

ESTIMATES COMMITTEE G

Mr P. T. Lucas (Chair)	Mr G. J. Healy
Dr L. A. Clark	Mrs L. D. Lavarch
Mr H. W. T. Hobbs	Hon. V. P. Lester

COMMUNICATION AND INFORMATION; LOCAL GOVERNMENT, PLANNING, REGIONAL AND RURAL COMMUNITIES**IN ATTENDANCE**

Hon. T. M. Mackenroth, Minister for Communication and Information and Minister for Local Government, Planning, Regional and Rural Communities

Mr K. Yearbury, Director-General

Mr A. Kuru, General Manager, Building Standards

Mr B. Fleming, General Manager, Office of Rural Communities

Mr D. Peddie, Manager, Finance

Mr P. Jardie, Acting Director, Service Delivery

Ms L. Manning, Acting Director, Information Industries Branch

Mr G. McCallum, Acting General Manager, CITEC

The Committee commenced at 8.30 a.m.

The CHAIRMAN: I declare this meeting of Estimates Committee G now open. I welcome the Minister, public officials and members of the public who are in attendance today. The Committee will examine the proposed expenditure contained in the Appropriation Bill 1998 for the areas set out in the Sessional Orders. The organisational units will be examined in the following order: Communication and Information; Local Government, Planning, Regional and Rural Communities; Tourism, Sport and Racing; Environment and Heritage; Natural Resources.

I remind members of the Committee and the Minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given at the expiration of those time limits. An extension of times may be given with the consent of the questioner. The Sessional Orders require that at least half the time is to be allotted to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in their transcript. In the event that those attending today are not aware of it, I should point out that the proceedings are similar to Parliament to the extent that the public cannot participate in the proceedings. In that regard, I remind members of the public that, in accordance with Standing Order 195, strangers, that is, the public, may be admitted to or excluded from the hearing at the pleasure of the Committee.

I declare the proposed expenditure for the portfolio of the Minister for Communication and Information to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Minister, would you like to make a brief introductory statement?

Mr MACKENROTH: I will make a short statement. Let me say how pleased I am to be back on this side of the table. The Department of Communication, Information, Local Government and Planning is a new department. The Communication and Information section has been made up from pieces of five different departments to bring together for the first time a Communication and Information section within Government. That was put together immediately after the last election. Although we were able to get it together very quickly there are still a number of teething problems that we are going through in terms of making sure that the direction that the Government wishes the department to go in is working well. We have almost completed a strategic plan for Communication and Information, which will be released later this year. That will give a clear direction of the Government's intention in relation to Communication and Information.

In relation to Local Government and Planning—I compliment the former Minister, Di McCauley, on the way she handled my portfolio in my absence, because she did not change anything. It was very easy to go back to. Nothing was changed. Even the paintings on the wall in the office were the same. I was very pleased. Obviously the former Government was happy with the work that we had been doing. Although it had been critical of regional planning while we were previously in Government, it went ahead and set up more regional plans once it found that councils throughout Queensland were very happy with them. I do not have much more to say on that. I was very critical of Ministers taking too much time to outline their plans other than answering questions, so I will leave it at that. Mr Chairman, I ask you please to excuse my voice. I can assure you that, by the time we get to the end of this three hours, you will hardly be able to hear me.

The CHAIRMAN: We will take non-Government questions first.

Dr WATSON: Mr Chairman, I thank you and the Committee for allowing me the time to ask some questions in this section.

My first question comes from the Minister's very short opening statement and the comments about the Communication and Information strategic plan. I was going to ask when it was to become public, given that IQ, which was the previous Government's strategy, was public, but you have indicated that that will be later on this year. Can you be more precise?

Mr MACKENROTH: The draft of it has been completed. We are now going through consultation with other Government departments on that. I hope to have the Communication and Information Advisory

Board, which is part of our policy, established within three to four weeks. I would then take that strategic plan to them. Following that, it would be released.

Dr WATSON: From the short description that is available in the MPS, it seems to be running along the lines of the IQ document. Can you give me any idea of the essential differences between what was there and the new document?

Mr MACKENROTH: There probably will not be a lot, because the IQ document pretty well took up the Labor Party's policy.

Dr WATSON: I think we can argue about that. It may be the other way around.

Mr MACKENROTH: I do not think so. Ours was in the marketplace first.

Dr WATSON: Perhaps it was in the marketplace first, but that does not mean that it was produced first. You know how Oppositions work.

Mr MACKENROTH: Ours was produced first.

Dr WATSON: So you do not think there will be a significant difference?

Mr MACKENROTH: We will have to wait until it is released. There was some good work being done. We will not scrap that or do away with that. The strategies that were in place in some of the areas are not going to be dropped. Work that was being done when we came into Government has continued to be done. I do not think there was enough Government pushing to make sure things were achieving milestones, which is something that I think you need to do. Some of those programs were probably floundering, because there probably was not enough of a push. We will do that. We will get a strategic direction. Once that is done, we will start to put some proper reporting measures in place to ensure that what is being required is being met.

Dr WATSON: I notice that the 1997-98 performance is based upon our Government.

Mr MACKENROTH: We are not going to take any credit for four days.

Dr WATSON: Comparing them, I notice that there are some programs, such things as the Partnerships for Development, the FIG program—Financing IT&T Growth—and the Queensland Multimedia Industry Development Strategy, which were mentioned there but did not seem to be mentioned in your 1998-99 planned performance. Have those programs been scrapped?

Mr MACKENROTH: Can you point me to the page?

Dr WATSON: At the bottom of page 8—I am just picking out some of the ones that I know were there. The Partnerships for Development, the FIG program and the Queensland Multimedia Industry Development Strategy are all mentioned, but they are not mentioned as part of your 1998-99 planned performance. Are those programs continuing?

Mr MACKENROTH: They are not being stopped as such, but what will happen is that they will be taken into the strategic plan under the strategic planning section that we have within the department and picked up through there.

Dr WATSON: So we will see those things come out in other forms.

Mr MACKENROTH: Yes.

Dr WATSON: I go to page 14 of the MPS and Note 1 of the staffing resource section.

Mr MACKENROTH: Yes.

Dr WATSON: First of all, it refers to a series of subprograms in which the numbers in the Public Service have increased—

Mr MACKENROTH: Yes.

Dr WATSON:—by a total of 19. You indicate that the increase in staff is due to the filling of vacant positions and the reallocation of work from contractors and consultants to public servants. As Public Service IT pay scales are well under the market rates, where are you going to source the staff from?

Mr MACKENROTH: We have actually got people who were being employed in the department as consultants who actually wanted to be employed as public servants. It was not their choice to be contractors. In many cases, they wanted jobs as full-time public servants at the appropriate rate of pay within the Public Service. I think that previously the policy was to employ them as contractors on short-term contracts and some on three-month contracts which then needed to be renewed every three months. I do not believe that that was giving us a very good staff structure, because a lot of those people were unsure at the end of the three-month period whether they would get a job or not. So almost half the time that they were working there they were actually looking for another job. We have found that these people want to take a full-time public servant's position. So I think that the premise of your question is wrong. There certainly are some specialised areas where contractors are necessary, but I think that that should be done as a minimal amount. It also should not be done for the long term; it should be done more for the shorter term.

Dr WATSON: So you are confident that they are there.

Mr MACKENROTH: Yes.

Dr WATSON: I noticed recently in the Government Gazette that the SAP R/3 specialists were given a 20% bonus if they were retained.

Mr MACKENROTH: Yes.

Dr WATSON: I am not quite sure if that was under your department or under Treasury.

Mr MACKENROTH: I am informed that the Office of the Public Service is presently looking at giving greater flexibility in employment conditions and salaries in specialised areas. So it will be an opportunity, in specialised areas, to change some of the conditions.

Dr WATSON: So that has been looked at. So the kind of thing that I saw in the Government Gazette about the SAP R/3 positions will be expanded to other IT positions?

Mr MACKENROTH: It relates only to SAP R/3 at this stage.

Dr WATSON: But you would expect that to be expanded?

Mr MACKENROTH: That is what the Office of the Public Service is looking at now.

Dr WATSON: About two weeks ago an American Competitiveness Act was passed by Congress. What impact do you think that will have on IT recruiting?

Mr MACKENROTH: David, you can ask me anything you like about my department and I will give you an answer, but I cannot tell you about the American Congress. I am not quite up with all of that.

Dr WATSON: It was passed.

Mr MACKENROTH: I am unaware of it.

Dr WATSON: Basically, what they are doing is expanding quite substantially the number of visas permitting people to go into the United States over the next four years from about 260,000 to 452,500, from memory—do not quote me on the figures.

Mr MACKENROTH: Sure.

Dr WATSON: About a 190,000-odd increase over the next four years. Obviously they are going to be drawing on people around the world with those visas. Are those the kinds of things that you would expect to be taking into account in determining these pay scales?

Mr MACKENROTH: The IT area is an area where there is a huge shortage of experienced people. That needs to be one of the things that they should look at. I have been publicly critical of universities. If you talk to most universities—and I have since I have become the Minister for Communication and Information—they all admit that there is a problem in that there are not enough IT professionals being trained. They will tell you that they need more funds for it. If you put to them the proposition that perhaps they should look at internally changing around some of the funds that they have, none of them will agree with that. So what we have is universities that are training people, giving them degrees, sending them out with degrees into the marketplace where there are no jobs and we have jobs for people that they cannot give degrees to. It does not make any sense to me. I think that universities themselves need to look at the funding that they are getting from Government and look at reallocating within their own areas, because there is a huge shortage of IT professionals in Australia and right around the world. That is one of the reasons why you do have this problem with the pay rates. I guess that is why America would be looking at trying to bring more people in.

Dr WATSON: I think that it is going to be an ongoing issue. Along the same lines—in relation to the decision to move people inhouse as against consulting, one of the arguments that was put for consulting or outsourcing was to help keep developing the local IT industry. Have you thought about what impact moving things from consulting to inhouse will have upon growth rates in the local IT industry and also its impact on those small businesses?

Mr MACKENROTH: I have been critical of consultancies in the past. I have sat on the other side of this table for the last couple of years being critical of it. Once I became the Minister, I put in place a mechanism whereby I required that every consultancy within my department be approved by me personally. Whether it is for \$1,000 or \$500,000, I approve it personally. I expect to have put before me all the reasons why that particular consultant has been selected, how the selection process has been gone about, what the aim is of the consultancy, how long it is going to last for—all of those questions have to be answered before I approve it.

One of the things that I have found is that the need for consultants has decreased, just simply by asking people to justify it. So you need to look at that. I do not think that one should just give out consultancies to people so that they can get work. We need to look at what we are doing. A lot of the work that consultants have been doing, particularly within the communications and information area, is work that could have been done by public servants. I think that we need to be aware of that.

Dr WATSON: Forgetting about the SAP R/3 issue which we have kind of addressed, there are other critical areas of the Government in terms of IT programs, such as accounting and the payroll—and I will get on to the Y2K problem a little bit later on. Are there any consequences for the issue of ensuring that the time lines of those essential programs are met if you do not get the in-house people? Have you thought about what happens if you cannot recruit? Have you got any contingency plans in place for that?

Mr MACKENROTH: You mean in relation to Y2K?

Dr WATSON: I will put that to one side.

Mr MACKENROTH: I think that they probably go together.

Dr WATSON: The other issue—

Mr MACKENROTH: One of the first things I identified when I became the Minister was that a lot of Government departments were not doing anything about getting their new pay systems in place for 1 July next year. I do not know whether you are aware of it, but the system under which we are paid at present is not Y2K compliant. One of them, of course, was our own pay system, and from 1 July next year we would not have been paid and neither would a lot of other public servants.

Dr WATSON: From what I see in the paper, a lot of people would think that is a great idea.

Mr MACKENROTH: They obviously think that we are getting paid too much. A lot of public servants would not have got paid, and all the leave entitlements information would have been lost. We have put in place measures to ensure that that is met. CITEC is now putting in place some contingency plans for the departments that perhaps do not get there or are not getting there. That is being done in house, but we have actually put in place some measures to monitor it and make sure that it is done. In terms of meeting deadlines—if there are deadlines

to be met, departments have to meet them. I have to say that I do not see any evidence before me that too many deadlines were being met before with consultants.

Dr WATSON: We could argue that. One of the issues that continually came to me when I was Minister was businesses looking at and being concerned about CITEC competing with private industry. Will expanding CITEC increase the competition in the market against Queensland-based IT companies?

Mr MACKENROTH: There are two parts to that. One part is some of the areas that CITEC had been involved in, has been involved in or is involved in. I would think those would be fairly small issues involving Internet-type companies, which I think is in direct competition with small Queensland companies. I do not wish to see CITEC continue in that. None of them have proved profitable anyway, so they have not been good investments. One of them was started by our previous Government and some of them were started by your Government. They have probably been driven by people who want to see CITEC expand into private enterprise but they have not proved to be profitable. I think we need to get out of that.

There are areas where CITEC can be competitive in the marketplace without affecting Queensland companies. For instance, CITEC has established disaster recovery facilities in Sydney. We can utilise the links between Brisbane and Sydney to bid, and CITEC has bid successfully to get work interstate and from the Commonwealth. That is not taking work from local Queensland companies and CITEC is able to add to the business that we have within Government.

Whilst CITEC was made into a business unit a few years ago, we need to focus it on trying to get business outside of Government. One of the things that happened is that people outside of Government started to get all of its business. We need to really focus it back on what I think is its core responsibility, which is to provide services to Government. Perhaps we need to see what further work it can do within Government. That is where we need to focus it. That is one side of it.

The other area where you get criticism is that some people in the private market believe that CITEC has bid against them unfairly as it is aware of information. CITEC tells me that it never bids on work where it has been involved in the preparation of the documentation. That is the advice that it gives me and I have to take that on face value. I believe that.

Dr WATSON: I turn to the issue of the Y2K. I must admit that I was a bit surprised when I got a note from the Minister for State Development with respect to his pre-eminent position on the Y2K issue with business, particularly as it is in the Department of Communication and Information. Could you explain the differences and the roles, and whether there is any—

Mr MACKENROTH: He is very lucky; he is going to solve all of the problems in Y2K in the wider

business community and I am to look after Government. It is as simple as that. Business and industry have the program for business, as they have with all business programs. The area of Y2K within Government is under the Y2K Office, which is in the Department of Communication and Information. The private enterprise area is from there. We have funded them some money to help them with some advertising programs, but it is up to the business section to do that.

Dr WATSON: Is the explanation for the interpublic account unrequited transfers and does that increase reflect transfers to other agencies as part of—

Mr MACKENROTH: Sorry?

Dr WATSON: Page 13, note 7: Does the fact that you transferred money to the Department of State Development explain that \$7m jump between actual and estimate?

Mr MACKENROTH: That is part of this amount. Yes, it is.

Dr WATSON: That is the major reason for that?

Mr MACKENROTH: It is part of this.

The CHAIRMAN: The time for non-Government questions has expired. Minister, in a previous answer to the member for Moggill, you covered the issue of consultants. You indicated to the Committee that the Government had taken certain steps to exert control over the proliferation and extent of the use of consultants. Have you identified any problems with the use and hiring of consultants as a result of those investigations?

Mr MACKENROTH: Yes. When I became Minister I asked for a brief on all present consultancies within the department. I have not gone back through past consultancies that have run out. We identified that there were at least nine current consultancies approved by the former Department of Public Works and Housing and the former Department of the Premier and Cabinet where there was insufficient information available on the files on the methodology used to select the consultants or to establish the grounds for the decision to engage a particular consultant. We had a problem in that there were nine consultancies for which there was no documentation whatsoever on file to tell us why those particular consultants had been selected.

To give you an idea of what we are talking about, one consultancy had been paid \$108,000; another consultancy was being paid \$900 a day; another consultant had been employed and paid \$116,750 and the daily rate for that was \$800; and another consultant had been paid \$128,024 and the daily rate there was \$650. Those are the sorts of things that I had criticised before where decisions had been made. The answer that was given to me by public servants in Estimates committees was that consultancies had been let using the emergent conditions of the State Purchasing Policy, which I have been very critical of. When one goes to those, there is no documentation to show why a consultancy has been let out if those conditions

apply. It does not tell you whether it was for those reasons or for any other reasons.

The CHAIRMAN: There is no documentary evidence supporting the—

Mr MACKENROTH: There was no documentation and no competitive tendering was called for. That really assured me that the decision that I had taken to ask for people to put their case before any were approved was justified.

The CHAIRMAN: On page 3 of the Ministerial Portfolio Statements there is reference to the recent amalgamation of five discrete functions in communication and information. Can you indicate any benefits that have so far been yielded as a result of this amalgamation?

Mr MACKENROTH: Where is it?

The CHAIRMAN: I am referring to the bottom paragraph on page 3.

Mr MACKENROTH: Just bringing the different sections together has meant that industry has got one area to go and deal with. One of the problems that I believe that industry had before is that it was unsure of where to go and who to deal with. You had different departments bidding to try to be the leader in the IT area. In trying to do that, other departments had part of the responsibilities, which they were trying to exercise, and it really was not clear. Just bringing it together, I think, has ensured that within Government we now have one focus and one area we are working towards. I think that will produce far better results from Government being able to help industry. I was pleased to see that the coalition also had as part of its election policy that it was going to have a single Ministry as well.

The CHAIRMAN: At the top of page 4 of the Ministerial Portfolio Statements, you have indicated that funding of \$2.6m has been allocated to the Information Industries Branch to facilitate the creation of an industry culture and an environment that stimulates innovation, rewards local industries and so on. How is it proposed that this money will be expended and what expertise does the IIB staff have to assist in this area?

Mr MACKENROTH: The funding is to run the IIB. The Information Industries Branch runs a number of seminars for industry. It is able to help industry, particularly small Queensland companies, to find markets overseas. That is the area that the IIB works in. The \$2.6m is the funding for the IIB for the year.

Dr CLARK: My question also relates to page 4. At the top of page 4 you will see a reference to an allocation of \$2.4m for the headquarters of the National Collaborative Health and Informatics Centre. Could you outline to us the benefits to Queensland that are expected to flow from the establishment of the centre?

Mr MACKENROTH: The National Collaborative Health and Informatics Centre is to be established in Queensland. It has funding of \$2.4m from the State over three years and will have a similar allocation from the Commonwealth Government to fund the centre. The centre is for the whole of

Australia. It is to bring together health professionals and IT professionals to work towards trying to find solutions to use IT better in the health area, whether that be through telemedicine or whether it be through working to find some solutions in the IT area to help in the health area. Those things will come together. It will not be running the programs, it will be facilitating bringing people together and working towards and identifying problems and solutions.

Mrs LAVARCH: My question relates to program outlays. If you turn to page 6 of the Ministerial Portfolio Statements, you see that it indicates in relation to Communication and Information that the budget outlays for 1997-98 were \$112,964,000. The actual expenditure was \$120,335,000. For the year 1998-99 there is an estimate that the budget outlays will be \$139,968,000. Could you explain the reason for this increase?

Mr MACKENROTH: Do you want the variation for budget to actual or actual to estimate?

Mrs LAVARCH: I am asking for the variation between the amount budgeted in 1997 and the actual and then the increase on the estimate as well.

Mr MACKENROTH: Increases from budget 1997-98 to actual spending for 1997-98 were as follows: service delivery projects, \$1.879m; strategy and planning projects, \$1.191m; Information Industry Board operations and projects, \$649,000; CITEC's outlays, \$3.854m; State Archives, \$186,000; and expenditure on the year 2000 problem, \$123,000. The increases were partly offset by decreases under SunNET, \$131,000; the remote commercial television service project, \$211,000; and the Australian Silicon Studio Training Centre project, \$169,000. Do you want the increase from the actual to the 1998-99 estimate?

Mrs LAVARCH: There is an increase of \$19m?

Mr MACKENROTH: There is a \$19.633m net increase as a result of increases in funding levels in 1998-99 relative to revised funding levels in 1997-98. The increases are in the following areas: CITEC, \$6.092m; State Archives, \$1.009m; sundry funding, \$2.7m; year 2000 initiative funding, \$10m; IIB funding, \$483,000; the Collaborative Health Informatics Centre funding, \$796,000; Queensland Multi-media Industry Development Strategy funding, \$500,000; the automation project in State Archives, \$295,000; the retail projects in IIB, \$30,000; and additional funding to support the integration of the new Department of Communication and Information, Local Government and Planning specifically to meet accommodation rental cost increases, \$110,000. The increases were partly offset by decreases in funding levels in the following areas—remote commercial television service projects, \$248,000; the Australian Silicon Studio Training Centre grant, \$714,000; strategy and planning projects, \$595,000; service delivery projects and SunNET operating costs of \$23,000.

The CHAIRMAN: On page 9 of the Ministerial Portfolio Statements the second dot point under CITEC indicates that for the 1997-98 year the

broadband fibre-optic network has been extended to improve the overall service offering for agencies and authorities of the Queensland Government around the central business district area of Brisbane. Is the Government anticipating extending this further for Government departments and agencies within south-east Queensland and also rural and regional Queensland?

Mr MACKENROTH: Not the CITEC cable. The CITEC cable is in the old SEQEB ducts which go under the ground around the city. It is there for data transmission, not for telecommunications or telephones, and we are able to provide a service to Government departments. The Government, though, is looking at expanding fibre-optic networks throughout the State by facilitating a new fibre-optic cable up the coast, in the first instance, from Brisbane to Cairns. One of the first decisions our Cabinet made was to set up a Cabinet subcommittee to look at the issue. Members may be aware that Queensland Rail was looking at a tender for a fibre-optic cable to Cairns. We have now decided to put within that tender what the State wishes to see. A week ago Cabinet decided to go back to the tenderers on that particular matter and ask them to address a number of issues to ensure that the State's interests—and by that I mean the people of Queensland—are being met. We would expect to see that tendering process completed by the end of this year with a contract being let for a fibre-optic cable, which would be cable in competition with the Telstra cable, between Brisbane and Cairns and to see that being laid throughout next year and hopefully operating by the end of the year.

Dr CLARK: So there is going to be some competition then with Government and the Telstra facility?

Mr MACKENROTH: It will not be competition with the Government. The Government through Queensland Rail is making available its right of ways. That is our part of the project. Private enterprise will lay the cable. We would expect that the owner of the cable will ensure that that pipe that comes from Cairns to Brisbane is available for other telecommunication carriers to create a fairly competitive link between Brisbane and Cairns, which I would envisage will see the reduction of telephone costs between Brisbane and Cairns and we will see centres being able to link into that.

Dr CLARK: I am aware that the universities—James Cook, Central Queensland and Southern Queensland—as a consortium have been trying to get access to broadband facilities. Is this going to be the answer to the problems that they have been experiencing?

Mr MACKENROTH: It will enable the universities who want a fair amount of broadband width to actually go along to a number of different service providers and put to them their case of how much space they want and I think get competitive quotes which they are probably not getting today. That is one of the problems they have. I think James Cook University is looking at spending nearly \$1m a year—

Dr CLARK: That is exactly right.

Mr MACKENROTH:—on buying cable space down to the south, but there is not a great deal of competition. This cable will create competition and that will bring down prices. It was interesting to read Frank Blount last week say that he sees that competition is going to drive telephone costs down to one cent a call. We will see what happens in the future.

Mrs LAVARCH: At page 10 of the Ministerial Portfolio Statements under the heading Information Industry Branch, the first dot point indicates priority to improving access of IT & T firms to venture capital by running investor ready courses. What is the nature of these courses and how many firms are expected to take advantage of them?

Mr MACKENROTH: I might get Liz Manning from the IIB to answer the question.

Ms MANNING: We run a course called the Financing IT & T Growth course. We have run three to date and we are planning to run an additional one in this financial year. So far we have put 45 companies through the program. The program runs over a five-month period and we are planning to put an additional 15 companies through the course in this financial year.

Mrs LAVARCH: Do the companies come to you or do you advertise through private enterprise to do the courses?

Ms MANNING: Absolutely. We promote the program to IT companies throughout south-east Queensland; we very actively market the availability of the program.

Mrs LAVARCH: Is a fee charged for them taking that course?

Ms MANNING: There is. We do subsidise the program but the companies do have to pay a fee. They also make a huge commitment in terms of time to the program because they have to give up weekends and nights; and they are already people who are putting in long hours. They do have to contribute financially and also make a large time commitment.

The CHAIRMAN: The time for Government questions has expired. We will now take Opposition questions.

Dr WATSON: Has the Auditor-General signed off on the 1997-98 accounts for Public Works and Housing including the Procurement and Information Section of the department, which is now in your department?

Mr MACKENROTH: No, I do not believe that he has yet.

Dr WATSON: I understand that he has.

Mr MACKENROTH: Kevin might answer that question.

Mr YEARBURY: The situation is that the accounts for the last financial year have been based on the former department's, so we are not in a position to tell you what the status is of that.

Dr WATSON: Were you aware of any questions that the Auditor-General has raised with respect to consultancies not meeting the State Purchasing Policy?

Mr MACKENROTH: We do have information from the Queensland Audit Office where they have raised issues that appropriate documentation could not be located to identify whether consultancies in relation to particular issues were approved in accordance with the department's delegation to the State Purchasing Policy and that no approval could be found in relation to a consultancy. Those matters are being looked at now. That memo from the Queensland Audit Office is dated 21 September.

Dr WATSON: Has that led to him qualifying the accounts?

Mr MACKENROTH: I think Kevin has already answered the question. It is not coming to us, anyway.

Mr YEARBURY: We do not know because that still relates to the accounts of the last financial year.

Dr WATSON: You are not aware of any qualification of the accounts of Public Works and Housing with respect to any of these issues?

Mr YEARBURY: I am not aware. That should be a matter directed to Public Works, the old department.

Dr WATSON: So you are not aware that he has raised any of these issues with the acting director-generals?

Mr MACKENROTH: No.

Dr WATSON: In the Australian Financial Review of 5 October you are quoted as indicating that some required reports on the Y2K problem will be filed with Government every two months. Are you making these public or, if they are Cabinet documents, will you be making a non-Cabinet version of these public?

Mr MACKENROTH: I have agreed, following our first submission to Cabinet, for the Year 2000 Office to meet with the Public Accounts Committee of this Parliament and fully apprise it of the whole situation. I have not looked at making anything further public. I could give consideration to that, but I did have a request from the Public Accounts Committee to be briefed on the year 2000 issue. I asked the chairman would he wait until the first report went to Cabinet, although I understand it had a brief meeting but I asked it to wait until the issue went to Cabinet and then it could have a full briefing on the whole issue. The Parliament will be aware—nothing is being hidden in relation to that.

Dr WATSON: It is just that there is some evidence from overseas. I was looking at a speech made last week in Tokyo by the Chairman of the US Appropriations Committee. In that speech he indicated that the US was reporting to Congress every three months and making the report public so that people had confidence in what the Government was doing with respect to that issue. I thought it might be a good idea if we started to do the same thing.

Mr MACKENROTH: I could give consideration to that. We need to highlight the fact that there is a problem there and the potential that it has to cause problems if things are not fixed. I will give consideration to that suggestion.

Dr WATSON: Have you or the Cabinet given any instructions to departments that the Y2K work should have priority over other work which may compete with either resources or time in the management of information systems technology?

Mr MACKENROTH: This is the instruction we are giving to departments—

- "1. Agencies must have identified a Y2K accountable officer (project sponsor) and provide contact details for the sponsor to the Year 2000 Project Office. The project sponsor must be a member of the agency executive management team who has sufficient authority and experience to analyse and allocate resource priorities with regard to achieving Year 2000 compliance.
2. Agencies must establish a Year 2000 project team directly responsible (via the project sponsor) to the Chief Executive Officer, the executive management group of the agency or a delegated project steering group.
3. Agencies must undertake a structured approach to year 2000 remediation, including but not limited to:
 - a comprehensive inventory of all IT systems (both hardware and software), embedded systems, data interfaces and supply chain
 - assessment of the agency's outputs, all related ('critical') systems and resources and the potential risks posed by the year 2000 problem
 - contingency planning for all critical systems and resources
 - rectification of all critical systems and resources affected by the Year 2000 problem
 - comprehensive testing of all systems and resources.
4. Agencies must produce a detailed project plan for their Year 2000 rectification and testing program by 31 October 1998.
5. Agencies must complete compliance certificates for all critical systems and resources by 31 May 1999.
6. Agencies must collate compliance certificates for all critical systems and resources in an agency register as certificates are completed.
7. Agencies must submit a compliance certificate summary sheet or a reasonably suitable equivalent to the Year 2000 Project Office by 30 June 1999.

8. Agencies must develop and document contingency plans for all critical systems and resources by 30 June 1999.
9. Agency project sponsors must submit monthly reports to the Year 2000 Project Office on their compliance efforts and remediation project status, beginning in October 1998, for collation into quarterly reports to Cabinet. Agencies are also required to report on the six most critical projects (whether categories of equipment or major systems) they plan to undertake.
10. Agencies must comply with the Queensland Government Year 2000 procurement policy as updated from time to time.
11. Agencies must observe Treasury Minimum Reporting Requirements (MRRs) for 1997-98 relating to Year 2000 disclosure.
12. The Office of the Public Service, in conjunction with the Year 2000 Project Office, must incorporate Year 2000 performance measures for Chief Executive Officers of Queensland Government budget agencies in their agreements with the Premier."

Dr WATSON: Does that extend to GOCs and statutory authorities?

Mr MACKENROTH: These extend to the agencies which control the GOCs, and the GOCs are then expected to comply with their department's requirements under this. In relation to essential services, such as electricity and water supply, your Government had started a process to let a consultancy to monitor the electricity generating authorities, because they are different authorities, to ensure that they are complying with that. It is a half million dollar consultancy. Cabinet agreed to that last Monday and that contract will now be awarded. That process of checking through that consultancy will start. We then go in to do one in relation to water supply. They are the areas which I think are very critical. We have just seen in Melbourne what can happen if the gas goes off. We need to try to ensure that as much as is possible is done in those areas.

Dr WATSON: Has any thought been given to the issue of the National Competition Policy? Has there been any interface between your Government and the ACCC with respect to the sharing of information to make sure that some of these things are not inconsistent with what it perceives as collaboration across supposedly competitive areas?

Mr JARDIE: I presume the question is specifically in respect of year 2000.

Dr WATSON: Yes, with respect to the year 2000. To give some background, obviously the ACCC is interested in making sure that there is competition in particular areas, but to solve some of these issues I suspect you will need cooperation across them. Has any work been done with the ACCC with respect to how it will interpret sharing of information and things like that in this area?

Mr JARDIE: Our relationship with the Commonwealth occurs with OGIT, which is located within the Department of Finance. We do not have a direct relationship with the ACCC. OGIT is the coordinating body for year 2000 work in the Commonwealth Government. I believe it has two-monthly forums—in fact, there is one in the next week or two—at which all of the State year 2000 project office representatives come together to discuss progress and to share information. There is a corresponding body located in DIST, which is funded from OGIT, to do industry awareness campaigns for small to medium enterprises.

The CHAIRMAN: You might explain those acronyms.

Mr JARDIE: DIST is the Department of Industry, Science and Technology. It is responsible for awareness raising in the small to medium enterprise sector. Our equivalent program, as the Minister was saying earlier, is run out of the Department of State Development and funded by our office. That is an equivalent process going on at the Commonwealth level, where the DIST program is funded out of OGIT, the Office of Government Information Technology, in the Department of Finance.

Dr WATSON: What about the Queensland Competition Commission? Obviously there are issues there. I think we are already involved in some issues with respect to access to infrastructure and things like that. Is there any interaction going on there?

Mr JARDIE: There is detailed interaction going on with all agencies within Government, but in respect of the competition area specifically we have not had a great deal of involvement with it.

Dr WATSON: Do you intend to?

Mr JARDIE: We will consult with it.

Dr WATSON: I cannot remember where it was now, but somewhere you talk about interaction with the Commonwealth. Has the Queensland Government made any written submission to the Commonwealth on a strategy for the information economy?

Mr MACKENROTH: You want to know if we have made a response to the Commonwealth Government's information—

Dr WATSON: Paper, which was published in July, I think, and had a closing date of 28 September.

Mr MACKENROTH: Yes, we are. I will take that on notice and let you know.

Dr WATSON: Is it possible to get a copy of that?

Mr MACKENROTH: Yes.

Dr WATSON: I presume it is not a secret.

Mr MACKENROTH: No.

Dr WATSON: At this particular time, have you made any estimate of what the Government's risk exposure is if we are not fully Y2K compliant?

Mr MACKENROTH: No.

Dr WATSON: Do you need that written out?

Mr MACKENROTH: No.

The CHAIRMAN: We need it written down.

Mr MACKENROTH: I argued with the secretariats of the committees, every time I sat over there, that I should not have to write the question out. You keep arguing with them, mate, and one day they will change the system!

The CHAIRMAN: You have your fights and we will have ours.

Dr WATSON: I accept the fact that the Minister is going to provide it.

Mr MACKENROTH: You are asking your next question. I do not want to think about the last one.

Dr WATSON: Get back to the risk exposure issue.

Mr MACKENROTH: I do not think it would really be possible to make an estimate of what the exposure is in relation to year 2000 non-compliance or year 2000 problems that eventuate. What you are working towards is trying to ensure that everything is compliant, which gives you a zero. That is what you are working towards.

Dr WATSON: That is what you are working for.

Mr MACKENROTH: And I think that is what we all should be working towards. Naturally, there will be some areas that we will not know about until it actually happens. What exposure is there is unknown.

Dr WATSON: What is the Government's position with respect to public liability arising from any failure to address the Y2K problems?

Mr MACKENROTH: I really could not answer that. You would have to get the Crown law office to give you an answer to that.

Dr WATSON: My understanding relates to what is happening in the marketplace. There are some issues that are arising with respect to insurance coverage and things like that. I guess that you could tell me that is under the Department of State Development, but I thought there might be interaction between your department and what was happening outside the Government.

Mr MACKENROTH: The year 2000 office is working with State Development. We are not doing their job for them. We are working with them on what we are doing. From the State's perspective, the issue of liability is something that would be covered once the issue is there. My director-general tells me that we would not make it public, anyway. I said that that is what I am saying in a different way.

Dr WATSON: You gave a very comprehensive answer to a previous question about the steps the Government is taking—

Mr MACKENROTH: Steps that all departments are required to take, yes.

Dr WATSON:—steps that all departments or agencies are undertaking. Given the dividing line between your own department and State

Development, who is responsible for the interface—making sure that is right—between the Government and business with which you are dealing in terms of the supply chain?

