to total assets, which is still well below all relevant prudential benchmarks. I would like to also emphasise that PVC's highly experienced and respected partners in this investment, which are the Commonwealth Bank of Australia and Schiphol, who is the operator of Amsterdam Airport, have conducted rigorous due diligence on all aspects of the airport before committing to the bid. I think PVC should be congratulated for their diligence in this regard.

The CHAIRMAN: I refer to the proposed Brisbane Airport rail link. Are there any costs or contingent liabilities to Government arising from this project? If Airtrain's detailed proposal is not

acceptable to the Government, can Airtrain seek compensation? What are the benefits to the Government of this proposal?

Mrs SHELDON: There are not any costs or contingent liabilities to the Government arising from this project. The basis of the grant of the single mandate to Airtrain Citylink was to develop a bankable proposal to build, own, construct, finance, operate and maintain the BARL and there is no net cost to the Government except for any costs—own costs—the Government may have. This single mandate was provided to Airtrain to develop a bankable proposal and it only provides for compensation for actual direct loss if—and if I stress only if—the Government takes an action to terminate the single mandate before assessing Airtrain's proposal. It is understood that Airtrain's costs to date are around about \$6m.

The single mandate was granted to Airtrain on the basis that there be no contingent liabilities to Government. This will be the case if the project proceeds and if Airtrain is able to successfully operate the link. However, should it default, the infrastructure would revert to the Government and the courts may rule that the Government has been unjustly enriched; they may require the Government to compensate Airtrain for the infrastructure. But our discussions with them have been that the infrastructure would certainly revert to the Government at no cost.

The CHAIRMAN: I am going to suspend the hearings now for a 15-minute adjournment for afternoon tea.

Sitting suspended from 4 p.m. to 4.16 p.m.

The CHAIRMAN: The hearings of Estimates Committee A are now resumed. We will now have questions from non-Government members.

Mr HAMILL: Treasurer, I have a couple of questions in relation to the area of superannuation within the budget. I do not know whether you may wish to have present some of the people who have direct management of that. I will ask my questions first. I note that, at page 39 of the Ministerial Program Statements, there are 13 additional staff to administer the Commonwealth's Retirement Income Policy. What cost are the Commonwealth's changes to retirement incomes having on the management of Government superannuation schemes, and will members of those schemes ultimately bear that cost?

Mrs SHELDON: The tax liability—the non-labour operating costs—was budgeted at \$7.1m. However, the Estimated Actual was less than \$1m. The 1996-97 budget also included an amount of \$1.5m for Federal compliance.

Mr HAMILL: That is the cost of Federal compliance?

Mrs SHELDON: And for the scheme merger. The cost that you were asking about would be borne, as we understand it, by the schemes, but we are currently reviewing the whole of the superannuation situation and we have not got that review as yet. It is in process.

Mr HAMILL: So it is a bit of an unknown at this stage?

Mrs SHELDON: Yes, I would say so.

Mr HAMILL: Also on the issue of superannuation—it would seem implicit in the section on Program Outlays for superannuation and also in the section on Program Outlays for gaming that you are expecting an increase in interest rates this year. Can you give me some indication of how many points you expect interest rates to increase by during the course of 1997-98?

Mrs SHELDON: There is an increase in earnings in general. That affects all kinds of schemes, not one in particular.

Mr HAMILL: I was not referring simply to the increase in earnings. That relates to superannuation. But I draw your attention to page 33 of the Ministerial Program Statements. From note (c) on that table, it is quite clear that there is an expectation of rising interest rates in the year ahead. That is why I asked: by how many points do you believe interest rates are likely to rise during 1997-98?

Mrs SHELDON: Under "Interest" there is no rise. If you look at 1996-97, the Estimated Actual had increased, but for 1997-98—

Mr HAMILL: No, that is an outlay for interest. But it is based on certain projections about interest rates. My question is: what do you expect interest rates to rise by—how many points—during 1997-98?

Mrs SHELDON: We will take that on notice.

Mr HAMILL: I am happy to place that on notice. I have one last question on that budget area. This year there is \$900m in one-off sourced funds going into the budget. Last year, there was a significant sum as well. In your Budget papers and statements you have stated that all of those funds—the \$900m—are going onto the Capital Outlays in the budget. I notice, though, that Capital Outlays are estimated as increasing by \$443.1m for 1997-98. I know that that has to be discounted, obviously, for carryovers and so on, but where is the rest of the money going?

Mrs SHELDON: With the Infrastructure Rejuvenation Package that we brought in last year, which was \$1.6 billion, there is \$641m of that going into infrastructure this year, and there is \$250m of new money going into infrastructure. That adds up roughly to \$900m.

Mr HAMILL: So is that going to be a hole that is going to be left next year?

Mrs SHELDON: No, because other programs will be put in place. It is quite clear where that money has gone. If new money is required for infrastructure, it will similarly be appropriately found.

The CHAIRMAN: The time for Opposition questions has expired. I call Mr Grice.

Mr GRICE: Treasurer, I refer you to the Ministerial Program Statements at page 26 with regard to major projects incentives. What is the justification for providing assistance to individual projects under the Major Projects Incentive Scheme and why has the scheme been reviewed?

Mrs SHELDON: Queensland is a generally low-cost business environment relative to other Australian States, and it is recognised that the maintenance of such an environment of low cost and industry reforms which will further promote a competitive low-cost business environment are the most efficient and effective ways for a Government to encourage future economic and industrial development. Obviously, we are very keen to do both of those things. Nevertheless, it is also recognised that there may be occasional instances of market failure which create an impediment to a project investment which the Government may legitimately seek to address through financial and non-financial means of assistance. Examples may include where there is incomplete information available for a project or where there is a lack of potential staff with the necessary skills required. If the State Government is to consider providing assistance to individual projects, it should be done through a consistent and rigorous process. The process needs to be consistent so that we avoid all claims of bias or special favours. In order to avoid such claims, it is also vital that assistance is not provided to projects so that they get an unfair advantage over their other Queensland competitors.

Applications to our Government for assistance also need to be carefully examined to determine if there is a justification for Government assistance. This will entail, amongst other things, ensuring that the project is commercially viable on a stand-alone basis and it is expected to provide the State with significant net financial and economic benefits. There has to be a benefit to our taxpayers if we are going to give incentives to these businesses. It is also important to be certain that there is a valid commercial impediment to the project proceeding in the State which the Government should seek to mitigate. We have a Major Projects Incentive Scheme, or MPIS, which was established in 1990. It has been the Government's primary means of providing assistance to industry since that time.

The scheme was reviewed in 1993. As a result of that, there was a redefinition of eligibility criteria and the formulation of application and approval processes. A further performance report was prepared in early 1996. That did not entail a true review of the scheme in terms of its objectives, its structure or, indeed, its application. It was therefore considered appropriate that a full review of MPIS be undertaken. That was to examine such issues as whether the objectives it had then were still relevant in the present day, or whether it had been efficient and effective in achieving those objectives. An interdepartmental committee was established. That had representatives from the Audit Commission Implementation Office and Departments of Tourism, Small Business and Industry, Economic Development and Trade, the Premier and Cabinet, and Treasury. The primary finding of those reviews was that MPIS worked reasonably well in practice but there were areas in which modifications and improvements could be made. We are working through those at the moment.

Mr HEALY: Pages 24 and 25 of the Ministerial Program Statements make fairly detailed reference to

National Competition Policy. As such, could I ask you what progress Queensland has made in implementing NCP reforms?

Mrs SHELDON: As you know, our Government is committed to National Competition Policy reforms, which, of course, were signed off and agreed to by the former Labor Government with the former Labor Federal Government. Those reforms are indeed evidenced by our endorsement of Queensland remaining a fully participating jurisdiction under the National Competition Policy. Our Government supports competition reform. Obviously, as a means of increasing choice to consumers and by contributing to sustainable economic growth, we believe that NCP—National Competition Policy—will increase employment and living standards within the State. The Government also supports competition as a means of improving key sectors of the State's economy. That, of course, will facilitate the attractiveness of our State to new industries and to new development projects.

The first phase of the NCP implementation was mid 1996 by all jurisdictions of various statements and timetables for reform. Those statements were aimed at setting a reform agenda over the next four years. The details of the Government strategy for introducing the NCP are competitive neutrality, legislation review reforms and the approach of applying the NCP at a local government level. Another short-term requirement was the passage in July 1996 by the Queensland Parliament of the Competition Policy Reform (Queensland) Bill, which was pretty much the same Bill that the former Treasurer was going to bring in. In fact, I do not think it changed in detail at all. That extended Part 4 of the anti-competitive behaviour provisions to all business activity within the State.

In implementing the NCP, the Government will be conscious of the potential adverse effects on regional services, on small business and on the viability of small local authorities. We have indicated that we will require a clear demonstration that there has to be a public benefit prior to any form of reform being undertaken. Early this year, in April 1997, we announced a \$150m financial incentive package to assist local governments to tap into the long-term benefits that will be generated by the NCP reforms. We were the only State that recognised the importance of local government and that recognised that it would need some help in putting in its reforms. So out of the money that we would collect or get from the Federal Government, we put \$150m into local government.

In May this year, the Queensland Parliament passed the QCA Bill. That establishes the Queensland Competition Authority, which has a number of functions, which I will not go through because I think we are running out of time.

The CHAIRMAN: Thank you, Treasurer. We are going to move away from general questioning on the Treasury aspects of your portfolio. We will move across to the women's section of your portfolio. The first question is from Ms Spence.

Ms SPENCE: Treasurer, I refer to page 18 of the Women's Affairs Budget Outlook, where the

Government's targets for women staff members in SES positions are outlined. As to your target of 20% of the SES to be women by the year 2000 and a target of 25% of the SES to be women by the end of 2005—given that women now represent 52.5% of the Public Service, are your targets not embarrassingly low?

Mrs SHELDON: Not at all—we are being realistic. This is, of course, based on an improving of the figures that were there under your former Labor Government. I would certainly like to believe that, seeing that 52% of the Public Service are women, we would have an increasing number of women in the senior executive positions. But it would be fair to say that we have actively gone about increasing those numbers. If you look across departments, you will see that those numbers have been increased. Of course, the Office of Women's Affairs will continue to monitor the appointments to statutory authorities.

We have also improved the Register of Women. We have substantially increased numbers on the register. I do not have those figures with me, but they are quite substantial. That is because we have been actively promoting in the marketplace for women to get on our register so that, when we are asked by public and private authorities, we can put forth women who fit into those various categories. The increase in the percentage of women who hold positions on Queensland Government statutory authorities was 24% at May. That was an increase of nearly 3% since Christmas 1996. Certainly I think that is due to factors such as increased marketing and the use of the Register of Women, as I said, which we have promoted heavily in the last 15 months in the Office of Women's Affairs. I am very pleased to see that many more women are getting on that register.

Ms SPENCE: My question referred to women in the Senior Executive Service of the Public Service. This morning, in a reply from the Premier to a question on notice, we discovered that that percentage had dropped from 15% to 13% in the past 18 months. I will move on. You state in your reply to a question on notice—

Mrs SHELDON: I do not think that that answer is correct. If you would like me to get that figure for you, I will.

Ms SPENCE: It was a reply from the Premier to a question on notice. You can have a look at that yourself.

Mrs SHELDON: I will provide you with the facts, if you are interested.

Ms SPENCE: You state in your reply to a question on notice that the Government is aware of the increasing pressure to balance work and family, and you go on to talk about your initiatives in child care. You do not mention in your Women's Affairs Budget Outlook that the child-care budget was cut by \$8m, or 30%. How can you as the Minister responsible for women and the Treasurer justify delivering Queensland women such a cruel blow?

Mrs SHELDON: I would like to clarify with you that the child-care programs were not cut in our State Budget. The estimated \$8m difference between 1996 and 1997 child care budgeted

amounts occurs largely because there is a lower cash requirement in 1997-98 for finalising the program of construction of community based child-care centres than there was in 1996-97. In 1992 Queensland agreed with the Commonwealth to jointly fund the establishment of 1,380 new child-care places by constructing those community based long-day care centres. All but 60 of those places have now been approved. By 30 June 1998, all 1,380 places will be established. That will certainly make Queensland the first State to complete that joint program. Certainly, far from cutting child-care programs, I think initiatives announced in the State Budget will see improvements in outside school hours care arrangements and additional funding for rural children. We found when speaking to women that those were two of the major areas in which they wanted additional child care.

Ms SPENCE: So you are saying that an \$8m reduction in the child-care budget is not a cut in the budget?

Mrs SHELDON: No, what I said was that that shows—and I thought I detailed it—capital works that have come to an end and projects that have been met.

Ms SPENCE: I refer to the Women's Affairs Budget Outlook statement, in particular to some of the specific programs mentioned in the statement, for example, the Sheep and Grazing Group—Bestprac Project, page 25; the Recruitment and Selection for Catchment and Landcare, page 35; the upgrade of the high-frequency network to deliver radio reception to students in remote areas; impact assessment; environmental protection; the South East Queensland Regional Air Quality Strategy; and the Gifted and Talented Project. I have named but a few of the programs in the statement that have no direct impact or relevance to women particularly. It would seem that they are added merely to pad out the document. How do you determine which programs will find their way into the Women's statement?

Mrs SHELDON: I am amazed that you think that, on all the categories that you have just listed, women are not interested or are not participating. I would particularly like to hear from the women who at the moment are out in drought-affected areas of the State running sheep and grazing properties. The fact is that we have done considerable research right through departments to find out issues that are affecting women. While things like child care may be one of them, their whole economic viability was certainly of vital importance to them. We have also tried to cover women across our entire State—not just women living in the south-east corner. I think that is projected very clearly in our statement on the Office of Women's Affairs, which is totally inclusive of all women in our environment and their genuine concerns.

Ms SPENCE: Approximately 20 full-time staff members have left the Office of Women's Affairs in the past 12 months. Why has there been such a high turnover? What has been the administrative cost of dealing with the loss and replacement of this large number of staff?

Mrs SHELDON: As you would be well aware, we restructured, particularly, the Women's Infolink. We have a high focus now on the Internet and linking women in the community to the Internet. With this refocusing, we brought in women with new skills and any women who departed did so voluntarily. There were no problems in that regard. I think the cost for that has been minimal. The major cost has been for putting in new IT schemes and putting in place the necessary infrastructure to hook into the Internet. Of course, we are also hooking this in through the library so that we can get maximum coverage and training for women in the Internet. We have also said that, in our Margaret Street office, women are very welcome to come in from the street and have access to that Internet.

Ms SPENCE: Minister, can you be more specific about the costs of dealing with the loss of those staff members?

Mrs SHELDON: Evidently, there were voluntary retirement packages totalling about \$92,000, and that was the only cost.

Ms SPENCE: I refer to your reply to question on notice A4 regarding the Survey of Women. You say that the original projections were for the survey quantitative stage to be completed by the end of 1996-97. However, a decision to extend the qualitative stage to include Statewide focus group activity will push the quantitative stage into early 1997-98. I ask: there is no mention in the Budget of the cost of this survey. What is the cost of this survey for the next year? Who are the focus groups that have been surveyed thus far?

Mrs SHELDON: I am sorry, that was a multipronged question.

Ms SPENCE: It is two questions.