Mr MACKENROTH: Are you talking now about dealing with business and Government?

Dr WATSON: Yes.

Mr MACKENROTH: So the business that is dealing with Government on the year 2000 problem—

Dr WATSON: Are you responsible—

Mr MACKENROTH: Yes, that is our responsibility.

Dr WATSON: And for ensuring that the businesses are Y2K compliant in dealing with you? That is part of the supply chain issue.

Mr MACKENROTH: Yes, that comes back to our department. The issue from State Development of business is the issue of dealing with mainly small to medium enterprises—helping them to be aware of the problems and knowing what to do to fix them within their own business—whether that be the local corner store or whatever.

Dr WATSON: I was interested in one of your answers earlier, when you were talking about doing a lot of the things that we were previously doing. One of the things that we announced was that we were going to offer surplus Government computers to schools and community groups. Are you going to do that?

Mr MACKENROTH: One of your problems was that you were going to give them to them and they were going to be non-year 2000 compliant. That was a problem. I do not know that we want to be giving schools computers that we do not want any more because they are non-year 2000 compliant. The cost of making them compliant is quite considerable, and that is why we are getting rid of them.

Dr WATSON: I guess that all the computers you are getting from the Commonwealth into schools are—

Mr MACKENROTH: They are compliant, yes. The Commonwealth make them compliant before they hand them over.

Dr WATSON: And you have not considered doing the same thing—making them compliant before handing them over?

Mr MACKENROTH: I have not. It is not within my area to do that. I simply asked some questions in relation to that on coming into Government, and the answer was that the computers were going to be non-year 2000 compliant. I do not think that they were really wanted in that form, and the cost to make them compliant was considerable. The area where they would go through is not through my department but through the Department of Public Works, which is the State Purchasing area.

Dr WATSON: I thought State Purchasing—

Mr MACKENROTH: No, I do not have State Purchasing. I have the GITC, but not State Purchasing. The Procurement and Information

Division was split. When you were the Minister, it was the Division of Procurement and Information. The Procurement area, which was about a third of that section, stayed in Public Works, and I took the Information area. So the area of Procurement would be there.

Dr WATSON: I have one final question. Is there anyone in your department who is responsible for looking at new regulations being developed by Government to ensure that they are not putting roadblocks in the way of either Government agencies or private enterprise—private companies—meeting their Y2K compliance issues? For example, one can imagine, in the public health area, regulations being made which may seem in the interests of public health but, on the other hand, make it more difficult to actually meet Y2K issues.

Mr MACKENROTH: The director-general informs me that the year 2000 office would look at all regulations to see whether there were any issues dealing with Y2K.

Dr WATSON: So that is the responsibility of that Y2K office in your department?

Mr MACKENROTH: It would be, yes—and then to brief me on that. Any regulations would go out in a Cabinet submission a week before they get put into final form. So it would give the Y2K office an opportunity to look at it, see if it was there, and then raise it with the department. If it was not addressed, they would have to brief me, and I would raise it in Cabinet. I guess that is what the issue is.

Dr WATSON: So that is a specific responsibility for those people? It is an issue that I think is worth looking at.

Mr MACKENROTH: It would be one of their responsibilities, yes. They are responsible for looking after, over the whole of the Government, the Y2K problem. Whether it is through regulation or anything else, they would need to be addressing it.

The CHAIRMAN: There being no other non-Government questions, we will now take Government questions. On page 12 of the MPS, key performance indicators are listed. Two of those are the IIB generated increases in industry revenue and the IIB generated increase in exports. The notes indicate that the data for the 1997-98 financial year will be available following the completion of the IIB annual survey by the end of 1998. Has any information come to light so far that would give an indication of success so far? What matters are taken into account when assessing revenue and exports so generated?

Ms MANNING: We are in the process of letting the tender for the survey. The survey is undertaken by an independent company. That is out at the moment. We are waiting for that to come in, then the survey work will start over the next two-month period. We do not have the data yet, but we will have by the end of the year. We expect revenues will have been affected by the Asian currency crisis to some extent. In our own estimate, we have revised accordingly.

The CHAIRMAN: How does the IIB provide assistance to IT companies seeking access to

overseas markets? Can you provide any examples of companies that have been successfully assisted by the IIB in this way?

Ms MANNING: We provide assistance to companies through a range of service supports. The most important is probably the provision of expert advice by people who are very experienced in the areas of export of IT&T products and services into overseas markets.

The CHAIRMAN: You have staff in that area?

Ms MANNING: That is right, on a one-on-one basis. We also run seminars and workshops in that area and actively facilitate groups of companies taking the products offshore. We also provide a research and information service that provides valuable marketing information to companies in terms of their product development, markets offshore and competitors so that they can actively get that commercialisation information when they are actually developing products.

Mrs LAVARCH: On page 12, under Key Performance/Activity Information, the first line of the section headed Commercial (CITEC) shows that the actual receipts for 1997-98 were \$93m. Those are projected to an estimate of \$107.2m for 1998-99. Given that that is an increase of 10% and also that IT is a highly competitive field, can you explain how you see that increase will occur?

Mr McCALLUM: I should make a note about accounting. Government accounting currently is in cash terms. Those are receipts. If, for example, we enter into a debt arrangement to borrow money, it will appear here as a receipt. In revenue terms, which is accrual accounting to which the Government is moving, revenue numbers are quite different. Looking at CITEC as a business—which, in operating in support of the Government, is required to operate as a business—our revenue in 1997-98 was \$99.3m and our budgeted revenue will be \$101.7m, although we are currently doing a bit better than that. In proper business accounting terms, the increase is quite modest. The increase in cash terms here reflects the fact that we had budgeted to borrow some money in the 1998-99 financial year. You will find the difference is primarily a difference in accounting between Government cash accounting and business accrual accounting. In future years, those will be coming together, of course.

Mrs LAVARCH: The same Performance/Activity Indicator column lists that for 1997-98 the number of databases available through the public access system was 26. That is projected to be 29 for 1998-99. Can you tell us what those three further databases are?

Mr McCALLUM: I am sorry; I will have to take those on notice. The nature of those databases is land information systems, such as title searches, valuation searches and insolvency searches at a Commonwealth level. I do not have that information directly in front of me.

Mrs LAVARCH: The table lists the return on net assets. The return on the CITEC assets are predicted to increase from 11.2% to 19.3%. Note 5 at the bottom states—

"The increase in RONA reflects an improved profit projection in 1998-99 as depreciation lowers and revenues increase."

Given that, as you said in your previous answer, there is a need for constant capital expenditure, why would there be a decrease in the depreciation claimed?

Mr McCALLUM: Because of the nature of the industry we are in, we write off our plant and equipment acquisitions over two and half years. It is a fairly rapid write-off. We did a very substantial investment in the last 12 to 18 months in computer equipment to support our SAP services. That will have been substantially written off by the time of the 1998-99 financial year. The net book value of the assets will be significantly lower, so the denominator is lower and the profit is a little bit higher, so you get a better return on the net assets ratio. Those numbers are based on accrual accounting.

Mrs LAVARCH: Talking about the profits, what has been the recent profit history of CITEC?

Mr McCALLUM: CITEC has a target of meeting or beating the median profitability for the All Industries Index, which is the industry category to which we belong. In the previous financial year just gone, we did not meet that; but in the years before that we did. We have been going through quite a major business transition in the last 18 months with some old services being wound down and some new services, such as the SAP service, starting up. The product cycle for a service typically is that they are unprofitable in their early years and unprofitable in their final years—a bit like human beings. This year we anticipate getting back on that median. It typically sits at around 6% or 7% net profit before tax.

The CHAIRMAN: There being no further questions, that concludes the examination of the Estimates for the portfolio for the Minister for Communication and Information. I thank the Minister and portfolio officers for their attendance. The next portfolio to be examined relates to Local Government, Planning, Regional and Rural communities. I will remind members of the Committee that the time limit for questions is one minute and answers no longer than three minutes with the extensions. Under the sessional orders, at least half the time is to be allocated to non-Government members. I ask any witnesses to identify themselves before they answer a question so Hansard can record that information.

I declare the proposed expenditure for the Minister for Local Government, Planning, Regional and Rural Communities to be open for examination. The question before the Chair is—

"That the proposed expenditure be agreed to."

Minister, would you like to make a brief introductory statement?

Mr MACKENROTH: No, I have already made it.

Mr HOBBS: I refer to page 4 of the Ministerial Portfolio Statements. Paragraph 6, dot point 5 refers

to the previous coalition Government's commitment to providing \$20m per year over 10 years and your inadequate \$7.5m over two years for the management of waste sites. With an estimated 1,700 old waste sites in Queensland, how do you expect local governments to carry out an effective assessment with the allocation you have made?

Mr MACKENROTH: The guidelines are now being done in consultation with the Local Government Association. One of the things that I would raise about your statement of a \$20m program by the previous Government—

Mr HOBBS: A commitment, it was.

Mr MACKENROTH: You would be aware that the previous Government brought down a Budget in May and there was no \$20m program in that Budget. So there was no money allocated for this program.

Mr HOBBS: There was a commitment, though.

Mr MACKENROTH: It was a promise that was made during the election. Having already allocated all the money that you had to the Budget that you brought down, I do not know where you were going to get the \$20m from, because there were not any extra funds there to meet it. It is okay to go out into the marketplace and say that you are going to do something but you need to be able to get the funds from somewhere. There were not any extra funds. I was on the Cabinet Budget Review Committee. There were not any extra funds from where you could have pulled that \$20m. So if you are able to say to local government confidently that you were going to find that \$20m, I think that you should also tell them where you were going to take it from.

Mr HOBBS: I will follow further with that question. As you would be aware, in relation to these major investigations it takes some time to get into gear. So there would not be a lot of money spent in the first year.

Mr MACKENROTH: So it was a \$20m program that was not.

Mr HOBBS: What I am saying is that it gets rolling. My question to you now is not just in relation to the waste sites but also in relation to security. You gave a response to my question on notice No. 6 regarding the identification of grants and waste sites. I am concerned that the councils would not be able to apply until after 1 January, with the possible closing date of applications somewhere towards the end of the financial year, resulting in hardly any money being allocated until the next financial year. What I am really saying is that there will be a lesser amount of money required in the first year but it will probably double up as the years go on. Will applications be able to be made for the money for security and also for waste sites in the first year before January?

Mr MACKENROTH: Yes. The guidelines in relation to this program are presently being developed with the Department of Environment. I believe that we are probably only one or two weeks away from consulting with the Local Government Association. They will then be approved by Cabinet and be out to all councils this year.

In relation to the security program, once again we are negotiating with the Police Service on those guidelines. They will go to the Local Government Association and then go to the councils this year so that the councils will be able to put in an application before the end of the year if they wish. There is in the first program that we are talking about the identification, or the remediation of contaminated sites—\$2.5m this financial year, which councils will be able to access and there will be \$2m in the security program this financial year. They are both half-year funded programs.

Mr HOBBS: So if there is a surge in applications, how will you prioritise those?

Mr MACKENROTH: I think that you were on Hamilton Island for the Local Government Association conference. One of the problems that we have is that, of all the subsidies that we have already approved for councils, they have taken up only 32%. So we probably will get a surge of applications. The department is aware of what the take-up rates are and in what sort of time, so we would be able to manage that. If the applications were for funds in excess of the money that was allocated for this and the next financial year, that is a matter that then could be addressed as we go into the next Budget. If there were that sort of large number of applications, we would see what is there.

One of the things that we really do need to do is to identify the extent of this problem. No-one really knows. The Local Government Association, which ran the case to get the State Government to put up the \$20m, really does not know the extent of the problem. I think that we really need to identify the extent of the problem and what needs to be done in relation to the remediation. In some instances, nothing needs to be done. It could be a site that is contaminated but, being contaminated, it is contained within its own area and it has no potential to go outside of that. It would be silly for a council to start spending money to do remediation work if there was no necessity to spend money there. That is something that we do not know. None of that has been identified.

Mr HOBBS: I refer to your Government's election commitment in the marginal State seat of Whitsunday, formerly held by Mrs Lorraine Bird, for a \$10.8m assistance package for the Bowen Shire Council. I note that the Bowen Shire Council ratepayers will receive a reduction in general rates, in water and in sewerage, which are areas that come under your portfolio. What input did you have into that package?

Mr MACKENROTH: I am sorry—about them getting a reduction?

Mr HOBBS: Yes. The funds are provided and they were for debt reduction and council infrastructure. There is also going to be a reduction in rates, sewerage and water.

Mr MACKENROTH: The funding for the program is not through my department; it is through Treasury. Therefore, the details of that are with Treasury. The council has made representations to

me for some sewerage works to be done out of that program. Because it is a program that is being done through Treasury, I have sent them to Treasury.

Mr HOBBS: I realise that the funding did come through from there. However, it also comes under your portfolio and it appears in other areas, particularly at page 17, dot points 4, 6 and 17. It would relate to your portfolio simply because it is rates, sewerage and so forth.

Mr MACKENROTH: Page 17?

Mr HOBBS: Yes, dot points 4, 6 and 17. They would have some relationship to the overall package and the benefit to local government. While I agree where the funding came from; it is a matter of the principle of local government. It is an extraordinarily impressive package, and good luck to the Bowen Shire Council for being in the right place at the right time. I guess that it is bad luck that you did not get your candidate up. What is the criteria that you use to determine if rates, water and sewerage charges are too high, as in the case of Bowen? As Minister, if you were asked for advice for another application, how would you determine if the rates and charges were too high?

Mr MACKENROTH: I do not. It is as simple as that. The reality is that the 1993 Local Government Act gave councils the autonomy to set their own rates. I do not set their rates, and I do not advise them that their rates are too high. I believe that the only influence that I could have on a council's budget would be in relation to loan funds, where we monitor councils to ensure that the percentage of their revenue that they are using to pay off loan funds does not get too high. I believe that the only influence that I could have on their budgets would be to perhaps say, "You cannot borrow the money that you want to borrow." Other than that, councils set their own rates and that is where it is done.

In relation to Bowen, the argument that has been put to Treasury is the social impacts on the town of the businesses that have closed down. That is why that package was put together. The package may have the effect of doing those things, but it is not done by us deciding what their rates will be.

Mr HOBBS: It is quite an extraordinary package. As I said, good luck to Bowen. Of the \$6.8m—

Mr MACKENROTH: Actually, I had an extraordinary package in my department. I had to fund \$160,000 for the Mount Gravatt Showgrounds to fund some improvements, which were way outside the guidelines. It was just stuck in the budget at the request of the sitting member. It surprised me greatly.

Mr HOBBS: We are talking about \$10.8m here. I make the point—

Mr MACKENROTH: I could keep going.

Mr HOBBS: Of the \$10.8m, \$6.8m is going to council debt reduction and rates reduction. Therefore, \$4m will be available for council infrastructure. How many jobs can be created out of that?

Mr MACKENROTH: The money is not in here. The money is in the Treasurer's budget.

The CHAIRMAN: The Minister has answered the question. I suggest that the member stick to the Ministerial Portfolio Statements.

Mr HOBBS: I refer to enterprise bargaining agreements in shire and city councils. I notice from an article in the Redcliffe Bayside Herald that you recently wrote to the Mayor of Redcliffe directing him to respond to the union's request for a meeting in relation to enterprise bargaining agreements. What guidelines do you set to become involved in such disputes and how does this reflect your Government's commitment in respect of the autonomy of councils?

Mr MACKENROTH: The one issue that you are very much wrong about in relation to that letter is that I did not direct the council. You stated that I directed the council; I did not direct the council. I wrote a letter to the Mayor of Redcliffe City Council, suggesting to him—not directing him—that I believed that it was in the best interests of his council and the work force within that council for them to in fact talk to their work force and not to have a situation where they refused to talk to them. I did not direct the council. No-one could construe the letter in that way. I believe that as the Local Government Minister it is quite within my charter to write that sort of letter to a council. I get complaints from people all the time in relation to councils about a whole pile of different issues. I may write to councils offering them advice, but not directing them.

Mr HOBBS: I refer to the Integrated Planning and Other Legislation Amendment Bill that you introduced recently. A new subsection exempts relatively straightforward applications from requiring an acknowledgment notice. When councils do not give an acknowledgment notice, can you give a clear commitment that the applications will not be deemed to be automatically refused? I understand that the idea of the legislation was to streamline the process. There is some talk among the local authorities that if they do not give that acknowledgment notice, the application is deemed to be refused, which would be contrary to what we have tried to do.

Mr MACKENROTH: That would be contrary to the intent of what is happening. Howard, if you are aware of any particular council that has done that, please provide us with the information. We will chase that up. In relation to the issue, we will get you a full brief on it. It would be outside the intent of the amendment if councils are reading that wrongly. However, they are not in operation yet. In my speech to introduce the legislation, I said that any amendments to the Integrated Planning Act would not come into operation for three months after the Parliament had passed them to give councils that opportunity. If someone is saying that—

Mr HOBBS: I think they are saying that, but maybe they are preparing themselves. However, we are both in agreement about what has to happen?

Mr MACKENROTH: Sure, but it has not started yet. The Act actually states that the council

must deal with a properly made application. We might talk to you about the specifics of that and make sure that it does not happen.

Mr HOBBS: That is fine. I note in the response to question on notice No. 4 in relation to the Department of Natural Resources that the Water Resources Act will be scheduled for amendment in the IPA at the end of 1998 and the balance at the end of 1999. Which sections of the Water Resources Act will be left until 1999?

Mr MACKENROTH: Do you want to know which ones will be left until the end of 1999?

Mr HOBBS: Yes.

Mr MACKENROTH: The balance of the Water Resources Act will include development in a watercourse, lake or spring, a referable dam, a levee bank, a subdivision in an irrigation area and development in a declared ground-water area.

Mr HOBBS: I refer to the Integrated Planning Act, the fee structures charged by local government for building approvals and your acknowledgment at the annual Local Government Association conference that some local authorities have increased those fees, which is contrary to the spirit of the IPA. What action will you be taking to reduce those fees?

Mr MACKENROTH: No action will be taken to reduce the fees. I believe the action of the previous Minister probably stopped a lot of councils from taking the action that they were contemplating. Once it started, she wrote to all councils and suggested—not directed—that they look at what they were doing and not do it, otherwise the Government would need to take legislative action to ensure that fees were governed by the State. At the local government conference, as I have done on a couple of occasions before, I really reiterated what she said to let councils know that the position of the previous Minister and Government would be the same as mine and our Government's. I think the issue of fees has settled down at this stage.

Mr HOBBS: As you are aware, private certification commenced on 30 April 1998, which can be issued under the standard building law. When will the standard sewage law and standard water supply law also be approved for private certification?

Mr MACKENROTH: When everybody in the industry agrees and comes to tell me that they are happy.

Mr HOBBS: I guess it has come to my attention because it has been estimated by private certifiers that \$40m annually can be saved by the building industry in Queensland using private certifiers. This is the problem that we really have. There are additional costs there. As these things are delayed more and more, perhaps the benefits that could flow on to home owners will not be there. We really need to look at it a little more seriously.

Mr MACKENROTH: Perhaps you could go out and lobby all the plumbing inspectors, unions and plumbers in Queensland and, once they have all agreed, I will do it.

Mr HOBBS: Turning to the Ministerial Portfolio Statements at page 24 under the Key Performance/Activity Information and Planning table, the last item is the Complete Southern Moreton Bay Island Management Strategy. I refer the Minister to the planning study strategy for the southern Moreton Bay islands that the Department of Local Government and Planning is part funding with the Redland Shire Council. I am sure that the Minister is aware of the sham that went on at Russell Island where title blocks of land were sold to unsuspecting buyers. Are you now aware that land is being sold on Russell and Macleay Islands to unsuspecting buyers who now find that the land that they have purchased is outside the proposed residential areas and, therefore, almost worthless? Will you let this continue and what action will you take to stop further purchases of proposed non-residential land?

Mr MACKENROTH: The draft strategy is just that—a draft strategy which is out for public consultation. Most of the areas that you are talking about are actually dealt with under drainage problem areas by the Redland Shire Council, anyway. If somebody was to purchase one of those blocks and do a check with the council, they would find that it was a drainage problem area. Under the drainage problem area policies of the Redland Shire Council, they would not get an approval for a building, anyway. Irrespective of the draft strategy plan, if they did a normal check that a solicitor would do with the council, they would identify the problem, anyway. Whilst people may be selling land, the council has put that sort of policy over the top of that land, anyway. If someone is buying it, they should put in a requisition to the council to see whether there is anything on that land that would identify it as a drainage problem area. Being a drainage problem area, it would not get an approval for a house. That problem has been there, anyway.

The CHAIRMAN: The time for questions by non-Government members has expired. The Committee will now adjourn for morning tea.

Sitting suspended from 10.11 a.m. to 10.25 a.m.

The CHAIRMAN: I reopen the Committee's hearing. We now turn to questions from Government members.

Mrs LAVARCH: Page 18 contains a table headed Key Performance/Activity Information—Local Government. Under Local Government Funding Programs the table shows that in 1997-98 an amount of \$392m was estimated in relation to funds administered under the funding programs. The actual funds administered for 1997-98 were \$403m. There is a projected increase to \$425m for 1998-99. Could you advise who will or did benefit from those increased funds?

Mr MACKENROTH: Local government. There are quite a lot.

Mrs LAVARCH: Are there?

Mr MACKENROTH: Yes.

Mrs LAVARCH: You can answer in general terms, if you like.

Dr CLARK: I have a further question relating to that issue.

Mr MACKENROTH: It is right across all of the programs which are funded for subsidy—roads and drainage, National Landcare, drought stricken local governments, urban water supply schemes, the Local Government Drought Assistance Scheme and the Smaller Communities Assistance Program for water and advanced waste water treatment technologies. Then there are specific programs, for example, for road and drainage improvements at Aurukun and Mornington Island. The ARCWSS program and the Rural Living Infrastructure Program, or the Rural Communities Infrastructure Program have all been kept in this year's budget. There is also specific funding for security devices in public places of \$2m for this financial year. There is \$2.5m to help councils identify contaminated sites. I think there is \$4.6m over two years for Mornington Island to enable it to complete its road and drainage works. There is also an increase in the money for the Rural Living Infrastructure Program. All of that money goes towards increasing the amount of money that is available through those programs.

Dr CLARK: My specific question relates to local government infrastructure support, which has increased by \$46m. Was there anything more that you wanted to add to the answer that you provided before, or do you feel that you have covered that adequately?

Mr MACKENROTH: Is this on page 19?

Dr CLARK: That is on page 20. I refer to the Local Government Infrastructure Support Subprogram, which is an element of what you have been speaking about previously. As I said, the increase in that area alone is \$46m. Do you want to expand on the answer you provided previously?

Mr MACKENROTH: Roads and drainage increased by almost \$1m. The water supply and sewerage program increased from \$48m to \$83m. Other programs went from \$7,065,000 to \$8,801,000. There is special assistance for Cyclone Sid of \$3,176,000. There is special assistance to Townsville for the rock wall of \$10m. The amount for showground subsidies last year was \$1.383m. This year it is budgeted at \$3.022m. I might point out that there is no increase in the funds for this year. There is a carryover in that program. All of the money for last financial year was not expended. The actual subsidy is the same. In relation to that \$4.6m for Mornington Island, there is \$2m this year for the road and drainage works. They are the programs. The RLIP new initiative, the 50% subsidy for security devices and the 50% subsidy for rehabilitation of contaminated sites—all of those are within that subprogram.

Dr CLARK: I wish to pick up on the assistance for providing security cameras. When the city council funded that it was enormously successful in Cairns. Will the subsidy that will be available subsequently for either that council to expand that program or for others to initiate such a program be a 25% subsidy or a 50% subsidy?

Mr MACKENROTH: It is a 50% subsidy. The guidelines as to what will be subsidised are being done now. But it is 50% subsidy and it will be for new works. One council had an innovative idea that we could subsidise it for what it had already done. But I thought, "No, we won't do that." It is for new works. We are identifying what types of projects will be subsidised. We are doing that in consultation with the councils. The Local Government Association is the group that suggested the program. We need to identify what is to be subsidised. It is for security devices in public places.

Dr CLARK: Will those be available by the end of this year?

Mr MACKENROTH: Yes, it will be done by the end of this year, and the funding will start from 1 January.

Dr CLARK: My further question in relation to that program relates to staffing levels. You would note that page 18 mentions the number of projects that are to be funded. The number of projects listed on that table has gone from 1,059 to 1,200. If you turn to page 20, if I am interpreting this right, the bottom table that refers to staffing resources notes an increase in the positions available for that program, which appear to have increased from three to seven. That seems like a very large increase in staffing for what is a relatively small proportion for an increase in projects?

Mr MACKENROTH: There is one for that project, two for the waste dumps, and the other four are already there.

Dr CLARK: It went from four to seven, so there are three additional positions—

Mr MACKENROTH: There is one for that program and two for the waste dumps.

Dr CLARK: Thank you, Minister.

Mr MACKENROTH: A lot more work is involved in that.

Dr CLARK: That is what I wanted to clarify.

The CHAIRMAN: On page 17 of the Ministerial Program Statements there is a heading Legislation and Strategic Coordination. The fourth dot point indicates that legislative proposals will be developed with respect to any changes arising from the evaluation of the provisions of the Local Government Act dealing with the disclosure of electoral gifts, other electoral procedures and the process for making local laws. Has the evaluation been completed and when is it likely that the legislation will be introduced and in what form?

Mr MACKENROTH: The evaluation is still being done. I have recently written to the Local Government Association and to the Brisbane City Council in relation to some of these issues. We would hope to get the rating issues into the Parliament next year. The issues in relation to electoral gifts will also need to be in the Parliament in the early part of next year so that councils can comply with those requirements by the 2000 elections. I think it is important that the laws that are there for councils mirror—as close as we can make

them—what applies for the State, and that is what we will be doing.

Mrs LAVARCH: We are still on page 17. Under dot point 7—

Mr MACKENROTH: Facilitate better coordination?

Mrs LAVARCH: It is under Local Government Funding Programs, sorry—in the middle of the page. The point says, "Assist all local governments to better evaluate their performance through the publication of comparative performance indicators for their major areas of activity." Can you expand on that and advise who is going to compile that information and, more importantly, will that information be publicly available?

Mr MACKENROTH: It will be compiled by the Department of Local Government. Yes, it will be publicly available. That is one of the reasons that we will be doing it. A trial has already been done with 44 councils and they volunteered to participate in a process to look at some comparative performance indicators. That has been done, so we will be looking to bring it in right across councils. It will be in a published document that will be available. We really need to do this, otherwise we will end up losing Commonwealth funding if we do not. Councils get grants from the Commonwealth Government, and part of the Grants Commission's requirements are that there be indicators of councils' performance. That is why we are working through this process.

Mrs LAVARCH: Will that be done on a regular basis?

Mr MACKENROTH: A yearly basis.

Mrs LAVARCH: Will it be published in a separate document or as part of local governments' journals?

Mr MACKENROTH: My department will publish it as a document that is available then for someone to have a look at and compare across all local governments in relation to a particular indicator—whether it be rating or whatever. So you can have a look and see where they fit.

Mrs LAVARCH: On page 18 there is a table of the Key Performance/Activity Information. Right down the bottom, one of the programs is modernising local law regimes. Under 1997-98 the actual money spent on that was—is it 40? I believe that number there represents the number of local governments.

Mr MACKENROTH: Number of modernised local laws?

Mrs LAVARCH: Yes, the number modernised.

Mr MACKENROTH: Are you talking about 26, 23, 27?

Mrs LAVARCH: No, the one up above where it has the modern local law regimes and it has under 1997-98 the number 40, and then 1998-99 is 125.

Mr MACKENROTH: No, that is the number of local governments that have completed their review. At the end of 1997-98 it is 40. By the end of this year it will be 125, which is 100%.

Mrs LAVARCH: At this stage are they all on track—those 125—to have theirs completed?

Mr MACKENROTH: Yes, they are. The period I believe was extended by a year. The local government services help councils to do that. That is why we have established the model local laws so they can simply pick those up and use them. It was necessary to require councils to really look at their laws. They used to be called by-laws and the 1993 Act changed that to local laws. A number of councils in Queensland had a by-law which said women were not allowed to clean the windows on the house if they had to stand on a ladder.

Dr CLARK: But men could?

Mrs LAVARCH: We do not want that one abolished.

Mr MACKENROTH: I would have thought that, being a non-sexist person, you would have liked to see that sort of thing taken out. They really were quite crazy laws: laws in relation to cows wearing bells and when bells could be rung. Councils have been required to go and actually look at their laws and, if they are not required, to do away with them. At the end of this period if they have not reviewed them they will be done away with by the Act of Parliament and they will not have any laws, so they will need to comply.

Mrs LAVARCH: Has there been a cost to the department in helping the local councils?

Mr MACKENROTH: Yes, there is a cost. It is just part of our program costs of providing assistance to local government, whether it be working through the Act with them or working through this program. We develop the model local laws and make them available to them free of charge. We do not charge them for them, but there is a cost to us.

The CHAIRMAN: On page 18, one dot point says, "Undertake the necessary preparatory work for the 2000 triennial local government elections, including the review of electoral quotas and the publication of information on election processes." What role does your department play in relation to that task?

Mr MACKENROTH: In relation to local government elections? Firstly, I have just received advice from the Brisbane City Council that it has three electoral wards outside quota. It will now be up to me to establish a commission to review the Brisbane City Council electoral boundaries, and that will need to be done sooner rather than later. We have to wait for a certain date to find out whether they are inside or outside quota. We then need to ensure that all other councils in Queensland comply with the quotas that are set for them. I think councils with a population under 10,000 have a quota of 20% tolerance if they have divisions, and over 10,000 it is 10%. We will write to all councils and see if they comply. Ones that advise us that they are not will need to advise the Electoral Commission, which will form the Local Government Commission to review the boundaries of those councils. So we need to do that work.

We also provide councils with information to help them run their elections. We have actually facilitated councillor training courses for people who want to run for local government to let them know what is involved in being a local councillor. Also we have to ensure that any necessary amendments are made to the Local Government Act before the election goes ahead, and we talked about that a bit earlier in relation to the amendments to electoral gifts. There will be amendments to that before the election. So all of those things will need to be in place. We do not actually run the elections, but we put in place the process for it to happen.

The CHAIRMAN: Your department covers the majority of those costs?

Mr MACKENROTH: The only costs that we would not meet are the costs in relation to the Electoral Commission which forms the Local Government Commission.

Dr CLARK: The first dot point on page 17 says that there will be a continuation of the administration of the \$150m National Competition Policy financial incentive package for local government and to support the further implementation of the reforms through advisory technical support training initiatives. Is there going to be any change at all in the extent to which those reforms are going to be occurring or the pace of those reforms, or is there anything you can add to the Committee?

Mr MACKENROTH: No. The Queensland State Government is the only State Government in Australia which has made money available to local government as part of the funds received from the Commonwealth for NCP reforms. The Goss Government identified that we would make \$150m available. The Borbidge Government continued that and actually started to implement the process of paying it. In relation to the reforms that we worked through and negotiated with local government, we would not intend to change any of that process. There are 17 councils in Queensland that have reforms they need to implement in relation to their business units. The other councils are not affected.

Dr CLARK: Will there be any change at all to the public interest tests that have to be applied in relation to any of those reforms?

Mr MACKENROTH: No.

The CHAIRMAN: The time for Government members' questions has expired. I call the member for Warrego.

Mr HOBBS: Following on what I was saying earlier about the Moreton Bay study in relation to the Russell Island issue, you may be aware that there are nearly 5,700 lots on those four islands. Those people will need to get fair compensation if their land is resumed. Can they be guaranteed of that?

Mr MACKENROTH: We have a draft study out for public consultation. It might have been about a week ago that the public submission period closed. Those submissions will need to be considered and then a final strategy agreed upon between the council and the State. That will be released. Any issues, such as compensation if land were resumed,

would be addressed in that. We will cross that bridge when we come to it. At this stage, we have identified the problems and some courses of action that could be taken. We will go through that process.

One of the big problems with public consultation is that everyone wants to know what the answer is before you start it. If you know the answer before you start, you should not have public consultation, so we actually let the document go out. I might say: it was sitting on my desk when I became the Minister. I do not think anyone wanted to release it just before the election because of the problems it identified, but I thought it was important that it be released publicly because the work had been done. Once we get all those responses in, we will look at what we are going to do to address it.

Mr HOBBS: I understand that what is out there now is the final draft strategy and the time for submissions on that have closed just recently. Presuming the draft strategy is accepted—I believe that seems to be the general consensus—without substantial amendment, it identifies significant residential lots for resumption. Redland Shire is levying rates and charges on residential lots identified for resumption but is unable to take possession of the lots. Even in the proposal, that could be up to five years. What action will you take to ensure that the Redland Shire Council will be able to waive those rates and charges instead of levying rates and charges based on unimproved capital value up to the date of the title transfer? People are locked in and there may need to be some legislative action.

Mr MACKENROTH: You made a statement that there is a general view that this draft plan would be accepted. That is not the case. I have not seen any of the submissions, so I cannot make a judgment on what the view of those submissions is. The people who have been contacting me are the ones opposed to the draft strategy, not the ones who agree to it. If I were to take a view based on the people who have contacted my office I would say that no-one agrees with it, but I do not take that view. Naturally, the people who do not want to see these changes are the ones who have been complaining.

We will get the submissions that have come in and consider them, and we will go through it with the council. The suggestions you have made are suggestions that can be considered in that process. It is a problem for people. People have bought land that they cannot build on. They have been paying rates. There have been a lot of people over the years who have decided, "Why keep paying rates on a block of land that I cannot do anything with?" So they stopped paying rates and the council will get the land for free. That acquisition program was going along fairly well! But there are people who do not want that to happen. They would like to see the system change in some way so that they can get some compensation or the ability to sell the land. We need to look at the submissions and at what the final strategy will be. We need to consider that in total.

Mr HOBBS: The problem they have is that, supposedly, nearly 40,000 people could live on the

island the way it is now and it is sustainable at 20,000. I guess that four does not go into two, in a sense. That is the problem they have. Referring to water quality and sewerage, the report states that average nutrient loads from the high concentration of small run-off events were above the ANZAAS levels for modest dwelling sites and that the incidence of septic effluent will increase along with public health risks. I believe that you will have to put some money aside for this as a matter of urgency. Have you provided any funds to avert this type of pollution into Moreton Bay? If not, how do you propose to assist the Redland Shire Council to fix this problem? It will be knocking on your door very soon.