Mrs SHELDON: The first question was why the time was extended—because we wanted to make sure that we covered all the focus groups that we wanted input from. That had not been concluded by that date. It was thought better that we extend the time and get the information bases so that we could survey and make sure that we had covered all the major groups of women to have their input for this. I am sorry, I forget your second question.

Ms SPENCE: Two questions: how much is budgeted in this year's Budget for the survey; and who are the focus groups that have been used?

Mrs SHELDON: Current—this year—will be about \$60,000.

Ms SPENCE: Minister, who are the focus groups that have been used in the survey?

Mrs SHELDON: There were 15 groups Statewide including regional women's and indigenous groups.

Ms SPENCE: Can you provide me with a list of the names of those focus groups?

Mrs SHELDON: No, that is confidential information, as you would well know. If you are going to speak to focus groups of people, they do not want their names blasted across newspapers. They were a wide group, and this was done by a specialist consultant on the staff of the University of

Queensland. So it was not that we were trying not to get a comprehensive group of women.

Ms SPENCE: Is the questionnaire available yet?

Mrs SHELDON: No, not at this stage.

Ms SPENCE: When will it be available?

Mrs SHELDON: We are going to complete our survey first.

Ms SPENCE: So you have not finished stage 2, which is the focus group?

Mrs SHELDON: Yes, we have.

Ms SPENCE: And framing a questionnaire.

Mrs SHELDON: I do not know why you are concerned. The whole concept of this survey was so that we could get input from women of various social positions right across our State of all cultures and race so that we can say to particular departments, "These are the sorts of programs you should be initiating. Make sure that access particularly for indigenous and ethnic women is there." This is the sort of information we are collating. It is to help women right across our society. So that is why we wanted focus groups right across our society.

Ms SPENCE: I have to say that I am concerned because there were significant amounts budgeted for this survey in last year's Budget. I was told that the results of the survey would be available in mid 1997. Yet here we are a year later, you are coming to an Estimates committee again suggesting that you are going to still do this survey—a survey which you do not even have a questionnaire for at this particular stage.

Mrs SHELDON: Yes, there is a questionnaire. It is just not being made public.

Ms SPENCE: So you do have a questionnaire?

Mrs SHELDON: Yes. As you would well know, if you are speaking to focus groups, the questions are fairly confidential questions and so is the identity of focus groups. I am sure that the Labor Party has done a considerable amount of focus group polling and qualitative analysis and would know that that is exactly the situation.

Mr HAMILL: We certainly have.

Ms SPENCE: Certainly, Minister, but I would think that focus groups that are used by the Government would be only too happy to have their names published and be made readily available.

Mrs SHELDON: I would say they would be no different from the focus groups that the Labor Party uses. Possibly, you would like to give us the names of all your focus groups, too.

Mr HAMILL: We can show you our focus groups only if you show yours on the matters that Judy is inquiring about.

Mrs SHELDON: Mr Hamill, it is nice to know that you are so interested in women's issues.

Mr HAMILL: I am absolutely.

Ms SPENCE: He is, as are all our members on this side.

Mr HAMILL: Absolutely.

Ms SPENCE: So when will the first of the 5,000 women of Queensland be getting their survey?

Mrs SHELDON: Fairly reasonably soon, I would think. It will then be analysed properly and released in due course.

Ms SPENCE: In due course. I turn to page 26 of the Women's Affairs Budget Outlook where you state that the \$4.4m Social and Community Services Award will benefit women employed by funded community agencies. Do you think that this award is an example of greed and callousness because it covers the community services industry in Queensland?

Mrs SHELDON: I am sorry, I did not get the thrust of your question.

Ms SPENCE: The question is: do you think that this SACS Award is an example of greed and callousness because it covers the community services industry in Queensland?

Mrs SHELDON: I think that is a fairly strange question. This initiative is funded by the Department of Families, Youth and Community Care and assists organisations to address the increased salary costs associated with the new SACS Award. We said we were committed to that, and that is why we got \$4.4m there. The award is the first industrial award to cover the community services industry in Queensland and has significantly increased the cost of providing services. It will enable affected organisations to meet the service provision challenges of the late 1990s. This assistance will be provided to funded agencies across the State, including those in rural communities—because we include our rural communities. The SACS Award will benefit women employed by funded community-based agencies and women and girls who are clients of the organisation. So we were obviously keen to see, when this money was allocated, that women in these various areas would be adequately catered for.

Ms SPENCE: Thank you. I refer to an answer from Mr Horan, the Minister for Health, that was received to a question on notice in Parliament last week wherein, with reference to the SACS Award, he says that there are few better examples of the greed and callousness of the union movement than the SACS Award. Who is right? You or Mr Horan?

Mrs SHELDON: I can only state to you what is printed in our statement here, which is the Women's Affairs Budget Outlook. I suggest you might like to direct that question to Mr Horan.

Ms SPENCE: Mr Horan complains that supplementary funding for this award is not available. What extra funding are you putting in or how does your answer square with the first answer you gave me?

Mrs SHELDON: The amount being put in is \$4.4m.

Ms SPENCE: Minister, why does Mr Horan not have money in the 60s and Better Program to cover the SACS Award?

Mrs SHELDON: I think you should ask the Minister about his own Program Statements. I cannot

comment on either his Program Statements or his program.

Ms SPENCE: Do you agree with the Minister's attitude to the SACS Award?

Mrs SHELDON: I agree with what we have put in our own Program Statements for the Office of Women's Affairs.

The CHAIRMAN: I ask that this line of questioning be wrapped up. The money has been allocated in the Budget. The Treasurer will comment on and can answer questions in relation to the financial aspects of it. Questioning about the attitudes and opinions of Ministers with other portfolios who have direct line responsibility should be directed to those Ministers. Next question, please.

Ms SPENCE: Thank you, Mr Chairman, but it was in the Office of Women's Affairs Program Statements. I am asking questions that are referred to in the Women's Affairs Program Statements and the SACS Award is clearly mentioned. However, I will move on. Minister, how much of the money that you have announced for the Women 2000 jobs initiative will be spent on administrative overheads? Why is this initiative being implemented through the Office of Women's Affairs, which does not have an established infrastructure for this type of program?

Mrs SHELDON: I thank you for that question, because I am sure you are interested in providing jobs for women as, indeed, we are. That is the whole focus of Women 2000. This is a new initiative which will run over three years. Certainly, its main aims and focus are the creation of jobs and business opportunities for women. The initiative will extend throughout the period of 1997 to 2000. It will consist of four major components: Women 2000 Jobs for Women, Women 2000 Scholarships, Women 2000 Online Community Access and Women 2000 Info Expo.

The jobs program is a new initiative and will provide support for women in urban, regional and rural areas who want to find jobs or participate in business. We estimate that about 1,000 women will participate in the scheme in its first year. There will be three phases of implementation in the first year: the establishment of a regional presence for the scheme, which is yet to be determined; support for the employment of women which we will do while promoting, locating and monitoring employment opportunities; and a review of the effectiveness of the scheme. Officers who are involved in the initiative will liaise with key business and employment agencies to identify and promote employment opportunities for women. They will also monitor trends and needs in relation to training and support demands for women moving into the work force. The Queensland Chamber of Commerce and Industry's Enterprising Women will be a partner in this initiative.

The Women 2000 Scholarship program will sponsor opportunities for women in business and economic development. Obviously, we feel that women can do anything and are very good in business, so we are prepared to help sponsor opportunities for them. The project will operate over

three years, with a changing focus each year. In the first year, the recipients of the scholarships will be existing and potentially existing Queensland businesswomen. They will have to demonstrate the potential to create jobs in their businesses or future businesses and then pass on the benefits of the scholarship to other businesswomen.

We are currently negotiating with key personnel in relation to the promotion, selection, accessing and reporting of the scholarships. Our selection panel will consist of relevant stakeholders and key personnel and representation will be sought from the Office of Women's Affairs, the Queensland Chamber of Commerce and Industry, the Department of Tourism, Small Business and Industry and from the Australian Council of Businesswomen, which this year met with myself, the Premier and the Minister for Tourism, Small Business and Industry to discuss the key initiatives and incentives which Government could use to help women in business.

In the first three phases in the first year, the scheme will be established and promoted and then the scholarships will be selected and awarded. As I said, we will do that in partnership with the private sector through the QCCI. We will then support and monitor the award recipients' progress. I think that, all told, it is a very good initiative.

Ms SPENCE: Minister, I missed the answer to my question. The question was: why is the initiative being implemented by the Office of Women's Affairs, which does not seem to have the infrastructure to implement an initiative of this kind? Indeed, why is it not being implemented by, say, Mr Santoro's department or Mr Davidson's department, which would perhaps be more appropriate.

Mrs SHELDON: I think I answered the question very clearly, but I am happy to say that we believe that the Office of Women's Affairs should be initiating those sorts of projects. We do have the infrastructure through the revamped office and Infolink. We believe that we can do this with the clear focus on ensuring that we achieve the goals that are set out in the statement.

Ms SPENCE: Mr Horan blames the union movement for the SACS Award and you are taking credit for the award on behalf of Queensland women. Which Minister should we listen to?

Mrs SHELDON: You asked me a question about a statement in this program, the Women's Affairs Budget Outlook. I have answered the question based on the information that is printed there. I think that I have fully answered the question, Mr Chairman.

The CHAIRMAN: I agree.

Ms SPENCE: Will you talk to Mr Horan about the SACS Award and how it will benefit Queensland women?

Mrs SHELDON: I frequently speak to Mr Horan.

Ms SPENCE: On this issue, will you talk to him?

Mrs SHELDON: I talk to him about all issues that affect women, as I do with every Minister in the Government.

Ms SPENCE: I refer to page 62 of the Women's Affairs Budget Outlook concerning the new Wacol women's correctional centre and the new women's annexe at the Numinbah Correctional Centre. What role does the Office of Women's Affairs play in the planning of these facilities or, indeed, in decision making in respect to corrective services generally?

Mrs SHELDON: Pardon?

Ms SPENCE: What role does the Office of Women's Affairs play in the planning of the two facilities mentioned in the Women's Affairs Budget Outlook or, indeed, in respect to corrective services decision making concerning female inmates generally?

Mrs SHELDON: Indeed, it was an initiative of ours that a new women's prison be built. As you know, that had been mooted for many years and was never contemplated or put in place by your Government. The fact of the matter is that the actual design and structure of prisons is not our responsibility. Our responsibility is to see that women are adequately housed, which they currently are not, that they are treated properly as prisoners and that correct rehabilitation programs are put in place. When one looked at the disgraceful situation in the old prison, this really could not occur or occur properly. The Office of Women's Affairs has been clearly at the forefront in seeing that a new women's prison is built and that the needs of women in correctional centres are fulfilled. The actual implementation of such correctional centres is surely up to Minister Cooper.

The CHAIRMAN: The time for Opposition questions has expired. Treasurer, the Women's Affairs Budget Outlook tables a long list of programs that will benefit women. It was recently reported that the breast and cervical cancer screening programs in Queensland would be scaled down. Is this true? What is the Government doing to reduce the incidence of breast and cervical cancer in Queensland?

Mrs SHELDON: This is a very important question. Our Government places a high priority on providing good health services for women, and none more so than screening for breast and cervical cancer. We are determined that the services for these types of programs will not be cut and they certainly have not been cut in the Budget. In fact, funding for breast cancer screening was lifted by \$1.04m.

Queensland Health and the Commonwealth jointly fund Breast Screen Queensland as part of the national Breast Screen Australia Program. It currently provides free breast cancer screening Statewide for women over 40. Currently, 20 of these screening sites exist across the State. They use relocatable services and existing community health services. In addition, four mobile mammography units work in cooperation with the private sector. Those mobile units are certainly excellent. In my own electorate, the unit was placed in a very prominent position and was accessed by a large number of women. At the same time, a very good education campaign was run

on TV. A record number of women utilised the very important screening facilities.

One Mother's Day this year, Queensland Health launched an awareness campaign entitled "You must remember this". The campaign was aimed at encouraging women over 50 to take advantage of the services being offered by the Government. A lot of women over 40 are using these services, but a lot of older women are not and they are certainly in a high-risk category. The target for the next two years is 300,000 women. The Queensland cervical screening program is focusing on giving women access to screening services. The mobile services travel to rural and remote areas and can also target indigenous women who often cannot access the services in regional cities or, indeed, in south-east Queensland. There will also be a comprehensive media program targeting priority groups and improved training for nurses providing Pap smear services. Certainly, we believe that prevention is better than cure. We are also educating women on what these services are about, where they can get them and the fact that they are free.

Mr GRICE: In the Budget you announced record funding of \$2.4m for the Women's Affairs Program. Can you outline what the Office of Women's Affairs will do with this funding?

Mrs SHELDON: Yes, Mr Grice. I thank you for your interest. The Office of Women's Affairs ensures that Government policies, programs and services respond to all women in our State. We have a whole-of-Government brief and we provide services to Government agencies, non-Government agencies and organisations and to women in the community. Through policy development, we also aim to continue to improve the quality of life for women and girls throughout Queensland. As we have mentioned previously, the Women 2000 initiative commences in 1997-98. It is aimed at creating opportunities for women and will extend up to the year 2000.

I will run through the four major projects we are covering in that program. It includes Jobs for Women, Scholarships for Women 2000, On-line Community Access, which is so important for regional and remote areas, and the Info Expo. I wish to comment on On-line Community Access, because I covered previously our other initiatives of Jobs for Women and the scholarship scheme. This initiative provides Internet training for women in Queensland regardless of where they may live. It is being delivered by the Office of Women's Affairs through Women's Infolink in coordination with the State Library.

We are also allowing women to access the program through library services. If the librarians in these areas agree, they will train the women on how to use the Internet. We are finding that a lot of communities, and indeed indigenous communities, have computer access but that a lot of women do not know how to use the Internet. We are training them to do that. In particular via the State Library, we will be training two or three indigenous women to go into Aboriginal communities and train people on how to access that information.

The 2000 Info Expo is designed to take our services into key regional and rural areas. It will involve a series of one-stop shop expeditions to show people in these areas exactly what they can access through the Office of Women's Affairs. Obviously, the office is totally occupied with helping to provide policy. Throughout the year, there are meetings of all the DGs from the various departments. The Executive Director of the Office of Women's Affairs and I attend some of those meetings to make sure that policy is going across all departments and that women have access to that policy. We found in a workshop that we did last year with indigenous women that a lot of them felt inadequate with respect to accessing a lot of those programs because they were not sure how to do so. We put in place steps to make sure that they can access them. Those programs are applicable to them as well. There has been a lot of progress, and every last cent of the budget is well and truly spent.

Mr HEALY: Treasurer, through the Budget, what is the Government doing to address the issues of domestic violence and sexual assault?

Mrs SHELDON: Obviously, those are very important issues in the community. We have just had a week during which there was an emphasis on raising awareness of domestic violence. Our office facilitated someone from overseas going into indigenous communities to speak with them, acquaint them with programs that were available, and to see what the particular needs and issues were that relate to indigenous communities but which are different from those in the ordinary community.

We have moved to make sure that funding for domestic violence initiatives, women's refuges and safe houses under the Supported Accommodation Program are maintained, and that specialist counsellors for child witnesses of domestic violence will be maintained. A section of the community that is very important is the children affected by domestic violence. We have allocated \$0.5m in the State Budget to broaden the range of relationships covered by the Domestic Violence (Family Protection) Act and to improve the effectiveness of its operation. Further, an additional \$0.12m has been allocated to community agencies in Hervey Bay and Emerald to pilot support programs for child witnesses of domestic violence. Funding for sexual assault services provided by Queensland Health under the Prevention of Violence Against Women Program will receive \$4.2m in our Budget. The Department of Justice has commenced providing domestic violence rooms in some courthouses, and it is also training staff in domestic violence protocols. It found that there was a requirement for that.

Our Budget papers provide a comprehensive list of the State Government's efforts to protect and support women. Some of those measures and services include victim support services, training and education, dispute resolution and protection in courthouses. We are helping people who feel at risk in those areas to feel more comfortable because of that protection. The measures also include crisis accommodation, which is vital, improved safety on public transport systems—and I think there has been

quite an emphasis on that, particularly on our trains—and programs directed at non-English-speaking women. There is not much point having a program if someone cannot speak and access English or read the information in brochures. Also, we have programs directed at Aboriginal and Torres Strait Islander women and programs to protect children. We have a real focus on how we can protect women in domestic violence situations and also the children who are unwitting victims of it.

The CHAIRMAN: There appears to be a large number of different types of consultative mechanisms relating to women's issues. I seek a comment from you as to their effectiveness in providing information to you.

Mrs SHELDON: Obviously, effective consultation provides essential data on what policies and programs are developed. It also provides data to inform all Government departments and their Ministers on the current and, indeed, the emerging areas of need for women. The Office of Women's Affairs oversees and supports a number of consultative mechanisms. We have introduced a new ministerial advisory committee for Queensland women. Something that we had in place for 12 months while I was the Minister was the former Women's Consultative Committee, which did a lot of very good work in the community, in particular in areas of legal responsibility for voluntary organisations in the community. That was a great success.

Upon asking women about what they saw as their role, they responded that they felt consultation was vital but they wanted to be able to go a step further and advise the Minister on issues of concern to women. On International Women's Day in March this year, we set up a new ministerial advisory committee composed of 14 highly regarded and able women from a cross-section of our community and with considerable ethnic input. I think it is very important that women in ethnic communities have input in an advisory role to the Minister. Of course, the Aboriginal and Islander communities are represented as well.

We also set up a Women's Council for Rural and Regional Communities, which is headed by Joan Joyce. The council—the women themselves—determined its work program for the coming year. We have also set up a Steering Committee of Directors-General on Indigenous Women. As I mentioned before, a lot of indigenous women cannot access or do not even know what they can access in programs for them. We did some research and found that a lot of programs provided input and service delivery for indigenous women and families but they were not being accessed.

So those three initiatives—the new Ministerial Advisory Committee, the Women's Council for Rural and Regional Communities, which will interact with the advisory council, and the Steering Committees of Directors-General on Indigenous Women—are three new initiatives that we have set up. They are providing feedback mechanisms to us so that we can make sure that across the whole of Government we

have input into programs and policies that affect women in general.

Mr GRICE: As to the Register of Women—could you tell us what impact that has had on the gender balance of statutory authorities?

Mrs SHELDON: As I mentioned to you, there has been an increase of 24% in the number of women who hold positions on Queensland Government statutory authorities as at May 1997. Close to half of the appointments made were during February to May 1997. Half of the appointments made to Government statutory authorities in that period were women, and that is an increase of nearly 3%. As I mentioned previously, this is due to increased marketing and the increased awareness of women of the existence of the register. There has been increased awareness not only on the part of Government and all Government Ministers but also in private enterprise that if they access this register we can provide data to them. We never suggest one woman for a position; we like to be able to give four or five names of women with qualifications that suit the request and then let the Minister or private enterprise select for themselves. At the end of the day they may not select one of the women we have put forward, but it is a very good mechanism. We certainly need more women on the register with the variety of abilities they have so that we can give better information to the people asking for it. The register matches the skills and experience of women, looks at the selection criteria for vacancies on our Government statutory authorities, provides confidential information to departments and to private enterprise and generally is having a considerable impact on increasing the number of women in our statutory authorities in particular.

Mr HEALY: The Ministerial Program Statements constantly refer to consultation and identification of issues of concern to women. Could you outline how you actually do this and how you can be sure that you really do have the views of all Queensland women?

Mrs SHELDON: We do this in a number of ways. We do formal surveys. There has been some discussion tonight on the survey we are doing of 5,000 women in Queensland, which is the first time that has ever been undertaken. We have a genuine intent to find out the concerns of women across the community. When we get back the results of this survey, we can implement that. As I said, focus groups have been conducted in various areas right across Queensland. We also have literature reviews on current national and international journals. This is undertaken by the Department of Anthropology and Sociology at the Queensland University. We tap into that source. I have mentioned to you the Council for Rural and Regional Communities and the advisory council. Heading the advisory council is the international vice-president of Zonta. We have Women's Infolink. It is a free call 1800 number that provides referral services for women. The number of calls to that service has increased considerably. I do not think I have that figure in front of me, but I would like to be able to give to you the number of increased calls that have come in via Women's

Infolink, particularly since we have upgraded our IT equipment there. We consult with all departments, State and Commonwealth, and interact in the programs that are being put forward. We monitor the programs that Ministers are putting forth as far as we can via the Women's Affairs Budget Outlook to make sure that policies put in place across Government are relevant to women. Generally speaking, there is a very wide spread of consultation, and there is no doubt that it helps us create better policies.

The CHAIRMAN: Thank you very much, Treasurer. At this stage I propose to move out of the women's issues section of the portfolio and across into the arts world. I will just allow a minute or so for your departmental officers to change over.

We will now move on to the next section of the portfolio. I remind any departmental officers if they are answering questions to state their name and position when they answer the first question. Mr Foley?

Mr FOLEY: Minister, I refer to the Parliament's power of the purse and the requirement that the Crown seek approval for proposed expenditure from the Parliament. Why did you conceal from the Parliament and the Queensland people a proposed expenditure in 1997-98 of fully \$10m towards a \$300m cultural heritage centre by failing to make any mention of this so-called major project in the Ministerial Program Statements, in the Capital Outlays, in the Budget Overview or anywhere else at all in the Budget papers?

Mrs SHELDON: When you asked the question I very clearly told you that there was \$10m set aside in the Treasurer's Advance Account. In no way did I try to hide that. This was because we are having a review—as you would know, I think—of all the statutory authorities to see what they require for Stage 6. Indeed, that is currently going ahead. We do not have a line item as to how much we will spend this year because we are waiting for that review to come in, but we wanted to make adequate provision so that there would be money to proceed, and that was put aside in the Treasurer's Advance Account. There was nothing hidden; indeed, it was always there. But as you are well aware, the Treasurer's Advance Account is not detailed. The amount is in the Budget papers; how that is broken up is not detailed. So it was quite clear that that \$10m was there for the establishment of going forward with the QCC cultural heritage centre when we get that review in place. As you would know, the Treasurer's Advance Account is a contingency for possible expenditure in the future. It always has been.

Mr FOLEY: Let me take you to your answers to questions on notice and, in particular, your answer to question A6 from this Committee and your answer to question B1 from this Committee. In answer to question B1 you admit the allocation of such funds, but in answer to question A6 you make no reference to it, unless a reference to "enhancing Queensland natural heritage" is intended to be a reference to the \$300m cultural heritage centre. Accordingly, I ask: which answer to the Committee is false—your answer to question A6 or your answer to question B1?

Mrs SHELDON: Obviously neither. When you asked a more detailed question you got a more detailed answer. I just draw your attention to dot point 4 on question A6 which says "other major provisions in 1997-98 include funding for items set aside", and you mentioned enhancing Queensland natural heritage. We see this as a factor. If we set up in Stage 6 a whole cultural heritage program, which a lot of the statutory authorities are indicating they see as the way to go, I think that is adequately covered.

Mr FOLEY: I suggest to you that the absence of any reference to this project in the Ministerial Program Statements in the Budget Overview with respect to arts and cultural development indicates that you have perpetrated a hoax on the Courier-Mail of 5 April and on the Queensland people by falsely pretending to the Courier-Mail and, through them, to the Queensland people that funding would be made available in this Budget in order to proceed with the project, and I suggest further that your reason for so doing was to beat up a story to divert public attention from the story on page 3 relating to job losses in the Suncorp/Metway merger.

Mrs SHELDON: I know you ran that line with the Courier-Mail with as much success as you will run it in here. The fact of the matter is that \$10m has been allocated in the Treasurer's Advance Account. The statutory authorities and the whole committee put in place to look forward to this has now put a report to me which I will consider. I will be meeting with them in the very near future and will be enacting that report. So there was nothing hidden. As you are well aware, that is the purpose of the Treasurer's Advance Account. \$10m toward a project that very obviously is a project for the future and must be a project that is what the various statutory authorities and the Queensland Government want for the future is something that will be well and succinctly planned. \$10m for the coming year, I think, will prove that that will occur.

Mr FOLEY: Do you not think it a remarkable outburst of reticence on the part of an Arts Minister to fail to make mention of a \$10m expenditure either in the Budget papers or in your media releases if in fact it were an honest and genuine project and were not an after-the-event rationalisation designed to cover up the hoax that has now been exposed?

Mrs SHELDON: Firstly, you have exposed no hoax whatsoever because there is not one to expose; secondly, as you would know, Mr Foley, I am a very modest Arts Minister, so I do not blow my trumpet as some people do; and, thirdly, all the statutory authorities know that the Government is very genuine in what it intends in Stage 6. They have welcomed the input that they have been asked for, which evidently is something new. I gather your Government never indulged in that sort of consultation.

Mr FOLEY: May I take you to page 61 of the Ministerial Program Statements and, in particular, to footnote (c) where reference is made to the 23 job losses in the Arts portfolio to occur as a result of the implementation of the review of the Arts commissioned by you. I ask: in what agencies are

those job losses to occur? Are they to occur in the Library, Art Gallery and Museum in particular?

Mrs SHELDON: They are only estimated job losses. At this stage the whole corporate service restructuring is going ahead. It may be that we do not suffer job losses and that people wish to be redeployed into other areas. Indeed, the whole implementation task force is speaking to all the various statutory authorities, and I indicated before that some job losses or change in positions certainly would occur in the QCCT. That will go ahead. We are also putting all the corporate services under one central agency. The statutory authorities are happy with this concept. It will allow them more time and money to focus on their core service delivery. We will make sure that, with the implementation of the central administration for corporate services, each statutory authority is happy with the way that that is set up and the input that came from their own statutory authorities. There is still quite an amount of work to be done in that regard. We mentioned that figure purely because it had been mentioned that job losses may occur, and indeed the figure looked at could be as high as 23, but that is yet to be established.

Mr FOLEY: By what date will it be established?

Mrs SHELDON: I do not know that we have a set date at this point.

Mr FOLEY: In the Ministerial Program Statements at page 61 you say that planning processes are currently in progress and will be determined by 30 June 1997. I ask: which answer is false—the one you have just given or the one which appears in the Ministerial Program Statements?

Mrs SHELDON: The aim is that it will be 30 June, so that was an estimate of the date, but it was only an estimate of the date. If it has not been adequately and properly concluded by that time, we will take the extra time that is needed. It is important that this is done properly, and it is progressing very quickly. I would just like to thank the statutory authorities for the help they have given us in being able to access the information they have and in their support for setting up the central agencies.

Mr FOLEY: At page 59 of that Ministerial Program Statements at footnote (a) you refer to provision having been made for one-off advances for implementation of the Arts review relating to salaries, wages and related payments. That is presumably a reference to redundancy payouts. I ask: what provision has been made for redundancy payouts and has provision been made for the 23 positions which you say at page 61 are to be lost?

Mrs SHELDON: There is provision—a general provision—for any redundancy payments. As I have said, there is no specific information that there will be 23. Also, considerable moneys have been outlaid in our restructuring for information technology sources that are particularly needed. I think the Museum was a case in point where we really did need whole new management systems and financial management systems. This is not in isolation to only the Museum. We want to make sure that the information

technology put in place is right up to the market at the moment. We are also looking at training people to work this upgraded IT resource. We are also developing systems—SAP, HR and property management—so that we will have the state-of-the-art systems over there for our statutory authorities to tap into.

Mr FOLEY: In addition to the \$6.8m which you have allocated for the implementation of the review on those matters you have outlined, I am asking: what provision has been made for redundancy payouts in your budget? You refer to job losses at page 61.

Mrs SHELDON: It is part of the \$6m.

Mr FOLEY: You refer to one-off advances for implementation of the Arts review on page 59. I am asking: what provision has been made for redundancy payouts?

Mrs SHELDON: It is part of the \$6m.

Mr FOLEY: How do you reconcile that answer with your statement to Parliament on 5 June in which you said that the funding is one-off funding in 1997? It is up-front capital to meet the expenses associated with implementing the CAA, that is, office fit-out, purchase of computers and IT equipment, purchase of systems and systems implementation such as SAP which was sorely in need. Is that intended to be a reference to only the \$692,000?

Mrs SHELDON: No, it is intended to be a reference to the whole project moneys, part of which are for any voluntary redundancies if they occur. I would like to stress "if they occur". I am not going to be locked into a position where this review has not been completed and where we have not found out fully what the agencies want. I think I have been very clear and up-front on the exact position we are currently in.

Mr FOLEY: So that half of \$6.8m—

Mrs SHELDON: No, there is no half of \$6.8m.

Mr FOLEY: You just said half of it.

Mrs SHELDON: No, I did not. I suggest you check Hansard if you think I said half of that was for redundancies.

Mr FOLEY: I understood you to say that.

Mrs SHELDON: Well, I did not.

Mr FOLEY: Let me start again. Of the \$6.8m how much has been allocated to cover redundancy payouts?

Mrs SHELDON: That has not yet been determined.

Mr FOLEY: Can you give the Committee a breakdown of the \$6.8m as to how it was calculated?

Mrs SHELDON: Not in any detail.

Mr FOLEY: Was it simply plucked out of thin air?

Mrs SHELDON: No, it was not plucked out of thin air.

Mr FOLEY: What is the rational basis for it?

Mrs SHELDON: It was an estimated cost.

Mr FOLEY: Based on what provisions?

Mrs SHELDON: On the information we had received.

Mr FOLEY: What information is that?

Mrs SHELDON: That is information that has been given to us on a confidential basis. We are setting up—

Mr FOLEY: This is a secret, is it?

Mrs SHELDON: It is no secret, but the Government—and you were similarly in Government at the set time—has to implement certain things. We do not give all that information out. They are estimated figures which are put in there of \$6.1m. If in fact that is used, it will be recoverable and given back to our departments so that it can be used for other Arts activities.

Mr FOLEY: Minister, you have a duty to be accountable to the Parliament for the expenditure of public money.

Mrs SHELDON: I am, and I refer you to the \$6.1m—

Mr FOLEY: I will repeat my question: as to the \$6.8m of public money that you are seeking the authority of the Parliament to expend, what is the basis on which that money will be expended?

Mrs SHELDON: I think we have covered that in some detail, Mr Chairman.

Mr FOLEY: Mr Chairman, I persist with the question. It is a fair question. The Minister has a responsibility to answer questions about proposed expenditure, and I am entitled to persist with the question and I do persist with the question. What is the basis of the \$6.8m? Has it been plucked out of thin air or, if not, on what basis has it been calculated?