Mr MACKENROTH: If they have a problem in relation to sewage effluent, they can make an application for funds under the programs that we have. I am unaware that they have, but it would be up to them to do that with the population that they have there now. I think the report correctly identified that there is a potential to have a population of 40,000. I do not think you or I would ever see that, but it would be an environmental disaster if it ever happened. We started this strategy off back in 1995 to actually look at the proper carrying capacity of the islands, how you could cope and what needed to be done to address the problems to ensure that that did not happen. The strategy has gone through all the problems and come up with some suggestions. We need to go through them and work out what we are and are not going to do. I cannot answer that until we consider the submissions. I think we need to properly consider the submissions we receive.

Mr HOBBS: I am sure that you, as Minister—or even we as an Opposition—would not like to be presiding over a Government under which Russell Island sham Mark II came into being, so I accept your answer. I refer now to private certifiers. Earlier on I mentioned that private certifiers have estimated that they can save the building industry and home owners in Queensland \$40m a year if they can get into the plumbing field. You mentioned that if we can get everyone to agree you will do it. Perhaps it may be a bit more urgent than that. While it is difficult, we have to try to work our way towards it. I understand that a lot of private certifiers are also having trouble getting information from councils. There are charges for information which come to approximately \$10.85m in Queensland, with a charge of about \$85 for an information kit, whether it is for zoning of land or perhaps archival lodgments. Victoria's charge is \$3.5m, so there is a saving of \$7.7m because Victoria in fact has legislated for that. Do you have some comments on that?

Mr MACKENROTH: As to the issue of councils charging for information—private certifiers have raised that with me, as well. We have been working through those issues with councils and private certifiers. Some private certifiers would like us to get this information from councils for free, but you just cannot do that. You cannot have a situation where councils are providing information which is done at a cost for free so that someone can compete with you, because that would not be very fair competition. The charges that councils are charging

need to be the true cost value of what it costs councils to provide that information. If councils are also running their own certification, they need to ensure that their certification groups within those councils are also needing to meet those costs as well to show that they are doing it in a proper, competitive way. Those are issues that we have raised with councils. We have spoken to private certifiers about them. They are issues that we are working through with councils. We will monitor that and take action, if necessary, if we do not get the right results in terms of making sure that it is competitive.

In relation to the plumbers—I think I made it very clear before that we do not intend to put plumbing into private certification until all the people involved in it agree to it. I am not about to start a battle right throughout Queensland wherein people from your side of Government would be stoking the fires against us.

Mr HOBBS: We would not do that!

Mr MACKENROTH: Of course you would—to get what you would like to see as a good benefit. It would seem to me that I am here to please people, not to make them unhappy.

Mr HOBBS: I can sympathise with your problem. I also sympathise with local governments, because they have a system in place. They have business units and everything else, and they have to do a lot of restructuring, so I am very sympathetic to them. But there is a real problem. Some of the charges vary. Plumbing and draining application fees for all building applications vary from \$325 in some shires to \$1,200. So there are some huge variations.

Mr MACKENROTH: But that is not putting an impost onto private certifiers.

Mr HOBBS: It is putting an impost onto the home builder at the end of the day.

Mr MACKENROTH: I agree with that. But there are two issues.

Mr HOBBS: It is the home owner I am looking at at the end of the day.

Mr MACKENROTH: But it is moving away from the private certifier. That is council revenue that you are talking about.

Mr HOBBS: I realise that. What I am saying to you is that there is one way that we can solve it, I believe, in a bipartisan way. We could set up an inquiry into fees and charges for development applications and practices. That would probably solve the problem. It would give councils the opportunity to have a fair go and private certifiers the opportunity to put their case. I believe it could be done fairly quickly and efficiently. That would tend to bring them together, in a sense. Would you consider having an inquiry into fees and charges?

Mr MACKENROTH: The department presently is working with the LGAQ and industry to develop principles to assist councils in calculating fees and charges. This work is expected to be completed over the next two to three months. We are actually working now with the private certifiers

and the Local Government Association of Queensland to develop some principles to assist councils in the actual calculation of their fees and charges.

Mr HOBBS: I refer to page 15 of the Ministerial Portfolio Statements, which states that the key activities of the department include "providing funding and subsidies for local governments and Aboriginal and Torres Strait Islander communities for infrastructure and services." Why is your department duplicating the responsibility in funding of the Aboriginal and Torres Strait Islander Infrastructure Program under the Minister for Aboriginal and Torres Strait Islander Policy?

Mr MACKENROTH: We provide funds to local government for Aboriginal and Torres Strait Islander communities in the same way as we provide funds to local government. They are entitled to apply for grants for funds. We fund them through the Commonwealth local government grants. Aboriginal and Torres Strait Islander communities come under a different Act, not the Local Government Act. However, they are still entitled to receive funding from that program.

The Aboriginal and Torres Strait Islander Infrastructure Program, which is under the Minister for Aboriginal and Torres Strait Islander Policy, was taken out of my department. That program is designed to bring together across Government the proper provision of all of that infrastructure into those communities—whether it be fixing up jetties, providing new homes, fixing the roads, Government health services or whatever. In the last couple of years, there has been a fair amount of work done in terms of identifying the requirements for infrastructure in those communities. It is part of that program's responsibility to work towards bringing together the different departments to ensure that the provision of that infrastructure actually happens. There are two different things, even though you used the word "infrastructure". It is just like saying that my department should not fund local government for roads—which we do—because we have a Main Roads Department or a Transport Department. They are two different things.

Mr HOBBS: I note that the number of full-time staff will remain at 55. That is on page 20 of the MPS. It is my understanding that what you are saying is that what was in your previous department is now in another Minister's department. I understand that the staff allocated to the Aboriginal and Torres Strait Islander Infrastructure Program have been transferred to another department. Would this not reduce the number of full-time staff in local government, or have additional staff been appointed?

Mr MACKENROTH: There is no comparison, because they were not included in there before.

Mr HOBBS: They were not in there before?

Mr MACKENROTH: No. If you go back to the program statements for last year, you will see that they were identified separately. The Aboriginal and Torres Strait Islander Infrastructure Program was not

contained within this staffing resource last year and they are not this year.

Mr HOBBS: Where was it? Where does it come from? Basically, the Local Government Department sponsored the Torres Strait planning study, which was a very comprehensive—

Mr MACKENROTH: I understand what I am being told now. In last year's staffing resource document, they were contained under the local government funding. The Actual was 27, it ended up at 22, and now it is 25. Those are the three people we talked about before. So it went from 27 down to 22. So five people have gone from there to Judy Spence's department. Then it has been increased—one for the Security Program and two for the Contaminated Sites Program. What I mean is that, where we talk there about the Actuals, we have the Actuals with that program taken out of it. It was in there, but now it is not.

The CHAIRMAN: Just for the sake of the Committee, could you perhaps identify the page of last year's MPS to which you are referring?

Mr MACKENROTH: That is page 11 of the previous Government's MPS, which was not passed or debated—not last year's. It would have been the one for this year. I think you get the idea, though, that they are not there.

Mr HOBBS: Does your department still have the coordinating and advisory committees for the Shires of Aurukun and Mornington?

Mr MACKENROTH: Yes.

Mr HOBBS: What is proposed in relation to the sunset provisions of the Local Government Act relating to the Aurukun Alcohol Law Council?

Mr MACKENROTH: I have not considered it yet. I actually introduced that. It was extended at the request of the council. I have not considered what will happen there. We will go back and talk to the council about that and decide what will happen with it.

Mr HOBBS: You mentioned the showground subsidy and I missed exactly what you said. I think you said \$1.3m in the 1997-98 year. It is not shown in the Budget papers. You said that there was some carryover. Did you say that the figure is now \$2.3m or \$3m?

Mr MACKENROTH: It is \$3,022,000, which are funds that have been allocated for this year plus the carryovers from last year.

Mr HOBBS: That is fair enough.

The CHAIRMAN: The time for non-Government questions has expired. I will now take Government questions.

Dr CLARK: On page 23 of the Ministerial Portfolio Statements, the third dot point refers to an amount of \$3.2m, which has been allocated over four years to establish new regional planning frameworks as well as supporting the existing regional planning frameworks, such as the one I am familiar with, FNQ 2010. Can the Minister give a breakdown of where that additional \$3.2m is to be allocated? I have some

concerns in relation to FNQ 2010 about what amount might be available this financial year to continue the implementation of that.

Mr MACKENROTH: It depends on which region you come from as to which concerns you have.

Dr CLARK: Indeed. I am interested in the whole range.

Mr MACKENROTH: That is a four-year total. These are new programs. The Whitsunday and Mackay regional planning is \$903,000; central Queensland is \$904,000; Wide Bay is \$903,000; and the North Queensland Regional Growth Management Strategy implementation is \$440,000.

Dr CLARK: Is the north Queensland one a Cairns or a Townsville initiative?

Mr MACKENROTH: Those figures are over four years. North Queensland is FNQ, the gulf and Thuringowa/Townsville. That is for the implementation; the work on those has been done. When we talk about the \$903,000 for the Whitsunday/Mackay one, we have already spent that sort of money in FNQ. We are in a different phase with FNQ.

Dr CLARK: That is exactly right. I was trying to clarify whether there was any funding in this financial year for the implementation of FNQ 2010.

Mr MACKENROTH: That is the implementation of strategies, not infrastructure. Infrastructure is taken up by Government departments.

Dr CLARK: Yes, indeed, but presumably there would be resourcing for the structure that had been put in place to continue those—the implementation committees.

Mr MACKENROTH: The program is agreed on. I think we will finalise the document on 16 December this year to be released next year. It has in place a structure to enable the work to be done and for the people to be involved. That money will be resourcing that. Do you want some more information on FNQ?

Dr CLARK: Yes, please.

Mr MACKENROTH: Funding of \$199,000 is available in 1998-99 to complete the FNQ 2010 project. That is to complete it. That is not the implementation. That \$440,000 is on top of that.

The CHAIRMAN: With regard to your previous answer, on page 23 of the MPS, which shows the additional \$3.2m over four years for regional planning frameworks, the SEQ 2001 program is noted as receiving support under that item. How much will that amount to and what is the nature of that support, bearing in mind that 2001 is just over two years away? Will that organisation have an ongoing future role?

Mr MACKENROTH: Firstly, 2001 is a name, not necessarily the year. The regional management framework is a 20-year plan. It is now at the stage at which the councils within south-east Queensland—and there are 18 of them—are picking up the work

that has been done through that framework within the strategic plans as they review them. A couple of councils have already done their new strategic plans using SEQ 2001. The Brisbane City Council is just about to start a total review of its strategic plan. It will pick up totally SEQ 2001. Over the next four to five years, every council in south-east Queensland will pick up the management framework that comes from that. In relation to costs or money from SEQ 2001, the amount of money available is \$164,000 this year.

Dr CLARK: Still on page 23, the second dot point states—

"Where there are agreed regional plans, indicative Regional Infrastructure coordination projects will be undertaken in conjunction with all spheres of government and the private sector, to advise the State Government's budget and capital works priorities. Action will also be taken to coordinate the implementation of regional planning outcomes across all levels of Government."

Could you please detail what, if any, regional infrastructure coordination projects will be undertaken this financial year together with their funding levels and staffing that has been allocated to those projects?

Mr MACKENROTH: I do not know that we have the figures for staffing or whatever. I might provide some of that information to you on notice. We have already started the SEQ 2001 Regional Infrastructure Priorities Project. That seeks to ensure that infrastructure is provided in a coordinated manner consistent with the settlement pattern promoted in the regional framework for growth management. Improved cost efficiency and the provision of greater certainty for all sectors by identifying agreed infrastructure priorities through local government planning schemes and Government infrastructure strategies are major objectives of regional projects. In the case of the Wide Bay 2020 region, for example, a 5% increase in efficiency in the \$1.5 billion infrastructure investment plan in the region over the next 20 years has the potential to accrue savings of some \$75m. The \$3 billion expenditure planned in FNQ 2010 could realise \$150m in savings over a similar period.

It also allows Government, by having proper infrastructure plans in place with a framework for growth management, to ensure that you have sequential planning. Having that sequential planning means that, if a developer wishes to go out of sequence, you are able to say, "If you want to go out of sequence, you must meet the out-of-sequence costs." The developers then have a decision to make as to whether they wish to be out of sequence. If they do, they have to meet the bring-forward costs. In most cases, they want to develop because they are able to get broadacre land at a cheaper price. If the Government does not control that, the community ends up paying more. In answer to the question, which we might not be able to take on notice because we still will not be able to tell

you—we cannot identify specific staff and dollars because they are part of the whole project and they are not able to be identified within that.

Dr CLARK: I accept that. Thank you.

Mrs LAVARCH: I have a couple of questions in relation to the Building Standards Program. At page 30 and the dot point at the top of that page, which is under the 1998-99 planned performance under the heading Systems Performance, you see that one of those is, "Monitor the performance of the approval system applying to on-site development standards, in particular private certification of building work." Could you advise whether that performance has been monitored to date and how that performance is going with the approval systems?

Mr MACKENROTH: The new performance-based building standards were introduced by the Building Code of Australia in 1997. In 1998, specific amendments to the Building Act were made incorporating the assessment appeal process for building work into the Integrated Planning Act and providing for the private certification of building work. The performance of the development approval system, including private certification, and the application of building and plumbing standards needs to be closely monitored. Currently, the performance of IDAS, which is the approval system, or the assessment system under IPA, and private certification is monitored through close contact with practitioners and stakeholder reference groups. However, a performance measurement will be established to complement this with a more objective assessment.

Performance measurement is essential to determine whether the legislation is operating effectively and building standards are delivering cost-effective and safe buildings. A performance measuring system will provide more accurate information on which to assess approval processes and standards and the need for future changes, for example, the timeliness and quality of decisions and the use of innovative performance-based building standards. I hope that answers your question.

Mrs LAVARCH: Most certainly. On page 31, the third point from the bottom under the heading Key Performance/Activity Information, talks about the provision of cost-effective dispute resolution services. Under that is a separate heading, Training and education activities completed. Under the 1997-98 figures, there was an estimated three publications, five seminars and 15 regional forums. There was actually in 1997-98 four publications, 16 seminars and only 10 regional forums. Could you advise why there is the difference between what was estimated and what actually happened?

Mr MACKENROTH: Why there were five fewer regional forums and why there were 10 more seminars?

Mrs LAVARCH: There were fewer regional forums and a lot more seminars and an extra publication. Did the difference in those numbers incur more costs for the department?

Mr KURU: The difference in the figures accounts for the fact that, with the implementation of new legislation, the focus was put more on the training of practitioners. The regional forums are an ongoing consultative mechanism throughout Queensland. We were holding seminars for training; we were not actually holding the regional forums as such.

Mrs LAVARCH: And the extra publication?

Mr KURU: Yes, the additional publication came from the implementation of private certification and the need for additional material there.

Mrs LAVARCH: Were there any more costs involved in changing to more seminars?

Mr KURU: The additional costs were incurred internally. The material that we prepare is produced on a cost-recovery basis, which covers the publication and the postage of materials.

Dr CLARK: I have a number of questions in relation to the Rural Communities Program, which starts on page 37. On page 37, at the last dot point, under the heading Rural Communities Development, reference is made to research on the Small Towns Study, which was concluded last year, and that it "provided an important set of indicators enabling identification of disadvantaged communities in rural Queensland." Could you give us some information about what those indicators were? Further, it says, "These indicators are being incorporated in research into ways of meeting the challenges confronting rural communities." Could you tell us about that research and the ongoing work there?

Mr FLEMING: This was an ongoing study which was carried out in house by the Office of Rural Communities. The data gathered was initially used to inform the regional and rural development strategy that was prepared by the previous Government. That data has also been used extensively to inform the QGAP program. Each year we have to consider potential sites for QGAP. We take that data to identify towns which have growth and towns which are disadvantaged in terms of distance from services—the time taken to drive to suitable services. On the basis of that information, we can then put forward recommendations on preferred sites. We want to take this basic data further. We are proposing to establish a forum of academics from the universities across Queensland to develop the data further, to use it again to inform policy making and decision making for factors affecting small communities.

Dr CLARK: Were there any particular things that came out of that that you could highlight for us?

Mr FLEMING: I think the primary things were the population changes—whether they were in increase or decline. That was a primary issue that drew attention to the need for consideration. Other issues included the movement of industries associated with those towns. In some cases, industries changed or disappeared altogether. In some cases there were new industries developing. So the change in the economic profiles was an important element. As I said, the other major thing

was the distances from services and the availability of services and the disadvantage that was associated with that.

The CHAIRMAN: Just on that issue, at page 39 of the MPS you indicated that the number of QGAP sites will increase from 42 to 50 in 1998-99. That is in the key performance indicators. Where are these offices proposed to be sited and what will be the staffing requirements for them?

Mr MACKENROTH: I think that they were announced by Di McCauley. So being the non-political sort of person I am, we are honouring her promise. I do not recall them because I did not make the decision, you see.

Mr FLEMING: I will get you the exact sites.

Mr MACKENROTH: Babinda, Boonah, Cannonvale, Eidsvold, Kilkivan, North Stradbroke Island, Stanthorpe and Wandooan.

Mr FLEMING: The Stanthorpe site is already open.

Mr MACKENROTH: At a cost of half a million dollars.

Mr FLEMING: The staffing arrangements for each of those sites, in the main, we draw on the local community and the lead agency. So in the case of Stanthorpe and Eidsvold, we have been involved in the selection process of identifying suitable people. It stimulates, in a small way, the opportunity for employment in that town.

Mrs LAVARCH: Again referring to the QGAP sites, page 38 of the MPS refers to the examination of strategies for the electronic delivery of information and services to remote and rural communities. This is expressed to include QGAP sites. How is it proposed to achieve electronic service delivery at the QGAP offices?

Mr MACKENROTH: The Communications and Information section of my department is working on Queensland Online to bring all Government services together and to provide an electronic form across the Internet. We envisage that people will be able to go into QGAP offices to access that information themselves or they will ask the person working in the office to access the information for them basically using the Internet, although within Government we would use the Intranet. People can access that information within the QGAP office. If they are computer literate and are able to use the system, they can do it themselves. If not, the person working in the office will do it for them.

Mrs LAVARCH: But it will be made as user friendly as possible?

Mr MACKENROTH: It will but, as I said, it is so user friendly that they do not even have to use it; they can get someone to do it for them. As the Minister responsible for technology, I have a view that half the population do not know how to use the remote controls on their video recorders. Put your hands up if you can.

Mrs LAVARCH: They have children who can.

The CHAIRMAN: Some of our children do not operate them yet; they lose them.

Mr MACKENROTH: You need kids to do it for you.

The CHAIRMAN: The time for Government questions has expired.

Mr HOBBS: Minister, what budget allocation have you provided for the public relations arm of your department? How many staff have been allocated and what are their responsibilities?

Mr MACKENROTH: It is estimated that the corporate communications section has a staff of seven and the outlay for that is \$570,000. In relation to their particular tasks—I take that on notice. I will give you their responsibilities.

Mr HOBBS: That is fine. With the expansion of the department to include information and communication, what funds have been transferred to your department from CITEC in the corporate and executive services area?

Mr MACKENROTH: The same amount of money as they were paid under the Department of Public Works and Housing, which is about \$450,000.

Mr HOBBS: The whole amount came across, whatever it was?

Mr MACKENROTH: Yes, and no extra. It was \$455,000, or something like that. CITEC was paying to corporate services within the Department of Public Works and Housing an amount of \$455,000, I think. We have transferred that amount of money from Public Works and Housing to—

Mr HOBBS: That is the total amount? I am asking about the corporate services section itself.

Mr MACKENROTH: That is correct.

Mr HOBBS: It is that much?

Mr MACKENROTH: Yes. They were paying \$455,000 to Public Works and Housing and they now pay it into corporate services within this department, and no more.

Mr HOBBS: I refer to your answer to question on notice No. 3 in which you said that if councils have the right mix of revenue powers it will mean that they are in a better position to provide quality and value for money services to the community. What did you mean by the "right mix of revenue powers" and are you seeking to increase the revenue-raising avenues available to local government?

Mr MACKENROTH: We are in the process of reviewing the councils' revenue base. We are negotiating with the Local Government Association. If anything comes out of that in relation to increasing the way that they can charge, that will have to be considered by Government. I have not made any decisions on that. We have to make sure that, if we are saying to councils that they have to be competitive and they have to be out there doing things, they are able to charge in a proper manner and do not pick money up, as you said before, by charging \$1,000 for a plumbing approval when it is only subsidising something somewhere else. We have to identify what those things are. If it is necessary to put new powers there for councils, we will consider that. That will come out of the review that is being done on revenue raising now.

Mr HOBBS: Before I hand over to Mr Horan for questions on rural communities, I return to the Bowen issue and the \$10.8m. You say that as Minister you did not have any input at all and were not consulted in relation to that \$10.8m allocation to the Bowen Shire Council?

Mr MACKENROTH: The decision to do that was made prior to the election. It was part of our election promise and it was considered by shadow Cabinet. Yes, I would have been a party to that decision.

The CHAIRMAN: Mr Horan, are you seeking leave to appear?

Mr HORAN: Yes.

The CHAIRMAN: Leave is granted.

Mr HORAN: Thank you, Mr Chairman. At page 35 of the MPS, the key performance indicators for the Regional Communities Program show the holding of eight ministerial forums and the establishment of eight regional offices. Can you detail to the Committee where the forums will be held and where the actual offices will be established?

Mr MACKENROTH: The final details of the program are still being established and will need to be approved by Cabinet. The eight regions that have been identified basically cover the areas where regional planning exercises are being undertaken. There is a certain amount of linkage between regional planning and the Regional Communities Program. If we look at south-east Queensland, three regions will be based on the boundaries of SOUTHROC, WESTROC and NORTHROC, which are the Regional Organisation of Councils based outside Brisbane in south-east Queensland. As we go up the coast, a region will be based on Wide Bay and that will basically be the councils that are involved in the Wide Bay planning exercise. We then go to Rockhampton/Gladstone, which is the same thing. Regional planning exercises are being done in Mackay/Whitsunday, Townsville/Thuringowa and then far-north Queensland.

In the main, the offices will be established in five of the eight regions that I have identified. The Department of Local Government and Planning had already established offices in Townsville, Cairns, Mackay, Rockhampton and Bundaberg. We have simply utilised the facilities that were there. They may have to be increased so that they have a bit more space, but the facilities are there. Most of them have meeting rooms that can be utilised, so we will be utilising that. We are still identifying where the offices will be located in the three Regional Organisation of Councils areas in south-east Queensland.

Quarterly forums will be established by holding, firstly, conferences within those regions to negotiate with the local communities on the actual operations of the forums. Community representation at the forums will come from the councils, business, the environment, the human sector—all of those different groups will have representation at the table. We would change in some places. We may change where the meetings are held, because there may be more than one centre in them. In relation to

WESTROC, we would probably have a meeting in Ipswich and then a meeting in Toowoomba, which are at either extremities of it. The forum would change between Toowoomba and Ipswich. That is the way it will be done.

Mr HORAN: In what you have detailed so far you have basically left out Toowoomba, which is the regional centre for the Darling Downs and for south-west Queensland. As you are aware, EDROC is involved there. Why would you ignore the second biggest inland city—

Mr MACKENROTH: It is not being ignored.

Mr HORAN: Let me finish my question. Why would you ignore the second biggest inland city of Australia as a site for a regional office? You have mentioned five regional offices on the coast. Toowoomba represents a big area of the south-west, and organisations like Growzone, EDROC and many other planning organisations—

Mr MACKENROTH: I have not ignored it. I said that I have not decided. What I said is that in the eight regions that I have outlined to you we have five offices already existing. In the three regions which are based on south-east Queensland, we have not identified where those offices will be, because our office in south-east Queensland is based in George Street. We need to decide. It could be anywhere between Ipswich and Toowoomba in that region.

Mr HORAN: The point I am making is that Toowoomba represents the south-west. Places such as Roma, Goondiwindi and the major developments occurring in south-western Queensland seem to be ignored, because the concentration is on regional communities up the coast, not inland communities.

Mr MACKENROTH: There is a linkage, though. The regional communities forums are based on the regional planning exercises. That is where we have taken the regions from. In the case of Toowoomba, Toowoomba is a part of both EDROC as well as WESTROC. A number of councils are in that position. They probably could all argue and we would keep going forever until we end up with the boundaries of these regional communities at the Northern Territory border. We are establishing as well a ministerial council for rural communities which also will meet quarterly. That will take up the rural communities that are not picked up within the regional community boundaries that we have outlined. They will be picked up there.

Mr HORAN: With respect to the Rural Area Development Council, how many people will be involved in it, what will be the—

Mr MACKENROTH: The representation?

Mr HORAN: Yes, and its breakup? In what sorts of places do you envisage it would meet?

Mr MACKENROTH: It would meet in rural areas of Queensland, whether it be in Charleville or Cloncurry. It will meet in different parts of Queensland each time it meets. The make-up of that is presently being formulated. We have been looking at the type of membership that we had on the old

QRRAC committee, which was abolished and which had representation from councils, from the community and also from primary industry groups. I had a deputation from primary industry groups when I first returned as the Minister asking to have this sort of a council re-established. That would be what we would be looking at doing. But the difference this time will be that we will actually have a Minister sitting on the council and being involved on it.

Mr HORAN: Which Minister will that be?

Mr MACKENROTH: That will be either me or the Minister for Primary Industries. We will share it.

Mr HORAN: Page 38 of the Ministerial Portfolio Statements mentions the planned performance for 1998-99 and the work being done with the public sector and the private sector and activities to include research and pilot projects. Could you detail to us that research and the pilot projects that are under way now or will be under way?

Mr FLEMING: Constantly, a major function of the Office of Rural Communities is to negotiate with various departments and the private sector and community groups. You mentioned a moment ago some of the economic development organisations, such as Growzone. We work closely with those groups to try to encourage linkages between departments and those organisations. I think probably the best example we can give of some real steps forward with the QGAP program is our negotiation with the credit unions to co-locate with them and to bring back services to some of those towns. The best example I can give you is Dirranbandi, which has had no banking services for the past 10 years. We have recently combined a QGAP office with the Electricity Credit Union, and now they have banking services there.

Mr HORAN: What are the pilot projects that will be under way this financial year and the planned performance?

Mr FLEMING: We have further pilot programs developing with credit unions. We are still negotiating. For example, right at this moment we are negotiating in respect of one of the islands off the coast to try to get a project together with a credit union there. In that case we are trying to combine State Government, local government and the credit union into a single-stop shop. That will be done within this year.

Mr HORAN: Can you detail to us the 30 additional positions that are going to the regional offices?

Mr MACKENROTH: Regional communities?

Mr HORAN: Yes, the regional community offices. Do you have a break-up of where those public servants will be placed? You mentioned there are five places now where you have established offices. Can you give us a break-up? Also, what is their job description? I would imagine there are probably three or four at each office.

Mr MACKENROTH: There are three at each office, which makes 24. There will be three other

offices. There are five actual offices that I have identified. There will be three other offices at a location which is yet to be identified. There will be a senior project officer, a project officer and then an administrative officer. Within the head office, there would be six staff—a general manager, project officers, administrative staff and a finance officer.

Mr HORAN: Can you describe to us the organisational system or management system you have in place to ensure that when a regional forum is held that issues that come up at that are dealt with effectively? Will there be any publication of what the issues are and what the result of each issue has been?

Mr MACKENROTH: There are a couple of parts to that. One is that the regional forums will be open to the public, so anyone can go to them. The issues that are raised at the regional forum will be reported on back to the regional forum at the next meeting. So, if an issue is raised for Government, a report will go back to the next meeting on action taken. It is a very open process and public, and people will know what Government is actually doing about the issues that are raised. That is how that will happen.

Mr HORAN: You said they would be quarterly.

Mr MACKENROTH: They will be quarterly, yes.

Mr HORAN: For example, if you have eight identified sites where you are holding a regional forum, you will hold one forum in each of those eight sites every quarter?

Mr MACKENROTH: All on the same day. They would take the place of the Cabinet meeting for that day. It will be on a Monday. So instead of a Cabinet meeting on that day in that quarter, we will have the regional forum which will be on a Monday, and two Ministers will attend each of the forums.

Mr HORAN: The final part of that question was—

Mr MACKENROTH: The idea then is to have a rotation of Ministers so that one Minister attends two forums in a row and another Minister is alternating with that so that we will always have a Minister at the forum who was at the previous one. The other issue was, sorry—

Mr HORAN: It really covered the publication of what the issue has been and the results. Are you saying that at the following forum the issues raised at previous ones and what action has been taken will be printed and reported on?

Mr MACKENROTH: They will be reported on, yes. The idea of having the staff in these areas is actually to help the groups. There will be representation from different sectors and we would expect those sectors to actually be holding their own meetings in between the forums to put forward items for the agenda. Their delegate would be expected to report back to them on the whole operation of the forum as well as their specific issues that they may have raised.

Mr HORAN: Of the 24 additional QGAP office sites, you provide the eight that are going to be established this year. Do you have details of where the balance will be?

Mr MACKENROTH: In further out years?

Mr HORAN: Yes.

Mr MACKENROTH: They are to be determined. They will be my decision, not Di McCauley's.

Mr HORAN: Could you just tell us what are the editorial arrangements in producing the Bush Telegraph and where is it printed?

Mr FLEMING: The editorial arrangements are that we have a journalist on the staff of the Office of Rural Communities who prepares the material on a month by month basis. It is set by Goprint and printed by Goprint.

The CHAIRMAN: The time for non-Government questions has now expired. We will take Government questions.

Dr CLARK: To pick up some of the issues that have previously been raised, one of the issues I talked about before was the implementation of FNQ 2010. One of the recommendations was to have an annual regional forum. Do I take it that the quarterly forums that we have just described will actually be linked in then to that process? It seems a very cost effective way of doing that.

Mr MACKENROTH: It could be. That has not been determined. I guess the people on FNQ 2010 have not seen nor be aware yet of the regional forums that are being proposed. As the former Minister for Planning, and having been involved in SEQ 2001—FNQ and then Wide Bay have started that—I could see the work that was being done and the information that was available. A lot of that I think needs to be processed further and worked through. I see that the strategies that have been developed within those regions can be utilised and used by these regional forums to perhaps try to inform Government better of what the regional communities want within their regions. A lot of it is there. It is just a matter of ensuring that the regional community itself has still got the opportunity to bring it forward rather than just leaving it go into a Public Service filing cabinet.

Dr CLARK: Indeed. I think we have had a number of excellent suggestions as to how to have that consultation in regional and rural Queensland. One of my questions was going to be in relation to concerns about coordination duplication. You have already addressed my query as to how the regional Cabinet meetings are going to coordinate there when we have a regional forum happening. The other body that we have talked about this morning is the Queensland Rural Area Development Council. I wonder if you could just give us some idea of how you anticipate that the results coming out of that process will be coordinated with the regional communities forum process as well. I am concerned that there could be some overlap or duplication.

Mr MACKENROTH: There will be no overlap or duplication because they are dealing with different areas. The Queensland Rural Area Development Council is going to pick up the areas outside of—Brisbane is not part of this. The growth regions are all a part of the Regional Communities Program. The other areas are part of the Rural Area Development Council, so they are discretely different. This will give the rural areas the opportunity to bring forward their concerns with Government on a quarterly basis just the same way as the regional communities will have that opportunity. The issue there is that we are taking a large geographical area which you incorporate in this, but we are going to utilise the industry groups that represent those areas as well as local government and we will pick up some other delegates that will represent the interests that are involved, and we will have to make sure that there are proper linkages to get them there. There already are fairly good communications between rural Queensland and the Office of Rural Communities which will be running this particular program. So that is already there. We have got a fairly good knowledge of what is going on in those communities.

Dr CLARK: I refer you to information technology as it relates to rural and regional Queensland. On page 38 under the 1998-99 Planned Performance points, there is a dot point in relation to the Regional Telecommunication Infrastructure Fund and how that might be utilised to promote strategies for the development of information technology and communications in rural and remote areas. Also the final dot point on that page relates to upgrading the QGAP sites and the investigation of a rural service delivery web site in conjunction with Queensland Online. I just wonder if you could give us some more details about those issues.

Mr MACKENROTH: The Regional Telecommunications Infrastructure Fund is a Commonwealth Government initiative announced in 1996. There is \$250m in that fund. Queensland's share is \$53.1m over a five-year period. The Office of Rural Communities actively promotes the benefits of modern information technology and communications to rural and regional parts of the State through liaisons, Government forums, community groups and regional and rural organisations. The Office of Rural Communities has also been requested by the Department of the Premier and Cabinet to utilise its expertise in rural matters to assist in the review of applications to the RTIF on behalf of the Queensland

RTIF State Advisory Committee. The general manager of the Office of Rural Communities is the chair of the State advisory committee. The Office of Rural Communities helps to assess the applications under the Regional Telecommunications Infrastructure Fund and helps provide advice to the Commonwealth to better inform them to make their decision on who is to be funded.

The last dot point refers to what I talked about before in relation to using Queensland Online and the Internet to have that information available through QGAP offices, whether it be for people to access themselves or to access by asking the person working there to provide it to them. So that is how that will operate.

Mrs LAVARCH: I have a question in relation to rural communities and the table on page 39 where it refers to QDIAL, the 1800 service. The figures indicate that there will be a decrease in the actual usage of QDIAL for the 1998-99 financial year. The note states that the reduction is caused by a restriction of calls to the service by non-rural residents. I understand that an investigation took place in relation to the future needs of that service. Note 7 also states "and a reduction in country show attendance by the QDIAL display". Why was there a reduction in the attendance? How did that come about?

Mr FLEMING: It was reduced two years ago when there was a cut to the Office of Rural Communities' budget. What used to occur was that we would promote through a large number of shows—something like 40 or 50 shows. With a reduction in budget, we tried to target more appropriate sites. We have really focused on the major rural expo days, where we think we have a broader audience. In so doing, we miss some of those very small sites, such as the very tiny country shows. Further, I think better information is getting out there. More people are getting access to information through other sources. I suspect that through time we will see a combination of that call number into probably a single number.

The CHAIRMAN: There being no further questions, that concludes the examination of the Estimates for the portfolio of the Minister for Local Government, Planning, Regional and Rural Communities. I thank the Minister and the portfolio officers for their attendance.