Mrs SHELDON: I will go through it in some detail if you want it. I thought I had answered your question reasonably and well. However, the refocusing of the Arts portfolio is the culmination of a number of reviews. The program evaluation of the Office of Arts and Cultural Development incorporating the Oliver and Langford report and the review of corporate service provision to entities within the Arts portfolio were integral to the Government's consideration of the Arts refocusing. Furthermore, significant consultation has occurred on the decision taken by Government. Over 165 representatives of arts organisations have been involved in our discussions.

The decision by the Government will provide greater autonomy to the statutory authorities in developing their core business, providing funding certainties through the provision of triennial funding; foster an environment of cooperation between the individual units of the portfolio; and provide best practice and cost savings in corporate service through the implementation of two corporate administrative agencies—one for the performing and one for the static arts. There will be no negative impact on service delivery. The grants program will continue and the statutory bodies will be allowed to concentrate on the development of excellent client

services and continue with their excellent client services to their representative clients.

In addition to savings made in 1996-97, the implementation of a central administrative agency is expected to realise savings of \$825,000 in 1997-98. This is expected to increase in outer years as the full effect of this initiative is realised. Implementation of the restructure will occur in a staged process over the 12 months from 1 July 1997. Funding of \$6.123m has been provided to meet the establishment costs of the CAA and costs of systems implementation. Also, we have provided \$692,000 to meet the expenses of the Arts Implementation Office.

There has been only an indication that some VERs may be required. As part of that, we have put aside \$6.1m for this total restructuring. There have also been extensive discussions with unions, industrial relations consultants and the Office of the Public Service on redeployment, retraining and redundancy options for the staff. As I said, all efforts will be made to ensure that, where possible, an appropriate position is found for these people. So we are acting accordingly on that. Indeed, normal Public Service expenditure arrangements and redundancy arrangements will be made should any staff decide that they wish to take a VER. Those normal Public Service redundancy arrangements have been followed before, and we will not be following any other practice.

Mr FOLEY: Last year, in answer to a question on notice from this Committee—question on notice No. 20—you said, "The Government believes there is room to streamline this function"—referring to Corporate Services—"across the Arts statutory authorities, and savings of \$823,000 across the program have been identified for 1996-97." So last year you said that there were savings of \$823,000. This year you say that to implement the corporate services review will cost some \$6.8m in addition, which funds will have to be recovered from the Arts Office in years to come. Is this not a remarkable inconsistency in the evidence that you gave last year from the evidence that you are giving this year?

Mrs SHELDON: Not at all. We are commenting on the \$6.1m. We believe that, with savings that will accrue across time through the various authorities, that money will be refunded and will be able to be put into the pointy end, if you like, of arts delivery.

Mr FOLEY: Over what period is it proposed that this \$6.8m will be recovered? Does that not suggest that there will have to be very significant levels of staff reductions in order to recover a sum of that magnitude?

Mrs SHELDON: No, it does not at all. We are putting in modern technology—which is very much needed, may I add. We believe that it will be a medium to long-term process. We are prepared to wait our time. But I think that agencies—and the Arts Office—had to realise that this was money that would be recoverable and was not just a grant.

Mr FOLEY: I refer to the provision in the budget for regional libraries. I table for the benefit of the Committee, and hand to you, a copy of a memorandum from the Director of the Public

Libraries Division of the State Library dated 19 November 1996 relating to the reductions in library services during the course of the 1996-97 year.

The CHAIRMAN: The Treasurer is waiting for her copy, and I ask that copies be made for members of the Committee as well.

Mr FOLEY: Minister, let me draw your attention to the reductions in regional library services as a result of last year's budget, including suspension of loans of large print books to all independent libraries and suspension of loans of talking books for the visually impaired, and I ask: can you give an assurance that the cutbacks suffered by regional libraries in last year's budget will be reversed in this year's budgetary provision?

Mrs SHELDON: Yes.

Mr FOLEY: Can you give an assurance that each of those cutbacks will be reversed?

Mrs SHELDON: I just answered that. Yes.

Mr FOLEY: In particular, Minister, I draw your attention to the coalition promise prior to the last election to increase funding by \$5m to regional libraries. I refer to your reduction of funds to regional libraries and the increase of a mere \$1.7m this year, and I ask: why have you broken the pre-election promise of the coalition to increase funding to regional libraries by \$5m?

Mrs SHELDON: Indeed, that was over a term, and that will be \$5.1m. I would like to draw your attention to the fact that the figure for regional libraries, including grants for book stock, in 1996-97 was \$14.38m. In 1997-98, the figure is \$16.08m. So very obviously the Public Library Grants Scheme provides local governments with funds to acquire new library materials, and 95% of the grant must be spent on new stock. An estimated 683,000 books were purchased for public libraries in 1996-97. The scheme is weighted in favour of smaller local governments located mainly in rural Queensland. This scheme was reviewed. In fact, the Library did a review itself in 1996-97, and it showed that most local governments supported the existing scheme, subject to some minor modifications, and these will be introduced in 1997-98. As I said, in 1997-98 \$16.08m will be provided to public libraries through this scheme. This represents an increase of \$1.37m over the 1995-96 budget, which was your last Labor budget as Minister. That budget was \$1.37m lower for libraries. I think that our budget shows that we are really determined to give the best benefit to our libraries.

It is estimated that the 1997-98 allocation will be 755,000 new books. There will be an increased allocation of \$1.7m in 1997-98. This will allow the purchase of around 85,000 extra new books for public libraries throughout Queensland. As a result, almost 755,000 new books in total will be purchased in the coming financial year for the Queensland public. This, of course, will provide a very significant boost to all the libraries and will position the State Library Public Libraries Division to allow more libraries to join the Country Lending Service.

Other benefits flowing from the initiative I have outlined include: the restoration of the Country

Lending Service exchange program from three to four exchanges each year for all CLS libraries, the reintroduction of the Talking Book Program, an increase in the per capita allocation of book stock for CLS libraries from one to 1.5 per capita, the establishment of an Aboriginal and Torres Strait Islander foundation collection, the investigation of more efficient acquisition and cataloguing, and the establishment of a community library on Palm Island. Indeed, we have put a new mainframe computer in the Library, which will enable access of all regional libraries and their areas to the Internet system. We have worked well with the Library over the past 12 months, and I think they are well satisfied with the outcomes.

Mr FOLEY: Minister, why have you kept funding to the Queensland Art Gallery at levels below that enjoyed during the term of the Labor Government despite the spectacular success that the Queensland Art Gallery has had in projects such as the Asia-Pacific Triennial? How do you expect the Queensland Art Gallery to function with reduced funding levels below even those that occurred two years ago during the budget of the Labor Government?

Mrs SHELDON: The total has gone up. As you would be well aware, the Queensland—

Mr FOLEY: No—from last year, but not from the year before. It is below the year before.

Mrs SHELDON: As you would also be well aware, the Art Gallery is very good itself with the exhibitions that it has and the money it collects for that. I think we have an excellent Art Gallery. I think Doug Hall should be congratulated for the work that he does there. We have funded again the first Asia-Pacific Triennial. That is well worth funding. It ran from 27 September 1996 to 19 January 1997. That doubled the attendance figures of 1993. They went from 60,000 to 120,000. International visitors to the exhibition comprised 13%. National and international audiences were reached through the conference, the second Triennial supplement in the Asia Pacific and the wide media coverage of the project. It is certainly a very viable project. We have funded it accordingly. I do not think there has been any decrease in funding in real terms.

Mr FOLEY: The funding for the Regional Collection Tour has been cut from last year's budget.

Mrs SHELDON: That has been re-established.

Mr FOLEY: Not according to your answer to question B2. According to your answer, \$50,000 was provided in last year's budget for the Regional Collection Tour and nothing has been provided in this current budget. Which is correct: what you are telling us now, or what you told us in the answer to the question on notice?

The CHAIRMAN: The time for Opposition questions and answers has ceased. The time for Government questions is to commence.

Mr FOLEY: I would ask to put that question on notice. It is a fair question.

Mr HAMILL: We have a little bit of time at the end, I think, Mr Chairman.

The CHAIRMAN: Would you like that one on notice, Minister?

Mrs SHELDON: Yes, very well, Mr Chairman.

The CHAIRMAN: We will take that on notice. The stated goal of the Arts Program is to ensure the success of Queensland's cultural industries. In keeping with that goal, what new initiatives will the coalition Government implement in 1997-98?

Mrs SHELDON: Front-line arts grants, regional Queensland and, of course, youth are the focus of the new arts development initiatives funded in the 1997-98 State Budget. In 1997-98, the Arts budget included \$19m worth of new initiatives as part of the \$60m new initiatives over three years. The front-line recurrent spending to artists and arts groups has increased by 15% from \$91m to \$105m. Our Government wants to encourage excellence in the arts and cultural development in Queensland. We believe that those initiatives ensure that regional artists and youth artists in particular are included in that cultural development by improving their access to information programs and programs of assistance and services. Some of those new initiatives continue to focus on regional arts development, on youth and, as I said, on front-line services. I would like to detail some of those.

In the Regional Arts Development Fund, or RADF, has been an increase of \$590,000. That has been allocated to RADF, bringing the total budget to \$1.51m. The success of the fund in encouraging professional arts development in regional areas can be evidenced by the fact that five new councils have joined the program in 1997-98, and those include one Aboriginal council. That \$590,000 increase will support the growth in RADF partner councils as well as supporting specific RADF initiatives for indigenous people and alternative funding models for regional urban areas that are not covered by existing criteria.

We have funded the Townsville Museum—\$1.5m out of a three-year initiative of \$18m. That has been allocated to Stage 2 development of a permanent display for the Pandora artefacts that are currently being salvaged off the north Queensland coast. We will also relocate the maritime archaeological sections of the Brisbane Museum once the Townsville Museum is up and running. The Townsville people are very excited about that. Indeed, there has been a lot of community support for that museum. That initiative complements the Government subsidy of \$1m over five years for the Pandora Foundation itself. We have also funded public access to the Internet, which access, of course, is facilitated by \$2.3m allocated over three years. An allocation of \$1.2m has been provided in 1997-98. Through that initiative we believe that all Queenslanders, regardless of where they live—whether they are in the south-east corner or in more remote or regional areas—will benefit from greater access to the Internet. We particularly wish our rural and remote communities to have access to the services provided more readily in south-east Queensland.

Mr GRICE: I refer to page 57 of the Ministerial Program Statements and the refocusing of the Arts

portfolio. Can you outline for us the consultation that was undertaken in relation to that arts restructure?

Mrs SHELDON: Obviously, significant consultation occurred. I think I outlined that in some detail to the shadow Minister. That consultation occurred both prior to and after the Government's decision. Over 165 representatives of arts organisations were involved in those discussions.

Mr FOLEY: I must have missed that one, Minister.

Mrs SHELDON: You must not have been listening, Mr Foley.

Mr FOLEY: It is so hard to interpret—

Mrs SHELDON: I thought I spoke very clearly. Ongoing discussions are occurring with Corporate Services staff affected by the refocusing. There have also been extensive discussions with the unions, with industrial relations consultants and the Office of the Public Service on any redeployment, retraining or redundancy options that those staff may require. We are determined that it will progress in an orderly fashion and that no-one will be unfairly treated. The consultation has been wide and varied. We set about doing that because we had a real focus on delivering arts and arts funding to the pointy end of the Arts Program. I think we are going along that line very well.

Mr HEALY: During 1996-97 the overseas touring of Queensland artists was enhanced with assistance given to organisations such as the Queensland Philharmonic Orchestra. What now are the benefits of merging the Queensland Philharmonic Orchestra with the Queensland Performing Arts Trust?

Mrs SHELDON: That decision was taken after consultation with both boards. It was the boards both of the QPO and QPAT and their chairmen who came to see me who suggested that that should go ahead. QPO has not had a viable long-term operation for some time. That originally started when the Orchestral Services Fund was put in place. Money was taken from the QPO that it was never in a position to put back into place. That began the downward slide in terms of how it could manage itself financially, which I think is a great pity. The merger with QPAT was effected to ensure long-term provision of orchestral services in Queensland. There were a number of things rumoured that the QPO might look at. One of those was to consolidate with the QSO, but particularly the artists in the QPO did not want that to occur. They wanted their identity. There was seen to be a real place by QPAT and the QPO for QPO to be merged with QPAT.

We are currently going through that process. That really started on 1 January this year. We are having further discussions with QPAT and with the QPO about how we see that progressing into the future. We will certainly preserve the artistic integrity of the QPO. We have an executive manager and a music director, who continue to plan and implement the QPO's concert schedule. Of course, they will determine the type of performance and the repertoire and the artists who will appear, so that there will be no interference with the artistic ability of the QPO.

The QPO's support for Opera Queensland and the Queensland Ballet will continue. In the upcoming financial year, it will support two operas and three ballets. In September this year, the QPO will tour western Queensland with the Mozart Program. That will involve both music and drama. In 1998 it will tour in support of Opera Queensland. It does continue to perform regularly on the Gold and Sunshine Coasts. It is looking to include Toowoomba as a market on a regular basis. Economies of scale have been achieved through that merger of the QPO and QPAT, but we are still talking with both of those organisations as to how they see that being complemented further in the future.

The CHAIRMAN: Minister, page 61 of the MPS discusses Stage 2 of the Museum of Tropical North Queensland in Townsville. It is also mentioned at page 8 of Budget Paper No. 2, which states that \$18.3m has been allocated to developing the project over three years. What are the benefits to that area of Queensland of this development?

Mrs SHELDON: Certainly, one of the major developments is that this redevelopment is in a regional city. I think that it is important that we do not concentrate everything in the south-east corner. The museum of Tropical North Queensland seemed the obvious choice to focus on the Pandora collection, and that is what it will do. It will accommodate maritime and associated materials—conservation section, which will be relocated from the Museum in Brisbane. The Museum really saw this as a major focus into north Queensland. It was part of our coalition Government's commitment to proving the presence of arts in regional Queensland.

Our support for the new initiative proposal for Stage 2 will enable additional land purchases and detailed design planning to commence immediately aiming, we hope, for an opening in late 2000. That is what we are aiming for. We will see if that can be achieved. Certainly, when I spoke to the museum people, their major concern at this point in time was to acquire the additional land, which they will need to expand the museum which is there currently. They wanted the detailed design planning to commence so that they could then go forward with their building program. So the 1997-98 Budget new initiatives included \$1.4m for this purpose together with \$84,000 towards marketing and other activities designed to enable the museum to position itself better with regard to expected financial viability.

I would just like to emphasise again the strong community spirit there is for this. The Pandora Foundation has been raising quite a bit of money and said that, with the firm commitment of the Government to proceed with this museum, they feel that they would be able to increase their funding commitments because the community can now see a clear guideline that we are intending to continue with the development of this museum.

Mr GRICE: Minister, in the Budget you announce that an extra \$2.4m will be provided to extend the Regional Arts Development Fund. Can you tell us more about this initiative?

Mrs SHELDON: As I think I mentioned to the shadow Minister, we have increased our funding

nearly \$600,000—\$590,000. This allows us to respond to existing demand and to give support to specific indigenous communities whom we felt that, in the past, had not been adequately funded. It will also allow the development of alternative funding models for urban growth regions, which currently fall outside the regional arts funding guidelines. Our increase responds directly to the increase for local government investments in RADF and other regional arts development. Local governments across Queensland have indicated a commitment of about \$800,000 to the fund. This is an increase of \$300,000 from them. So it shows the actual level of support out there in the local government community.

The funding this year will see further development and implementation of the program in indigenous communities in far-north Queensland. In these indigenous communities, we will be able to develop new resources and support material so that we can facilitate greater access to the management of the program at that local level. 105 councils and consortia of councils will participate in that program in 1997-98. There will be five new councils and, as I mentioned, one of those will be an indigenous council. I will be informing all the councils of the funding round very shortly. I would just like to detail those five new councils. They are Boulia Shire Council, Croydon Shire Council, Eidsvold Shire Council, Kolan Shire Council and the Aurukun Shire Council. I would just like to say that Aurukun is the third indigenous council to join the program, bringing the total of participating indigenous councils to three. We are certainly focusing on encouraging more of those councils to join in the RADF scheme.

Mr HEALY: Reference is made on page 43 of the Ministerial Program Statements to QCC 2000. Could you outline to the Committee what the QCC 2000 project is all about? At what stage is that proposal?

Mrs SHELDON: Yes, I would happily do that because it would seem that the shadow Minister seems to think that I have perpetrated some sort of hoax on the community regarding what is an excellent—

Mr FOLEY: You have concealed \$10m in the Budget paper.

Mrs SHELDON: I have not concealed a thing, as you well know.

Mr FOLEY: And you asked the Parliament to give you \$10m for it.

Mrs SHELDON: I wish you would stop interrupting. It is Mr Healy's question.

Mr FOLEY: You sought my views on it.

Mr HAMILL: Is that in the forward Estimates?

Mrs SHELDON: It has meant that four major authorities—

Mr FOLEY: Perhaps that is the secret.

Mrs SHELDON: Is that "Little Sir Echo" coming in off the sideline?

Mr HAMILL: No, it was not, actually.

Mrs SHELDON: All major authorities are seeking—

The CHAIRMAN: Order! The question has been asked. The Minister shall be able to answer without interjections from the Committee. I call the Treasurer.

Mr FOLEY: I was provoked.

Mr HAMILL: The Minister was interjecting, too.

The CHAIRMAN: You can be provoked into silence. Thank you. I call the Treasurer.

Mr FOLEY: Mr Chairman, I am deeply indebted for your correction.

The CHAIRMAN: Thank you very much. I call the Treasurer.

Mrs SHELDON: Thank you, Mr Speaker.

Mr BEATTIE: Not yet.

Mrs SHELDON: No, not yet, but he is showing great potential. It is proposed that, in addition to meeting these requirements, the focus of Stage 6 will be on a Queensland cultural heritage centre. This is certainly what we are hearing from our statutory authorities. This will provide an ideal opportunity to present dynamic displays that interpret the history of Queensland from the ice age to the modern age. There will obviously be a large indigenous component in that as well so that the whole history of our State can be seen.

Approval was given in December 1996 to appoint Robin Gibson and Partners to undertake a development strategy for Stage 6 of the QCC. In addition to the development stage, a number of other studies, for instance, a traffic volume study—we have to look at access and parking—and a geotechnical survey were commissioned. So it shows you that we are determined on what we are going to do. There was extensive consultation with the member bodies of the QCC. No decision has been made on a final stage. Robin Gibson's report is a development strategy only. There have been a lot of pointed questions asked about that, so I would like to set that out. A design brief will form part of the next planning stage.

A submission for Cabinet consideration—because naturally this is a major initiative and it will go to Cabinet—focusing on the results of the studies undertaken to date is being finalised. I will announce further details of the proposal once I have taken it to Cabinet. I think that it is a very exciting initiative and one that will benefit all the people of our State.

The CHAIRMAN: At page 57 of the Ministerial Program Statements, it states that the Government set aside a total of \$3m for the Maryborough performing arts complex. To what purposes will the Government funding be used?

Mrs SHELDON: This will be helped in the development of a cultural and entertainment centre at Maryborough. The local member, who is not of our political persuasion, is delighted with this and wonders why his own Minister when he was in power did not do something about it. It will certainly address the inadequacies of entertainment facilities both in Maryborough and in Hervey Bay.

The funding is to be provided to the local council on a dollar-for-dollar basis up to \$3m. That is

subject to a plan suitable for the community and subject to the local community raising further funds. Just recently when I was in Maryborough, I spoke to the Mayor of Maryborough. We went out and saw the proposed site, which is a delightful site on the river, high above flood level. I think that this is a very exciting project for Maryborough. The council is firmly behind it, as is the Government and as is the community. They are setting up a foundation to access community funds for it as well. It will certainly be a cultural highlight for Maryborough. We are certainly very proud to be part of the Government that is setting up this project.

Mr GRICE: I seem to be stuck on page 57 of the Ministerial Program Statements.

Mrs SHELDON: A good page, actually.

Mr GRICE: Improvements in information technology at the State Library are mentioned. What benefits will be gained from the funding of the Internet and other information technology enhancement in the State's libraries?

Mrs SHELDON: That is a very incisive question, Mr Grice. As we know, the Internet is now seen as a vital element in Australia's information and communication network. As part of a recent review of the Public Libraries Grants Scheme, we had consultation with local governments. Many local governments expressed the view that access to the Internet should be seen as part of the library's role, particularly for those who were unable to afford the hardware and the communication costs associated with hooking up to the Worldwide Web site. Not everyone has a computer in their homes or access to the Internet.

Internet services are currently provided to 21 regional libraries as a result of the State Library's strategic partnership with Access One, the Internet service provider. That is a very exciting project. The initiative will deliver widespread community access to the resources of the Internet through the location of personal computers in public libraries. It was felt strongly that this is what communities wanted. It will occur in parallel with the roll out of new telecommunications infrastructure.

As part of the \$1.235m initiative, in 1997-98 up to 40 more libraries will be provided with Internet access. Other libraries will be added to the network over the next two years of the program. The State Library will initiate training programs for library staff. It will also begin awareness training activities for the wider community, to inform the community that it can access those facilities via local libraries. We will gradually develop an on-line community information network which will enable citizens to access electronic resources delivered over the Internet.

A two year, \$2m initiative for the upgrading of the mainframe computer began in 1996-97. The library said that this was an essential focus and had been neglected for a long time. This initiative will allow a Windows interface and a web interface to the on-line public access catalogue, the introduction of new text retrieval services and the ability to take advantage of new developments in library technology such as imaging functions. It will

certainly put the State Library at the forefront of new information technologies and will significantly enhance the delivery of library services throughout the State, which is a vast and decentralised State. It is only fair and proper that people who do not live in the south-east corner can access this information.

Mr HEALY: On page 61 of the Ministerial Program Statements, it is estimated that \$16.097m will be spent on the Queensland Cultural Centre Stage 5. What progress has been made on Stage 5 of the Queensland Cultural Centre?

Mrs SHELDON: It is progressing along well. I was over there not long ago and saw the very exciting scene that is the Stage 5 development, the South Bank Playhouse.

Mr FOLEY: One of the Labor Government's great initiatives.

Mrs SHELDON: Funded by the present Government. Unfortunately, a lot of Labor's initiatives were totally unfunded.

The drama theatre will be capable of seating up to 850 patrons. It will be the fourth performance venue in the centre and it is designed for medium-sized productions. The intimacy of the theatre and the way it has been designed mean that no-one is too far from the stage in what is a reasonably sized

theatre. We hope that the project will be completed about mid next year. There will be a three-month Queensland Performing Arts Trust commissioning period when it is finished. We hope that the opening date will be no later than mid year, or perhaps a little later.

It will cost \$57.5m to construct Stage 5, and it is almost on track. As I have said, the development has been going on for a while now. We really need the Playhouse. In the interim, the Suncorp Theatre will continue to house QTC. In 1997-98, \$16.097m has been allocated to the final construction of Stage 5, which includes a further \$2.61m to equip the new development with catering facilities as that had not been allocated in the previous moneys and another \$1.5m for upgrading airconditioning facilities for the entire Cultural Centre. We have focused on making this a premier theatre, not only for the State but also for the nation.

The CHAIRMAN: The time allotted for the consideration of the Estimates expenditure for the Treasury Department has now expired. I thank the Treasurer and all officers of the department for their attendance this afternoon. The next item for consideration will be the Department of Economic Development and Trade. I call a five minute recess.

Sitting suspended from 5.59 p.m. to 6.07 p.m.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TRADE

IN ATTENDANCE

Hon. D. J. Slack, Minister for Economic Development and Trade and Minister Assisting the Premier

Mr J. Carroll, Acting Director-General

Mrs J. Bimrose, Executive Director, Project and Investment Development Division

Dr R. Andrew, Executive Director, Development Planning Division

Ms A. Zanella, Executive Director, International Trade Development Division

Ms J. Westley, Director, Corporate Services Branch

Mr J. Hows, Acting Director, Financial Services Branch, Department of the Premier and Cabinet

Ms L. O'Neill, Acting Management Accountant

The CHAIRMAN: The next item for consideration is the Department of Economic Development and Trade. The time allotted is one hour and 20-odd minutes. For the information of new witnesses, I point out that the time limit for questions is one minute and for answers is three minutes. A single chime will sound after 15 seconds as a warning and a double chime will sound at the expiration of those time limits. The questioner may consent to an extension of time for answers. A double chime will also sound two minutes after any extension which has been granted. The Sessional Orders require that at least half of the time available for questions and answers in respect of each organisational unit be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be apportioned equally between Government and non-Government members. For the benefit of Hansard, I ask that departmental officers identify themselves when they answer a question for the first time.

I now declare the proposed expenditure for the Department of Economic Development and Trade to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Minister, is it your wish to make a short introductory statement in relation to your portfolio, or would you like to proceed directly to questioning?

Mr SLACK: Yes, I would like to make a couple of comments in respect of my portfolio. As you are aware, this department was created after the change of Government last year. We have gone through a period of establishing ourselves as a department. I pay tribute to my departmental officers for getting the department up and running. I believe the department has some runs on the board since its establishment in relation to project facilitation, overseas trade, investment and planning.

The importance of the department cannot be underestimated in respect of the key role that it plays in relation to job creation. At the end of the day, as the Leader of the Opposition would acknowledge, investment and trade are very important for jobs in Queensland. We cannot underestimate the importance of this department. Since establishing the department, we have reopened an office in Los Angeles and also in Shanghai. This week, we will open an office in Jakarta. I believe that is necessary, and it is part of the Budget allocations from last year. We have also been allocated a 23% increase in our budget for this year. Again, that is because of the importance of the role that we play in the economic development of the State.

Having said that, I have no doubt that members of the Committee would be pleased to have seen the conclusion of the negotiations in relation to Korea Zinc, Century and some of the other major projects that have eventuated in Queensland over the past 12 months. For example, I refer to the phosphate mining project. We also have many other exciting projects on the books, particularly the development of magnesium metals in Gladstone and the Chevron gas development project, to name but a few.

I also express my appreciation to the officers of the department for the work that they have done in putting together the responses for the Committee today. I wish to introduce acting Director-General John Carroll, who will introduce the other members of the department present at the table.

Mr CARROLL: On my right is Dr Rick Andrew, the Executive Director, Development Planning Division. Next to him is Mrs Jan Bimrose, the Executive Director, Projects and Investment Division. On my right is Ms Julie Westley, the Director, Corporate Services Branch. To the left of the Minister is Ms Lisa O'Neill, Financial Services Branch, Department of the Premier and Cabinet. Next to her is John Hows, the acting Director, Financial Services Branch, Department of the Premier and Cabinet. Next to John is Ms Africa Zanella, the Executive Director, International Trade Development Division.

Mr SLACK: I wish also to pay my compliments to the Opposition for treating this portfolio in a bipartisan fashion. As I said before, I am sure that it appreciates the importance of the portfolio. That has been recognised and we and the Opposition have worked in a cooperative fashion over the past 12 months.

The CHAIRMAN: The first period of questions will commence with non-Government members.

Mr BEATTIE: Right at the beginning, I should put on record that the reference to you in the press on one occasion as "Passport Doug" was a bit unfair. We support your overseas trips. We believe that you are the one Minister who should be travelling. Although we may have reservations about some of your colleagues, you will not find us being critical of your trips.

Having been nice, now let me be unkind. I am still not convinced—and I have raised this issue with you before—about the separate nature of your

department. I am concerned that there is some overlapping and considerable confusion with other departments, including the Premier's Department, and the Department of Tourism, Small Business and Industry. That applies particularly when you look at projects such as the Century zinc smelter, the Ely Bauxite project and the Brisbane cruise ship terminal. I even notice some overlapping among the staff present today. You may consider this question a dorothea dixer in a sense, although it is not meant to be. Do you feel satisfied that your department has created its own niche in terms of what it has to achieve?

Mr SLACK: You have to look at it from the point of view that we have been established for 12 months and there is a settling in period for people to come to terms with a new department operating in the important field that we operate in. I do not think that I have to reiterate that we work very closely with the departments that you have referred to—for example, the Premier's Department. The Co-ordinator General has a responsibility in projects. We also have a responsibility in projects. We work very closely with the Co-ordinator General, Treasury, the Department of Tourism, Small Business and Industry and the other departments to which you referred. We have a specific role related to trade. We have a role in investments over and above \$50m. That differentiates us from the Small Business portfolio. We have a role in the facilitation and planning of major projects. That role can involve the provision of roads, electricity and so on with respect to big projects. We have a coordinating role between Mines and Energy, Transport, Primary Industries—through its export area—Public Works and Housing, and Education. You may be aware that only recently—and this has been supported very strongly by the education industry—we have adopted a role of coordinating the overseas marketing of education.

Mr BEATTIE: That is something that we also support.

Mr SLACK: Yes. I have had letters—I just opened one today—to say that we are up and running. A representative of one of the universities was at a trade show and said that we had brochures there, etc. I have been supported by the other departments in that initiative. It was recognised that there needed to be a department like this particular department that was independent of the other departments to bring it together so that there would not be the interplay between the departments. But sure, it takes a period to—

Mr BEATTIE: But where do you drop off and the Premier take over and vice versa? I know that you have two officers here who work for Premier's.

Mr SLACK: And certainly there is a very close relationship between Premier's and ourselves. Within my title I am also "Minister Assisting the Premier", so there is certainly a close liaison there. I guess I take over the responsibilities that he previously had in respect to trade. But as any department will, they will work to the Premier and the Premier will be a spokesperson on certain major issues relating to whatever department it may be.

Mr BEATTIE: But in some Asian countries that we deal with, as you know, Governments open the door and then business follows, which is what you have been doing. Clearly the Premier has to play that role.

Mr SLACK: Yes.

Mr BEATTIE: Is it just something you work out between you?

Mr SLACK: Yes. Could I say that it is not unique to this particular State that we have a department such as mine. You will appreciate that the Premier has many responsibilities and he cannot be fulfilling the role to the extent that it should be fulfilled to travel overseas. For argument's sake, I have just been in Hong Kong. It was made very clear to me that the competition there is very strong between the States and countries. I have been able to go there, and I have suggested to the Premier that he should go to Hong Kong for a night or two nights for a business dinner, similar to what the South Australian Premier has done. But you cannot fit all that in. The Premier went to Japan early this year. I will go to Japan in September to follow up on that visit. So we are maximising Queensland's potential in those markets, and it can only be for the good to be able to do that. You will appreciate that the Premier cannot go the number of times that I am able to go. We are deliberately not travelling together if we can avoid it.