Sitting suspended from 11.57 a.m. to 12.58 p.m.

TOURISM, SPORT AND RACING**IN ATTENDANCE**

- Hon. R. J. Gibbs, Minister for Tourism, Sport and Racing
- Mr D. Williams, Director-General
- Mr M. Peters, Deputy Director-General
- Ms K. Pulsford, Manager, Executive Services and Managing Director, Gold Coast Events Co Pty Ltd
- Mr S. Gregg, Chief Executive Officer, Queensland Tourist and Travel Corporation
- Mr D. Ronai, Director, Finance and Administration, Queensland Tourist and Travel
- Mr L. Longland, Executive Director, Liquor Licensing
- Mr I. Whitehead, Executive Director, Sport and Recreation Division
- Ms W. Shakespear, Director, Queensland Academy of Sport
- Mr I. Warren, Director, Finance and Administration
- Mr C. Lowe, Acting Manager, Industry Development Unit

The CHAIRMAN: I now declare the Estimates committee meeting reopened. The next portfolio to be examined is that of the Minister for Tourism, Sport and Racing. I remind members of the Committee and the Minister that the time limit for questions is one minute, and answers are to be no longer than three minutes. A 15-second warning will be given of the expiration of these time limits. The Sessional Orders require that at least half of the time is to be allotted to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in its transcript.

Members would be aware that the meeting is commencing at 1 p.m. and therefore, after the two hours, will close at 3 p.m.. I declare the proposed expenditure for the Minister for Tourism, Sport and Racing to be open for examination. The question before the chair is—

"That the proposed expenditure be agreed to."

Minister, would you like to make a brief introductory statement?

Mr GIBBS: Thank you, Mr Chairman. It goes without saying that I am delighted to once again be here as the Minister for Tourism, Sport and Racing. While the former Government cast off the various elements of my previous portfolio to large and unrelated organisations where they were treated as poor, distant relatives, I can assure people that the Labor Government will deliver a unified approach to the development of Queensland's leisure industry and reap the benefits for the economy of this State.

Tourism is the second largest industry of Queensland. More than 125,000 people are directly employed in the tourism sector, representing 8.5%, or one in 12, of the Queensland work force. The overall contribution of tourism to gross State product is around 10%, which is more than agriculture at 5.5% and mining at 5.4%.

The Labor Government has shown its commitment to the tourism industry through increased funding for new initiatives, mainly to counter the downturn in the Asian markets. This takes the contingency budget for this financial year to \$47.217m. We have also guaranteed a \$2m increase to their base for future international and domestic marketing campaigns, and this year we will also inject an additional \$35m over four years for a Community Sport and Recreational Facilities Program. This program will provide capital grants to assist in the development or upgrading of multipurpose sport and recreational facilities throughout this State. Considerable emphasis will be given to ensuring the timely completion of all projects funded through the department's capital works program. These projects will create meaningful jobs, as well as improve sport and recreation infrastructure throughout the State.

There are a number of key issues for the future in this portfolio. Foremost of those is the staging of the 2000 Olympics in Sydney, which will provide enormous opportunities for Queensland—to maximise tourist visitation, to derive economic benefit from the 86 sporting teams committed to Queensland as their pre-Olympic training location and to be able to witness Olympic soccer being played on our own doorstep. The 2001 Goodwill Games, to be hosted in Brisbane, will provide significant economic benefit and international profile for the State in the year following the Sydney Olympics.

The future development of the liquor industry will be guided by the outcome of the review of the Liquor and Wine Industry Acts, in line with the National Competition Policy requirements, and we will be completing and implementing the Queensland racing industry strategic plan.

The CHAIRMAN: Thank you, Minister.

Mr HEALY: I start by asking if you could speak up a little. I do not know about anybody else, but I am finding it a little hard to hear because of the noise outside.

Mr GIBBS: I have the same problem, so yes.

Mr HEALY: I do not want to promote a deluge of unnecessary paperwork, but I notice from page 18 of the MPS, in relation to liquor licensing—it is the first dot point under the heading Policy Advice—that it is your intention to promote industry and community awareness and educational programs to enhance compliance with the Liquor Act. In addition, you have committed to develop and promote best practice responsible service issues. Yet page 19 of the MPS shows that you are actually reducing the number of industry information bulletins and printed material as well as guidelines in general publications.

Could you outline what avenues of information distribution will be reduced?

Mr GIBBS: Why will they be reduced?

Mr HEALY: No, what avenues. As I mentioned before, on page 19 of the MPS you are reducing the number of industry information bulletins and printed material.

Mr GIBBS: The large increase in items distributed from 1996-97 to 1997-98 was due to a couple of fundamental reasons. Firstly, there was overwhelming support from the industry for material of this nature to assist it in meeting its statutory obligations. There was also a need to develop a new range of management signs, which included various underage and responsible drinking messages to the public.

A civil liability decision was made, as you will recall, against a licensed hotel at Surfers Paradise in December 1997 as a result, as I remember, of a motor vehicle accident in the vicinity of the premises. This case caused considerable industry interest. As a result, the industry was quick to embrace the No More It's The Law responsible drinking message, which was promoted by the department's Liquor Licensing Division. Licensees themselves have become highly motivated in promoting the responsible drinking message—given the increased risk of litigation—and a surge of orders for material was received around this time.

Increased and more effective marketing of the division's products throughout the year also led to an increase in the demand for the material. The predicted decrease in demand for the material in 1998-99 represents a natural decrease. That would be understandable, because there was a saturation point reached at that stage because of the interest following that legal case. It was not just the hotels. I can recall in Opposition, for example, the calls and the concerns which were expressed by licensed clubs throughout the State, including bowls clubs and smaller clubs that were licensed. As a result of that distribution, that sort of peak has gone. That is why it has dropped off accordingly in those figures.

Mr HEALY: On page 8 of the MPS, the first dot point makes mention of the need for the department to ensure that it meets NCP obligations in respect to the Liquor Act, the Wine Industry Act and some of the other Acts under your administration. You have already referred to those NCP requirements in your opening statement. As you understand it, what are the NCP requirements in relation to both the Liquor Act and the Wine Industry Act?

Mr GIBBS: Basically, my understanding of NCP simply is that we are required, because we are signatories to that agreement federally, to carry out a review of the Liquor Act and the Wine Industry Act to ensure, firstly, that there is fair and open competition within the industry. Now, if it is found that anti-competitive practices are carried out, yet they are in the public interest, then obviously the Government would be loath to move on that if a report of that nature came back to me with such a recommendation.

We are going to review the Liquor Act and Wine Industry Act very shortly. I know that there are some concerns out there amongst certain sections of the liquor industry itself. However, I want to make the point that the chairman whom I will be appointing will be a completely independent person—in fact, it will be a prominent Australian—who will come into that role with no set agenda and in fact—I think to the great advantage of all players within the industry—with not a lot of knowledge of the liquor industry itself. So you are going to get a person with a totally fresh and new approach. It is my intention to then appoint a community representative to that committee, and probably a person of some legal background who has the time to do it, as well. I am hoping that that will be reviewed and finished and I will have a report in my hands by June of next year.

Of course, the practices that I would imagine that they will be looking at will be issues such as: is it fair, for example, that we are the only State in Australia that does not allow spirits or alcohol of any nature to be sold in supermarkets? Why is that? Should we continue with that practice? Are there practices currently in place which prohibit proper opportunities? For example, in the restaurant and catering industry, I know many people who, instead of going to a public bar or going to a hotel, find it far more convivial to go to a restaurant, for example, and be able to have a drink. Under the current Act, which we introduced when we were in Government, I thought that we brought a civilised approach to it. We allowed up to 20% of non-diners to be able to partake of alcohol in restaurants. Maybe it is time that that was opened up a bit more. That is not for me to make a decision on at this stage. Those are the sorts of practices that the review will look at, and they will come back with a report to me and make recommendations.

Mr HEALY: When is that review likely to begin?

Mr GIBBS: I will take a submission on that to Cabinet shortly. It would be my desire that the review would commence probably just this side of Christmas. Obviously, my instruction to the committee will be to have it completed and the written report in my hands by at least June of next year at the latest.

Mr HEALY: So you would think that it would be quite unwise and perhaps wrong for clubs, for example, to assume that, all of a sudden in their favour, they are going to be able to sell takeaway alcohol and now start planning for that at this particular stage before the review has even begun?

Mr GIBBS: I would not advocate that any industry should start to make plans down the track. I met with a broad range of industry representatives in the lead-up to the State election and gave them my views on a number of issues. But I made it very clear to them that, if we were in Government, we would not be acting to review the Liquor Act until such time as that review was carried out in accordance with National Competition Policy. So if anybody is running around making preparations for something, they are certainly being very pre-emptive.

Mr HEALY: Given what you have just said, would it be your intention to ensure that a comprehensive study is undertaken on the impact that any changes will have on employment, for example, in the hotel industry?

Mr GIBBS: Absolutely. We came into Government with a commitment to job creation and job growth. I would not like to think that, as a Government, we would be undertaking any practices which were going to prohibit that election commitment in any way. In saying that, I am also of the opinion that you cannot allow time to sit still if reforms need to be made. But as I said, that reform will be largely driven by what is contained in that report. I want to assure you that it will be my intention to direct—not so much direct, but certainly to advise—the committee of review that it would be my expectation that they would move around the State into the major regional centres of Queensland where they will be able to take both written and oral submissions from the major players—whether they be from the restaurant industry, the hotel industry, the club industry, nightclub operators or whatever group—and base their report obviously on what they believe is in the best interests of the community.

I have just had a note slipped to me. It is my understanding that, under Treasury rules, they must do an economic impact statement in accordance with what they put in that report.

Mr HEALY: What commitments have been made in this year's budget—if there are any—to promote Queensland's wine industry in tourism terms or as an industry under the Act? Are there any identified initiatives?

Mr GIBBS: I am not absolutely aware of any new initiatives that we put into the budget this year, or within my portfolio. But needless to say, you would well recall that it was an initiative of the Government that I was part of under Premier Goss to undertake a comprehensive review of the wine industry. That comprehensive review, I think, led to a whole new direction for the wine industry in Queensland. We did a lot at that time to ensure that we started to promote Queensland product, particularly from the Stanthorpe area, throughout the tourist industry. We did things to encourage the festival up there. The Queensland Tourist and Travel Corporation did a lot in terms of ensuring that the regional tourist association in your own area became very involved in the wine promotion itself. You are aware of a number of festivals that are held up there. Needless to say, I would like to see a lot more done, but I would think that you—being the dynamic local member that you are, and a keen imbibor, as I understand it, of a glass of wine from time to time—would be taking initiatives in your own area and doing some of this stuff that is required.

Mr HEALY: That is why I asked the question, of course—because of my interest in the industry. Those are all the questions I have in relation to liquor licensing. I know that you have provided the Committee with a request that representatives from the various parts of your department be with you. Are you happy for me to move on now to the other areas in the five minutes that I have left? Or Mr

Chairman, would you prefer that Government members refer now to this particular division?

The CHAIRMAN: It is probably easier for you to continue. The Minister can hold his people until our questioning takes place. You have only five minutes to go. Then we can excuse the liquor licensing people.

Mr GIBBS: Is it not desirable to allow members of the panel to carry on with liquor licensing?

The CHAIRMAN: The problem is that it would then become difficult for us to balance the time. The Standing Orders require that—

Mr GIBBS: I am in your hands, Mr Chairman.

Mr HEALY: The next area will be sport and recreation. I refer to page 28 of the MPS. The first dot point refers to the Sports Program. During the previous year, 23 local governments were provided with funding to undertake recreational planning studies. How many additional local governments are expected to be provided with funding in this financial year?

Mr GIBBS: I cannot give you an off-the-cuff answer at the moment. I think I am correct in saying that at this stage we have only just called for expressions of interest on that matter. It would be hard to know exactly how many local authorities will come through the door wanting money. Thus far, we have funded nine local governments to a total of \$195,500. The total request for funding was \$452,800 from 28 local governments. Those were projects that relate back to your own Government. When I came into office I asked for a quick review of those and looked at them. I saw no need to change them. They stood as they were. We have called for expressions of interest for new funding. Obviously I will answer that for you next year.

The ones that have been approved are the Gulf Local Authorities Development Association for \$45,000; Paroo, Bulloo, Murweh and Quilpie Shires, \$34,000 each; the Douglas Shire Council, \$19,250; the Pine Rivers Shire Council, \$25,000; Isis Shire Council, \$16,250; Johnstone Shire Council, \$15,000; Crows Nest Shire Council, \$15,000; Bundaberg City Council, \$20,000; and the Kilcoy Shire Council, \$6,000. What is significant is that, when I looked at those, I could not help but wonder whether there was perhaps a little bit of political slack, given the fact that most of them happen to be located conveniently in National Party electorates. I would like to think that your Government would not indulge in that behaviour, so I gave them a tick.

Mr HEALY: Yes, I would think it was good and fair representation on behalf of those members. On page 29 of the MPS, the last dot point mentions that it is your intention to implement a new Community Sport and Recreation Facilities Program. Who will that program apply to? What entities or types of projects will be eligible for assistance that are not eligible under existing programs?

Mr GIBBS: Those will apply broadly across the community. Local authorities can apply. ATSC will be able to apply. We will be providing financial assistance to eligible organisations to construct or

upgrade facilities that support sport and recreation at the community level. That, of course, is a project that we had under way when we went out of office and which your Government discontinued. I will probably show some good reasons later why you chose to discontinue that. Eligible applicants will include local government, Aboriginal and Torres Strait Islander councils, sport and recreation organisations and other nonprofit organisations whose core business includes sport and recreation. They can seek ministerial approval to apply for funds under that program. We will have a total of \$35m to be spent over the next four years. This year \$5m of that will be available to be spent in the community. Examples of the projects that we expect to fund are basketball courts, community halls and community swimming pools. I am expecting that there will be very high demand for those projects throughout the State.

Mr HEALY: The third dot point on page 30 of the MPS refers to your intention to pilot a Local Government Recreation Officer Program to provide professional support for the development of sport and recreation at a local level. Could you outline what funding has been allocated for that program? Where do you intend to trial it?

Mr GIBBS: The program provides financial assistance to local governments, voluntary regional organisations of councils and Aboriginal and Islander community councils to undertake broadscale recreation, sport and outdoor recreation studies and facility need studies. Those studies develop policy and assist local governments to identify and prioritise programs, services and facilities required to meet community recreation and sport needs. As I said before, in 1997-98 there were 23 local governments funded to a total of \$369,000. I do not think this is the correct material.

Under our new program, in this 1998-99 budget we will allocate \$120,000 for that. It is our intention that the first of the pilot positions will commence on 1 January 1999. We have agreed to provide 50% of the funding for salaries and on-costs to maintain four pilot positions over the next three years.

Mr HEALY: Where did you say it is your intention to trial it?

Mr WHITEHEAD: At the moment we are negotiating with those local authorities. We would like to have a mix. We would like to look at some rural and remote local authorities and a combination of local authorities. It is targeted at those areas that lack services and skilled staff.

Mr HEALY: So the consultation program is happening now?

Mr WHITEHEAD: Exactly.

Mr HEALY: When do you expect to know where you will be trialling it?

Mr WHITEHEAD: We would expect to know by January.

Mr HEALY: The implementation of that program is starting in January?

Mr GIBBS: That is correct.

Mr HEALY: What additional funding has been provided in this year's budget for the additional 80 to

100 participants expected to participate in the Elite Athlete Development Program, which is identified on page 31 of the MPS?

Ms SHAKESPEAR: The major areas of expansion will be additional services to our branch in north Queensland, extension of our performance enhancement services in biomechanics and physiology and the inclusion of two new sports programs in triathlon and water polo.

Mr HEALY: The question was about additional funding. I am after actual dollars. What additional funding has been provided in this year's budget for those additional participants who are expected to participate in that program?

Ms SHAKESPEAR: Overall, our budget will increase by half a million dollars from the State Government and our expected increase from Federal funding is between a quarter of a million dollars and half a million dollars.

Mr HEALY: I refer to the \$3.7m allocation in the budget for the upgrade of the Currimundi Recreation Camp. I have noted newspaper reports that suggest that the proposed four-lane athletics track at the complex may now be in some doubt pending a review by your department. Has that review been completed? If it is decided that the track will not go ahead, where will the money be allocated to be spent at the recreation camp, given the problems that are being experienced at the university complex with the relocation of powerlines?

Mr GIBBS: I have confirmed, of course, the \$3.8m commitment to the Currimundi outdoor recreation centre. I decided to withdraw the athletics facility component based on research information contained in the master plan that indicated to me very clearly that this facility would, in fact, be of very little benefit to the centre clients and to the local community. It was also seen to be in direct competition with the athletics track that is being laid at the Sunshine Coast University College at Sippy Downs.

The amount of \$615,000, which was the approximate costing for the laying of the synthetic athletic track at Currimundi, has been reinvested in the centre for the upgrade of external works, that is, roads, car parking amenities and additional accommodation units and fit-outs at the centre itself.

Mr HEALY: That is \$615,000.

Mr GIBBS: Yes.

Mr HEALY: That is now going into those other facilities?

Mr GIBBS: That is going back into the Currimundi facility.

Mr HEALY: So the \$3.8m still remains?

Mr GIBBS: Yes.

The CHAIRMAN: There are no more questions of the Department of Sport and Recreation officials. Minister, we have let non-Government questions run on a little bit. The reason for that is that the secretariat told me that we can actually accommodate the time balance. So the Government members will now direct questions to the part of your

portfolio before the Chair, and then we will go back to liquor licensing and then you can let them go and resume normal timing.

Mrs LAVARCH: I refer to an earlier answer that you gave to the member for Toowoomba North concerning the \$35m program for the upgrade of the multipurpose sport and recreation centres throughout Queensland, and I ask: can you outline the benefits of this program?

Mr GIBBS: As I indicated before, that \$35m is allocated over four years to construct or upgrade multipurpose sport and recreation centres throughout Queensland. Basically, what we are looking at is ensuring that that program goes on and delivers on the 1995 election commitment that was given by the then Goss Labor Government, implemented by us and, of course, chopped out by the previous Government. It is designed to provide Queensland communities, particularly regional and remote areas which have limited sport and recreational facilities, with multipurpose centres for community use.

When we went out of office, the department was assessing 87 formal submissions and there were 14 letters of interest from community organisations. As I said, that in itself indicates to me very clearly that there was absolutely strong and broad support from the community for the program. To my mind, it was a great pity that the Borbidge Government scrapped the program. What will happen is that under the program eligible organisations will be provided with up to 50% of the cost of their facility, up to a maximum \$500,000, to construct, extend, upgrade or develop the multipurpose centres.

When we were in office we did start up three pilot projects of that nature: one at the Redbank Plains State High School, one at Currumbin and the other at the Marsden State High School. Reports back to me indicate that those pilot projects have been an outstanding success. As I said, we are very keen to reimplement the program and get it moving as quickly as we can. Applications for that money will close on 20 November.

Dr CLARK: I refer the Minister to page 28 of the Ministerial Portfolio Statements. The second last dot point refers to grants and subsidy assistance programs provided by the Government in the 1997-98 year. I think that there is a strong community expectation that grants will be spread very evenly across all sporting areas. I ask: is the Minister aware of any particular sporting disciplines which received particular favour over the last three years to the disadvantage of other sports?

Mr GIBBS: Certainly, there were a number of glaring examples where this quite disgraceful behaviour took place. One of those, of course, is that the former Government absolutely plundered the sport and recreation program and provided something like \$3.15m—and I will repeat that figure, \$3.15m—for the shooting fraternity throughout Queensland. This all occurred after the tragedy at Port Arthur and the national gun debate. That money was put out to a number of organisations. They gave the Queensland Small Bore Rifle Association \$1.1m, \$660,000 for the Queensland Rifle Association,

\$171,000 for the Sporting Shooters Association, \$72,000 for the Brisbane Pistol Club and other places all over Queensland—significantly, of course, in National Party State electorates.

The tragedy of this is that this \$3.15m was money that could have been used in other areas. It meant that junior sport in this State—kids' netball sides, junior cricket, junior soccer, junior Rugby League, vigoro—all of those junior teams were denied this money simply on the basis of a cheap political exercise by the National Party to prop up their vote with the pro-gun lobby.

The significant thing in this is that figures provided to me show conclusively that there was a massive increase in registration in these shooting organisations that were funded by the Government. What is more interesting to note is that participation in them never increased at all. In other words, the former Government provided funding to try to prop up its own heartland and encouraged people against the national interest, against the national gun debate. All they did was join these clubs so that they would be eligible to keep firearms and this lot kept financing them.

I repeat, \$3.15m went into them. It meant that there was an upping of funding to gun clubs and shooting associations by over 500% in that period of 1996 to 1998, compared to \$600,000 in grants during the two financial years prior to the Borbidge Government that went to shooting organisations. So I think from that example you can see clearly that this was one of total, absolute bias. As I said, it was a shabby trick by the former Government to try to prop up its own base.

Mrs LAVARCH: I refer to your previous answer about the grants and subsidies outlined on page 28 of the MPS. Does the Minister have any evidence to suggest that a certain electorate may have received favourable treatment from the former Government?

Mr GIBBS: Certainly. Again, this was another disgraceful example of funding by the former Government. I was very interested to hear the honourable member for Toowoomba North ask me about the Lake Currumbundi running track. I will accept that he asked the question in a genuine manner. But I will answer him also in a genuine manner to give him a bit more material. The electorate of the former Treasurer of Queensland did extremely well. In fact, it did so well that that electorate received from the Sport and Recreation Department grants worth almost \$5.5m—I repeat that, \$5.5m.

I would like to compare the stark contrast of that to a number of Labor electorates. Over that period of time the Labor electorate of Everton received only \$4,467 in grants. The Labor electorate of Ashgrove received \$6,933. My own electorate of Bundamba received the princely sum of \$9,311. As I said, \$5.5m went into the former Treasurer's electorate. There were 18 successful applications from Caloundra for funding which were processed by the department under three separate programs. These included the Currumbundi Recreation Camp, including that nearly \$600,000 for the construction of an international standard tartan running track when

just down the road you had the Sunshine Coast University, which also received \$1.4m of public money to construct an international standard tartan track. There is only one other tartan track north of Noosa, but the then Deputy Premier had to have two in her own backyard. It was just a nonsensical decision to make.

Additionally, the council was awarded \$1.5m for a multipurpose indoor sports complex, another \$13,500 for skateboarding, \$30,000 for roller sports facilities and another \$20,000 to carry out a recreational plan. It is also interesting to note—and I envisage that you will ask about this later on—that while all this was going on, they came through the back door and wanted to sell land that had been bequeathed to the Caloundra City Council for a racecourse. Instead of handing it over to the race club and saying, "Here it is; we never paid for this land", they came through the backdoor and wanted the Government to pay a further \$1.5m to purchase the racecourse for the race club. This has been another disgraceful grab by the previous Government as it stacked up funding in electorates. I give a commitment, as we did when we were last in Government, that we will not play politics with the lives of kids in this State and deprive them of facilities in the way that the previous Government did.

Mrs LAVARCH: Still on page 28 of the MPS, I refer you to the role of the Queensland Academy of Sport in identifying future elite athletes. Can you inform the Committee of any measures that the QAS is taking to identify talented athletes and provide appropriate development programs?

Mr GIBBS: It should be remembered that we have a fairly small base in Australia and, despite that, we are an incredibly sporting nation. We have a great history of producing sporting champions in Queensland since the introduction of the Queensland Academy of Sport. I personally think that the success of the academy has been a great credit to Queensland. I publicly acknowledge Wilma Shakespear, the Director of the Queensland Academy of Sport, who is present here today, who has been outstandingly successful in that role.

Of course, the Queensland Academy of Sport is always looking at new ways of identifying talented school-age people and providing programs to assess and develop their skills. We will be targeting a number of schools across the State within close proximity to training facilities. We will be looking at young people in those schools to try to identify new talents. One interesting thing about this exercise is that we have found that talent identification is of little value if the talent is not developed fairly early. The other interesting fact is that research has shown that athletes who live more than 40 minutes from a training facility very often tend to drop out of their chosen sport. This makes it imperative that we spread the money around the State, into all electorates, to benefit all kids in Queensland regardless of how their mums and dads might vote.

Again I emphasise the plundering of the purse for moneys that went into the Caloundra electorate. How many of our kids throughout the State were

robbed or have been robbed of a proper bloody chance to bring their talent forward because they do not have facilities close to their own homes. The QAS is developing that program now and at this time next year it will be in full swing. I will be able to give an even more thorough and detailed report on it. The five pilot programs that are currently under way are specifically aimed at targeting the sports of rowing, cycling, kayaking, women's soccer and swimming.

Dr CLARK: To follow up on that issue as it relates to north Queensland, I draw your attention to page 29 of the portfolio statements, which refers to the establishment of the North Queensland Academy of Sport in Townsville last year. As you said, talent is distributed throughout the State. Could you please identify for us any early indications of the success of that program? For the benefit of all members from north Queensland, could you indicate how it is benefiting all of those centres in north Queensland?

Mr GIBBS: You would be aware that the regional academy at Townsville was opened in 1997. That was an initiative of the former Labor Government. Townsville was chosen because it is the largest regional centre in the State in terms of industry, population, administration and sporting infrastructure. I guess it depends where one lives in north Queensland, but one will always get the argument that Townsville is the sports capital of north Queensland. In saying that, the Townsville site provides services to Cairns, Mackay, Mount Isa and centres in between.

The academy currently has squads in six sports—basketball, hockey, netball, soccer, softball and swimming—that operate in that region. One hundred and five athletes have been accepted into the academy and the pilot program will be assessed after three years. Given the high success of that pilot project to date, it has been significant that as the regional Cabinet meetings have moved throughout Queensland, I have not been to a place yet where people have not asked if we can open a regional centre of the Queensland Academy of Sport in their area. Again that is great testimony to the success of the academy. As I said, this is a pilot project in Townsville. We will reassess it in two years. The opinion of the board at the time will determine whether or not we look at expanding the program into other regional centres throughout the State.

Dr CLARK: Can I confirm that the athletes do not all have to come to Townsville? Your officers move into those centres and work with them there?

Mr GIBBS: That is correct. We realise that relocation at an early age can often have a fairly dramatic effect on young athletes. That has been proven with some of the young athletes who went to the Australian Institute of Sport in Canberra in the early days. That caused disruption to some of those young people in their formative years. We are keen to ensure that that does not happen. I know that Wilma Shakespear and the people who work at the academy are very aware of that. They keep a very close tab on those young athletes to make sure that they are being handled in the best and most professional manner possible.

The CHAIRMAN: The Committee has no other questions for the Sport and Recreation Program. We will have the Liquor Licensing Program back.

Mrs LAVARCH: I refer to page 18 of the MPS and the 1998-99 planned performance. Under the heading Business Regulation and Reform Services, dot point 6 refers to ensuring compliance with the Liquor and Wine Industry Acts through a program of investigations. What action will the Government be taking in the lead-up to and during Schoolies Week on the Gold Coast and the Sunshine Coast?

Mr GIBBS: At the outset, it is important that I say that Schoolies Week has gone from being what was a socially destructive week in the early years to a week where the majority—probably about 95%—of young people who go to the Gold Coast or the Sunshine Coast act in a very mature and adult manner. They have a good time. In fact, over the years Schoolies Week has provided a wonderful injection into the tourist industry in those centres. Notwithstanding that, a number of troublemakers will always cause problems. Again I emphasise that over the years studies have shown that it does not tend to be the kids who cause the problems. Usually, it is the influx of people who went to school with the kids and have come back to visit, and adults. This year, we will be ensuring that every investigator from the Liquor Licensing Division will be in the field. There will be virtually a full-time presence on the Gold Coast and the Sunshine Coast during peak times of the celebration.

We will be conducting a mail-out to all accommodation houses on both coasts reminding them of their obligations under the Liquor Act. A circular will be sent to all high schools containing information on under-age drinking and the availability of the Card 18 Plus. There will be radio advertising campaigns based on "No More It's The Law" on B105 Brisbane, WILD, Hot FM and Sea FM. There will be advertising on the back of teller machine receipts, print adverts in the youth press and television advertising in the week prior to Schoolies Week. We are putting a very comprehensive program into operation. Part of that will be aimed at ensuring that parents take an interest in where their kids are and where they are holidaying, and making sure that the parents themselves are not indulging in some of the unsavoury practices that have happened in the past. For example, they have driven kids to the Gold Coast or the Sunshine Coast, packed them into an accommodation house and stacked the fridge full of booze for them. That is not the sort of responsible parenting practice that one would expect. In addition to those things that we are doing, as I said there will be a requirement on all parents to play a proper role in this.

Dr CLARK: I would like to ask a further question in relation to the advertising campaign that you just referred to directed towards young people—"No More It's The Law."—that was funded in the last financial year to educate patrons and minors about their obligations under the Liquor Act. I know from feedback from my own children who are now 20 and 21 that previously there have been problems with the Card 18 Plus system. Are there still ongoing

problems with that and, if so, what measures are you thinking of taking to address those problems with it?

Mr GIBBS: There are ongoing problems with it and problems of a fairly serious nature. You would be aware that the Liquor Act 1992 requires licensees to ensure that intoxicated persons are not served alcohol. Part of that is also ensuring that underage persons are not unlawfully on licensed premises. However, it is fair to say that the resourcefulness of youth is quite amazing. The use of false and fraudulently obtained ID cards is a fairly common practice by underage persons to gain entry to hotels and clubs.

Interestingly, during 1997-98 nearly 1,500 ID cards were confiscated and handed to the Liquor Licensing Division from across Queensland. I am holding just a sample of what I am talking about—learners' permits and drivers' licences with the photographs of kids on them who are in fact all underage but who have been able to go into various sections of Queensland Transport and put forward false details of their age and who they are. During the 1997 Schoolies Week alone, 53 persons were charged with using or attempting to use a fake or defaced ID to gain entry to licensed premises. Basically, what it entails is that minors are using details of older friends or relatives to get duplicate licences or using fairly sophisticated photocopying equipment to change birth certificates or other forms of identification to get the cards. Figures provided by the Queensland Department of Transport show that there is quite an alarming incidence of this behaviour and of duplicate licences being issued in the 18 to 25-year-old age bracket. My department is currently in fairly important discussion with Queensland Transport to develop strategies to improve the integrity of the process for issuing duplicate drivers' licences. One of the things we are looking at is working hand in hand with Queensland Transport to look at the possibility of introducing photo-imaging technology that will limit the potential for fake licences to be obtained.

The CHAIRMAN: I refer to page 17 of the Ministerial Portfolio Statements, which indicates that in 1997-98 the division issued 440 new liquor licences. Did the former Government's decision to deregulate the gaming machine industry and award gaming licences to new operators at a ridiculously low price allow organisations like the privatised Victorian TAB—Tabcorp—to siphon poker machine revenue from Queensland clubs and return the profits interstate?

Mr GIBBS: That was not all it ensured. Obviously if I get a question on this later on I will expand on it. By doing what it did, it effectively wrote off somewhere between \$100m and \$150m in relation to what may be a future sale price of the Queensland TAB. It should be remembered that the former Parliamentary Secretary to then Treasurer Joan Sheldon, the now Leader of the Liberal Party, Dr Watson, was responsible for allowing this situation to happen by permitting gaming licences to be sold to eight operators, including Tabcorp, for a total of \$2m. Imagine being able to come into Queensland and buy a gaming machine licence—a

licence to print money—and the princely sum you paid for it was \$250,000. As I said, that will wipe millions of dollars off the value of the Queensland TAB, which also holds a gaming licence. Our own TAB is now forced to compete on our own home turf with Tabcorp from Victoria.

You wonder how far the system of free enterprise must go before somebody has to describe it in some ways as being ridiculous. Queensland poker machine players are unwittingly putting their hard-earned money into the coffers of the Victorian racing industry and lining the pockets of Tabcorp's Victorian shareholders as a result of this action by the former Government. Tabcorp is only one new player in the Queensland club industry, but it has already entered—and this is very alarming—into contracts with 10 clubs, eight of which are surf-lifesaving clubs, with the purpose of installing gaming machines on those premises. It is entering into arrangements with clubs to redevelop and expand both the club and its gaming facilities into what can only be described as mini casinos. In most cases, Tabcorp is financing the refurbishment of the club through the provision of high interest rate loans in addition to skimming off up to 25% of the club's gaming machine turnover. This is an alarming situation that is taking place in Queensland. The former Government, through its own stupidity and a lack of knowledge of what this industry is about, sold off all these licences and has allowed, as I said, another State Government organisation to come through the door and plunder the purse of Queensland taxpayers.

The CHAIRMAN: There being no further questions from Government members in relation to the Liquor Licensing Division, we move to questions from non-Government members in respect of the Indy Car Grand Prix.

Mr HEALY: I do not have too many questions to ask in relation to the Indy Car Grand Prix and its performance, but I do want to place on record the Opposition's support for the event, which is now just over a week away. I look forward to being there and experiencing what is—and you will agree—one of our great events. The Opposition does have some concerns about its future profitability. I would ask you again, if you would, to outline in more detail some of the statements that you have made in the media and also in the Parliament in relation to the Australian dollar and how it will affect the profit and loss situation of Indy in the future.

Mr GIBBS: At this stage it is highly unlikely that the event will make a profit this year. As you heard me report in the Parliament, the primary reason for that is the devaluation of the Australian dollar in comparison with the American dollar. We are required to buy \$4m worth of American dollars. There is also an extra six months of trading between races. You would remember that your Government changed the event to October, which meant that there was a further six months of ongoing costs to pick up in that time. That, coupled with the fall in the Australian dollar, has basically added \$2.5m to the bottom line of the event in spite of the fact that we now have a major naming rights sponsor by way of Honda

Australia and a huge demand for the pit lane clubs, the beach pavilions, the chicane super suites, roof tops, gallery suites and villas which have all been sold out and profits from ticket sales is, in fact, up on sales last year, but that is owing to an increase in the sale price of the tickets. At this stage, as I said, all those areas have been sold out. Basically, we are now relying on hopefully a record crowd through the gates next weekend. If we can achieve that, that will obviously assist a hell of a lot.

I would make the point, of course, that in talking about the fact that we might not run at a profit this year and that there might be some loss, I cast my mind back to the constant criticism by the former Minister about the contract that we signed with IMG when we were in office and I simply say to you that I believe that that was a fair bit of foresight because the resultant fact is that IMG is now required to underwrite any losses of the event and the taxpayers will reap the benefit again of the fact that we are able to focus world attention on Queensland's Gold Coast. I reiterate that it was a very good decision taken by the Labor Government to go into a partnership arrangement with IMG. Certainly while there is profit there, there is a profit sharing arrangement with them, but the arrangement is that, if losses are sustained, IMG will wear the losses; we do not. Our budget is the \$8m that we have put in, as your Government did. I am confident it will be a great event, but at this stage I cannot predict with any confidence a profit out of it.

Mr HEALY: What is to stop IMG from simply walking away? I know that you cannot release commercial in confidence information, but if there is a continual loss for whatever reason and continual problems with the downturn in the Australian dollar, what is to stop IMG from simply walking away?

Mr GIBBS: Contractual requirements.

Mr HEALY: Are the contractual requirements ironclad?

Mr GIBBS: Ironclad until the year 2000. I will start negotiations with CART next week at Surfers Paradise about the possibilities of extending the life of the race beyond the year 2000. We are looking now at the possibility of taking it to year 2003. I think that would have been the approach taken by your Government as well. We all realise that it has a huge economic impact not only on the Gold Coast but for Queensland's economy. It is a major fill-up at a quiet time for our tourist industry and our accommodation houses on the Gold Coast. As I said, we will be looking further at that contract. That will depend on what deal we can cut with CART as to whether or not the program goes beyond that year.

Mr HEALY: Is there some suggestion that there will be a further change in dates in the year 2000 in relation to the Olympic Games program?

Mr GIBBS: Not to my knowledge, and that has been confirmed by my director-general. There is no intention at this stage that October would be changed.

Mr HEALY: On page 8 of the MPS, the second dot point under Planned Performance says that a regulatory impact statement will be done on

the 1998 IndyCar event. Can you just outline what costs that statement will incur and what you hope to achieve?

Mr GIBBS: That was a requirement. The regulatory impact statement is in relation to declaring basically the geographical area for the 1998 event. It was necessary, as I said, to prepare that regulatory statement. This is necessary as the rights of some individuals who reside or have businesses within or near the declared area may be affected by the regulation which takes over that section of land for that period of time. That impact statement was, in fact, advertised in the Courier-Mail, the Gold Coast Bulletin and the Government Gazette and, interestingly enough, no submissions were received by the department from any of the citizenry in that area whatsoever and no costs were borne by the department.

Mr WILLIAMS: A departmental officer actually did the regulatory impact statement so there was no actual cost of doing it.

Mr HEALY: They are all the questions I have on Indy. The member for Warrego has a question for you.

Mr GIBBS: You have questions on Indy? You want it in Charleville?

Mr HOBBS: It is possible. For the benefit of the Estimates Committee—and I know that you are a punting man—who is going to win?

Mr GIBBS: I would say back Labor at the next election.

The CHAIRMAN: There being no other non-Government questions, I now take Government questions on Indy. I have a question. You have already covered the 1998 Indy event. I refer you to page 16 of the MPS and the fact that the Government provides \$8m to underwrite the Gold Coast Motor Events Company for staging the IndyCar Grand Prix. Can you outline to the Committee the economic impact derived from the Government's investment?

Mr GIBBS: I know that the event is often criticised by people outside of Brisbane. I often say that, once you get probably 10 minutes north of Brisbane, there is not a lot of support for the race because people see it as a week of partying by various people in the community and possibly feel that they miss out on something. The last economic impact report for the 1997 event contained some interesting figures. It generated an economic impact of \$27.5m on the Gold Coast and an additional \$8m in other parts of Queensland, with an economic impact for the State of Queensland of some \$35.5m. It assisted in maintaining 638 jobs throughout the State. The industries that most benefit from the event were: transport, \$7m; recreation and personnel, \$6.25m; trade, \$6.46m; construction, \$3.34m; and manufacturing, \$3m.

In addition to that, the media coverage of the event has continued to grow in a phenomenal manner. In 1991, for example, coverage of the event was distributed to only 30 countries and the number of countries receiving broadcasts of the event has increased at an average annual rate of 60% to a point

at which the 1997 event was delivered to 176 countries to a potential viewing audience of over 700 million people. Anybody in the business knows that you could not buy that advertising through a Government budget in terms of what we spent on the event. You simply could not buy overseas that advertising that we get as a result of the investment we put into the race.

An estimated 693 media covered the 1997 event, with over 65% of these people coming from interstate and overseas. The promotional value of the 1997 IndyCar is estimated to be between \$15m and \$18.1m. The event generated a total of 167,152 visitor nights in Queensland. Of these—and I think these are significant, particularly in some of those areas outside of Brisbane where we get the criticism over the race—over 3,700 were in Brisbane, over 2,000 on the Sunshine Coast, nearly 200 in central Queensland and nearly 3,300 in far-north Queensland. So again that is a significant economic boost to all areas of the State. I think it probably just exemplifies the reason why it is in the best interests of Queensland that we continue to support the event.

The CHAIRMAN: There being no further Government questions concerning IndyCar, we will now take the Queensland Tourist and Travel Corporation Program. We will take non-Government questions first.

Mr HEALY: I refer to page 3 of the MPS. The fifth dot point states that a further \$2m per annum has been allocated for ongoing international and domestic marketing campaigns. Could you give me a breakdown of that \$2m between domestic and international?

Mr GREGG: The funding was split evenly between domestic marketing and international marketing.

Mr HEALY: So \$1m each?

Mr GREGG: Yes.

Mr HEALY: I have a copy of your party's New Directions statement, which was released by you in the lead-up to the State election. The last page, under the title of "Labor's rescue plan", states that the Government should contribute an additional \$10m to a domestic advertising campaign to be developed in cooperation with the industry. We have heard there is only \$1m for that domestic campaign. That is well short of what was promised before the election. Is there any extra money that is likely to be injected into that particular campaign?

Mr GIBBS: Why did you say an extra \$1m?

Mr HEALY: You have put there a further \$2m for ongoing international and domestic marketing campaigns.

Mr GIBBS: I will get Stephen to answer that in more detail for you. Unfortunately you have played a role over a few areas of Queensland in the last couple weeks of deliberately misleading people in relation to what we said during the campaign. We have delivered on the \$10m. We said we would put an additional \$10m basically into the Queensland Tourist and Travel Corporation. In the lead-up to the

election and in your Budget, you showed some foresight and injected an additional \$5m into QTTC. When we came into office, we topped it up with the other \$5m. We were not going to give another \$10m on top of the \$5m that you gave. QTTC got the additional \$10m we committed to give it.

Mr HEALY: Where is that?

Mr GIBBS: That \$10m went to QTTC. \$5m came from you and an additional \$5m comes from us. Stephen can give you the breakdown of where it is being spent.

Mr GREGG: In the budget before us, the corporation has actually received an additional \$9.5m, which includes \$5m as a special one-off grant from the Government, \$2m to our base for international and domestic marketing and another \$2m to the State convention bureaus. That comes to \$9.5m. As the Minister mentioned, prior to that the previous Government provided \$5m as a one-off grant. This Government has also provided that.

Mr HEALY: I refer again to page 3 of the MPS where there has been a commitment made for \$5m in 1998-99 to help address the impact of the Asian economic downturn. This figure is further broken down on page 14. Page 3 of the MPS refers to a commitment for \$5m in 1998-99 to help address the impact of the Asian economic downturn. That figure is broken down on page 14 of the MPS under the QTTC program outlays. I now refer you to page 16, which shows the total funding to the QTTC as being increased by only \$1.2m on the previous financial year. How can you claim that an additional \$5m has been allocated to address the Asian economic downturn when the budget increase for the QTTC is only \$1.2m?

Mr GIBBS: Again, I will let Stephen answer some of that. Just to give you the breakdown, the \$5m has certainly gone in. The \$5m special marketing grant announced by the Premier in July includes \$1.5m for a whole-of-Queensland campaign using television advertising; \$1.25m to enhance the marketing campaigns for Queensland's five developed destinations; \$1m to build on activities in the emerging destinations to fund special interest tourism programs for the backpacker industry, host farms, bed and breakfast establishments and ecotourism; \$1m to stimulate immediate business from the long haul markets of the UK, Europe and the United States, as well as selected Asian destinations; and \$250,000 to fund a visitor hospitality program, which we will be launching. I think I have written to you about that. We will be launching that in the immediate future.

Mr GREGG: I think there is confusion because some of our funding in the previous year was in one-off, one-year grants. For this year, that money has been replaced by the Government.

Mr HEALY: Okay. But I refer again to the table on page 16. Where the 1997-98 budget was \$38.5m, the actual amount spent in the 1997-98 year was \$46m. You have budgeted for \$47.2m. The \$46m was spent in the 1997-98 financial year. That is the actual amount, according to this table. Your estimate is \$47.2m, which is simply a \$1.2m increase.

Mr RONAI: The difference in these numbers is that the \$46m is actual expenditure, which includes add-ons to the original budget by way of mid-year grants and throughout-the-year grants.

Mr HEALY: That was by the previous Government.

Mr RONAI: Yes, including a \$5m Asian response grant at that time. The current Government has put another \$5m towards marketing in relation to Asia and in relation to the domestic response, and has also reaffirmed, for another \$4.5m, commitments made by the previous Government.

Mr GIBBS: There seems to be some idea here that we have not given the \$5m.

Mr HEALY: What you committed does not appear in the figures in the MPS. That is what I am saying. I quote the Premier's speech to the trade and tourism summit in Brisbane on 22 July. He said, "The first Cabinet meeting of my Government allocated an extra \$5m to promote our tourism elsewhere in Australia and abroad." But the 1997-98 actual figure does not reflect that, compared with the estimated figure of \$47m.

Mr GREGG: Because the previous funding was a one-off grant, if we did not receive the \$5m replacement from this Government our actual budget would have been \$42m. It would have been less. The \$5m has been added back into our budget. The previous funding was just for 12 months and it was expiring at the end of July. The incoming Government has provided another \$5m and has reaffirmed the commitments of the previous Government. That is the \$2m which you asked about initially. The only difference is that, previously, that \$2m was for only two years. It has now been reconfirmed to our base, which provides for future spending. There is also money for the convention bureaus, which is \$2m a year for the next four years.

Mr HEALY: It does not clarify it. You have actually said in the 1998-99 planned performance that that \$5m is additional money, but that is not reflected over and above what was actually spent in 1997-98.

Mr RONAI: It is an injection of new moneys from the corporation's point of view. As Stephen Gregg mentioned, without the commitment of the current Government those funds would have lapsed. It was a one-off grant in the prior year and it was a pro-active step to get an additional \$5m available to the corporation, along with a reaffirmation of the commitment of the previous Government. So from the corporation's point of view, it has been a recommitment and also an injection of additional funds.

Mr HEALY: I notice from a recent Courier-Mail article that Queensland is targeting the Middle East for possible tourist market opportunities. What funding has been allocated for a Middle East strategy? What initiatives have been proposed? This is also referred to on page 14 of the MPS in the fourth dot point.

Mr GIBBS: While I am getting that figure for you, I would like to say that this is an exciting new market which is opening for Queensland. Since we have been in office, I have had the opportunity to

meet with a number of delegations from Dubai and to have discussions with them about our ability to enter into their marketplace. I think that one of the most exciting propositions that I have had put to me in terms of the business community actually came from the Dubai Chamber of Commerce, who have actually offered to pay for the Queensland Government to establish an office in Dubai so that we can in fact have a presence in that area. As to the figures which people from that destination spend—they go on holidays for an average of something like six weeks, and they spend anywhere between US\$250,000 and US\$300,000 while they are away. So they are big spenders, and it is in our best interests that we try to participate in that market.

We have been active in the Middle East market for the last three years. Your Government was also involved in this. We regard the Middle East as an emerging market with strong potential for growth. As I said, we have already had a number of visitations from them in terms of official representations to me. Representatives from the Queensland Tourist and Travel Corporation recently undertook a sales visit to the Middle East to participate in the Arabian Travel Market—an event which is held on an annual basis and enjoys an increasing number of Queensland participants. In terms of the actual budget that has been put aside for that, I will ask Stephen Gregg to answer that for you.

Mr GREGG: As an emerging destination, we do not have a stand-alone budget for the Middle East, because we are working in quite a few markets, including South Africa and South America. At this point in time, it is in the early stages of development. We are focusing activity on trade show representation, familiarisations and certainly working very closely with people like Emirates Airlines to attract more direct services to here, which will make a difference. So it is more feet-on-the-ground relationship marketing that is going on at the moment, rather than hard advertising with those sorts of dollars. We are also working very closely with the Australian Tourist Commission. I do not have an exact figure off the top of my head, but it is not a huge budget in terms of the total marketing spend, but in relation to the size of the market and its importance, we certainly are there. The Gold Coast is emerging as the must-do destination in Australia from that market.

Mr HEALY: Has the Government or the QTTC consulted with Australian carriers regarding the expansion of Middle East routes or a joint arrangement with Middle East airlines to facilitate the marketing push?

Mr GREGG: Yes, we have most definitely. In fact, the big roadshow that we participated in recently was developed in consultation with Emirates Airlines. At this point in time we are hopeful of attracting their direct services into Queensland. There are very good services out of the Middle East over Singapore, so there are very good connections there for us to work through, as well.

Mr HEALY: I note from an article in the Courier-Mail on 28 February that the then Opposition Leader, Peter Beattie, pledged to double the

spending on the promotion of Australia as a tourist destination for the Taiwanese. He said that the \$40,000 from the Queensland Budget at that time was totally insufficient. Has there been any funding allocated from this year's Budget for that initiative?

Mr GIBBS: I am aware that there has been, but Mr Gregg can expand on that.

Mr GREGG: In actual fact, the Taiwanese budget is quite a significant budget. The figure in the Courier-Mail to which you are alluding related to a specific campaign. It was not the total campaign spend in that market. We maintain an office in Taiwan that is staffed by a very professional Chinese national, Thomas Tui. He is actually an Australian, but he is very connected with the Taiwanese community there. The recent announcements of code-share flights into Brisbane are testimony to the work that we are doing up there. There is a real focus on that market because the underlying fundamentals in that market are very strong. About \$250,000 is the budget for the Taiwanese office.

Mr HEALY: In light of the Asian economic crisis, which has made us look at alternative markets in Europe, North America and the Middle East—as you say, that figure has been increased. But would it not be better to go to a more lucrative market at this point?

Mr GIBBS: From my point of view, we have a responsibility to those traditional markets that we have enjoyed from Asia in the past. Simply because there is a marked economic downturn in those areas, I think it would be poor economics from us if we were to walk away from them. One of the things you have to realise is that it takes a long time—and progressive Governments, both conservative and Labor, have done this over the years—to build up the connections in those areas, and then to be able to have a trusting and working relationship with the people you are dealing with—whether it be outbound operators in those countries or whether it be the airlines. In saying that, it is also of interest to note that, while we have had a downturn in those areas, and even though outbound numbers or departures from Japan have dropped significantly, we have actually had a slight increase of about 6%, as I recall—

Mr GREGG: It is 3% to Australia.

Mr HEALY: What was that figure again?

Mr GIBBS: We have had a 3% increase in growth out of Japan into Australia. We are getting our market share of that. So I think that signifies the importance of keeping up a presence in those areas. In addition, our growth rate out of North America has increased by something like 16%, and out of the UK and Europe by something like 12%. So while we have problems in one part of the market, we are getting good growth out of other markets. But at the same time, we have to make sure that, when the Asian economies come roaring back, we are still positioned to take full advantage of it.

Mr GREGG: One of the things about the problems in Asia is that you have to take it country by country. In Taiwan, the propensity to travel is very strong. The fact that there have been new

services coming into Queensland indicates that there is still a very strong interest, and the big investors in the market still have that interest. We have certainly withdrawn funds from initiatives in Indonesia, Malaysia and Korea, and we have looked at those markets where we can still keep the relationships going and maintain business while those economies come back. So it might not be in growth, but if we can maintain it then it is well worth the investment.

Mr HEALY: I again refer to your New Directions statement—the document that was released prior to the election. That statement made a commitment to introduce licensing for tour operators, with explicit minimum quotas for Australian employees, increasing progressively each year. Has that initiative progressed, and what sort of consultation had taken place with industry regarding this licensing process?

Mr GIBBS: You would be aware that your Government established the Inbound Tourism Task Force which, as I recall it, was chaired by Bob Brett of the Gold Coast Tourism Bureau. That task force included inbound tour operators, tour guides, coach drivers, coach operators and retail industry representatives. It was set up as a result of innumerable complaints which had come to me when I was the Minister for Tourism. I am aware that Minister Burns, in that capacity, had complaints, as did Bruce Davidson, about a number of undesirable practices that were taking place within the industry.

The licensing of tour operators is something that I am keen to see introduced, as indeed is the tourist industry. However, the problem is that it needs a whole-of-Government approach Australiawide. Currently, there is discussion taking place. In fact, the latest discussion I had on it was tragically with a gentleman who is now deceased—Len Taylor from the Inbound Tourism Organisation. He came to see me only a couple of days before he died. I gave him certain commitments then of writing to the Prime Minister and to my counterparts in other States to try to get this issue flowing along so that, at the next Tourism Ministers Council, we could perhaps start to wrap it up.

It requires a unified approach by all State Governments. If we did it as one out, it would lead to a situation in which people can border hop and the exercise would be futile. We are working in that direction. It is something that I am keen to see. I know that it is something that your Minister was keen to do. We are trying to roll that along as quickly as we can.

Mr HEALY: What sort of cost do you see as far as licences are concerned?

Mr GIBBS: I have not considered that. That is something that I would be wanting to discuss at the ministerial council level. I do not think that one Government can say that we are going to do this and not have a cost reference to other Governments. I would be keen to hear what they are saying in their States before I could come at a figure on that.

Mr HEALY: In your discussions, has there been any suggestion that it might be free?

Mr GIBBS: No, there has been no discussion take place with me as to whether it would be free or whether there would be a charge associated with it.

Mr HEALY: Have you had any discussions about what the first quota of Australian employees would be?

Mr GIBBS: No, I have not.

Mr HEALY: This question might have to be taken on notice. Is it possible to provide the Committee with a breakdown of where the QTTC allocates its estimated \$47.2m in grants other than in administration, but specifically in the areas of marketing and promotion? Can you provide a breakdown of the amounts budgeted to be spent on the brand marketing campaigns for Queensland's developed destinations as a comparison to that spent in the previous financial year?

Mr GIBBS: I would not like to commit QTTC to that. I think there is a question of some strategy involved in that.

Mr HEALY: Those figures would come out in the annual report, would they not?

Mr GIBBS: There is a breakdown of revenue and expenditure in an overall sense—what goes to marketing, development, labour, operations and depreciation. I am happy to give that to you. There are figures here in terms of moneys gone into the Brand Australia Campaign, the Japan Tactical Campaign and other matters such as the sugar wharf consultancy, international emerging markets, etc. I think some of that is reasonably confidential. In a cooperative spirit of goodwill, I would be prepared to privately sit down and give you a briefing with QTTC.

Mr HEALY: I am happy with that.

Mr GIBBS: There are sensitive issues involved in this. Once it is explained to you, I think you will understand that.

Mr HEALY: It was not my intention to ask for confidential information. I am happy to accept the briefing.

The CHAIRMAN: There being no further questions from the non-Government members for the Queensland Tourist and Travel Corporation, we will take Government questions.

Dr CLARK: There was some information that you provided to the Committee previously about emerging markets. You touched on the Middle East and the benefit of that. I am aware that in Cairns we see China as being a very important emerging market and also India. Can the Minister provide details about the kinds of promotional activities that we are doing there? I realise that previously you could not give a breakdown, but perhaps there is a budget figure overall for those emerging markets. Can you comment on China and India as other emerging markets and the work that you are doing there?

Mr GIBBS: You talk about emerging markets, such as China, India and the Middle East. Of course, the Queensland Tourist and Travel Corporation has for some time been activity developing a strategy for emerging markets such as China, India and the Middle East. In terms of what is specifically

happening in those areas, QTTC has recently undertaken several short-term marketing campaigns aimed specifically within China itself. We believe that increased visitations are likely to accrue from the approved destination status that has been approved now but is yet to be introduced by the Chinese Government. QTTC has had a very much on-the-ground presence in China as did we as a Government when we were in office before, which we have got back into straightaway. I think the Premier is going to China next week. A number of Ministers will be following that up over the next 12 months.

In relation to India, the market has massive potential. We have had visitation from India which has grown at 20% per year. Australia can expect something like 40,000 visitors from India this year. QTTC recently announced a \$200,000 campaign that is specifically aimed at the high-yield Indian family and multi-destination package market. We are going into there. We are being aggressive in that marketplace. The exciting thing about India is that they do not have preferred destinations as such. We are trying to educate them to make us the preferred destination.

In relation to the Middle East, QTTC has been very active in that region for just over three years. Recently, representatives from QTTC undertook a sales visit to the Arabian travel market. We recently hosted a film crew from Dubai, who visited the Gold Coast and north Queensland. On average, visitors from the Middle East tend to stay longer and spend a lot more money while they are on holidays. Recently, one family from the Emirates booked a holiday on the Gold Coast worth \$125,000. It is an exciting market. We are doing our best to try to get in there for our share of it.

Dr CLARK: My second question relates to the \$5m that was referred to earlier, that is, the \$5m mentioned on page 14 to address the impact of the Asian economic downturn. Certainly I can tell you that the tourism industry in Cairns knows that that is very real and appreciates the way that that money is being spent. I would like to draw your attention to one element of that that is noted on page 14, that is, the \$250,000 that has been allocated for a visitor hospitality program. Can you provide some details for us as to how that money is to be spent and particularly why the program was necessary in the first place?

Mr GIBBS: That is \$250,000, which I alluded to before, from the additional \$5m that has gone into QTTC. I will be very blunt about it. We have been prompted to do that as a result of One Nation's prominence at the last State election. That resulted in a lot of negative stories about Queensland appearing in the overseas media, particularly in Asia. Our overseas officers logged more than 150 negative media reports mentioning One Nation in the month following the election in countries including Hong Kong, Japan, Indonesia, Taiwan, Singapore and Malaysia. Perhaps it is timely to say that with the departure of the "mother of all trouble" at the weekend perhaps some of those problems will tend to go away. The reality is that the publicity created a

false impression that Queensland was neither a safe nor friendly destination for visitors and that Asian visitors were not welcome here. We believe that, if we allowed that situation to go on unchallenged, it had the potential to seriously damage our tourist industry in Queensland, which was already feeling a significant impact from the Asian economic downturn.

The hospitality program will encourage all Queenslanders and businesses to go out of their way to make overseas visitors feel welcome. The program will involve a media advertising campaign and promotional material that can be used by businesses. Overseas travel wholesalers will also be targeted by the campaign. I have been assured that the Opposition will be involved in this campaign. I have written to all members of Parliament. They will all be provided with a copy of the kit that we are distributing so that we can all play a role in trying to overcome some of the negative attitude that was created. The Premier and I will officially launch that program on 23 October.

Dr CLARK: Indeed, I look forward to joining you on that occasion. I have been discussing it with the office. Perhaps we can have a local launch in Cairns just to keep that excellent program moving.

Mrs LAVARCH: I refer to page 12, dot point 12 of the 1997-98 performance for the QTTC. I also refer to the work that the QTTC is doing to develop air access to Queensland. Can the Minister inform the Committee of the action taken by the corporation to improve the airline services from North America?

Mr GIBBS: Airline services from North America are becoming an increasingly important part of our tourist industry and our State economy. We have been encouraging QTTC—although I must say that they have not needed a lot of encouragement because they are very much on the ball—and they have been following up a number of initiatives in relation to improved air services from North America. In fact, at the moment, in cooperation with the Brisbane Airports Corporation, they are preparing a business case for establishing a North American service to Queensland.

The major factors which are holding carriers back from directly accessing Brisbane, or directly accessing Queensland, have been identified as three major problems, and that is the priority that is given to high yield rather than high volumes of passenger traffic; much of the high yield market, that is corporate and business travel, is still going to Sydney and Melbourne; and as a holiday destination, unfortunately Queensland attracts high numbers of low yield passengers. It is expected that the business plan will be completed by the end of October. That plan will link in with the Queensland aviation strategy, which has been developed with the Commonwealth and local governments, the regional tourist associations throughout Queensland, airport owners and airlines. The aim of the strategy is to position Queensland as the most accessible Australian destination for both international and domestic passengers. The strategy is not limited to major international airports but is aimed at improving access to regional centres including the Gold Coast,

Capricorn, Sunshine Coast, Bundaberg and the outback.

The CHAIRMAN: There are no further questions of the Queensland Tourist and Travel Corporation. Next on the program list is the Queensland Events Corporation. We will commence with Government questions in relation to the Queensland Events Corporation.

Mrs LAVARCH: I refer to page 13 of the MPS and the role of the Queensland Events Corporation in the development of major events in this State. Given that the QEC has to decline far more requests for assistance than it is able to approve, can the Minister inform the Committee of the QEC's roles and functions and, in particular, the corporation's charter?

Mr GIBBS: That is a question that we are often asked throughout Queensland. One of the problems that we have is that there is a misunderstanding in some ways of the role of the Queensland Events Corporation. Its basic charter is to be able to focus on the attracting and the securing of major national and international events into Queensland—events that demonstrate the capacity to directly attract significant numbers of visitors both from interstate and/or overseas. Major events which are supported by the corporation should also attract national and international media coverage, which obviously helps to raise the profile of Queensland within Australia and overseas as an attractive place to live, to visit and to invest.

The QEC is able to support major events where it can be shown that the number of international visitors to the event, as I said, can significantly increase our local economy. As I said also, I have identified the problem that whilst the QEC is involved in these major events, there is an expectation throughout the State wherever you go that they are there to be able to promote local festivals. That is not the case. That is not their charter. In identifying that as a problem, the honourable member for Toowoomba North will be interested to know that when I was up in his electorate only a week and a half ago, I was approached by a group of people who wanted to do the horse carnival to compete with the Carnival of Flowers. I think that has got great potential, but that is not something which comes within the ambit of the Queensland Events Corporation.

I do find it increasingly frustrating that I am not in a position to be able to say, "Here is a good event that deserves support and we are prepared to make some seed funding available for it." So with that in mind, it is my intention to take to the Budget Review Committee next year a proposition which will allow us, hopefully, to be able to establish, for want of a better word at the moment, a ministerial fund of some nature. I would hope that we could be successful in bidding for up to \$1m so that when you are actually in these situations and somebody needs \$5,000 or \$6,000 to promote the local Italian food festival or it might be a requirement for some help, as I said, in the situation at Toowoomba, or perhaps in the wine shows out around Ballandean and Stanthorpe, we will be able to make a discretionary decision and provide a reasonable amount of money towards

assisting those campaigns. In fact, the most recent one I had was with the Brisbane River Festival just last weekend. They could have done with some funding and, unfortunately, we said that we were not in a position to assist.

The CHAIRMAN: I refer to page 14 of the Ministerial Portfolio Statements and the Queensland Events Corporation's role in encouraging domestic and international visitations to Queensland. Could you outline for the Committee any areas where the QTTC and the QEC work closely together to increase tourism to this State?

Mr GIBBS: In August of this year the Queensland Events Corporation actually appointed an events marketing adviser with the primary role of working closely with the Queensland Tourist and Travel Corporation and major event organisers to promote Queensland events on both the interstate and international market. This position, as I understand it, actually acts as a central point of reference between the two agencies and reports to both the board of the Queensland Events Corporation and the board of the Queensland Tourist and Travel Corporation.

I think a good example of how that initiative is already paying off is the Noosa triathlon. The aim here has been to promote the lead-up and post activities around the event itself. Both agencies worked together to increase visitations to that event by involving themselves in a number of initiatives, mainly the production of a Sunshine Coast branded television commercial, a flyer which was aimed at an international market and the production a Sunshine Coast branded folder for use by event organisers.

The same approach is going to be taken to maximise the benefits of the Australian Surf Life Saving Championships, which will be held on the Gold Coast, which is a week-long festival of activities. It will be promoted complementing the championships themselves. The QTTC and the QEC will also be working together at the upcoming Travel Australia business show to provide information on the Queensland Events Corporation portfolio of events. This approach will be continued at trade and travel workshops throughout Australia and overseas.

The CHAIRMAN: No other questions of the Queensland Events Corporation? Thank you, Minister. The final program is Racing. For the record, I should indicate that the non-Government members indicated to me that they had no questions of the Queensland Events Corporation, lest it be thought that I cut them off.

Dr CLARK: I would like to refer you to page 24 of the Ministerial Portfolio Statements and the Racing Division's stated aim to actively assist the Queensland racing industry in developing an effective organisational structure. Given the increasing level of competition in the gambling marketplace, what action has the Government taken to ensure the commercial viability of the Queensland TAB?

Mr GIBBS: The initiative that I took immediately, or as quickly as I could, was to appoint a commercially focused board of the TAB that

basically had the ability to deal with the real challenges that Queensland is facing from interstate TABs and other forms of wagering. I was very disappointed in the comments from Opposition members who saw fit to come out and attack the fact that former members of the board were stood down. The reality was that whatever way one likes to look at it, nobody was sacked from the TAB board.

I think that Opposition members missed the point that there was a decision taken by their Government in December 1997 when the TAB was made a candidate Government owned corporation. Section 96(2) of the Act requires that once a board is made a candidate Government owned corporation, it requires the appointment of a board of directors that has the appropriate mix of commercial expertise and experience to make a contribution to that GOC's commercial performance. The Act also precludes any conflict of interest, real or perceived, among members of that Government owned corporation board.

In fact, the coalition Government failed to put into practice what it did by regulation—you made it a candidate Government owned corporation—by failing to appoint a commercially focused board. The Act requires that people with conflicts of interest are not appointed to the board. Of course, the first people who had conflicts of interest were those who were current serving board members or club committee men of racing clubs throughout the State. I assure the Committee that their role was never anything more than to protect the interests of their own club. They were not taking a global view of the requirements or the responsibilities of the TAB.

I am satisfied that the new TAB board, which had its first meeting yesterday, fulfils all of those requirements. Its members have a blend of legal, financial, information and technology, and commercial expertise. In addition to that, I made sure that some members on that board have an extensive racing knowledge but will not be hamstrung by any conflicts of interest or by perceptions that they are controlled by any one or a cartel of race clubs.

The CHAIRMAN: I refer to page 24 of the Ministerial Portfolio Statements and the racing division's aim of developing an effective organisational structure for the Queensland racing industry. There has been considerable publicity in the media regarding the future privatisation of the Queensland TAB and the job security of Telebet operators working at the Albion office. Can the Minister inform the Committee of any issues affecting the job security of those workers?

Mr GIBBS: I certainly can. I make the point that the privatisation of the TAB will be ultimately decided upon by our party conference in mid-November. I do not think that my views can be misinterpreted in any way. I think you know clearly where I stand on the issue. One of the reasons I have been comfortable with taking that stance is that I am absolutely confident in my own mind that privatisation of the Queensland TAB will not lead to the loss of one job. If one looks at experiences interstate, I think two jobs were lost when the TAB was privatised in Victoria and there has not been one

reported job loss in the TAB in New South Wales since privatisation.

Contrary to some of the rumour mongering and the scare tactics that have been deliberately peddled by people, the reality is that since Sky Channel's home racing channel commenced on 5 September on all three pay TV providers, that is, Foxtel, Optus and Austar, an average of 1,018 new accounts have been opened with the TAB each week. Interestingly, that compares to a previous weekly average of 230. Customer calls to Telebet have increased by over 70% in the four weeks since the service commenced. As a result, telephone-operating staff numbers were increased by over 250% on some of the shifts. At the Albion Telebet centre, the number of shifts worked has increased by 75%. The net result is that the Telebet staff at Albion simply cannot keep with up wagering demand and the TAB is in the process of employing another 30 operators to take the total staff complement to 360.

Members of the Opposition in particular will be as aware as I am of the reality that if we do not have expansion of the TAB in Queensland, we will be looking at serious job losses. However, we will not be looking at serious job losses only at the TAB but also among the 6,000 people who are employed full-time in the racing industry throughout Queensland. Our business will start to drop off and go to New South Wales and Victoria if we are unable to expand the TAB. Of course, in relation to Government revenue, it should be remembered that Government never makes a profit out of the TAB. The Government gets money from the TAB through tax revenue. Profits of the TAB go to the racing industry. If we cannot compete, next year Government will simply have to pour the taxation revenue that comes from the TAB back in, which will have a dramatic effect on services such as education, police and health.

Mrs LAVARCH: I also refer to page 24 of the MPS. At the bottom of that page is a list of major advances from the Racing Development Fund for 1997-98. I note that if you add up the amounts listed there, advances for the Greyhound Racing Authority come to \$1.5m. Given that there are now some concerns about the greyhound racing industry in Queensland, what steps have you taken to ensure the future viability of greyhound racing?

Mr GIBBS: It was noteworthy that when we came into office the industry itself had a strategic plan that was titled—probably aptly—At the Crossroads. It certainly was at the crossroads. That strategic plan was formulated under the Greyhound Racing Authority that was appointed by the former Government's Racing Minister, Russell Cooper. I have to say that had that strategic plan been carried out, it would have spelled the end for greyhound racing in certain parts of Queensland.

Whether the member for Toowoomba North wants to accept it or not, I assure him with every best intent that the strategic plan and the former board had come to the conclusion and had intended to shut down his track in Toowoomba. That is the reality of it. It is interesting to note the member's absolute silence on the issue. In the two years that

the coalition was in Government he said nothing, yet within two weeks of our winning Government he went on the front foot and said that we were going to shut it down. That club was under administration. It was more than \$100,000 in the red and the previous board wanted to shut it down. I intervened immediately on that decision, as I intervened on their other plan to transfer greyhound racing out of the Beenleigh area against the wishes of the community. Within a matter of weeks we were able to sign off on a deal with Sky Channel for the complete coverage of every TAB greyhound meeting throughout the State.

That action has secured the future of the industry in Queensland. I compliment and acknowledge a young member of my staff, Michael Duff, who played a most important role in those negotiations, as did Dr Mason from the racing section of my department. It is significant that since this action was taken, the TAB has reported that betting on greyhound meetings has risen by more than 50% per week and that betting on greyhound racing last week topped \$2.8m, which was up a staggering 54% on the same week of last year. That indicates huge growth. The industry fully realises the fact that the best thing to happen to it was a change of Government.

The CHAIRMAN: The time for Government questions has expired.