Mr BEATTIE: So there is not a rift between you?

Mr SLACK: No, no! He and I are going to Jakarta tomorrow to attend the opening of an office, but generally speaking we want to use our resources to the best effect for Queensland.

Mr HAMILL: On the issue of the defining of the department, there is a matter that I raised last year but I want to raise a couple of points again this year. When I had recourse to the Budget papers to look at the program structure of the Budget, I noticed that your department had been moved almost in toto out of the General Public Services policy area across to Economic Services—from area No. 1 to No. 10. Was there any real reason for that, or was it just a case of shuffling it around to make it a bit more interesting to try to follow the money trail?

Mr SLACK: As the acting director-general, John could probably explain it better than I can.

Mr CARROLL: That basically came from a proposal from Treasury because they saw that what we were doing was more economic than general public services. There was some concern that some people might interpret that moving from No. 1 to No. 10 meant something. My view when I was consulted about it was that what was important for us was that we were providing economic services for Queensland, not whether we were No. 1 or No. 10 on an artificial construct of a table in the Budget papers. So it is about identifying our prime role of providing economic services.

Mr HAMILL: Further to that then—I see that in terms of the program area where you are now placed, you share with one other player, and that is the Department of Tourism, Small Business and

Industry. I think that department appears at only one other place in the whole of the Program Statements of the Government—I think it is in relation to the liquor licensing function of that department. It just seems to me—and I would ask you to comment in relation to it—that one department has more of a domestic focus and one has a more international focus but you are basically doing the same thing. Is that a fair comment?

Mr SLACK: No, I do not think that is a fair assessment at all. Certainly the Department of Tourism, Small Business and Industry has an international role in respect to tourism and has an international role in respect to some of the services it provides, but Housing does a similar thing and Education does a similar thing in their respective areas. We work very closely, naturally, with TSBI on the basis that we are intending to share some offices in the international field to maximise our output for the Queensland dollar. But I do not think you should read anything into that.

Mr HAMILL: Even in your program area—I think it is investment attraction—it seems to me that that is very much the area where you have your regional offices, so your investment attraction is very much at home here, and I would have thought that that is the sort of thing that Tourism, Small Business and Industry might have been doing.

Mr SLACK: No, we also have investment in our overseas offices. One of the reasons that we have established a presence in cities like Cairns, Mackay and Gladstone—and we intend to establish an officer in Townsville; we had actually advertised for an officer there and had a reply, but it went to another position and we are readvertising there—is to maximise the major investments from overseas through the connections with those overseas offices, which are trade and investment offices. They are major investment offices. I mentioned before that we look at the major investments, whereas TSBI tends to look on the smaller scale.

Mr BEATTIE: Can I move on to the actual current organisation of the department? I wonder if you could tell me why Tony Krimmer was removed as director-general and what is the current state of play in relation to the appointment of his replacement.

Mr SLACK: Tony was involved in the establishment of the department. His credentials were planning, if you look at his CV. It was felt that having established the department there were other opportunities there for him which he moved on to. At this point in time John Carroll is acting as the director-general. It is our intention to advertise for the position in the near future and go through the application process.

Mr BEATTIE: You haven't done that yet but you will be?

Mr SLACK: We will be. I just had a discussion with the Public Service Commissioner last week about this issue.

Mr BEATTIE: There is something I think you should have a look at if you are not already aware of it. We have been provided with information that

Tony Krimmer may have taken his frequent flier points derived from travel he undertook as D-G with him when he left that position. Are you able to kill that?

Mr SLACK: We will certainly look at it for you.

Mr BEATTIE: I do not want to pursue it any further here, but I just indicate to you that that position has been put to us, and I would be grateful if you could perhaps give us an answer in writing.

Mr SLACK: I would hope that you are not indicating that he has taken them out into a private area. John has just made the point that he is still within the Government employee area. But we will certainly look at that.

Mr CARROLL: I think there might be some technical problems about other than him using them because of the way those frequent flier systems are constructed, but we will certainly check it out.

Mr BEATTIE: I just think that in everybody's interests it is important to clarify the record on that. We can put a question in writing and you can do that.

Mr SLACK: Sure.

Mr HAMILL: Just on the issue of corporate services—I note that the corporate services agreement with the Premier's Department is still on foot, and obviously we have some officers from Premier's here today. Having a look at page 31 of the Program Statements, there seems to be quite a significant increase in the allocation to the corporate services budget for 1997-98. Could you give some explanation as to why there has been such an increase in that budget? In fact, there has been a doubling of that allocation.

Mr SLACK: The 1997-98 program budget will be \$10.002m. This represents an increase of \$5.651m from the 1996-97 budget.

Mr HAMILL: The \$5.6m—the budget previously was \$4.9m, so it is actually a doubling. There is a table on page 31.

Mr SLACK: I have just got a brief here. In the process of developing the 1997-98 budget, the department sought additional funds for a number of new initiatives. While the Cabinet Budget Committee supported these initiatives, it was unable to provide funding for all due to budgetary constraints in the current fiscal environment, therefore, CBC approved additional funds of \$5m which are to be applied to the initiatives of the highest priority. It is expected that the department will seek Cabinet approval for project funds from this source. From that I gather that that \$5m will be applied to those initiatives that we are talking about, that is, the regional and international support program of the Surat/Dawson private sector infrastructure development project, the space launch industry, strategic economic development properties, venture capital access for small and medium enterprises, satellite industry development and the Institute of Molecular Bioscience.

The director-general's advance will be used for the higher priorities which I spoke of. The DEDT executive management function is employing a full

staffing complement in 1997-98, an increase of \$572,000, and an increase of \$79,000, or 2.2%, in the Corporate Services allocation to the Department of the Premier and Cabinet. This increase approximates current CPI increases. The 1997-98 Budget provides for DEDT costs of \$1.949m for its executive management function, which includes labour costs.

Mr CARROLL: Perhaps if I could say that the increase is basically the director-general's advance, which is a new concept, and it is \$5m. It is being housed in that program.

Mr HAMILL: This is becoming fashionable around the departments. Everybody is getting in on the act of this notion of having a little fund there to dabble in on the side.

Mr SLACK: With respect to that particular fund—and I have outlined the projects it will be used on—we estimated when we went to the Budget Review Committee that we would need certain funds. It came to an addition to that. Naturally you have been in Government and you have gone through the experience of reviews of departmental submissions. At the end of the day, it was acknowledged that we would need at least \$5m for the projects that I have nominated. The process is that if additional funds are required, we need CBC approval to get them. Therefore, that \$5m was applied as a broad stake for the director-general to use basically for those specific projects without getting penny pinching between each of the projects.

Mr HAMILL: Just on that \$5m then, I understood that that figure—allocation of Corporate Services—was effectively your share of the Corporate Services budget of the Premier's Department. Have I misunderstood that proposal?

Mr CARROLL: The \$4.8m is the money for the Premier's Department. I think it is \$4.8, isn't it?

Mr HAMILL: \$4.9m.

Mr CARROLL: \$4.9m is the money that goes into Premier's for the provision of traditional Corporate Services. The other \$5m is a director-general's advance. It has been lumped together because there was nowhere else to house it in terms of the Budget papers.

Mr BEATTIE: In terms of the sister-State relationship between Texas and Queensland, I wonder what role your department has had in the selection of Texas as an option for a sister-State relationship with Queensland, and what other options does your department believe should have been looked at before deciding on the sister-State agreement with a State of the USA? Was the Los Angeles office involved in addressing the Texas proposition?

Mr SLACK: My understanding is that that particular one was brought through and announced in the Parliament by the Premier on 17 December 1996. The Premier wrote to Governor George Bush of Texas presenting a formal proposal that the State of Queensland and the State of Texas substantially discuss entering into a sister-State arrangement. A draft memorandum of understanding has since been presented to the Texas Senate. A resolution of the

Texas Senate was passed on 6 February 1997 relating to the Premier's invitation to Governor Bush to link Queensland with Texas. Texas State said—

"It is resolved that a copy of this resolution be prepared as an expression of the Texas Senate of its interest in strengthening those close ties of the two States."

The agreement would provide a strategic liaison with an important State in the world's leading economy. Texas has a population of over 18 million, the third largest in the United States. It is the nation's second largest exporting State and the second leading State for foreign investment. The proposed alliance with Texas, a State with a highly industrialised and strong agribusiness focused economy will provide significant opportunities for technology exchange, agriculture service and trade for Queensland industry. Also I would like to point out that the Minister for Industrial Relations had a connection in Texas which was, I guess, utilised.

Mr BEATTIE: The reason for the question was: I wonder who is doing trade.

Mr SLACK: That was utilised. The reality is that we have a lot of synergies with Texas. We were looking to establish in the US based on the fact that it may have been said in some quarters that we were focusing on the Asian countries and not paying enough attention to our traditional trading partners. That was one of the reasons that we re-established the office in Los Angeles. We were looking for a connection there. There was no doubt that quite a lot of business is coming out of the US and there were many opportunities for us in the US. I am seeing that every day when I go around and visit small to medium sized firms which are actually exporting to the US. So there are opportunities; we are cost effective in the US and if we can establish a relationship it does not matter who really established it. As far as we are concerned, it is a matter for the Government that we have established that office to the benefit of Queensland.

Mr BEATTIE: I refer to your answer to question on notice No. 2 regarding the Los Angeles office. I had a look at the achievements in there. I know it has not been opened very long but they just looked a bit sparse. They talked about plenty of inquiries, efforts and attempts but there was not a lot of substance. In your view how is the Los Angeles office going?

Mr SLACK: I have had not had any problems there. I really have not.

Mr BEATTIE: I am only just reading what you sent.

Mr SLACK: There is an experienced operator in the Los Angeles office. He is obviously making connections. You cannot expect those offices to be up and running and you cannot compare them with long established offices. That office was established in August/September last year.

Mr BEATTIE: They are all there.

Mr SLACK: Yes, August/September last year. I think that everything considered it is a reasonable output.

Mr BEATTIE: Is he permanent now?

Mr SLACK: Yes.

Mr BEATTIE: He has been appointed permanently?

Mr SLACK: He is on contract; he is not acting. That is another point that has just been raised by my acting director-general. There is not a secretariat support with respect to the US as there are in relation to some of our other offices overseas. The feedback to me was fairly positive about the initiatives that were being undertaken there and the groundwork that was being done.

The CHAIRMAN: The time for Opposition questions has expired. Your department has been closely involved in the management of the industrial expansion in Gladstone. Given the complexity of this task, I ask: what lessons have been learnt by the Government?

Mr SLACK: Gladstone, as you are aware, is a rapidly expanding area. We have had rapid industrial growth in Gladstone in recent years. That has highlighted the need for a broad strategy to plan industrial development and the associated provision of infrastructure. Such a strategy would assist decision making regarding the siting of potential new industries in Gladstone—and there are many of those. The preparation of such a strategy has been supported by local governments such as the Calliope Shire Council, the Gladstone Port Authority and many of the organisations in Gladstone. The need for such a strategy was emphasised when the Government's decision of July 1996 to prohibit future large scale industrial development over the Stewart oil shale resource was vigorously questioned by those organisations that I mentioned. Naturally, conflict over site selection for major industrial projects cannot be avoided.

There were issues such as firms seeking the lowest cost site for their developments. They wanted to take into account topography, foundations, proximity to port and rail infrastructure, energy costs and waste disposal costs. Environmental issues are another important issue that is emerging, as are water issues, but environmental issues in Gladstone because of the area of the shed now where most of the industrial activity has occurred is reaching the point of saturation. With industry there is a need for not necessarily relocation of existing industry, but consideration to be given to appropriate areas for industry to be established. It was under the previous Government that the Aldoga site was identified. We have been supportive of that and we feel that what is going to happen with what is on our books now is that that site will be utilised quicker than it was originally expected to be. This department, in consultation with relevant Government agencies, has arranged for the preparation of a strategic land use and infrastructure strategy to guide industrial development in the area during the forthcoming three decades. Proposals for appropriately qualified consultants have been received, and they are being assessed at this particular point in time. We expect a consultant to be appointed in mid 1997. So the strategy will consider

the role of the State development area of Aldoga. That is the position with Gladstone at the moment.

I might point out that Comalco is considering Gladstone. The magnesium area to which I referred earlier is a major development for Gladstone, as are the many others. Once you get a major player in the area, that tends to bring other players into the area. I guess that Gladstone needs to be thoroughly planned in respect of the fact that it is going to be one of the major—if not the major—industrial development areas of this State.

Mr GRICE: Can you provide us with details of the progress made towards the development of an economic development strategy for Aboriginal and Torres Strait Islander people?

Mr SLACK: Prior to coming to Government, this department, when it was in the embryo stage of being set up, was looking at fulfilling a role in relation to the development of an economic development strategy. We have been working with other agencies to develop the strategy. To date, the strategy's objectives and framework have been developed. The Queensland Economic Development and Employment Working Group has been formed to guide the strategy's development. The development of the strategy will be coordinated with other Queensland Government activities that impact upon indigenous communities and will include comprehensive community and industry consultation. Everything going well, we anticipate its completion later in the year.

There is just another point in relation to the strategy. The objectives of the strategy are sustainable economic development for Queensland's indigenous people, which includes increased numbers of Aboriginal and Torres Strait Islander people gaining educational qualifications and vocational skills, increased employment opportunities for Aboriginal and Torres Strait Islander people, an increased number of Aboriginal and Torres Strait Islander people owning and/or participating in successful enterprises, and a strengthened capital investment base for initiating and sustaining economic development. They are issues that are very important not only to Aboriginal people but to the development of the State and the Aboriginal people's involvement in that development.

Mr HEALY: Given the expanding role of tourism in the State's economy, what is the department's progress in relation to the development of a cruise ship terminal in Brisbane?

Mr SLACK: About a month ago I was privileged to be present at the commissioning of the cruise port terminal in Brisbane. The Brisbane cruise port development group has been granted a developer status to construct a cruise ship terminal and other associated infrastructure facilities at the old coal storage site at Hamilton. These facilities include a 312-room hotel, a marine tourist facility, car park and a commercial building. The development group received approval of its rezoning and development application from the Brisbane City Council in November 1996. The Government has finalised negotiations with Crown law. The Port of Brisbane Corporation and the Department of Natural

Resources have an agreement which will include a condition to lease. Government gazettal of the project occurred in mid December 1996. The single major outstanding issue was the financial arrangements that needed to be put into place before the heads of agreement is finalised. Agreement was revised to ensure that the bank guarantees in the deed of covenant are provided to the State as a condition precedent to the commencement of construction and not issuances of the lease as currently required.

I mentioned that I was at that particular opening. It was very well attended and very positive. It certainly will be a big boost to tourism, I believe, when it is all up and running. It will boost tourism in Brisbane and the State—the south-east corner in particular. The agreement between the Government, through the Department of Economic Development and Trade, and Woodsands Pty Ltd was signed on 2 April 1997, and the lease commenced on 3 April 1997.

The CHAIRMAN: Can you please outline your department's role in the facilitation of infrastructure development in the north-west minerals province?