Mr HEALY: Unfortunately, I have not got all that much time left, but I will get through these as quickly as I can. Firstly, you know where the Opposition is coming from in relation to the future of the thoroughbred industry and TAB privatisation in this State. I only hope that the message that you have echoed today in those statements will get through the thick heads of some of those people who I know are opposing what you are trying to do, because the previous Government also tried to do that. I think you know that in the best interests of the racing industry in Queensland there is only one way for the TAB to go, otherwise we are going to be left way behind.

I appreciate that your Government is yet to make a decision on TAB privatisation. As you would be aware, the previous Government had allocated an amount of \$34m to retire the racing debt under the planned privatisation, as well as provide that additional \$10m in a capital injection for the industry. If your Government agrees to go down the path of privatisation, will that same allocation be made to retire the debt with the \$10m injection? Where will that money come from, given the fact that it is not in the 1998-99 Budget?

Mr GIBBS: It is not in the Budget for the simple reason that we have not made a decision about the future of the TAB. I cannot make a decision on that until I go to my party conference in mid November. But should the party conference decide to support my views on the issue, that money will be there in exactly the same way it was before. The Racing Development Fund will be retired a la the paying out. We have already given that undertaking to the industry. I had a discussion with the industry and arranged for them to meet the Premier some

three or four weeks ago. Once again, broadly speaking, the package which was put in place by the previous Government will be honoured. There will be some changes. We are not doing exactly everything that you were doing. There will be a couple of changes, but nothing that will be of any giant significance. The \$10m that you talk about can be realised only if the sale of the TAB takes place, otherwise there is a problem in finding that revenue, as you would appreciate. All of this depends on what my party decides in November. If we go down the track that I want to, yes, we can retire that debt and we can put the \$10m into the industry as a once-off only injection.

Mr HEALY: But where is that \$34m now and where will you be able to find it? It is not in the Budget. You will have to find that from somewhere. Has it been shifted somewhere?

Mr GIBBS: That is debt. It is not a case of picking up \$34m and paying it out. It is actually debt that is incurred by the industry as a result of the RDF. This is a fund that was established by Hinze, as you would be aware, years ago. When we came into office in 1989, the Racing Development Fund was a fund which was in debt to the tune of \$110m, as I recall. That was owed to a consortium of five Japanese banks at that time. I arranged with Treasurer De Lacy to refinance that debt through the Queensland Investment Corporation. As a result of that we were able to get a far better deal in relation to interest rates. I was able to bring back that debt significantly in the six years that I was there from \$110m down to \$32m. That was being paid back out of that earning that was coming from TAB revenue. Once we go down the track of privatisation, that debt is simply forgiven.

Mr HEALY: Am I right in assuming that the current level of totalisator tax paid to Treasury under the now corporatised TAB is 28.2%?

Mr GIBBS: It will be. We are aiming for corporatisation of the TAB by 1 January. Once that comes into place, the taxation rate will come down to 28%.

Mr HEALY: So it is currently still 34%?

Mr GIBBS: It is currently 34%, which puts us at a distinct disadvantage, as you know, compared with Victoria and New South Wales. Once we corporatise it on 1 January it will come down to 28%. If we are then able to go down the road of privatisation, it will come down from 28% to 25%, and that 3% difference—that is, Queensland will have 25% as compared with Victoria and New South Wales, which have 28%—will offset the distinct advantage that they have in relation to poker machine revenue into their TABs.

Mr HEALY: I wanted to ask you a question about black type racing. I know there have to be ongoing discussions with the Group and Listed Race Committee in relation to Queensland falling behind in respect of black type racing. What sorts of initiatives have come up in the past few months following your trips on behalf of the industry in Queensland?

Mr GIBBS: I intend very shortly to go to New South Wales and Victoria to speak specifically to the

gentleman who controls the black type committee—the chairman of the black type committee—to make him quite aware of the fact that we want more black type racing in Queensland. You would be as aware as I am that one of the most disgraceful things that happened when the Queensland Turf Club had control of racing in Queensland is that they sat on their ample butts for years and watched black type racing go out the back door to their mates in Victoria and New South Wales and did absolutely nothing to try to prevent it.

The \$1.5m which your previous Minister allocated for black type racing in Queensland was a complete furphy. Thus far all it has been used for is simply to top up some of the bigger races in Queensland in terms of prize money. A number of those races are not even black type races. I think I am correct in saying that I do not even think a couple of them were listed races that they talked about putting some of that black type money into. In my book, that \$1.5m would have been far better spent as an allocation to SuperQRIS and getting that up to \$5m, so that we could look at doing something more to encourage our breeders in Queensland.

Mr HEALY: I have one very brief question before my time is finished.

The CHAIRMAN: This will have to be your last question.

Mr HEALY: Thank you, Mr Chairman. On page 10 of the MPS under the subprogram for the Office of the Director-General there is a figure of \$18,000 allocated for the Minister's office. What does that departmental expenditure relate to? It has nothing to do with racing, sorry.

Ms PULSFORD: As you would be aware, every Minister's office has an allocation within the departmental budget for such things as stationery. The uses of it are set out in the Ministerial Handbook. The guidelines are very clearly laid down. It also covers things like travel for a Minister if he is going to something directly involved with a departmental program. A whole range of things are covered in it.

Mr HEALY: Matters that are not covered by the MSB?

Ms PULSFORD: That is right. Every department has one.

The CHAIRMAN: The time allotted for the consideration of the Estimates for the Minister for Tourism, Sport and Racing has expired. I thank the Minister and his portfolio officers for their attendance.

Sitting suspended from 3.02 p.m. to 3.17 p.m.

ENVIRONMENT AND HERITAGE; NATURAL RESOURCES**IN ATTENDANCE**

Hon. R. J. Welford, Minister for Environment and Heritage and Minister for Natural Resources

Department of Environment and Heritage—

Mr D. Boyland, Acting Deputy Director-General

Mr J. Gilmour, Executive Director, Division of Environment

Mr B. Speirs, Acting Executive Director, Division of Conservation

Mr R. Arnott, Director, Division of Business Support Services

Mr M. Chaloupka, Acting Director, Office of the Director-General

Department of Natural Resources—

Mr T. Fenwick, Director-General

Mr R. Freeman, Deputy Director-General and Director, Corporate Management

Mr D. McGrath, Manager, Budget Management and Reporting

Mr S. Spencer, Executive Director, Resource Management

Mr B. Eastgate, Executive Director, Regional Infrastructure Development

Mr P. Noonan, Executive Director, State Water Projects

The CHAIRMAN: I will declare the Committee resumed. The next portfolio to be examined is the Minister for Environment and Heritage. I remind members of the Committee and the Minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given at the expiration of these time limits. The Sessional Orders require that at least half the time is to be allotted to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in their transcripts. I declare the proposed expenditure for the Minister for Environment and Heritage to be open for examination. The question before the Chair is—

"That the proposed expenditure be agreed to."

Minister, would you like to make a brief introductory statement?

Mr WELFORD: Thank you. The recent Budget of the Beattie Government saw a record budget for the Department of Environment. This budget is appropriate given the important task that we have in the next few years of our Government. I came to Government at a time when this department was run down and demoralised. It had spent the last two years being treated as a second-rate citizen amongst Government departments. Not only had its staff been ignored but the important principles of good environmental management and decent decision

making had been ridden over roughshod by a Government that, frankly, had no interest in good environmental management or proper planning processes.

So I came to Government with two important tasks: the first to revitalise and reinvigorate the operation of the department. A symbol of that, the renaming of the department as the Department of Environment and Heritage—an important element of this department long ignored by the previous Government—has already been put in place. In addition, we are going to put in place proper planning processes to take account of the environmental impacts of projects and make sure that good environmental planning and best practice environmental management is factored into the economic decisions of Government as a whole.

For the first time in this State's history in some senses I am working with this department and the reformed agencies that will come out of it in the next few months to ensure that the environment is a key factor in economic decision making. That was the fundamental principles of ecologically sustainable development that came out of the ESD round table discussions at the Federal level back in the early nineties. It has never been implemented in this State, least of all by the previous Government, but for the first time we are going to make a serious effort to ensure that good environmental practice is factored into every economic decision.

A key element of that will be to establish a new agency, the Environmental Protection Agency, which will reflect the modern requirements of industry, local government and the community. It will be a high profile agency that the public will come to recognise as the protector of their environmental quality of life. It will work in a way that will be more industry focused, more consultative with the community in a real partnership with local government and make sure that the environment is protected for current and future generations. The EPA will be the key agency of Government in guiding other Government departments as well as industry in making sure that we do not run down our environmental capital for short term financial gain but that we build an economy and new employment based on sustainable environmental management and economic development. Our key environmental priorities include improving air and water quality, reducing the noise impacts on local communities, reducing greenhouse emissions, ensuring appropriate coastal protection through good environmental planning and, importantly, encouraging communities and industry to reduce waste and the environmental impacts of waste.

There will also be a new focus on the Queensland National Parks and Wildlife Service, a service which the previous Government denied and did not want to exist. I am going to elevate the symbol of the possum on the shoulder of every national park ranger to a new significance in the lives of Queenslanders. It will be an agency which will be the front line environmental education agency of the Government and communicate to the community the great values—both natural and economic—which our

protected areas have and our magnificent diverse wildlife has. The National Parks and Wildlife Service will be re-established as an important agency which provides the interpretive services of Government to explain to the community the environmental values of our most valued conservation areas of the State and give the community an opportunity to enjoy them with a level of understanding they have never previously had. In the process we will be creating new jobs by recognising that the environment is not just a hurdle in the way of business. The environment represents in our State especially a real opportunity to build new jobs, create new employment and ensure that the natural resource base and the environmental capital of our State underpins the economic security of the Queensland community in the years ahead.

They are in a nutshell the elements of the vision for the environment which this Labor Government has and will implement over the next couple of years. They are reflected in the policies which we committed ourselves to prior to the election and which we are studiously now seeking to implement. It is not going to be all beer and skittles. There will be budgetary constraints in the years ahead thanks in no small part to the budgetary negligence of the previous Government which sought to prop up its State Budget with massive asset sales which will not be able to be sustained in the years ahead. This department, along with every other department of Government, will bear the brunt of that shortfall in the years ahead.

However, I have come here today to open the books to the Committee and to respond to the Committee in an open and accountable way. It is not my intention, as may have appeared to be the case at other Committee hearings, to dig up mud that I will sling at Opposition members. However, no doubt if Opposition members probe far enough, they just might stumble across things which I will have no choice but to disclose to the Committee. Subject to that, I am here to answer all the questions of the Committee and provide every possible assistance so that this Committee and, through this Committee, the Parliament and the people of Queensland can understand where we are heading.

The CHAIRMAN: We will take non-Government questions.

Mr LESTER: It is a fact that I have written you polite letters and you have given me polite replies, and I am sure that we have set an example as to how things should be done. I refer you to an incident last week where two tourists went missing in the State's far north at Mount Sorrow near Cape Tribulation. From media reports it appears that national park staff, the SES helicopter, police and emergency service workers were diverted to look for the two backpackers. How many national parks staff were involved in this search and what is the estimated cost to your department?

Mr WELFORD: We frequently have tourists going missing in our national parks and, indeed, throughout the wilderness areas of Cape York and beyond. We do not keep an account of specific dollar figures that have been allocated, but it varies

between one and two staff being allocated to participate in coordinating the search and to provide assistance in terms of their understanding of the geography and the likely risks to tourists in the area of the particular national parks concerned.

You might be interested to know of a situation that was recently drawn to my attention by one parks officer in north Queensland. This parks officer, travelling between the coast and some of our western parks, came across a tourist on the way towards Mount Isa. This Japanese tourist was not on a road but was out in the middle of the cape, miles from anywhere, with a little map of Australia. The Japanese tourist could not speak much English. The parks officer said, "Where are you trying to go?" and the tourist pointed at this map. Remember, the tourist had not even made it to the gulf at this stage. They were in the middle of the cape, out in the wilderness. It was hot, it was wet and the tourist had no food or water—just going for a wander up to this point on this little map of Australia, which was Darwin. You can get some idea of the disorientation that international visitors can have and how easy it is for them to get lost. We were fortunate in that instance that we had a parks officer out and about in that park at the time. I think it might have been Lakefield or one of the cape parks.

In relation to this recent incident, as I say we do not have specific figures but we would have had at least one or two officers contributing to the coordinated search for those people.

Mr LESTER: Some people who come here really are not too well prepared. It is my understanding that signs warning people of the dangers of the Mount Sorrow walking track—the length and the difficulty of the track—had been manufactured and were ready for placement in the national park by 10 September. It is further my understanding that these signs were not erected immediately and remained in storage at Atherton for over a month until last week, when they were delivered to the national park. If this is true, do you agree that these signs should have been erected? Is it possible that this particular search for the two missing tourists would never have taken place had these signs been erected? Can you advise me why there was a delay in erecting these signs? What can be done in the future to ensure that such issues are dealt with more speedily?

Mr WELFORD: Certainly, if there was any substantial delay I would have to agree that that sort of delay is unacceptable. With some of these more remote parks, of course, it is not the case that we necessarily have someone delivering things to them every week. Having said that, even if the signs had been erected I could not guarantee to you that the signs would have prevented these tourists becoming lost or disoriented. As I mentioned a moment ago, some tourists with little knowledge or awareness of the vast distances of this country and the terrain it involves, even with a map and all the signs in the world, will not necessarily be protected from unwittingly becoming disoriented. I will ask Mr Boyland to give you any further information the department may have in relation to that.

Mr BOYLAND: It would appear that certain information you have received is correct. The signs were manufactured in Atherton. There was quite a lot of consideration given to the actual wording of the signs. As you would appreciate, English is not a straightforward language and is not readily understood by foreigners. It did take considerable time to have the language checked out with various people to ensure that it was clear and simplistic and could not be misunderstood. There is also the question of legal liability and we have to ensure that the wording of the sign does not expose the Queensland Government to any of that.

Weather permitting, the signs will be installed by the officers next Tuesday, 13 October. As you would appreciate, the weather up there can come in rather quickly. It is quite a long walk in and, obviously, because it is a trail it can only be accessed by foot, our staff will have to actually walk in with the signs. Should weather permit, those signs will be installed. However, we are not convinced that that will end tourists going missing up there. Unfortunately, due to the lack of staff we have up in the region, which the Minister is going to rectify in coming Budgets, officers spend their time doing things other than giving the right directions and so on to visitors to the area.

Mr LESTER: I will go to a local issue, if you do not mind. It affects a number of constituents, who have made representation to Mrs Gamin. It relates to the boulder falls and the restoration of permanent stability on the hillside—it is apparently not terribly stable—and the reconstruction and reopening of the ocean view track. Maintenance appears to be a big problem there—more regular clearing of track verges, the removal of noxious weeds and dead pandanus leaves and other fire hazards, as well as ongoing repairs to the existing tracks. Better patrol systems to prevent vandalism and to exclude dogs, bicycles and skateboards have been suggested. Residents in the Burleigh area have suggested that it would be good if they got a permanent ranger back. Could you comment on that and advise what could be done?

Mr WELFORD: I am very familiar with the Burleigh area, as you know. It is my favourite surfing beach. I am a member of the Burleigh Surf Club and have often used the ocean track. It is no little irritation to me that that track has been closed now for some time and it is still a problem which I must say I am moving pretty quickly to rectify.

The advice that I think the previous Government received and which I have had since is that the rock face in the region of that landslide is pretty unstable. I am not an expert in geotechnical physics and I cannot quite understand why we do not just move the damned rocks out of the way and get on with it and open the track. Your Government spent a fortune on some consultant who told us, "Don't touch it unless you do more tests", and all this sort of nonsense. The south coast district office is currently examining how it can be rectified. I will be liaising with that office to address that situation as soon as possible because, along with thousands of other Queenslanders, I do not want to be locked out of that track for too much longer, especially with the

upcoming Christmas holidays, when there will be thousands of families visiting the Gold Coast.

The Burleigh National Park is an extremely popular national park, connecting Burleigh Beach proper with the neighbouring popular holiday destination of Tallebudgera and Tallebudgera Creek. We do, of course, have an interpretive centre on the highway just north of the Tallebudgera Creek bridge. There are staff there. I am not quite sure where you are coming from in terms of a permanent ranger. The park is managed from that interpretive centre, and there are rangers there who do, as I understand it, keep an eye on the park.

For the time being, I suppose that we should proceed with some caution and recognise that, if there are risks of further landslides, we need to be very clear about what we do to clear the track so that we do not precipitate any further slips. I am as anxious about it as I know the member for Burleigh is. I certainly want it fixed up ASAP.

Mr LESTER: I refer to page 1-9 of your Ministerial Portfolio Statements, which states that you will review the Queensland Heritage Act 1992. When will this review commence and, hopefully, be completed? What resources will be allocated to the review?

Mr WELFORD: I have already put in place instructions to have my department review the Heritage Act in consultation with other departments. The review will, I suppose, not take full effect until early next year. What is happening at the moment is that preliminary assessments of the current operation of the Act are being made. Its impact on staffing in the department and the relationship between the Heritage Unit within the department and other heritage bodies, such as the National Trust, are all issues that I want examined in undertaking a comprehensive review of the Heritage Act. There will not be any specific budget allocation for a new unit or a separate unit to conduct that review. It will be part of the ongoing work of the department. Your Government had a number of proposed amendments for the Heritage Act that were on the Notice Paper prior to the Parliament closing for the recent election. It will be a review that will be part of the ongoing work of the Heritage Unit.

Mr LESTER: I refer to St John's Cathedral. Money has been put in, by both the State Government in my time and by the Brisbane City Council. The cost of that is horrendous. I think it is in the order of about \$26m. I have an idea that they have raised about \$6m. I am not absolutely certain of that, but I think that is the case. It is going to be one of the greatest heritage projects in the southern hemisphere. Do you have any ongoing commitment to this program?

Mr WELFORD: Other than the possibility of giving technical advice, I understand that it has nothing to do with our department. As I recall it—from previous Estimates hearings, frankly—I understand that the previous Government made some kind of commitment to the redevelopment of that cathedral. I understand that it was possibly something in the vicinity of \$10m over a number of years. That was a commitment made by Mr Borbidge.

It was to be funded out of the Premier's Department. There are no financial indications for my department. I am not sure what the current whole-of-Government position is in terms of contributions to that project.

Just in heritage terms, I should say that, although it will be a substantial landmark in terms of places of worship in Brisbane City, it is not heritage in the sense that it is a preservation of an existing building. It is a substantial refurbishment and, in that sense, it is in effect a new building. But I suppose that, because of the scale of the development, it may at some future time have more heritage significance.

Mr LESTER: I think it will have a lot more heritage significance in time to come because of the effort that people are putting in—using all the old-style stonemasonry, getting people out from England to help, keeping to the original plan, and so on. I think it will be a great landmark for the city in the future.

In the Labor Party's New Directions statement, you were critical of the Borbidge/Sheldon Government's commitment to the maintenance of national parks, saying that "maintenance funding barely covers the inflationary costs. It is time to redress this balance." I notice that, in your budget, in the same program, you have committed \$5m to maintenance. How are you going to be able to better spend that \$5m than we have been spending it?

Mr WELFORD: Do you know where that is referred to, just so that I can be clear about it?

Mr LESTER: Developing Our National Parks Program.

Mr WELFORD: That is a capital works program, I think. It is not a maintenance program.

Mr LESTER: It is a bit of both, really.

Mr WELFORD: Do you know where you are reading from? Do you know which part of the Ministerial Portfolio Statements it is? Do you know what page?

Mr LESTER: I do not have it with me. I am aware that this issue was in there. It appears to be the same this time. It says "Developing Our National Parks" in the New Directions statement.

Mr WELFORD: I accept what you are reading from in terms of the New Directions statement. And yes, in the New Directions statement, I was concerned that funding for the maintenance of national parks was inadequate. However, let me say that this year there has been not just \$5m—that is part of the new initiative capital works program. That is adding to what your previous Government called the Enhanced Capital Works Program, which remained unspent—a full \$2m. In addition to that, we have a base funding capital works program for national parks of about \$2.26m. So in all the funding is being increased for the capital works and maintenance in national parks from \$2.26m base funding to a total this year of \$9.26m, representing a substantial increase by any measure. It is the largest capital works budget we have had for many years in this department, especially for our national parks—for ranger facilities and public facilities in national parks.

It is never enough, I have to tell you. From my recent travels to Lawn Hill and other national parks, I can tell you that the Queensland taxpayers have, in these national parks, assets which are of way more value than our Governments have made of them. What we ought to be doing in the next few years—this year being a start—is investing in our national parks, providing in them the facilities that enable them to be properly used, and providing proper services within the national parks in terms of interpretive advice, information and tours, so that the full economic potential of our national parks can be yielded. And to the extent that Government can draw benefit from those economic yields, we should reinvest it in further enhancing our park facilities, especially camping areas.

The CHAIRMAN: The time for non-Government questions has expired. It is now time for Government questions. A major new initiative in the Ministerial Portfolio Statements is the establishment of an Environmental Protection Agency to be the custodian of the State's environmental assets. Can you expound on what will be the main role and functions of the proposed EPA?

Mr WELFORD: The new Environmental Protection Agency will play a very positive role in monitoring, regulating and reporting on all Government and non-Government impacts on the environment. Together with a base allocation of \$200,000 we had a new initiative allocation this year of \$400,000 to provide for the transitional administrative costs of establishing the EPA. It will have the funds that were previously outlined in the Environmental Protection Policy of the Labor Party launched prior to the election. Those functions include the existing functions of environmental licensing, monitoring and auditing under the Environmental Protection Act, the assessment of impacts from developments and projects, environmental planning and resource management, regulatory policy and economics—taking a lead agency role for the development of environmental policy across Government—and in due course it will have an expanded role in guiding this Government's efforts in developing sustainable industries, industries that create jobs in environmental management and green jobs in terms of developing facilities that protect and maintain our protected areas across the State.

The core function of the EPA, as I have previously indicated, is to provide protection for the community from poor environmental practice. In doing that, it will enforce the State's environment laws without fear or favour. That will be its day-to-day regulatory role. My key reason for establishing an Environmental Protection Agency is to establish an environmental regulator that is much more industry focused, that pays much more attention to assisting industry and understanding what constitutes practical, on the ground, best practice environmental management. It will be highly focused on delivering environmental improvements through partnerships with industry that help industry understand what good environmental practice really amounts to.

The CHAIRMAN: In the MPS you mention for 1998-99 the implementation of the South East Queensland Regional Air Quality Strategy, otherwise known as SEQRAQS. Can you please discuss how SEQRAQS will contribute to improved air quality standards in south-east Queensland and how much money has been allocated in that regard?

Mr WELFORD: Funding has been allocated at half a million dollars this financial year to continue the implementation of the South East Queensland Regional Air Quality Strategy. It was one environmental initiative that the previous Government did not discard. They did progress it. The strategy document was released for public discussion in December last year and has now been revised to incorporate comments prior to going to Cabinet in the near future for approval. We expect that the strategy will, over time, contribute to improved air quality in south-east Queensland, but it will require a clear commitment from Government at both the State and local level and from the community to take a serious look at how we currently use transport and energy, particularly in our highly urbanised areas and the impacts that has on air quality generally.

Public education will be an important focus of the strategy to encourage ordinary citizens to make their contribution to improving air quality. That public education will include awareness of the various options for transportation, particularly public transport, energy use and waste management in order to minimise air pollution. Motor vehicle emissions will be a key target of the strategy. I will be working with the Transport Minister and other Ministers to see what we can do both at the State level in terms of managing transport demand in urbanised areas and also working with the Federal Government on enhancing the emission controls on newly manufactured vehicles. I see just in the last couple of days major advertisements about the new Toyota Prius, which will have something like a 60% to 80% reduction in emissions. That will be on sale in Australia later this year. In the Australian newspaper just today, there is a full-page advertisement by Honda about the new VTEC technology that they intend to launch in their vehicles next year which they say will result in an 80% reduction in emissions from those vehicles. Through emerging technologies, there are substantial opportunities to maintain the convenience of transport that most people have become accustomed to but also make significant inroads into the reduction of pollutant emissions, greenhouse emissions and air pollution in the city.

Dr CLARK: In your opening address, you made it clear that ecologically sustainable development is a key principle of the Government's environmental policies. Could you outline for the benefit of the Committee what is being done to support the development of cleaner production strategies for sustainable industries referred to on page 1-17 of the Ministerial Portfolio Statements?

Mr WELFORD: I am very pleased to respond to Dr Clark's query about this issue, because Dr Clark has been a leading advocate of ESD within the Labor Party for a number of years. In me she finds a soul

mate, because ecologically sustainable development is at the core of the policy agenda of this Government. Of course, I do not need to reflect on the rather damaging lapse of the accident-prone previous Borbidge Government. We are now getting things back on the rails and focusing on just what ecologically sustainable development means in a practical sense.

The new initiative to establish a sustainable industries unit within the new EPA is designed to integrate best practice environmental systems and innovative technologies with environmental, economic and social benefits as outcomes. Sustainable development to be ecologically sustainable must take into account: renewable resources are to be used in preference to non-renewables; technologies are to be environmentally harmonious, ecologically stable and skill enhancing; complete systems should be designed to minimise waste; and long-life products that are easily repairable or recyclable and reduce the consumption of scarce resources ought to be given priority.

The key approach that we will be taking to assist industry to achieve sustainable development will be through partnerships; cooperative ventures such as the development of a sustainable industry development strategy; and promotion, education and awareness programs within industry to demonstrate best practice environmental technologies. We have a new initiative in this budget of \$300,000 that Dr Clark referred to. Much of that expenditure will be directed towards assisting business to embark on what are known as cleaner production initiatives, that is, initiatives that reduce the material, energy and other resource inputs of the business and thereby minimise the waste and pollutant outputs. Cleaner production ought to be a key target for industry in all its processes. We will be looking to establish a cleaner production partnership program that will encourage and assist industry through direct financial incentives of various kinds to ensure that they become cleaner in their production processes. That will be a key driver in achieving ecologically sustainable development, development that meets the needs of the present generation without compromising the needs of future generations.

The CHAIRMAN: Global warming due to greenhouse gas emissions is a major environmental challenge facing Queensland. Could you please discuss what initiatives are proposed in the 1988-99 budget to support Queensland's and Australia's obligation under the Kyoto Protocol?

Mr WELFORD: The profile of greenhouse issues has increased significantly since late 1997 as a result of two main developments: firstly, the outcomes of the International Climate Change Conference in Kyoto in December last year and, secondly, the Prime Minister's statement on greenhouse the month before the Kyoto conference in what, I must say, was a desperate attempt to recover Australia's disgraceful image internationally in failing to address that issue seriously. Funding allocated in previous years within the department to greenhouse issues has provided only one dedicated officer to address greenhouse issues. This gave the

department the ability to do some base-level work on awareness of State, national and international greenhouse issues. The previous Government did provide some initial seed funding to both of the departments now under my portfolio to commence this work. This year we are funding for the Department of Environment and Heritage partly to progress the Greenhouse Challenge Program, the voluntary program to which industry can contribute, as well as the development of the Queensland greenhouse gas emissions inventory—a budget of \$336,000. The Department of Environment and Heritage has entered into a memorandum of understanding with the Commonwealth to develop the Greenhouse Challenge Program in Queensland. This new initiative funding will now provide additional staff to accelerate this successful program in Queensland.

We are also looking in due course to develop an environmental protection policy for greenhouse emissions. The precise elements of that policy have yet to be worked through but, in the long term, I am committed to taking the greenhouse issue seriously not just because of the potential environmental impacts which global greenhouse emissions can have for our country but because of the real economic benefits that can be achieved from using energy more efficiently generally.

Mrs LAVARCH: As you know, I have a particular interest in the protection and preservation of our koalas, and I am pleased to see that significant funding has been provided in the 1998-99 budget for the implementation of the Koala Coast Protection Plan. Could the Minister please discuss what the Koala Coast Protection Plan comprises and what funding is provided in this budget?

Mr WELFORD: Thank you, Professor Lavarch! We are very grateful for your longstanding interest in the protection of koalas, because I know in your own area this is from time to time a very controversial issue. The Koala Coast Protection Plan was a plan of the previous Goss Labor Government—a significant new initiative to protect koalas in the south-east Queensland region and particularly in the Redland Bay area. It is founded on a State planning policy that provides special protection to the management of koala habitat in the Redlands area—might I say a planning policy which was most unfortunately weakened and downgraded by the previous Government, sending a very, very bad signal to developers and local government in the area about the significance that that region plays for the protection and provision of habitat for koalas in this region.

Nevertheless, that State planning policy does still provide us with some mechanism or some leverage in protecting koalas in that area. This year's budget allocates another \$900,000 for the Koala Coast Protection Plan and \$700,000 of that was in addition to base funding, which was the carryover from the previous new initiative of the previous Government. We are also allocating \$2.4m to assist with the acquisition of koala habitat in that area. Research remains a focus of our Government in understanding the range and habitat needs of koalas

and the populations of koalas and their survival and productivity in the Koala Coast area. We are committing \$240,000 to that ongoing research about population density distribution, the dynamics of the koala populations and the impacts that encroaching human activity, both in terms of urban development and roads, has on them. Actually, \$16,000 is being allocated to a continuing trial of reduced road speeds on eight roads within the Redlands Shire. This is the fourth year of that trial and we are working in conjunction with the Redland Shire Council and the Department of Main Roads on that front. The Moggill Koala Hospital is a very high-profile public facility in which public volunteers are involved in rescuing and helping rehabilitate injured koalas. We are allocating \$150,000 to that.

Dr CLARK: I would like to refer you to some coastal issues now. Coastcare is a major national initiative to support community-based efforts to repair and to support the wise use and enjoyment of the coast. I refer the Minister to page 1-9, dot point 3 of the Ministerial Portfolio Statements which indicate that grants of \$0.9m will be distributed to the Coastcare Program. Could the Minister please indicate the nature of the programs that will be funded under this program and how they will benefit the Queensland coast?

Mr WELFORD: Thank you, Dr Clark. The Coastcare Program of the Queensland Government is a major component of the Commonwealth program called Coast and Clean Seas. It is a coastal and marine initiative under the Natural Heritage Trust. There is a memorandum of understanding—there seem to be a lot of these—between the State and Federal Governments which sets out the principles of cooperation between the two Governments to deliver improvements and protection for our coastline. It does contribute to a growing community desire for effective management and planning for our coastal zone. This program provides resources and funds to community groups to undertake coastal management projects in cooperation with local coastal managers, such as local government.

It has the ability to provide substantial benefits for relatively modest investment. The value of community input into Coastcare has been assessed from last year's grant applications at \$1.2m. For that benefit, our State contributed a mere \$395,000 and the Commonwealth \$502,000 for 66 projects out of 101 applications and seeding grants to the value of \$12,500. This year's grants program was advised earlier this year in May. They closed at the end of June. We are currently assessing all applications, which we hope to finalise by November 1998.

The Commonwealth is funding the salaries of five Coastcare facilitators who are employed in each of the department's four coastal regions to manage the regional delivery of the program. One of the facilitators in Cairns has been appointed to liaise specifically with indigenous groups. In addition, we have employed a manager in the central office to coordinate the activities of the regional facilitators and manage the Statewide delivery of the program. This year, funding comprises \$395,000 in State

contributions as well as \$493,000 in Commonwealth contributions—a total of \$880,000.

The CHAIRMAN: The time for Government questions has elapsed. Non-Government questions?

Mr LESTER: On page 4 of the Labor Party's New Directions statement, you are quoted as saying that, in relation to the purchase of land for national parks, funding for the protection of pristine areas yet to be secured has virtually disappeared and that it is time to redress this balance. I refer to page 1-10 of the Ministerial Portfolio Statements in the key performance table for conservation. There you projected that 100,000 hectares of land will be acquired for protected areas. Considering your earlier comments, in what way will this achieve a greater goal than the 160,000 hectares proposed in the Borbidge/Sheldon Government Budget?

Mr WELFORD: Yes, I was very concerned about the previous Government's shift in focus from a focus on ensuring that a comprehensive sample of biogeographical regions in the State were protected in our protected areas across the State to one where the acquisition of new areas was virtually ignored.

We are going to re-establish a commitment to acquire new areas in national parks and other conservation areas under the Nature Conservation Act. The funding for this will be a combination of existing funding, albeit inadequate I must say, and a \$2.5m injection from funding for coastal acquisitions, which will also contribute to the overall acquisition program of the department. Although the additional injection of \$2.5m is modest, we do not intend to re-establish an acquisition program on the scale that Pat Comben became famous for. If I was to do that, I am sure that you would be very quick to criticise me for expanding national parks without a commensurate expansion in management funds to look after them. We are recommitting the Government of Queensland to making an effort to acquire those areas of special environmental or conservation significance. That is why the additional funds have been allocated. They may not be identified in the line item that you have identified, Mr Lester, but if you add it to the other elements you can see that we are very committed to increasing the Government's commitment to the acquisition of national parks. We are not just sitting on our laurels and pretending that they are managed. We are also working with the Federal Government on this front. I will ask Mr Boyland to expand.

Mr BOYLAND: As the Minister indicated, we are working with the Commonwealth Government under the national reserve system. We have put forward a submission for slightly in excess of \$3.6m to acquire land—obviously we cannot nominate the properties because of commercial-in-confidence—in the brigalow biogeographic region. As members may be aware, the brigalow biogeographic region is the most threatened of all biogeographic regions represented in Queensland. We have every indication that we will be successful in attracting that \$3.6m. The Queensland Government will then make a \$1 for \$2 contribution. That funding will more than likely come from a refund of moneys that have already been outlaid for Silver Plains. As the Minister indicated, the Government is not sitting on its hands

and doing nothing about increasing the capture of the biodiversity of Queensland in protected areas.

Mr LESTER: I refer to my question on notice No. 6 in which I asked for detail in relation to capital works to be undertaken in individual national parks. In the lead-up to the State election, you made a commitment in the New Directions statement to provide special funding to upgrade walking tracks and facilities in the Barron Gorge, Noosa and Lamington National Parks. Unless I am mistaken, those funding commitments do not appear in the capital works breakdown that you have provided me. If this is so, why have you not made that allocation?

Mr WELFORD: That is very observant of you, Mr Lester. The commitment to upgrade the walking tracks at Barron Gorge National Park will be met. It does not appear in that particular capital works list because that list represents the capital works funding allocation made as a result of the capital works allocation initially in your previous Government's Budget, which was not passed. It did not incorporate the Barron Gorge National Park because funding for that will come out of the Government's \$280m Community Jobs Plan. In addition to the capital works that are identified out of the funding from my department, we will also be coordinating a range of other maintenance and capital works projects within our protected areas through the Community Jobs Plan.