Mr SLACK: As you would be aware, this is a continuing role. This gets back to the role between Premier's, Treasury and ourselves. There have been various infrastructure and associated agreements relating to the base metals and precious metals development in the region. They have been negotiated only in recent times. We are talking about projects such as those I mentioned earlier, for example, Century, and Ernest Henry—which I did not mention, but it is up and operating at this time.

My department's role in the Cloncurry infrastructure needs study has been central to the whole process of forward planning for a region which has missed out on any substantial mining-related investment and jobs for many years. They have all been there ready to be developed. We have identified the need for infrastructure and planning in association with the development that will take place. The Cloncurry one that I have mentioned was very important. As a department, we contributed \$147,000, I think, in association with the Cloncurry Shire Council and the mining people there—Ernest Henry Mine—to do the study of requirements. That has been completed. We now have the object, of course when resources are available, to fulfil those identified requirements. There is no doubt—and it is already happening—that Cloncurry is expanding at a rapid rate. We have been party to a very good agreement between industry, Government and Aboriginal groups for the provision of various mining-related services. Further, in relation to our role in negotiations over Century Zinc—officers of this department played a significant role between Century Zinc, the Gulf of Carpentaria groups and other agencies of the State. We have eventually, through that role, produced an outcome which is there for all to see, that is, the Century Zinc negotiation process, which was concluded.

Mr GRICE: What is the current status of the Papua New Guinea to Queensland gas project, and

can you outline potential employment gains from this project?

Mr SLACK: There is no doubt that that particular project is very important to us as a State. I think that has been recognised by all parties.

Mr BEATTIE: It has bipartisan support.

Mr SLACK: The Leader of the Opposition has made a statement, and he visited the area as the Leader of the Opposition. The Mines and Energy Minister visited the area some time ago. We have identified it as being of major potential benefit to the establishment of industry down the coast of Queensland. It is one of the negotiations that need to be successfully concluded between Comalco and Chevron for the establishment of the Comalco plant at Gladstone. It is one of those projects which, as I said, is very important to the State. It has not been completed as far as the assessment is concerned of the costs to date.

Our negotiations with Papua New Guinea have been very positive. We have not encountered any projected or envisaged problems. It will get back to the overall economics of the delivery and the distance involved. At the end of the day, it is a bit of the chicken and the egg situation—the amount of industry that it can service to warrant the project. I am confident that, if the project went ahead, the industry would develop, because one of the most important aspects of industry development in this State is related to the cost of power, and the cheaper that you can get power—and particularly gas power, which is clean—it is all to be supported.

Mr BEATTIE: That requires a base load power station in Townsville, though, does it not, to make it work and to be financial?

Mr SLACK: I guess so, yes. In the last two rounds there were two power stations in Townsville which are geared to handle gas. That opportunity is there. The other one is developments like Comalco.

Mr BEATTIE: Stage 2 of Korea Zinc.

Mr SLACK: Korea Zinc, yes, that is another one. The total cost of the pipeline if it goes through to Gladstone is \$1.6 billion. That in itself is a big economic boost to the State. We expect a decision by late 1997. They are involved in the 12-month feasibility study. The company advised that it is prepared to commit \$25m to \$30m to project studies. They are serious about it.

Mr BEATTIE: They can build it by 2001, can they not?

Mr SLACK: I will have a look at this brief. I do not see it mentioned in the brief. Does anyone know the date?

The CHAIRMAN: You can take that on notice if you find a fuller answer that covers more of the points.

Mr BEATTIE: Mr Grice was about to ask that.

The CHAIRMAN: Mr Healy had the next question.

Mr SLACK: There are environmental issues that have to be addressed, too. They are being addressed. The company informs me that they are

confident about the environmental issues being able to be accommodated without any serious environmental impacts.

Mr HEALY: Thanks to the Leader of the Opposition I will now have to find another question. The Queensland Government is a major provider of export services. Has the Department of Economic Development and Trade made any attempt to coordinate and export those services?

Mr SLACK: Yes, it is particularly relevant and appropriate, because in recent weeks the Government's Export Services Branch has completed a comprehensive directory of Government services that can make a contribution to the Queensland export effort. That directory is, in many ways, one of our windows on the world and will be available from our Brisbane headquarters or through our regional and international offices.

Concurrently we are about to launch a directory of education services, which I mentioned earlier. That will be available here at our various schools and universities. The expertise that resides within the ranks of public servants is perhaps for the first time being fully appreciated and better used. We are putting together as well as we can within the ranks of the expertise that we have—and we have excellent expertise in our Public Service ranks—promotional material and pulling together the services so that we can promote Queensland and the services that Queensland has to offer and the opportunities that Queensland has to offer overseas people as far as our export industries are concerned. We are looking at that from the point of view of developing and encouraging export industries themselves, because we know that we are cost competitive in the international market now. We have gone through a period of low inflation. We have seen those economies to the north of us in particular have significant cost rises in their production. The Europeans are now recognised as high cost. We are recognised as producing an article—certainly in the appropriate form—that is cost competitive with the Europeans with quality as good as that of the Europeans. The European articles are actually dearer. We are producing better quality material than that that is manufactured in Asia. We are doing everything that we can to promote those opportunities overseas, to pull them together in the export field.

I might say that, in addition to the use by the Queensland Government overseas offices and departmental international secretariats in the course of their day-to-day marketing activities in overseas markets, the directory is proposed as a valuable reference document for use by overseas offices of Austrade—so it has a role there—international aid agencies, such as AusAID, the Asian Development Bank, the World Bank and the United Nations, individual Government agencies and overseas marketing information, and private sector firms seeking to form partnerships with Queensland Government exporters. That is a very important area, the partnership area. I have been promoting overseas opportunities for twinning partnerships, if you like, between overseas companies and Queensland companies. Not only do we need to be

able to produce the product, which we are doing, we need to be able to produce it consistently as a quality product regularly, but the big challenge is marketing that particular product. That is where we need to put our resources.

The CHAIRMAN: In relation to the rising demand by international students for tertiary places, is the Department of Economic Development and Trade taking any steps to foster and promote our tertiary education industry?

Mr SLACK: The Government Services Export Branch has been working in close consultation with Queensland education and training providers over the past 12 months in the development of a range of initiatives to boost Queensland's share of education exports. That exercise has involved a series of meetings with an industry-based reference group, an extensive program of regional consultation with industry providers and regional development organisations across Queensland and close working cooperation with the Departments of Education and Training and Industrial Relations. The following outcomes have been achieved to date: production of a flagship promotional document promoting Queensland as an educational destination for overseas students, production of a Queensland international education and training capability directory that can be used as a reference document in overseas markets, establishment of a Queensland international education home page on the Internet, preparation of the Queensland Government's submission to the Commonwealth Government's review of the Australian International Education Foundation, sponsorship of the Australian Education Expo 97 Program to five overseas countries and nurturing the development of enthusiasm within the industry for the benefits of cooperative and collaborative sector-wide approaches to international market development. In addition, an international marketing strategy was recently launched to build on those initiatives throughout 1997-98 and to progress a staged transition of the management of those initiatives from Government to industry.

I would like to say a couple of things about education overseas. That is one of our best opportunities. Last year education through overseas students to Queensland—and I mean across the broad range of education facilities that we provide—amounted to \$498m in fees. That is twice what our exports of wool and wheat were worth. That involved close to 25,000 students attending educational institutions, colleges and training areas in Queensland.

Mr HAMILL: Has there been any fall-off since the member for Oxley has been making inflammatory statements?

Mr SLACK: I do not believe so.

Mr BEATTIE: Are you sure about that, Doug?

Mr SLACK: Can I comment on that one?

Mr BEATTIE: I had some statistics that came in—

Mr SLACK: I know, and you raised those—

Mr BEATTIE: I raised them in the House.

Mr SLACK: You did.

Mr BEATTIE: It was Japan, Malaysia, Hong Kong—where there are English newspapers.

Mr SLACK: I was only recently in Hong Kong. The figures that came through to me from Hong Kong showed that there was a projected increase.

Mr BEATTIE: I was talking about student visas from the Department of Immigration.

Mr SLACK: Having said that, I know that private providers of education in Queensland have indicated to me that they have experienced some downturn.

Mr BEATTIE: They have told us that, too.

Mr SLACK: It is confusing. However, the advice from Hong Kong—if my advice is correct and my memory is correct; but I am pretty sure of advice that I received—was that numbers were increasing and they had been increasing quite dramatically. Whether there will be a fall-off in what the graph line shows could well be the case, because in areas such as Hong Kong, Singapore, possibly Indonesia and possibly Malaysia there is some reaction to the perceived problems.

Mr BEATTIE: It is more a problem in those countries where there are English newspapers. In Indonesia it is not as big a problem. It is in Japan.

Mr SLACK: That is a fair comment.

Mr BEATTIE: Malaysia and certainly Hong Kong—

Mr SLACK: In Hong Kong when we were there, there was a full-page report on the One Nation Party, Pauline Hanson and the division that it was causing within Queensland.

Mr BEATTIE: It would have been a short report, wouldn't it?

Mr SLACK: Having said that, it is also interesting to note that an Indonesian journalist interviewed several Indonesian students who are studying in Queensland. The replies from the students were all positive. There were no adverse comments in respect to adverse racial situations. However, the students did comment that their parents were ringing up regularly to see that they were safe. There is a perception there that has to be addressed. Through my visits and other visits, we are certainly addressing that and explaining the situation as it exists in relation to the Government support.

Mr BEATTIE: Talking about Indonesia generally, we are about to open new offices in Jakarta and Semarang. As you know, you have bipartisan support for that, which is why we are disappointed that we did not get invited to the opening. We will not go on about that. Talk about manners! Who will be the officer stationed in Semarang? What is the officer's classification? What will be the officer's major responsibilities? I refer you to last year when I raised issues about funding in regard to the Shanghai office and other offices. If I recall correctly, since then the Government had to put through a specific allocation to increase the amount of funding to trade offices. It was \$4.5m.

Mr SLACK: That was always envisaged, though.

Mr BEATTIE: Was it? Just leaving that aside, I am pursuing two things: whether you believe that the current budget is sufficient to run the operations to the expectations of you and the Government; and are we going to properly fund Jakarta and Semarang? They are more difficult environments to deal in. In relation to Los Angeles, I understood what you said about the bloke on a contract. This is more difficult. I know that when you hit America, Texas was something that came on line. I understand you got Santoro saying, "I met a Texan so it is a good idea."

Mr SLACK: No.

Mr BEATTIE: This is a bit more difficult. This is Indonesia where we have to work hard. That is a long question, but you know what I am getting at.

Mr SLACK: Yes. Because you raised the issue last year and you have raised it again this year, I will go back to that. It does need addressing. It was never envisaged that the amount of money that was allocated in the 1996-97 budget would cover the offices that were opened in—Shanghai and Los Angeles. It was always envisaged that once we got those particular offices up and running, there would be a requirement for extra funds. Those extra funds were provided in the mid-year review, which was anticipated. I am on the Budget Review Committee, the Treasurer is on the Budget Review Committee, as is the Premier. We all recognised the need for the additional funds and that was recognised when the Budget was formulated. However, at that stage we were not sure what the costs would be.

In this particular instance, as you can appreciate we have had a 23% increase in our budget, which is significant when you compare that with other departments. It gives you an indication of the Government's support for the offices. At the end of the day, certainly we could use more money. I guess any department will say that they could use more money. However, there is a certain amount of resources in the bank, or in the kitty, to be used. We have allocated for Jakarta what we think is a reasonable allocation, bearing in mind that we will also have involved in that office the Department of Public Works and Housing. It will also have some involvement from the Department of Tourism and Small Business. We would anticipate that it will be an office that can be used by the Department of Primary Industries when officers of that department are passing through. The office will be utilised for that.

The Semarang office and the Jakarta office—the all-up cost of it is about \$900,000. We will confirm that figure. It is about \$900,000—it is in excess of \$900,000. Generally speaking, as a rule of thumb, the operation of offices in overseas countries is run out at around \$1m.

Mr HAMILL: I can see that by your forward Estimate.

Mr SLACK: Yes. The approved revised budget for the 1996-97 fiscal year is \$857,200. That includes establishment costs. That is for Jakarta and Semarang.

Mr BEATTIE: You have got only one officer in Semarang.

Mr SLACK: Yes, a chap by the name of Mal Lane. His classification is about AO6.

Mr BEATTIE: What about India? You and I are cooperating on that seminar, which I think is in everybody's interest. I thank you for that. Last year, when we raised these issues you said that India was still an option. I just wonder whether it still is.

Mr SLACK: There is no doubt that India is an important market to us. It has come in as third as our destination for Queensland products. It came in ahead of the USA.

Mr BEATTIE: It is coal.

Mr SLACK: Over 90%—I think \$570m or \$590m of those exports are coal and the total exports from Queensland are \$623m or something in that order. That is one of the reasons why we are a little reluctant to establish an office as such, bearing in mind the resources that have to be put into an office and the limited amount of resources that we have as a small State. The coal industry is over 90% of that figure. In that case, to put it politely, that is the area in which the major companies do their own thing. They do not relate to the offices so much.

Mr BEATTIE: I guess communications and banking—

Mr SLACK: There is no doubt that if we had the resources we would have an office there. At the end of the day, we have to pick where we feel that our resources can be best utilised. We have Austrade offices in India, which we utilise. When I attended that conference in India, I spoke to Austrade people and we have a very close—

Mr BEATTIE: I congratulate you on going there.

Mr SLACK: We have a very close connection with Austrade. There is no doubt that India is an emerging market, but it also has some problems. There is a lot of poverty in India and it is a difficult area.

Mr BEATTIE: There is an emerging middle class, though, of a couple hundred million.

Mr SLACK: I do not know. There are 930 million people in India.

Mr HAMILL: Just on the subject of Austrade, are there still agreements on foot with Austrade where certain Austrade services are purchased by the Queensland Government?

Mr SLACK: Austrade sells its services.

Mr HAMILL: As I recall, there were specific agreements in Seoul and Paris.

Mr SLACK: Yes.

Mr HAMILL: Are they still on foot?

Mr SLACK: The Executive Director of the International Trade Development Division may wish to comment. We work very closely with Austrade. We pay for our services. At this point, I do not know whether there is a specific agreement in relation to a particular area.

Ms ZANELLA: The funding that you referred to—there are still some funds available for that purpose, which is on the occasion where we do not have an office and we have a specific requirement. You are quite correct in pointing out Korea because recently—in April—we had a food exhibition.

Mr SLACK: The question is whether we have an agreement with Austrade.

Ms ZANELLA: No, we do not have a separate agreement.

Mr HAMILL: It is an ad hoc arrangement?

Ms ZANELLA: Yes.

Mr BEATTIE: I want a quick answer on this. It seems to me that we are going to end up with growing competition with other Australian States. We have seen that with Western Australia and India and a few other places. In terms of trade, which States do you think will be our major opponents overseas? What sort of specific strategies do we have to deal with that?

Mr SLACK: There is certainly competition between the States. It is more in the investment area than the trade area, or this is my perception of it. It is in the encouragement of projects between States. For argument's sake, Western Australia is a major player in education—all the States are major players. On a State average, we have about 17% of the education dollar that comes in. However, for argument's sake, Western Australia gets 4,000 Indonesian students; we get 1,340. I believe a consul for the Indonesian people will be established in Queensland in the near future, which will help education services. Yes, there is no doubt that there is competition between the States. All the States recognise that.