I should also mention that you ought to be careful not to rely too heavily on the New Directions statement, which was not an election policy statement as such. As its title indicates, the New Directions statement was an outline of the general direction that the Government would be taking in the course of its period of office, although not necessarily even in these three years. It so happens that in these three years we are going to take positive steps to address the issue of the walking tracks in the Barron Gorge National Park. However, the New Directions statement was launched some six or more months before the last election and it was not an election policy document. It was a discussion document put out to the community to invite feedback and to give us some guidance as to what our specific election commitments might be. In fact, we launched specific election documents that you may not have seen. Given that you have mentioned it a couple of times now, I wanted to alert you to the fact that the New Directions document was not a specific catalogue of election commitments. It was a discussion paper that I issued to give an indication of the broad policy direction that I would be taking if I became Minister.

Mr LESTER: I refer to my question on notice No. 7 in which I requested a breakdown of the grants and subsidies program for the Environment and Conservation Program Outlays. On the final page of the table you provided, I note that an allocation of \$34,000 was made for pig trapping. Where was this funding allocated last year and why has it not been recommitted?

Mr WELFORD: I am not sure for how many years my department has allocated funds for pig trapping. I dare say it was allocated last year because

of a particular idiosyncratic proclivity of the previous National Party Minister who—I can only imagine—was very concerned about pigs escaping from national parks and terrorising his rural colleagues. I cannot explain why that funding was allocated last year. I cannot say to you that a core business of my department is trapping pigs.

We recognise the importance of managing pests that stray from our national parks. Controlling pigs, dingos and kangaroos is an ongoing issue that we have to manage in our protected areas, as it sometimes impacts on neighbours. We are highly conscious of that. However, there is nothing sinister in the fact that there is no specific allocation for that in the current budget.

Mr LESTER: I assure you that it has been a problem on many occasions for some people who live near national parks where pigs have caused difficulties when they escape from the parks and get into grain and so on. They cause all sorts of havoc.

Mr WELFORD: As I said, I understand and accept that that is an issue. It is part of the ongoing management that we have to undertake in national parks. As you probably know, we are in the process of developing and publishing management plans for each and every one of our national parks. As part of managing the parks, those plans include the responsibility of managing the animals that escape from the parks. I will ask Mr Boyland to expand on that.

Mr LESTER: That will be good, because it does concern some people.

Mr BOYLAND: I believe that money was for some trials in north Queensland in the Wet Tropics to work conjointly. Pigs are a major problem up there. We work conjointly with our brother or sister organisation, the Department of Natural Resources, which is the leading expert in Queensland for the control of feral pigs. Concerns were being expressed by canefarmers up in that area about marauding pigs charging down and causing untold havoc to their crops. It was an exercise to find the best techniques that we should be using to control those areas so that the techniques did not cause threat to our native fauna.

Mr WELFORD: As Mr Boyland mentioned, it was in northern Queensland, particularly in the Wet Tropics area, that this work was being undertaken. I am pleased that I am now able to inform you that we are going to maintain our commitment to pig trapping as part of the day-to-day management recurrent budget of the Wet Tropics Management Authority. A budget of \$872,000 has been allocated in a provision to the Department of Natural Resources to employ field staff as well as undertake pig trapping, fire management and servicing of the roads in that area.

Mr LESTER: I did say it was important. I refer to a response you gave to me in relation to question on notice No. 7. Last year, \$55,000 was allocated to councils as a subsidy to assist with training youth in caring for the environment. Which councils benefited from this subsidy and why has this funding not been recommitted?

Mr GILMORE: I am not quite sure what figures you have in front of you, but my recollection is that \$55,000 was to assist local governments for funding of licences under the Environmental Protection Act in their first year. In the previous year the funding had been in the order of several million dollars. Some local governments were late in putting in their claims for the payment of subsidies. They were for payments to people who had first got licences or approvals under the Environmental Protection Act in the first year of the operation of the Act, and it is my understanding that that \$55,000 was not for payment to youth but to assist local governments in implementing their responsibilities under the Environmental Protection Act.

Mr LESTER: I refer to the last paragraph on page 1-3 of the Ministerial Portfolio Statements, which states that \$3.6m has been provided for the Gurulmundi secure landfill. You would be aware that this is \$1.2m less than was budgeted for by the coalition Government. Can you give a guarantee that no water entering the toxic waste will be reused for irrigation and can you give a further guarantee that all water entering the pit will flow through the evaporation pond?

Mr WELFORD: As you know, this issue has been an ongoing concern with the local community. The first thing that I have done to address this issue is to establish a community consultative committee. One of the problems that the previous Government had was its relations with the community; it never satisfied the community about the security of this facility in terms of how water was managed. As you may know, water gets onto the site simply from rainfall. The site contains in a high-technology secure landfill the solid bricks, for want of a better description, of material in which liquid wastes have been contained. Where rain falls onto the site, the rain runs off into evaporation ponds. In the past 12 months there have been a couple of occasions where the rain has been so intense that the evaporation ponds have been filled to the limit and some water has run out of the ponds. Water testing has been done on that water. We are currently looking at a range of options, including irrigating the water in the nearby forest area to disperse it. The testing undertaken when Mr Littleproud was the Minister has shown, and subsequent testing has confirmed, that the water is not contaminated and that it has the same level of quality as the water in the nearby creek which people are concerned about.

To make this absolutely transparent from the community's point of view, we are going to establish this community consultative committee so that the community can see the books for themselves and can oversee it. I have only been considering the precise membership of that consultative committee over the past couple of days. It will include representation from the Murilla Shire Council, which is the relevant council there, as I understand it. In addition, it will include obviously representatives from my department and the Department of Natural Resources that have water quality expertise and catchment management expertise. We will also have a representative from the Condamine Catchment Management Association, the Murilla Landcare

Association and the Maranoa/Balonne Catchment Management Association.

In addition to that we will have three other local community representatives. The community will be 100% involved in overseeing how we manage Gurulmundi. The reduction in the budget has been because we want to make sure that we undertake proper monitoring and assessment of this site before we go meddling with it. The budget in the previous Government's Ministerial Portfolio Statements was simply a guesstimate allocation of the potential long-term costs of fully rehabilitating it and it was never going to be able to be spent in this year, anyhow.

The CHAIRMAN: The time for questions by non-Government members has expired. Moreton Bay is one of the most important coastal waterways in south-east Queensland. During the recent election campaign, I was very pleased to have you attend a debate in my electorate, which borders Moreton Bay—and I think it was the only environmental debate of the State election campaign—and speak about those sorts of issues. Could you please inform the Committee what programs you propose to enhance the management of Moreton Bay that will be implemented during this year and what funding is provided in the budget?

Mr WELFORD: I should recognise your very keen interest in bay issues, carrying on the fine tradition of the previous member for your electorate, Tom Burns. The bay is a substantial recreational and economic resource for the whole of south-east Queensland. It is absolutely vital that we take its protection seriously. That is why in this year's budget we have allocated an additional \$550,000 on top of the \$1.124m provided in base funds for the management of the Moreton Bay Marine Park. We will be expanding that additional allocation again in future years, because it was our commitment in a full year to make an additional \$1.1m available for the management of Moreton Bay. These funds will enhance the environmental protection and monitoring of ecologically sensitive sites within the marine park now that the zoning plan has been finalised.

The recent approval of the zoning plan, public education and enforcement activities have emerged as the issues of major importance. The implementation of our new initiative funding will enable us to employ staff in the day-to-day management of the Moreton Bay Marine Park to ensure active compliance, monitoring and enforcement, effective liaison with marine park users, and will enable us to better manage the resources of the park, including its fisheries.

Senior investigations officers will be appointed to develop this compliance program to train rangers and to lead any major investigations into breaches of the zoning plan or other regulations within the marine park. The new officers along with existing staff will be responsible for the day-to-day management of the marine park. They will display a professional and responsive management presence to the marine park and protected area users. They will facilitate direct contact with park users for education and extension purposes. They will provide public contact services through specific education initiatives.

In relation to implementing the zoning plan, they will be responsible for gathering information on the natural, cultural and environmental resources of the park that need protection. Land use activities can also adversely affect the marine park. This new funding will enable us to more effectively not only manage the park itself but also liaise with local governments to ensure that local government planning schemes for activities that might adversely impact on the marine park are properly taken into account.

Dr CLARK: Queensland, as you are well aware, has the greatest biodiversity in Australia, and this is a particularly important issue for north Queensland. I refer you to pages 1-8 and 1-9 of the Ministerial Portfolio Statements, which outline a range of initiatives to protect the State's endangered fauna and flora. Could the Minister please expand on these and provide further details on, for example, the work of the Threatened Species and Ecosystems Unit and the development of the proposed State Biodiversity Conservation Strategy?

Mr WELFORD: Biodiversity is one of the key planks of our election platform to make sure that as a State we recognise and record the great biological diversity within our State's boundaries. That biodiversity can only be protected if we have a better understanding of what is there. That is why we are allocating a range of new funding—to ensure not only that we protect areas of high conservation value that serve as habitat for our diverse wildlife but also that we allocate funding for monitoring, for assessment and for mapping so that we get a much better understanding of the environmental capital that makes up the biodiversity of our State. \$700,000 is allocated over the next four years to boost biodiversity conservation. In particular, a total of just over \$1m, or \$1.03m, will be spent on fauna and flora assessment and analysis over the next four years.

In respect of threatened species which you mentioned—an additional \$2.65m has been allocated to projects which contribute to the recovery of key species such as the cassowary. Additional funding for threatened species and for Naturesearch was a specific initiative of our Government in this Budget. Naturesearch is a program and was an outstanding success when initiated by Pat Comben back in about 1992 involving the whole community in identifying and recording the biodiversity around where individual community members lived. We are going to re-establish Naturesearch, a program which was totally destroyed by the previous Government for no sensible reason. We have allocated \$1.75m in this year's budget to re-establish that program as a focal point for community involvement in gathering data about our State's unique flora and fauna.

In this year's budget we have also allocated \$1.05m for the threatened ecosystems, that is, analysis and monitoring of threatened ecosystems or ecosystems and their threats across the State. This, of course, forms an important part of initiatives shared by my two departments in managing native vegetation across the State and assisting private land-holders to manage their vegetation for both productive and biodiversity purposes.

Dr CLARK: This is a very quick follow up. In relation to the Naturesearch program—I was very interested to hear that we are funding and bringing that back. Has it been decided yet where that is actually going to be focused within the State?

Mr WELFORD: The precise operation of the project has not yet been finalised but what distinguishes this reborn Naturesearch program from the previously existing one is that it is my intention to expand it to as many regions of the State as possible. The original Naturesearch program was confined largely to south-east Queensland. It was for a short time expanded to Townsville before it was abandoned by the previous Government. It is my intention that we try to make it a Statewide initiative and involve communities right across the State—coastal, urban, regional and rural—in a better understanding, awareness and appreciation of the magnificent biodiversity of our State.

Dr CLARK: That is great news.

Mrs LAVARCH: The Government intends to revitalise the National Parks and Wildlife Service. Could you discuss this and the reason why this has become necessary?

Mr WELFORD: As I have said in my earlier introductory comments, the National Parks and Wildlife Service will be significantly revitalised under my ministerial leadership. For a number of years now the service has been incorporated within the conservation division of the Department of Environment and Heritage. While from a management perspective and in terms of budgetary convenience it was appropriate to bring all the agencies to do with environment and heritage together, there was some loss of the public profile of the National Parks and Wildlife Service itself. It is necessary, of course, to maintain a very close relationship between the experts in the National Parks and Wildlife Service and the policy and planning officers who will be in the new Environmental Protection Agency. For that reason the new National Parks and Wildlife Service will be a subdepartment of the new EPA.

The new stand-alone agency will be primarily responsible for managing parks across the State. We will have a renewed focus on, as I have already indicated, the interpretation of parks and their environmental qualities for visitors who come to the parks. I am particularly keen that we maximise the economic potential of our parks through good interpretive services that will also enhance people's awareness in a way that will encourage more Queenslanders and, in particular, those who visit the parks to be more protective of them and treat them with the respect that they deserve.

Part of the new agency—the national parks agency—will be the development of a Statewide National Parks Master Plan. This has been allocated a budget of \$210,000 over the next two years to put together a comprehensive plan for prioritising the management needs of national parks both in terms of facilities for visitors and resources in terms of rangers and maintenance needs of the parks. We need to focus on those parks that have the highest or most intense use from visitation and make sure not only that we provide the facilities necessary for visitors

who attend the parks but also that the parks are protected through proper facilities such as walking tracks, guided tours and the like. A record total of \$9.265m has been allocated for capital works in the national parks this year, as I have already indicated.

Mrs LAVARCH: My next question is in relation to cultural heritage. I am aware that cultural heritage tourism encourages widespread public support for the conservation of cultural heritage places. Could you discuss what the Government is doing to support cultural heritage tourism in Queensland?

Mr WELFORD: We are developing a heritage tourism scheme to target areas of regional and rural Queensland with established or expanding domestic tourism markets and existing nature-based tourist destinations and to provide links to transport and service infrastructure. This scheme will develop a number of information packages for people who want to tour on heritage trails of various kinds. For example, we will develop an information package for tropical north Queensland. There is a heritage motoring guide. We will establish a north Queensland mining heritage trail guide, an outback Queensland heritage motoring guide, as well as a heritage motoring guide for the south-east of our State.

We are very keen to promote the potential of cultural heritage places. They are extremely important in portraying the unique identity of our State. It also gives us an opportunity to involve indigenous communities in the presentation and interpretation of areas of cultural significance to Aboriginal and Torres Strait Islander people. There may be some Aboriginal heritage places where it is not appropriate to encourage tourists to visit, for reasons of cultural sensitivity, but tourist ventures which include Aboriginal heritage places should be planned in a way that enables Aboriginal people to be involved.

A good example arose during my recent visit to Lawn Hill National Park and the Riversleigh fossil sites in far north-western Queensland, an area about which the local Waanyi people have a most intricate knowledge and understanding. There is an enormous opportunity for us to draw upon the skills of the first Australians and also provide them and their children with the opportunity to be involved in helping manage these places of great cultural and natural heritage significance and at the same time develop skills within their own communities—providing employment and seeing the economic benefits that flow through from cultural tourism in those areas.

Dr CLARK: Could you outline to the Committee the Government's view in relation to the Youth Conservation Corps, referred to on page 1-6 of the Ministerial Portfolio Statements? More generally, could you describe to the Committee what is being done about providing conservation-based youth employment opportunities in provincial and rural Queensland?

Mr WELFORD: The Youth Conservation Corps was an initiative of the previous Labor Government. We have always maintained and will always maintain our commitment to programs which enable young people to gain training and future

employment through activities which involve them in better understanding the work of our national parks.

Contrary to the thoroughly mischievous publicity seeking of the member for Keppel, who told the media that we had junked our commitment to the Youth Conservation Corps, I would like members of the Committee to know that not only have we maintained the previous Government's level of commitment to the Youth Conservation Corps but in this financial year we will double it—a 100% increase on the commitment of the previous Government to this program.

This program was started a number of years ago, as I said, by the previous Labor Government with a budget of about \$4m. By the time the previous National Party Government got hold of this program, it had dwindled to a miserable \$1m. After running down the program so pathetically, the Opposition spokesman had the hide to go to the Courier-Mail after the recent State Budget and accuse us of breaking an election commitment to reinvigorate the Youth Conservation Corps. I want the Committee and the Opposition spokesperson to know that we have doubled our commitment to the Youth Conservation Corps.

This year, in excess of \$2m will be allocated to maintain that program. The reason Mr Lester was not able to see it in the Budget papers, in particular in the portfolio statements for this department, is that it is part of the \$280m Community Jobs Plan, of which this Government is extremely proud. That jobs plan included, as part of its pre-election announcement, a very up-front commitment to green jobs. That is why I am pleased to announce here today that, far from ignoring that election commitment to the Youth Conservation Corps, we are increasing the budget for it by 100% on the previous Government's figure.

Dr CLARK: What is the Government doing about ensuring that reliable regional air quality monitoring is undertaken in Queensland?

Mr WELFORD: For a number of years now the department has been looking to expand its Statewide network of ambient air monitoring stations. The current network includes monitoring in south-east Queensland and also Gladstone, which is a highly industrialised city, as you know, Rockhampton, Mackay, Townsville, Cairns and Mount Isa. Monitoring, of course, is targeted to the nature of potential air pollution issues in each location and the potential impacts on humans and the environment generally.

In the Gladstone, Rockhampton and Townsville regions, monitoring focuses on levels of pollutants associated particularly with industrial activities. In Gladstone, for example, nitrogen dioxide, sulphur dioxide and fine particulates are all monitored, and in Rockhampton and Townsville the focus is mainly on particles of 10 microns—particulates especially. This provides us with a large amount of data. I am looking to make that data more accessible and more public as we improve our technology for providing that sort of information, both in terms of daily pollution announcements and, ultimately, real-time monitoring on the Internet if we can.

The CHAIRMAN: The time for Government members' questions has expired. We have a very short period of time for non-Government members.

Mr LESTER: I refer to my question on notice No. 8 in which I requested details of the proposed land acquisitions for national park programs. On the last page of your answer you have provided details in relation to the Sugar Coast environmental package. There you have stated that the purchase of seven properties is expected to exhaust the \$7,045,803 in remaining funds, yet on page 107 of the capital works budget you are projecting the cost to be \$6,964,000, with no post 1998-99 allocations. Where will the remaining \$82,000 be allocated?

Mr WELFORD: Most of the funding, as you know, is under the Sugar Coast rescue package. The precise details of that acquisition/capital expenditure difference I might have to take on notice.

Mr BOYLAND: I would suggest that, at the time of preparing the budget document, we had anticipated the settlement of certain properties. As you would appreciate, these properties are generally acquired on a voluntary surrender from the various owners. It is only with great reluctance that we move forward to compulsory acquisition. As such, we had anticipated the completion of a property deal which has not come to fruition at this point in time. That would account for the variation between the two figures. Does that satisfy you, Mr Lester?

Mr LESTER: Yes. I refer to your answer to my question on notice No. 7, which states that some \$335,000 to provide research grants has vanished. What research projects received funding in the previous year from this allocation, and did any apply for funding this year?

Mr WELFORD: When you say that \$335,000 for research projects has vanished, to which project are you referring?

Mr LESTER: It is just a general figure. It could be that there have not been any applications this year. We are just trying to find out what the situation is.

Mr WELFORD: What sort of research, though, do you know? Is that heritage research?

Mr LESTER: General research—national park research.

Mr WELFORD: I see. We have the figure here now. I will ask Mr Boyland to clarify that.

Mr BOYLAND: It would appear at this stage of the game that we have not had any requests made for those actual funding grants. That is why the figure is zero at this point in time.

Mr LESTER: Will you be making it known publicly that such funding could be available?

Mr WELFORD: Those come under a category which you saw in the answer: miscellaneous research projects. They are not part of any particular public call for research proposals. What happens is that, from time to time, when specific research is required—for example, in relation to a national park or in relation to the management of other protected areas—the department commissions specialist research to provide advice on those sorts of things.

For example, another one might be the management of dingoes on Fraser Island, which has been a very topical issue in recent months. The department commissioned an expert consultant to provide us with advice on how that issue can be better managed. Those are miscellaneous research projects which come up in the course of a year and which we will be able to fund out of our ongoing budget.

The CHAIRMAN: The time allotted for consideration of the Estimates for the Ministry of Environment and Heritage has expired. I thank the Minister and his portfolio officers for their attendance.

Sitting suspended from 4.49 p.m. to 5 p.m.

The CHAIRMAN: The next portfolio relates to the Ministry of Natural Resources. I remind members of the Committee and the Minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given at the expiration of these time limits. The Sessional Orders require that at least half the time is to be allocated to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in their transcript.

I declare the proposed expenditure for the Minister for Natural Resources to be open for examination. The question before the Committee is—

"That the proposed expenditure be agreed to."

Would you like to make a brief introductory statement?

Mr WELFORD: I will make a very brief statement, thank you. When the Beattie Government came to office, we determined that the Department of Environment and Heritage and the Department of Natural Resources should be brought together. That was an initiative of mine specifically, because I believe that there are substantial synergies to be achieved through the closer working relationship of the two departments.

The Department of Environment and Heritage, of course, is responsible for managing, to a large extent, the environmental capital of the State. The Department of Natural Resources, as its name indicates, is responsible for the custodianship of our State's natural resources and, in particular, the land, vegetation and water resources of our State. This is a substantial responsibility. It is a responsibility which Government must take seriously if we are to underpin the long-term economic benefits from the exploitation of those resources for social and economic purposes. We have to do this job professionally so that we maintain the natural resource base of our State. The direction in which the department is now heading is designed to place our State's rural and regional economies on a secure footing that recognises that the sustainable management and use of our resources is fundamental to maintaining economic security, particularly in regional and rural areas.

There are a number of challenges in this particular part of the portfolio, as many members would appreciate. The vast rural areas of our State

depend for their future on our agricultural economy, which is one of the three largest industries in this State. For that they need to have access to the sustainable use of land, thus maintaining soil quality. They also need access to water resources in order to work the land and to create economic value for the community and economic security for themselves, as individuals, and for their rural families.

The department, particularly in respect of the sections of the department that deal with water, has for many years played a major role in the economic development of rural and regional communities. This role will continue. The slight change in direction, however, under my leadership will be that we must now recognise that the water resources of our State are limited and that we need to manage them much more carefully than perhaps we have done as a community in the past. This requires a two-pronged attack.

Firstly, in assessing new opportunities for harnessing the water resources of our State, we need to recognise that if we do not maintain the health of our river systems, then we will not be maintaining the ecological resilience of the land and adjacent riparian areas on which our most valuable farming communities depend. Rivers are like the veins of life in our rural lands. If we do not maintain the health of our river systems, then our rural lands will not sustain the economic potential that they have sustained up until now. Indeed, we already have sections of the State where our water resources are coming under increased stress, where our land resources are suffering degradation. It is important that we work closely with rural and regional communities to improve their awareness and help them to recognise those stresses and take responsibility at a local level for maintaining and managing in a sustainable way the fundamental resources of land, water and vegetation on which their long-term economic survival depends.

The second element in relation to water in addition to maintaining the health of river systems and ensuring that sufficient water is retained within them to protect the environmental integrity of our rivers is to make sure that those water resources that we do use are used more efficiently. There is the potential for further economic growth in many parts of our State. There are always, I suppose, ultimately unlimited demands for access to water resources. We can continue to grow, but only if we make better use of the resources that we have already harnessed and ensure that, in harnessing any further resources that may be available in various catchments, those resources are applied with equal and increasing efficiency. That is recognised by all the major rural interest groups. In my discussions with them in recent months, they are aware that a key focus of our agency now is the stewardship of those three components of natural resources to ensure that they are managed sustainably or that their resource base is maintained or increased over time and used in the most efficient way possible.

By way of example, issues such as water allocation and management planning for potential new water resource infrastructure, the protection of

the Great Artesian Basin in terms of that unique global water resource and an increased emphasis on the WaterWise initiative—which has been around for a number of years but which has languished from a lack of attention—are all initiatives that in the coming years will be given greater attention by this department.

I look forward to answering questions from the Committee about our budget for the forthcoming year, which I reinforce is part of an ongoing expansion of the budget of this department to ensure that the sound, sustainable and wise management of our natural resource base is undertaken in a way that maximises the involvement of rural communities.

The CHAIRMAN: We will take non-Government questions first.

Mr LESTER: What resources were allocated by your department to conduct an examination to look at the possible suitability of the Brisbane RNA showgrounds for a possible Expo site? Who commissioned your department to conduct that study and when did it take place?

Mr WELFORD: Our department had a limited, if not negligible role, in that study. The study that I understand you are talking about was a study in the course of the previous Government. As I understand it, there is no recent involvement of my department that I am aware of in any study of options for the Expo site since this Government came to office.

Mr LESTER: So you are quite sure that you can give a categorical guarantee that your department, since you have been Minister, has not been involved in any such study?

Mr WELFORD: I can give you a categorical guarantee that I have not been aware of any involvement of my department and to my knowledge none of the senior officers of my department have been alerted or instructed by me or anyone else for that matter to be involved in any study in relation to a possible Expo.

Mr LESTER: I refer to your pre-election promise to scrap the Finch Hatton dam, yet I notice in your response to my question on notice that you are committed to the former Government's Water Infrastructure Program. You make no mention of exemptions. Why, therefore, are you committed to preparing a brief for a consultancy to assess critical aspects of the proposal and why are you committed to preparing a status report on the proposed dam?

Mr WELFORD: Let me address the Water Infrastructure Task Force report first. As I have made very clear publicly, our Government recognises the report of that task force as the guiding menu, if you like, of potential water infrastructure projects that our Government will assess on their individual merits on a case-by-case basis. Unlike the previous Government, which froze capital works immediately after coming to office, our Government has been prepared to continue with the general direction of the previous Government in relation to water infrastructure. The Water Infrastructure Task Force report provides the basic shopping list of potential projects that we will continue to assist.

One of those projects is the Finch Hatton Creek dam. Before I took office there was proposed a preliminary study—a preliminary study only—to identify the social, environmental and cultural heritage issues that might be relevant should that proposal proceed. As the member accurately points out, prior to the election, the Labor Party announced that it did not support that proposal. I am happy to confirm here today that we stand by that view. I have not yet made a formal announcement about the future direction in relation to that dam, because I am still considering what assessment, if any, needs to be undertaken in order to finalise our position. I will make an announcement in due course. In the meantime, the study that we have indicated, although commenced, may not be finished by the time I make an announcement.

Mr LESTER: If you are seriously committed to the view that approval for dams not be given until a water allocation management plan has been completed, on what basis can you veto a dam like Finch Hatton before a WAMP has been completed and before the environmental impact study has been undertaken? What factual studies did you base your decision on not to proceed with the dam?

Mr WELFORD: One factual study was the study of Ed Casey, who you would be well aware was the initiator of a reinvigorated Government interest in identifying potential sites throughout our State for water infrastructure. Ed Casey formed the view many years ago, a view that I share, that the Finch Hatton Creek area has significant environmental values. You do not need an impact assessment study or a rocket science degree to understand that. You only need to go there to see how magnificent that area is. There has been some debate about the extent to which a possible dam would have an impact on the Finch Hatton Gorge itself. Notwithstanding that, our view is that if the Government believes—whoever is in Government—that a certain area should be protected from substantial infrastructure projects, then it does not need to waste public money to get information to confirm it.

Mr LESTER: I refer to my question on notice No. 1 to which you responded, saying that \$7.5m had been allocated to fund water projects. Does that funding include the Cooranga, Walla, Bucca and Jones weirs? If so, how much has been allocated and when will commencement be on line?

Mr WELFORD: I will ask Mr Eastgate to respond to the particular weirs. You might want to repeat them one at a time just to determine whether each of those are within that particular budgetary allocation.

Mr LESTER: Cooranga, Walla, Bucca, and Jones Weirs.

Mr EASTGATE: In general, the \$7.5m that is available has not been allocated to any particular infrastructure at this point. These particular weirs that you have mentioned are undergoing study at the moment. They are on an accelerated program to come to some sort of conclusion on them other than the Walla Weir in particular. No, money has not been allocated at this point to any particular infrastructure.

Mr WELFORD: I can expand on that, Mr Lester. Those particular items that you referred to are all within the Burnett River catchment. The Burnett River catchment does have a range of potential demands for future water supply. I recently went up to the Walla Weir and saw it close to full flood flowing over the weir. All of those projects that you identified are currently the subject of a catchment-wide study for the Burnett River catchment.

The Walla Weir was an initial project which has been substantially completed. Stage 2 of the weir includes an inflatable bag on the top of the weir. I should say that that is still subject to further environmental impact assessment. The other projects are part of a package of projects that are still under consideration to determine which of the proposals should be accorded what priority.

Mr LESTER: Deputy Chairman, I seek leave for the member for Callide to follow up.

Dr CLARK: Leave is granted.

Mr SEENEY: One of the questions that I had intended to ask you related to the Burnett River catchment study. It was a Category 1 project under the Water Infrastructure Taskforce report. I note that the money allocated for those projects has been reduced to \$7m from some \$21m in the May Budget documents. Can you give me a guarantee that that Burnett River catchment study will be financed to a conclusion and that its findings will be given some integrity in the decision-making process?

Mr WELFORD: I cannot clarify for you the figures that you refer to. What I can confirm for you, though, is that they do not affect the Burnett River catchment study.

Mr SEENEY: It was a \$2m study and you have allocated only \$7m for the Category 1 projects. That was my point of concern.

Mr WELFORD: If you read the answer, it says, "A further \$7.5m." That is on top of the projects for which previous allocations have been made. So I can give you an absolute guarantee that that remains a Category 1 project, that the catchment study for the Burnett River investigating all of those development options that you would be aware of is still on track. I am very keen that that catchment study proceed, because from my recent visit to the area there are significant claims or demands for further water supply. We need to undertake a study of the catchment properly to make sure that, to the extent that we harness any further supplies, we do so in a way that, firstly, is most efficient in terms of accessing further resource and, secondly, in a way that also recognises the existing infrastructure within the catchment and its impact in environmental and economic terms.

Mr SEENEY: So just clarify it for me: it is being funded out of that \$7m? As I said, it was a \$2m study. What concerns me is that not only are there amounts of money being spent by the State but there are large numbers of people within that catchment who are committing large volumes of their own time and resources to that study. I am just concerned that their efforts will be matched by your department. I refer you back to the Budget

documents again where Category 1 projects have been allocated an amount of \$7.5m. To my knowledge, that was a \$2m study.

Mr WELFORD: I will refer that to the executive director, Mr Eastgate.

Mr EASTGATE: I would just like to clarify that. The \$7.5m is to be allocated to actually approved projects for their construction. The planning work that is related to the Burnett catchment is continuing as planned and the allocated moneys are back in some of the other funding, if you like, that is for planning throughout the State. So the \$7.5m is not just Category 1; it is money to be allocated to approved projects to build.

Mr SEENEY: The other question I would like to ask is about the figure that is given in the Budget documents of \$10m for asset renewals. Would you be able to indicate to the Committee what those asset renewals are? What do they involve? What types of works are involved in those asset renewals?

Mr WELFORD: I will refer that question to Mr Noonan, who is from State Water Projects. As you would be aware, State Water Projects are responsible for the management of our water infrastructure assets across the State.

Mr NOONAN: That \$10m includes a program of many, many small activities and some medium-sized activities around the State to continue the capital replacement program of various parts of infrastructure that wear out over time. So it is a combination of a pump here, a switchboard there and a relining of the channel. There will be a significant expenditure on refurbishment of the existing Moura Weir. It will be a part of that. Other than that, there are no very large sums of money. Most of the activities will be items that are less than a quarter of a million dollars—relining some outlet works and those types of activities. I believe that there are a small number of specific activities mentioned in the Ministerial Portfolio Statements at page 2-34. It talks about the Clare A Pumping Station, the Clare AI channel, Moura Weir and further automation of water management in some existing irrigation areas.

Mr SEENEY: I refer to the Nathan Gorge dam project and the previous Government's policy of standing in the marketplace for the purpose of purchasing the land that was going to be inundated by that proposed project. Is your Government going to maintain that position? Have you allowed any money in this Budget to purchase that land? I note that there is a land purchases figure there, but is any of that money earmarked to continue that standing in the marketplace policy?

Mr WELFORD: Some of that money would be available for the standing in the marketplace policy that the previous Government had. I had a meeting with landowners from the area just the other day and I have confirmed to them that we will continue to stand in the marketplace for anyone who wishes to sell their properties in the prospect of that dam proceeding. We have actually allocated a budget of \$6.9m this year.

Mr SEENEY: For the Nathan Gorge dam land?

Mr WELFORD: Specifically for any acquisitions that arise out of the Nathan Gorge project.

Mr LESTER: I refer to the Regional Forest Agreement process which is mentioned throughout the Ministerial Portfolio Statements. Can you give a guarantee that no forestry grazing leases will be terminated as a result of the Regional Forestry Agreement process? If not, what funding proposals have you made for the compensation for current leaseholders?

Mr WELFORD: Yes, I can give that guarantee. The Regional Forest Agreement process itself will have no effect on the grazing rights of landowners who share our State forests and use them for grazing purposes. However, we will continue to assess the renewal applications for grazing permits on a case-by-case basis in accordance with the normal principles that apply. I must say that there have been occasions when some grazing permits have not been renewed. However, that has not arisen out of anything to do with the RFA process. It has arisen out of the uses of those State forests and making them available for forestry purposes or a pending forestry purpose at a particular time. In the main those applications are being renewed. Where they are not renewed it is solely on the usual grounds or criteria that apply to those applications. Nothing in relation to the RFA process has any effect on the consideration of those applications at the present time.

Mr LESTER: I refer again to your answer to my question on notice No. 1, in which you claimed that you were committed to the former Government's water infrastructure agenda. You would be aware that the program committed the then Government to the Nathan Dam. What guarantee or commitment would you give should SUDAW choose not to proceed with the construction of the dam? If so, will the State Government do this?

Mr WELFORD: I will correct you on a couple of factual errors. Firstly, the Water Infrastructure Task Force report did not commit any Government to build the Nathan Dam. The Water Infrastructure Task Force report identified the Nathan Dam as one of the priority potential water infrastructure projects for the State to undertake. Having regard to that recommendation, the previous Government adopted it as a proposal that would be progressed through the identification of a preferred provider, for want of a better description. The then Government entered into an agreement with a consortium called SUDAW to construct that infrastructure, assuming that it stacked up financially and environmentally as a private investment project.

This Government considers itself bound by the contractual arrangements entered into by your Government with SUDAW. We are complying with that agreement to the extent that information and technical assistance is provided to SUDAW for it to undertake its assessment of feasibility. One of the key elements in that feasibility study is the amount of the bulk water that will be available for SUDAW to on-sell if the project proceeds. The Water Allocation and Management Plan for the Fitzroy, which I

recently launched, identifies both the necessary environmental flows that need to be protected as part of the river operation management plan and the potential water resource that is available for SUDAW if SUDAW determines that it can reach financial closure on its assessment of the feasibility of the project for it.

It is premature for us to speculate about whether the Government would proceed if the project does not proceed under SUDAW's contracts. We are not going to do anything to subvert or compromise those contracts, the legal entitlements to which SUDAW is fully within its legal rights to exercise. We are complying with our side of the deal by finalising the Water Allocation and Management Plan. Presently it is out for public comment, including comment by SUDAW if it wishes. We expect to finalise that plan very soon after 9 November when public submissions on it close. By early next year, SUDAW will indicate to the Government whether it wishes to proceed.

The CHAIRMAN: The time for non-Government questions has expired.

Mrs LAVARCH: My first question concerns the suburb and locality boundaries, and the definition of them. I refer you to page 2-8 of the MPS, dot point 13, where it is indicated that the electronic capture of suburb and locality boundaries is a key priority. Can you explain the purpose of suburb and locality boundaries and how this will benefit the Government and the people of Queensland?

Mr WELFORD: One of the more exciting parts of my role is to authorise reviews of suburb and locality names and boundaries. Of course, the names and locations of suburbs are essential for reliable addressing. Without having accurate and correct addressing for suburbs and localities, we could significantly dislocate the business processes of the State. Place naming is a consultative process. In other words, I usually arrange for the local member, regardless of his or her political colour, to be alerted to a request that may have come from local government or from the local community for a review of the locality names. There is much consultation with local government as well in the case of the place names locality project. The project is being implemented to fulfil the need to define and capture boundaries of suburbs and localities.

The Department of Natural Resources is, of course, the lead agency of Government responsible for all of those land-related issues. It is being coordinated in the regions through the district offices of the department. As I say, the boundaries are captured in digital format so that they can be incorporated into the digital cadastral database and used by other databases of the department. In addition to local government being consulted about it during the process, any changes that are made are notified to local government so that proper addressing can ensue.

Mrs LAVARCH: I refer to page 2-3 under the heading Key Initiatives, subheading Regional Forest Agreements—Industry Structural Adjustment. What arrangements have been made to provide assistance to the native forest timber industry individual workers

and regional communities to help them adjust to the outcomes of the south-east Queensland Regional Forest Agreement?

Mr WELFORD: Part of the Regional Forest Agreement process is the Forest Industry Development and Assistance Program, FIDAP, which is a joint Commonwealth/Queensland Government initiative administered by the Department of Primary Industries. The program has five elements established under yet another MOU between State and Federal Governments. It includes interim assistance for firms that suffer adverse financial impacts from temporary harvesting arrangements in place while the RFA is being finalised. Recently I extended forestry industry access to current levels of supply from 30 September to 31 December, pending resolution of a number of issues in relation to the RFA process.

FIDAP also provides funding to assist industries to become more competitive through an industry development package. It will also provide some funds for business exit assistance for those firms and their workers who decide to leave the industry as part of the outcome of the RFA. Employees who are adversely affected by the RFA will also benefit from specific components of funding as part of FIDAP to provide them with assistance either to make a transition to obtain training, new employment or whatever is seen to be appropriate.

One of the issues that undoubtedly the Opposition members would be very keenly interested in is the allocation this year of funding for this program under my department. The Ministerial Portfolio Statements identified \$3m issued under the Budget of the previous Government, but of course that Budget was not finalised before Parliament was prorogued. We have allocated \$2m, the reason for that being that there is still some way for the RFA negotiation process to go. We estimated that it is unlikely that a full \$3m will end up being expended in this financial year. However, if we can pull the negotiations together and achieve a successful outcome more quickly than we otherwise anticipated when we first got into Government and framed the Budget, in the mid year Budget review we will be able to allocate additional funds. The \$2m instead of \$3m has not meant a reduction in overall funding. We are still allocating a full \$11m over four years. All we have done is move one of the \$3m amounts this year out to next year, but we can bring it back into this year if we need to.

The CHAIRMAN: I note that on page 2-21 of the MPS the Queensland Centre for Climate Applications commenced operations in 1997-98 and it is planned to conduct research into a number of areas in 1998-99. What is the Queensland Centre for Climate Applications and what is the extent of progress with the centre?

Mr WELFORD: The Queensland Centre for Climate Applications is a Queensland special Treasury initiative jointly managed by this department and the Department of Primary Industries. Of course, it draws upon the knowledge and skills of scientists from both departments. The centre develops climate applications relevant to the management of the

State's cropping lands, grazing enterprises, natural resources and water storage infrastructure. In other words, it undertakes research into climate science and, building on that research, provides seasonal climate forecasting, a better understanding of climate variability and climate change and the impacts that may have on cropping and grazing lands. It has a budget of \$7.9m over three years, and that cost is shared equally by the two departments. A \$330,000 laboratory building was commissioned at Indooroopilly in December 1997 by the previous Government to house new DNR staff as part of the project. Nine new staff have been recruited and the initiative is now close to full strength and full deployment.

This project is not just a departmental or Government project. We have established good collaborative science relationships with the Bureau of Meteorology, various divisions of the CSIRO, six State departments of agriculture or natural resources throughout Australia and the US National Oceanic and Atmospheric Administration, not to mention the US International Research Institute on Climate Protection. What we are doing in obtaining a better understanding of climate and its impacts on our natural resources in the State is something that we are both sharing and learning about with a range of agencies nationally and internationally.

Dr CLARK: Water conservation is clearly a critical issue. You noted yourself in your opening address that attention to this area had languished under the previous Government. In the last dot point on page 2-28 of the Ministerial Portfolio Statements it indicates that WaterWise will continue to address emerging issues relating to water use and water use efficiency in both urban and rural environments. Can you please indicate for the Committee how the Government's policies on water conservation and water use efficiency will be reflected in a reinvigorated WaterWise program and any budgetary allocation to it?

Mr WELFORD: We have a number of programs operating under the WaterWise banner, including a WaterWise model hospital project. In terms of managing demand in commercial enterprises, we are looking at a nursery and landscape program. We are looking at joint venture rebate programs. We are going to revitalise the AAA appliance rating and labelling scheme for water efficient appliances. Recently, I had the pleasure of attending the Merrimac State High School, whose students had undertaken a significant WaterWise project to improve the efficiency of water use in their school. The result of this outcome, I understand, was something like a \$27,000 investment, most of which was contributed in kind by the various suppliers of the equipment that was retrofitted into the school, and has resulted in an annual saving of \$19,000 in water bills for the school—an outstanding example of a very, very lucrative investment not only saving water as a resource but also saving the school a bucket load of money. The outcome of that pilot project is that we now have a best practice manual for use in schools throughout Queensland, which I have recently launched. That manual is available for schools throughout the State to apply the same

principles to their school so that they, too, can save resources and money.

We have a Water Blo Umla, Water for All project, which is a WaterWise project for Aboriginal and Torres Strait Islander communities. This is being developed as a successful project in the northern peninsula and is to be delivered by those communities themselves in support of water supply infrastructure upgrades. As you mentioned, Dr Clark, one of the key elements of the drive I am bringing to our approach to water resources and indeed new infrastructure is to emphasise the importance of more efficient use of resources. I have already flagged to a number of regional communities on my recent visits to the regions and in particular the regional Cabinets that those communities that want more water infrastructure and more water resources made available must first give me a very clear commitment to their intention to use water wisely and more efficiently. One of the outcomes of that will be that our investments will be more efficient. We will save the community money and we will save the environment the impact of the extracted water resource.

The CHAIRMAN: I refer to page 2-6 of the Ministerial Portfolio Statements. In the first paragraph under the heading Description of Services Provided it states that the Department of Natural Resources manages State land and leases. I understand that the DNR is conducting a planning study on the Southport Spit. Can the Minister advise the Committee of the purpose and nature of this planning study?

Mr WELFORD: The Southport Spit on the Gold Coast is a significant area of national and international acclaim. It is used by groups associated with business, Government, tourism and the community. It is a very sensitive area on the coastal foreshore of one of the busiest, in terms of construction, human impact and development, areas of our coastline. This department has recently been involved in a Gold Coast Harbour Planning Study. It is a joint initiative by my department, Queensland Transport and the Gold Coast City Council. It is the first stage of an integrated land-use, planning and management exercise aimed at identifying opportunities for development of a world-class harbour in the area generally known as the Broadwater. It will also make sure that land use into the future is complementary with what is there and sensitive to the environmental values of the region.

The draft planning study has recently been finalised. I understand it is now going out for public comment and for comment from local government in the region. This kind of local planning study is something that I am keen to do in a number of areas, particularly in those coastal areas that are subject to significant urban growth or intensity of urban development. By making better use of State lands in the area and making sure that we work closely with local government to plan land use in those areas we not only protect the coastal and environmental values of these places but also provide for orderly future development.

Dr CLARK: I wish to address the issue of weeds, which is a critical issue across the State that threatens the viability of agricultural enterprises, degrades Queensland's environment, has health and recreational impacts and costs millions of dollars. In the fifth dot point on page 2-3, you make reference to a strategic weed management new initiative. Would you care to elaborate on that and indicate what other measures the department is engaging in to prevent new weeds from establishing and critical weeds from spreading?

Mr WELFORD: This year we are allocating an additional \$500,000 to the SWEEP program, which stands for Strategic Weed Eradication and Education Program. This will maintain our on-the-ground project funding at a level of \$2.7m. The actual expenditure despite the budget last year was \$2.58m, so there has been some carryover which, added to the additional \$500,000 in our new initiative funding this year, will bring the project to \$2.7m this year. The purpose of the SWEEP projects is to target high priority weeds through the State. Most of the funding is directed to the northern and western parts of the State as part of containment programs for prickly acacia, mesquite and the proverbial rubber vine which, of course, not only rural land-holders but environmental organisations across the State are very concerned about.

The projects also focus on the eradication of many weeds before they become permanently established. Indeed, the most effective investment of these funds is to attack areas where new pockets of weed infestation have been identified, and these are sadly occurring on a number of fronts. For example, we have Siam weed, harungana, mikarnia in the far north, honey locust, senegal tea, bitou bush in the south-east and alligator weed, which is another problem weed that is occurring in spots throughout the State.

Dr CLARK: And thunbergia in the north of the State is also a real problem.

Mr WELFORD: Thunbergia, yes, you are right. This SWEEP funding is combined with third party contributions. Of course, the Rural Lands Protection Board in conjunction with local governments has a precepts system for gathering funds that they contribute to localised weed projects in various local government areas. Overall, there is a substantial attack across both State and local governments on the weed problem. We are hopeful that, if we can get our priorities right under the SWEEP program and attack those new areas of infestation, we can prevent the problem becoming worse.

Dr CLARK: I launched the local government information kit that was produced by your department. I want to congratulate the officers responsible for that. That was an excellent resource.

Mr WELFORD: Thank you very much.

The CHAIRMAN: The time for Government questions has expired. I now proceed to non-Government questions.

Mr HOBBS: I refer to your press release in which you stated that the former coalition Government was set to embark on one of the biggest

land scandals in Queensland prior to the election. You said that four former Ministers—Borbridge, Hobbs, Littleproud and Springborg—had interfered in a legal property valuation process to look after one of their mates. In view of the fact that you have the departmental officers from Environment and DNR here whom we can call up, I am going to give you the biggest political free kick in your career by today asking you to prove that in relation to Wharps Holding and the Hobbs family I was involved in one of the biggest land scandals in Queensland, or maybe you would like to apologise.

The CHAIRMAN: Can I just interrupt there? That is not a question that relates to the Budget. I can understand that the member might have some grievances with respect to it, but it is not a matter that is properly before an Estimates Committee.

Mr HOBBS: On page 2-6 under Program Goal it states "provide advisory and dispute resolution services on interests in lands". It is related to the valuation portfolio and the role that DNR played.

Mr WELFORD: Mr Hobbs is well aware that that element of the Ministerial Portfolio Statements has absolutely nothing to do with his involvement in the attempted resolution of that particular valuation.

The CHAIRMAN: Look, I am ruling that question out of order. Proceed to the next question.

Mr HOBBS: When will the South-East Queensland Regional Forest Agreement be completed and when will the other one—the next one out in the western area, basically in that pine area—be completed?

Mr WELFORD: The RFA, as you know, is a joint State and Federal project. The Federal Government has a very keen interest in this. The first thing I guess I should mention is that at this stage it is not at all clear that beyond the south-east regional RFA we will progress to do another one. Part of the reason for that, regrettably—not because I do not think it is a good idea—is that it appears that the Federal Government is absolutely obsessed with getting out of it. It has lost interest, basically. It has allocated some funding. We are anxious to make use of that funding by finalising the RFA for south-east Queensland. Frankly, I believe we do need to pursue ongoing better management and planning for native forests in other areas of the State, but regrettably I do not think the Federal Government is going to maintain its commitment beyond the south-east Queensland RFA.

With respect to the south-east Queensland RFA, I have recently given an extension of access to the native forest resource to a number of mills. I have even given special exemption for some of the millers to access areas which in the normal course of the RFA, frankly, ought to be no-go areas. So I have been particularly generous in extending the time limits. That has recognised the fact that the consultation process—which I acknowledge your Government was part of—has been more extensive in Queensland than in pretty well any other State. So I think we can jointly be proud of the fairness which our State Governments have shown to all stakeholders and forest users in the consultation

process. One of the consequences of that consultation process is that, because it has involved many more participants, it has taken longer to finalise.

I have extended the time for providing current levels of access to the resource until 31 December. I am hopeful that we can finalise most of the issues that enable the Commonwealth to sign off by the end of the year or soon after. I want to and have sent a clear signal to industry that I am very, very anxious about any need to extend those time limits before finalising it. So I have indicated to the RFA consultative group that I am determined that we bring it to a conclusion, that we reach agreement on the main issues and get it over and done with.

Mr LESTER: Mr Chairman, I seek leave for the member for Callide to ask a question.

The CHAIRMAN: Leave is granted.

Mr SEENEY: I refer you again to the studies that are being conducted on the Burnett River system and other river systems. Most of these systems are either in the process of being studied for the preparation of a water allocation and management plan or that process is planned. As well, each of the projects within those systems are undergoing planning and studies. Is there a point at which it can be logically argued that your Government is committing too much of its resources to planning and studies and not enough to actually building any of this infrastructure? Is there a point at which the studies become an excuse not to actually go out and build anything?

Mr WELFORD: I can understand the concern you have and, frankly, it is a concern that is not only an issue for the Burnett but it has been raised with me in a number of other catchments. Let me explain it this way. Firstly, I want to make it absolutely crystal clear that I intend that the utmost rigour and thoroughness will go into planning for water infrastructure. The WAMP assessments in my view and in this Government's view are absolutely fundamental to that. For reasons that I have already stated, there is no point on an ad hoc basis launching ahead into infrastructure construction if the end result is that you do not have reliable water resources or you do not have a healthy river system. So it is counter-productive, frankly, to invest in a pre-emptory way in construction without doing proper planning.

I use the analogy of painting a house. Most of the time and effort goes into preparation. The last coat is about 10% of the overall project, but that seems to be the only thing anyone ever recognises. As you know, if you do not do the preparation the last coat will peel off. That is what we are about in planning for water infrastructure. We are going to do it properly. I will insist that the environmental aspects of new infrastructure and their impacts are thoroughly investigated before they go ahead. It is pointless doing it any other way.

I acknowledge that in a number of catchments, not just the Burnett, the WAMP process is a time-consuming and in some instances traumatic process for all the participants, because sometimes it does take time to gather the information that is needed to

do it properly. I intend to spend a fair bit of my own time talking with the community participants in the WAMP projects, reassuring them of our commitment to do it properly. Where there is a surplus water resource—there are catchments where we will identify a surplus water resource—we have no reservation at all about harnessing that resource for economic benefits.

Our commitment to the economic potential of future water infrastructure is very clear. Equally clear, and I think somewhat overlooked in the political rhetoric and the rush of the previous Government to win favour with its rural constituency, is the fundamental importance of proper planning and proper environmental assessment. That is why we are so determined to make sure that WAMPs are properly pursued.

Mr SEENEY: It is all in the definition of "proper", isn't it?

Mr WELFORD: Your Government made a pre-election announcement saying, "The Nathan Dam is going ahead." You made that announcement before the Fitzroy WAMP had been finalised and before SUDAW had even made its financial feasibility assessment. That was an absolute nonsense. The WAMP had not been issued and SUDAW had yet to do its financial feasibility. That is straight-out political games playing.

Mr HEALY: On 25 August I put a question on notice to the Minister for Tourism, Sport and Racing in relation to the previous coalition Government's decision—Cabinet approval was gained—to grant freehold ownership of racecourses to clubs at Townsville, Mackay, Rockhampton, Bundamba at Ipswich and Toowoomba, and the ability for the Sunshine Coast Turf Club to purchase Corbould Park from the Caloundra City Council. I asked him what steps had been taken to proceed with the process. His answer to me was that he was discussing the matter with you. Have any further discussions taken place in relation to that issue? What has been the outcome?

Mr WELFORD: I have had some preliminary discussions with the other Minister in relation to that. As with most Government lands—there is a Government land management system which my department administers—we will have to provide Minister Gibbs with technical advice about issues to do with valuation, transfer arrangements and that sort of thing. It is very early days. To my knowledge it has not progressed very far. It will require some further discussions with him to clarify precisely what will be the most effective way to achieve it, subject to his instructions.

Mr LESTER: I refer to page 2-28 of the MPS. The sixth dot point refers to the Queensland Government's responsibility in relation to the COAG water agreement. Can you give a guarantee that your Government will not be pursuing full cost recovery for existing State-owned irrigation schemes?

Mr WELFORD: As you mentioned, the situation in relation to water pricing has been established as part of the COAG NCP requirements. That requirement is that each irrigation scheme will

need to achieve, as a minimum, recovery of operating, maintenance and refurbishment costs by July 2001, where practical. Remaining subsidies to the extent that they exist will need to be made transparent.

The general policy framework for water pricing that I am in the process of progressing was developed by the previous Government as part of its policy document Rural Water Pricing and Management. I believe that policy document does substantially respond to the requirements of the COAG water reform process. It recognises that, while in the main we do need to—I say advisedly—gradually move towards full cost pricing, whatever that means, we will be taking into account the impacts that will have on existing schemes and users. Where subsidies are appropriate then, in accordance with the COAG requirements, those subsidies will be transparent.

The whole issue of what falls within the ambit of full cost pricing is one of considerable debate, not only within various communities but also between the State and the Commonwealth. There are two issues that I have yet to resolve with the Commonwealth. First, the National Competition Council has a very strident view about what falls within the ambit of full cost pricing and what ought to be recovered, including the capital costs of construction for new schemes. We believe that its view does not accurately reflect the intention of the COAG council of Premiers and First Ministers and we are looking to negotiate with the Commonwealth to clarify precisely what its expectations and ours are.

Secondly, as I have already indicated, it was the intention of the first COAG agreement that the full cost recovery process be implemented by July 2001. There does seem to be agreement between us and a number of other States that that timetable is unrealistically short. To the extent that there will need to be adjustments in prices to reflect the operation, maintenance and, in due course, refurbishment of irrigation and water infrastructure, then we need to make sure that that is handled in a way that recognises the impacts on irrigators and their communities. I will be negotiating with the Commonwealth to make sure it recognises that.

Mr LESTER: I refer you to page 2-28 of the MPS. The first dot point relates to the Sugar Industry Infrastructure Package. You are projecting that two northern water management projects will commence this month. Considering the coalition's Budget had planned for these projects to commence by June, how do you explain the delay, given the Premier's commitment that the transition to Government would not freeze any capital works projects?

Mr WELFORD: There has been no delay on our part. These projects are proceeding as intended. The delay was on the part of your Government, because you did not start them in June and because during the election period there was no Minister to give directions and the appropriate approvals that might have been necessary for them to proceed. It has nothing to do with our Government being tardy

in the process. They were supposed to commence in June. Your Government had not commenced them.

Mr LESTER: On page 2-28, the first dot point states that four projects under way in the Sugar Industry Infrastructure Package will be completed this year, yet on page 2-29 of the MPS, under key performance indicators, the second last dot point states that three projects will be completed. How many actually will be completed and which ones?

Mr WELFORD: That ought to be pretty simple. The simple fact is that there are four projects under way. Those projects are each at varying stages of their implementation. It is expected that at least three will be implemented.

Mr LESTER: I refer you to page 2-8 of the MPS. The seventh dot point states that the Valuation of Land Act 1944 and the Valuers Registration Act 1992 will be reviewed. Will this review be completed before the next round of valuations as scheduled, and will you be using submissions from the September 1996 review of State valuation systems, or will the whole process be opened up anew?

Mr WELFORD: I might ask the Deputy Director-General, Mr Freeman, to respond to that question.

Mr FREEMAN: The review of the valuation legislation is rather complex. Advertisements calling for public submissions were placed in the newspapers in November last year. The review targeted stakeholders, including a wide range of valuers and financial institutions. Consultation with Treasury and the Office of Consumer Affairs, industry and consumers is ongoing and well advanced. The industry sought and was granted more time to respond. That is the reason for the delay. They particularly want to consider the outcomes of the public benefits test. At this stage, I am not quite sure of the finalised time; but it was at industry's request, rather than a Government delay.

Mr WELFORD: There is no current intention on my part that future valuations will be delayed or affected by this review. The current valuations are under way for the valuation as at 30 June next year. As in every year, there are issues and objections raised by land-holders, and we are working through those at the moment. But the current round of valuations will not be affected by the review. If the review can be finished in time for next year's valuations, then well and good. If not, then they will not be affected.

Mr LESTER: I refer to page 2-15 of the MPS, which outlines the department's planned performance for 1998-99. In the coalition's proposed budget, it was projected that the WAMP for the Border Rivers would be completed. However, in your budget you say that it is only under way. What has been the cause of this delay?

Mr WELFORD: Again, no delay; just that your Government, in its rush to create a positive pre-election image, made all sorts of promises and commitments about what would be achieved. That was pre-election rhetoric which was never going to be fulfilled. There was no way in the world—given your Government's performance on the Fitzroy

WAMP—that you were going to deliver a Border Rivers WAMP before the end of this financial year. Let us be realistic. The Fitzroy WAMP took three or four years. You said that you were going to complete the Border Rivers one in a year. That is unrealistic. It was never on. We are putting out Ministerial Portfolio Statements that tell the truth.

Mr LESTER: I will call upon the member for Callide to ask a question.

Mr WELFORD: He wants to debate the issue.

Mr SEENEY: I would rather debate the issue; you are right about that! I refer to the other big issue for irrigators, apart from the availability and price of water—both of which you have been asked about today and neither of which you have given much of a commitment on. The other issue is tradeability or transferability of allocation. Do you have any plans to address that issue within the time frame of this budget?

Mr WELFORD: Absolutely.

Mr SEENEY: Good. What are your intentions regarding tradeability?

Mr WELFORD: If you want a commitment, I will give you a commitment.

Mr SEENEY: That would be a change.

Mr WELFORD: It would be a change for you lot; that is for sure! A whole range of regulatory issues arise in relation to water allocations, particularly in the context, might I say, of the SUDAW and Nathan Dam proposal. If it is to be the case that, in the future, we are going to have a range of private operators in the water industry, then the Government is going to have to quick smart sort out its regulatory arrangements. At the moment, of course, most water infrastructure is controlled by the Government, and for that reason most of the issues that need to be resolved could be resolved by protocols and Government policy and, indeed, Executive decisions where necessary.

If we are going to open up the market to private water providers, then the whole issue of appropriate regulatory frameworks for water allocation and for tradeability need to be resolved. I have the department working flat out at this very minute to address those issues as part of potential amendments to the Water Resources Act. Those amendments, including the issues of tradeability to which you refer—tradeable water entitlements—are going to need to be resolved before any private infrastructure is developed. That is being worked on at the moment. In terms of the tradeability of water entitlements, that is part of the COAG requirements, and our Government supports it.

The CHAIRMAN: The time allotted for non-Government members' questions has expired.

Mr WELFORD: Mr Chairman, could I just make one clarification in relation to a question from Mr Lester earlier? It relates to the issue of my department's involvement in the Expo site question. I can confirm that my department has not been, of its own initiative, involved in any assessment of sites. However, what I can say is that the Department of State Development has asked my department to

simply supply information of a technical nature, that is, property descriptions, valuations and the like, to a number of possible sites. They included, for example, the RNA showgrounds.

So to the extent that I was unable to give that information before, I apologise. I was certainly unaware, and I certainly had not directed my department to be involved of its own initiative, but I have since been informed that the department did in fact respond to an information request from the Department of State Development, but beyond that we have no responsibility, primary or otherwise.

The CHAIRMAN: We now proceed to Government members' questions.

Mrs LAVARCH: I want to return to the Resource Sciences and Knowledge Program statement, which starts on page 2-20. I take you to pages 2-22 and 2-23. Dot point nine on 2-22 refers to vegetation clearing rates and the mapping of those rates. How is this vegetation clearing being measured, and what is its significance in relation to greenhouse gas emissions?

Mr WELFORD: The whole issue of vegetation management is a difficult one. Rural property owners, while recognising their responsibilities in relation to sound vegetation management, also look to the Government for a responsible and scientifically based approach. One of the key programs of work of my department is the Statewide Landcover and Trees Study, which is otherwise known as SLATS. This is a project which gathers scientific information on land cover and trends in land clearing, tree growth and regrowth for use in policy and community planning decisions regarding sustainable land management and the National Greenhouse Response Strategy.

The extent of vegetation clearing in Queensland has widely been regarded, both in our State and nationally, as a significant contributor to greenhouse emissions, and making a more precise assessment of the either positive or negative impact on that front is part of the scientific assessment that is being undertaken by the Resource Sciences and Knowledge Division as part of the SLATS study.

Mapping satellite imagery under Landsat has been used to track the impacts of development in rural areas, especially on vegetation, from 1988, 1991, 1995 and 1997. It needs to be recognised, however, that rural land-holders are not the only people whose economic development has an effect on tree cover or vegetation across the State. Some of the highest conservation value areas and most significant areas in terms of square kilometres of clearance are occurring right here in south-east Queensland as a result of urban development. As yet, no Government has managed to deal with that in a way that recognises development rights but also provides some protection for essential habitat. The SLATS study that you refer to has a budget as part of new initiative funding of \$1.2m. That will be added to the three quarters of a million dollars that is part of the base funding for that program to continue. It will provide not only the basis for future planning but also the basis for ongoing monitoring and auditing of

tree clearing in accordance with guidelines and permits.

Mrs LAVARCH: In relation to the reuse of waste water, I take you back to page 2-28. In the seventh dot point on that page it is stated that a Queensland Waste Water Re-use Interim Strategy will be developed. Could you tell the Committee what benefits such a strategy will bring to the community and to industry?

Mr WELFORD: Yes. The current estimates indicate that about only 10% of the available 300,000 megalitres of waste water from municipal sewerage plants is currently being reused. There is a significant potential for us to reapply that resource in a way that is of community benefit as against its current unsustainable disposal. The Queensland Waste Water Re-use Interim Strategy commenced under the previous Government. I recognise its commitment to that strategy. It receives \$500,000 each year. Its total budget this year will be \$883,000. I have spoken with the chairman of the study. I have indicated our Government's very strong commitment to progress with that proposal. A number of local governments are looking to derive ideas and information from the outcome of the study, which will assist in their developing policies that will enable them to better make use of their water and waste water resources at a local level. The Hervey Bay City Council, for example, is already involved in significant proposals to harness stormwater and to reuse it. The real challenge is to try to close the loop and use our water and waste water resources on a recycled basis as much as possible. A number of local governments are looking to the State Government for guidance and policy instruction on how that can best be achieved.

We also will, as an outcome of that strategy, look to promote community acceptance of various uses of recycled water. Of course, most people are aware of waste water being used for golf course irrigation and standard irrigation practices like that. The waste water at Hervey Bay is used for irrigating sugarcane. There is some community resistance to other possible uses of waste water. There is also work that has to go into making sure that waste water is used only in a way that is absolutely safe from a community health perspective. All of those issues are being considered as part of the strategy. We are also looking at strategic opportunities for waste water reuse in commercial environments. Not least of those is the opportunity to use waste water in industrial processes and also use waste water in agricultural processes.

The CHAIRMAN: On page 2-3, dot point 3, the MPS mentions the Brisbane River Management Plan. With the Waterways Management Plan for the Brisbane River nearing completion, the future management of the river and Moreton Bay is a major interest and concern to the people of south-east Queensland. Can the Minister inform the Committee of the support being provided through the Departments of Natural Resources and Environment and Heritage to the implementation of the plan?

Mr WELFORD: This, of all the projects being undertaken by my departments, is probably a stand-

out example of how these two departments can cooperate and why it is appropriate for the two departments to be brought under one portfolio, albeit retained as separate departmental entities. The Brisbane River Management Plan and the Waterways Management Plan are projects jointly contributed to by both my departments. Moreton Bay, as we have already discussed earlier in this hearing, is a significant resource—environmental, social, recreational and economic for the whole of Queensland and certainly south-east Queensland. It is also an important habitat for dugong and sea turtles and other marine wildlife, so water quality is a key issue. The only way we can address the water quality issues that affect the bay, particularly the western parts of the bay that are under growing stress according to the most recent scientific advice that we have, is to make sure that we manage the Brisbane river, its tributaries and the surrounding catchment in a way that protects water quality and manages waste water and stormwater as part of that overall planning.

The proposed scheme that will come out of that management plan will involve a number of local governments. Recently at the Brisbane River Festival, I joined a number of local government mayors in launching our shared commitment to managing the water resources of south-east Queensland. For example the Ipswich and Brisbane City Councils are key participants in the scheme. Of course, their residents will be key beneficiaries. Grants will be made available under the scheme to assist community groups and organisations as well as local governments to improve the management of the fringing areas of streams and stream banks. They are recognised as major sources of sediment, which impacts greatly not only on the Brisbane River but also on Moreton Bay. Other areas to be targeted include the Lockyer and Bremer catchments as well as the lower reaches of the Brisbane River. The program, which this year has a budget of \$797,000 including \$97,000 from the Natural Heritage Trust, will provide much-needed support for the efforts of local communities which are participating through their local governments in addressing those priorities.

Dr CLARK: I would like to ask some questions in relation to the Water Infrastructure Implementation Plan as it relates to the Cairns area and particularly the Atherton Tableland. Notwithstanding the importance of water conservation and reuse of water, I recognise that we are going to need some additional water storage in the future in that area. Unlike the non-Government members, I support and recognise the need for very careful planning in those enterprises, so I would like to ask you about some of that planning that is going on. Some work has been carried out to see whether the level of the Tinaroo Falls Dam can be raised in so far as putting a fabridam on the actual dam wall. Some impact assessment studies have been carried out concurrently to see whether that can be safely done and also how we can improve the efficiency of the Mareeba/Dimbulah irrigation area. That is one aspect. Then there are the further studies considering additional catchment opportunities on the Barron

River. There are a number of dam proposals and weir proposals that are also being investigated. Could you give me some notion of the progress that is likely to be made in this coming year and the money that has been allocated for that?

Mr WELFORD: I will refer that issue to Mr Noonan, the Executive Director of State Water Projects.

Dr CLARK: Thank you.

Mr NOONAN: You asked a series of questions and I will see if I can pick up as many of them as I can. The activities associated with Tinaroo Falls Dam are progressing in that there is a range of questions that need to be answered about the costs and the benefits to be gained associated with that as the next available option to increase the water supply available to the area. There is a significant effort going into the broader catchment study in that area. I do not know whether Mr Eastgate has any particular budgetary figure for that available. It is part of the substantial catchment planning activities that are going on. There are specific detailed investigations going into options to increase infrastructure in the area on the downstream end of the irrigation area as well as the broader catchment study associated with major options throughout the area.

As to the efficiency improvement activities that you referred to—there have been substantial investments put into increasing the efficiency of the irrigation area through investing in automation and in the Streamline system which provides for more automatic water ordering systems. To date, there have been two auctions: in 1996 and in March this year for 10,000 megalitres each, which have come from that investment in increasing the water use efficiency. At this stage, we are trying to take this opportunity to confirm how the water use efficiency is at present before a further auction is proposed to the Minister, such that we are convinced that the security of the entitlements is appropriately being managed. We will be working over the next few months towards being able to make some recommendations to the Minister about moving ahead with the further release of water allocations to that area.

Dr CLARK: Thank you, Minister. That is quite satisfactory. My final question relates to a different area, and that is the Land Services Program, and the extent to which that program provides for the recognition of Aboriginal and Torres Strait Islander interests in land. I understand that there are currently a number of Aboriginal Land Act claims over Lawn Hill National Park. I was hoping that the Minister might be able to inform the Committee as to what action the Department of Natural Resources has taken to implement the Government's commitment in regard to the claims in accordance with the Century mine agreement.

Mr WELFORD: I have had some preliminary discussions on my recent visit to Lawn Hill with members of the Waanyi people there. I have not had any discussions with Century Zinc in relation to the resolution of those claims. I am aware that there are a number of claimants, with their claims lodged in

relation to Lawn Hill—bits of advice are coming from everywhere here, and they are all different.

It is early days; these things will take some negotiations. Everyone who knows anything about it has a different view about who the legitimate claimants are and who are not. These are not easy things to resolve, but I must say that I was very, very impressed with the sincerity of the representatives of the Waanyi people to whom I spoke recently up there and their commitment to progressing it amicably.

In March this year, a meeting was held at Camooweal for the Waanyi claimants to progress the issue. Further meetings will be held. As well, I have an indigenous liaison group working with the rangers at Lawn Hill to maintain a close working relationship with the local community. What has happened as a result of that meeting in March is that in June this year a single Waanyi land claim association was established so that we could progress negotiations in a more streamlined way rather than having to shuttle between different groups. An amount of \$200,000 has been made available to partly fund the

development of a management plan and to allow negotiations to continue to develop a board of management arrangement in which the local people can be involved in managing Lawn Hill National Park.

There are a number of minor outstanding issues between the local people and the Century mine. There is some concern that the Century mine company has not fulfilled all the commitments that it had made previously. I will be following that up to make sure that, to the extent that there were agreements about what arrangements would be made for Aboriginal people, those agreements are complied with.

The CHAIRMAN: The time allotted for the consideration of the Estimates of the Minister for Natural Resources has expired. I thank the Minister and the portfolio officers for their attendance. I also thank the Committee staff, Hansard and the attendants today for their work. That also concludes the Committee's consideration of the matters referred to it by the Parliament on 15 September 1998. I declare this public hearing closed.

The Committee adjourned at 6.31 p.m.