I have talked to the Western Australians about cooperation. I talked to Hendy Cowan last year about it. We are to have our ministerial conference in Darwin at the end of this month. That will be an issue that will be raised because we are certainly playing for Australia and we do not wish to be fragmenting our exports. We have our specialities.

Mr BEATTIE: As long as we get our fair share of it.

Mr SLACK: Exactly. When I was talking to Kennett about a month ago, he acknowledged that there needs to be increased cooperation between the States in identifying the areas in which they play best—the areas in which they have the specific industries that are relevant to that State so that we do not enter into competition and that we do what we do best in particular industries. We are supportive of that.

Mr BEATTIE: In relation to my question on notice, you provided detailed statistics on merchandise exports from Queensland over the last few years and for the first three-quarters. I note that there has been a fall off in exports this financial year to the extent that the June quarter will need to be the best quarter of the year with \$3.6 billion of exports just to reach the levels achieved last year. So we are looking at possibly zero or negative growth in Queensland's exports this year after an

export growth of 9% in 1995-96. What factors could or would contribute to that? Why has that happened? Your bottom line figures have fallen, as you know.

Mr SLACK: From my own perceptions of what could be the influencing factors, there has been a downturn in the value of most products in the rural industry. Basically, all commodity prices have dropped. The drought has not helped the volumes of those products. The meat industry has seen increased exports to Indonesia, but that is at a cost to other markets. The value of meat has declined substantially because of an oversupply by America into the international trade market. There has been a downturn due to the drought, which also applies to the grain industry.

The other factor is that we are recognised as having a high value on our dollar at this time. There is increased competition in the export market. All of Australia, not just the States, should realise that the Europeans and the Americans, who previously were not so greatly involved in these export markets, are now major players. They are increasing their input and their sales into the area. In actual fact, our overall percentage into those areas has been dropping. While, generally speaking, the amount of exports has been going up in value terms, our percentage of the cake has actually been dropping. Unfortunately, when compared to the other States, Queensland has dropped over the six-year period when you were in Government.

Mr BEATTIE: Manufacturing seems to be in the same position. It is 39% lower than the level recorded in the September 1996 quarter. Is that for the same reasons? Manufacturing exports are falling dramatically and the March 1997 quarter exports are 39% lower than the September 1996 quarter.

Mr SLACK: The dollar would affect manufacturing, as would increased competition. At the same time, as I have said, we are competitive and we need to promote amongst our business people not only the fact that we have products overseas but that we are competitive. They need to have confidence in and take advantage of the opportunities that are presenting themselves through the competitive nature of our industries. I have seen innovative Australians producing articles that are readily saleable overseas, but at the same time they face a lot of hassles in selling into some of those markets and some people have been burnt in the past. Many business people are not prepared to accept that challenge.

Mr BEATTIE: I am worried about the trend lines on both merchandise and manufacturing, which are significantly down.

Mr SLACK: The other factor that you need to look at is the economic effects that the industrial laws have had on the confidence of people involved in manufacturing. One can look at high workers' compensation costs and those sorts of things. The inability to put somebody off within industry has been a factor. Such factors have caused problems with confidence and morale within industry. The Government is addressing and has addressed those problems. I do not want to throw it back on the

period when you were in Government, but some of those things blew out when you were in Government.

Mr BEATTIE: But the trend lines were much higher when we were in Government. Let us not get into political stuff.

Mr SLACK: It is the after effect. If there is a policy in place, you do not see the immediate benefits of it until 12 months down the track when they start to seep through into the workplace. The trends were dropping off in your period.

Mr HAMILL: On pages 26 and 27 of the Program Statements there are a number of references to the appointment of the Special Queensland Trade Commissioner. Can you explain that particular appointment? What was the job description of that person, who was appointed and so on?

Mr SLACK: You are referring to the former Co-ordinator General under your administration, John Down. He was on contract when we came into Government. John Down is recognised as having some particular skills in the export field and the investment field, and I believe that that was why he was appointed by yourselves to the Office of Co-ordinator General in the department. He tendered a letter of resignation from the statutory Office of the Deputy Co-ordinator General, Department of Premier and Cabinet, on 31 October 1996.

On 1 November 1996, Mr Down commenced consultancy duties as the Special Queensland Trade Commissioner under an independent service agreement with the department. Under the terms of that service agreement, Mr Down is obliged to notify the department of any actual or potential conflict of interest that may arise in the performance of his duties. Under the terms of the service agreement, Mr Down is paid upon presentation of an invoice detailing services provided. Therefore, he outlines the services that he provides. Under the agreement, duties for the department include the facilitation and negotiation of special trade and investment opportunities on behalf of the State of Queensland, the facilitation and negotiation of export financial facilities, the provision of assistance to overseas officers in the facilitation of inward investment, the facilitation of cooperation between Austrade and the Export Finance Insurance Commission, the identification and negotiation of opportunities for the export of Government services and the implementation and completion of economic development projects as determined by the director-general of the department. The estimated cost of Mr Down's office since 1 November 1996 to 30 June 1997 is \$250,000. A full-year budget allocation of \$300,000 has been made for Mr Down's activities in 1997-98.

Ms SPENCE: You have referred to the fact that overseas education is one of our most important industries. Recently a number of migrants and a number of university students spoke to me about the fact that overseas students' visas are being rejected by the Federal Government, often after their application to study at a Queensland University has been accepted by the university and after their fees

have been paid by their relatives in Queensland. I have read articles recently where it is claimed this is in fact occurring much more frequently than it has in the past. Are you going to talk to the Federal Minister for Immigration and Multicultural Affairs about this, as obviously it will have a detrimental effect on one of our most important industries if it continues?

Mr SLACK: The area to which you refer, as you correctly identified, is a Commonwealth responsibility.

Ms SPENCE: Sure.

Mr SLACK: Not all the issues that you raised in respect to visas have been raised with me. However, I was recently in Hong Kong and Shanghai and the question of visas was raised. From discussions with the individual high commissioners or consul-generals who issue the visas, I understand that they are looking to streamline the issuing of visas to avoid the sorts of problems that you have identified. Certainly I have made a note to raise the point and it may have already been raised following discussions with my counterparts overseas. I have spoken to somebody within the department and have raised the issue with the Federal authorities.

Ms SPENCE: If you do not put a bit of pressure on your Federal counterpart, all the good work that we are doing to try to sell our education overseas will be hampered by the fact that the word is spreading that it is hard to get a visa to study in Queensland.

Mr SLACK: I do not accept that it is as dramatic as you are suggesting. I cannot see it having the implications that you are suggesting—for example, that we will see downturns. However, there may have been instances where what you are referring to could have occurred. Certainly, I will follow that up, but I do not see any real threat to our education facilities any more than there is in any other State. You have to look at it in that context. It would apply as much to any other State as it does to Queensland.

The CHAIRMAN: The time for questions by Opposition members has expired.

Mr HEALY: Minister, you have made several visits to China over the past 12 months. As you know, I was fortunate enough to be part of a trade delegation organised by your department to that country last year. What is your view of the success of your department in both understanding and gaining access to that vast market?

Mr SLACK: As the Committee would know, I led a delegation to Shanghai recently. That was my third visit to Shanghai.

Mr BEATTIE: Did the sweet and sour improve?

Mr SLACK: Let us say that it is part of the challenges as a Minister to adapt to different cultures and foods. I have had the opportunity and privilege of visiting Shanghai on three separate occasions; firstly, on the inaugural direct flight of Qantas from Sydney to Shanghai; secondly, for the opening of the State office in Shanghai; and, thirdly, on the

recent delegation. About 90 people were in that delegation. I am very proud and pleased to be able to say that we were extremely well received by the Shanghai officials. The vice mayor in the welcoming party made the comment that it was the highest level of public officials that they had put together to welcome any overseas delegation, which was a compliment to us. It is even more complimentary in the context that the President of France, Mr Chirac, was there at the same time with a delegation of about 500 people. It was a big plus for Queensland. There is no doubt that that has accrued from the long association that we have had with China, and particularly through our connection with Shanghai.

I believe the sister-State agreement of 1989 is a beneficial factor in establishing and building on relations with Shanghai, and the opening of the office in October last year built on that. Having said that, from the instance I gave of the French delegation being there, you can gain an appreciation of the competition in the Chinese market. Shanghai is recognised, apart from Beijing, as the potential economic powerhouse of China. It will have a different role to the role that will be played by Hong Kong when it re-enters China. We have established an office in Shanghai. That is recognised by the Chinese Government. The fact that we are established in Hong Kong is of benefit to us. All of our meetings with officials have been very positive, both on the business side of it—

Mr BEATTIE: Was there much media coverage when you were there?

Mr SLACK: There was considerable media coverage in Shanghai. I was surprised at the amount of media coverage that I got. I was interviewed by one of the top interviewers who interviewed Chirac on an exclusive basis. We were interviewed as being from humble Queensland. That was a big plus. I was also interviewed on radio and we appeared in the main China newspapers. The standing of Queensland is very high in China. When I say "Shanghai", I refer also to my previous visits to Quanzhou, Shenzhen, Xian and Nanhai. There is increasing recognition of what Queensland and Queensland business have to offer to China. Having said that, it is also necessary—and we have addressed this—to maintain the cultural relations we have with China. We are building on those.

A young soccer team went with us to Shanghai. Incidentally, it played exceptionally well. You have every reason to be proud of them. Against the top Shanghai team, they lost the first match one-nil but won the second match against the team leading the intercountry competition one-nil. They went on to Shenzhen and played to two-all in that match. Considering they had not played together previously as a team, whereas the others had been playing as a team, they were a team of which we could be proud in every way.

We also had an exhibit in the museum in Shanghai. That museum is recognised as being world class. The Shanghai museum officials went to the trouble of including our exhibit, which was a fine metal art exhibit, in the prestigious section of the museum. That was the first exhibit of any from a

Western nation to be included in that prestigious section. They are good relations that can only serve us well in the marketplace in China. Our trade with China has been increasing at the rate of about 25% per year. When Hong Kong takes over China, you will no doubt see an increase.

The CHAIRMAN: I have granted you an extension; you can keep going.

Mr BEATTIE: What about that Courier-Mail report, though?

Mr SLACK: Yes, there was a Courier-Mail report that referred to a couple of negatives. Incidentally, I received a letter from the person referred to and they denied that they had said that in those terms. The letter was very supportive of the role that this department and I had played. Having said that, it is not a market for the uninitiated. It is a market for which you have to do your homework properly. Obviously, I have concern about business people going over there and getting burned. That can happen in any market; they can get burned in Australia. You are required, as business people, to do your homework, to be focused and to seek the advice of those people who can give you advice, such as officers of the department. I refer also to the trade offices established in those countries. You have to make some hard and fast decisions as to whether that is a market for your particular type of business, otherwise you run the risk of getting burnt.

Mr BEATTIE: It is better to have a local partner, is it not?

Mr SLACK: Yes. The general trend in marketing now is to look for a partner in the country into which you are looking to export, because of the market connections. There are benefits to Australian and Queensland businesses in doing that. Our officers and the overseas officers can match partners, but they cannot take responsibility for what comes out of that. They certainly can pass on information in relation to people who are looking for partners in Australia or particular products. Again, it is an area where you have to be careful, particularly in China, because they do not have the same legal protection that you may have in other countries. The officials in China are looking to promote trade and to create a better climate for us to have confidence in investing there.

Mr GRICE: Given Queensland's focus on the Asia/Pacific, what steps have been taken to ensure that Queensland maintains its market share in its traditional European markets?

Mr SLACK: We have an office in London. I cannot say how many years it has been there; it has been there for a long time. Certainly, it has an umbrella over Europe. We are also mindful of the potential in Europe. I receive visits from ambassadors or consul-generals from European countries who are outlining the trade potential with European countries. There is a lot of potential for investment from European countries into Queensland, which leads to jobs. There is opportunity in America as well as Europe, England and Ireland. We are promoting very heavily in those markets the opportunities existing in Queensland to

be gained by establishing their offices here to service Australia, and for Queensland to act as a hub or to be a jumping off point to service the Asian market. We are cost effective in that regard.

In Victoria, Kennett jumps up and down and says how good Victoria is. But if you do an analysis, you find that we are just as good or better. There is no question that we are better, because of our geographical location to start with. We have direct flights from most of the Asian capitals. The cost of establishing executives in Brisbane or Queensland in comparison to Singapore, Taipei, Hong Kong or wherever is much, much cheaper. Recently, the comparative cost of establishing a business—and I will not name the business—between Singapore and Brisbane was analysed at \$13m in Singapore as opposed to \$9m in Brisbane. In addition, we have a favourable climate, which is recognised, as is our environment and the potential of our industries. We have natural resources, low taxes—

Mr GRICE: Our Government.

Mr SLACK: Yes, our Government. I tell people from overseas that, although our numbers are very close, our trade objectives have the support of the Opposition and we do not feel that there will be a major change.

Mr BEATTIE: What about the eastern bloc? Is there much chance there?

Mr SLACK: There is no doubt that there are chances there, but it gets back to your resources. You can spread your butter only so thin.

Mr BEATTIE: And there are risks.

Mr SLACK: And there are risks. Naturally there is a risk in those places where the Government changes. We have identified those growing markets to concentrate on, and that has been demonstrated in the volume of trade that we have with Japan, Korea, China, India—the Asian countries. We have taken into consideration the growth factors that are evident in their economies—for the last 10 or 15 years they have experienced GDP growth of around 8%. We have also taken into account the employment factor and the growth in per capita income. It is estimated that by the end of this century 400 million Asians will have incomes better than those of Australians. You can look at whichever country you like in terms of the numbers that are there, and that is the potential.

The CHAIRMAN: Your department has established new trade assistance schemes. Would you outline for the Committee some of the programs involved in that?

Mr SLACK: We have refined the old QEDS scheme. We have introduced QTAS, the Queensland Trade Assistance Scheme. It has allowed more people to access the amount of money that has been allocated, which is \$2m over three years. I would like to mention that we have also taken an initiative whereby we have allocated funds to support bilateral trade initiatives coming out of Australian people who have ethnic origins in some of our trading partner countries. That connection is a major plus in respect to the entry of our products into those marketplaces. We have allocated funds for promotion to be

accessed by organisations such as the Malaysia/Queensland Business Council, the Indonesia/Queensland Business Council and the China/Queensland Business Council. Positive benefits have flowed to our economy from providing such assistance to Australian citizens who have origins in Asia or other countries.

Mr HAMILL: There were a fair few carryovers in those funds in the Budget, though, weren't there?

Mr SLACK: There is a lead time in respect to them. We have dealt with the particular applications expeditiously as they have come in. I can give you the figures.

Mr HAMILL: If you table them we can all get a copy.

Mr SLACK: We will table those.

The CHAIRMAN: The time allotted for the consideration of the Estimates of expenditure for the Department of Economic Development and Trade has expired. I thank the Minister and the portfolio officers for their attendance. That concludes the Committee's considerations of the matters referred to it by the Parliament on 4 June 1997. I thank the members of the Committee for their cooperation and participation today. On behalf of the Committee members, I thank also the Committee staff, the Hansard staff and the parliamentary officers for their contribution to a successful Estimates hearing today. I hereby declare these proceedings and public hearings closed.

The Committee adjourned at 7.29 p.m.