



ESTIMATES COMMITTEE G

1999

REPORT

1. INTRODUCTION

On 27 August 1999, the Legislative Assembly appointed seven estimates committees to inquire into the proposed expenditures contained in the *Appropriation Bill 1999* and the *Appropriation (Parliament) Bill 1999*.

Under the Sessional Orders adopted by the Assembly on that day, this committee was allocated the organisational units within the portfolios of the following ministers:

- ◆ Minister for Primary Industries;
- ◆ Minister for Families, Youth and Community Care and Minister for Disability Services; and
- ◆ Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading.

Estimates Committee G has now considered the estimates referred to it and has met in public session to receive evidence from the relevant ministers and supporting officers. Accordingly, the committee presents this report to the Legislative Assembly.

Further information, received as a result of questions asked before and during the public hearing, will be presented to the House as a volume of Additional Information accompanying this report. That volume will also include the minutes of the committee's meetings.

The committee asked twenty pre-hearing questions on notice of each of the three ministers. During the hearing, the Minister for

Primary Industries took, and subsequently answered, one question on notice.

One non-committee Member, Miss Fiona Simpson MLA, was granted leave to attend the committee's public session and asked questions of the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading.

This is the first year that the budgetary papers reflect the Queensland Government's new model for accrual output budgeting, *Managing for Outcomes*, rather than the previous cash budgeting system.

2. MINISTER FOR PRIMARY INDUSTRIES

The vote total for the Department of Primary Industries for 1999-2000 is \$224.842M. A summary of the department's outputs follows.

Output	Total Cost \$'000
Policy and Legal Services	5,526
Animal and Plant Health Services	35,621
Rural Industry Business Services	31,999
Food Technology Services	10,634
Fisheries Industry Development	39,566
Agriculture Industry Development	44,888
Beef Industry Services	19,675
Farming Systems Services	31,975
Horticulture Industry Services	30,770
Sheep and Wool Industry Services	7,767

Service priorities for the department include:

- ◆ an allocation of approximately \$7.5M to agriculture biotechnology by the department through the new Agency for Food and Fibre Sciences;
- ◆ over \$2M to extend the Centre for Dry Tropics Agriculture in Bowen; and
- ◆ a further \$0.3M to Sugarcane Solutions for addressing declining production.

During its public hearing the committee asked the minister about a wide range of matters, including:

- ◆ staffing levels in Beef Industry Services;
- ◆ the department's vessel replacement program;
- ◆ policing compliance with fisheries laws;
- ◆ the Great Barrier Reef Marine Park Authority and the trawl management plan;
- ◆ the meat processing taskforce;
- ◆ funding sources for the Agency for Food and Fibre Sciences;
- ◆ the department's efforts to reposition hoop pine in the timber market;
- ◆ departmental assistance under the Interim Forest Management Agreement (pending development of the Regional Forestry Agreement for South East Queensland);
- ◆ plans for future native hardwood plantations;
- ◆ Animal and Plant Services budget levels; and
- ◆ cattle tick clearance services.

3. MINISTER FOR ABORIGINAL AND TORRES STRAIT ISLANDER POLICY AND MINISTER FOR WOMEN'S POLICY AND MINISTER FOR FAIR TRADING

3.1 Department of Aboriginal and Torres Strait Islander Policy and Development

The vote total for the Department of Aboriginal and Torres Strait Islander Policy and

Development is \$85.959M. Departmental outputs are as follows.

Output	Total Cost \$'000
Strategic Policy Advice	12,599
Community Development	57,817
Community Governance	25,403

Initiatives for the department include:

- ◆ An additional \$18.5M over four years (\$0.4M in 1999-2000 for planning) for new water and sewerage infrastructure;
- ◆ \$25.4M over three years (\$6.3M in 1999-2000) to settle claims concerning underpayment of ex-Government employees from 1975 to 1986;
- ◆ \$12M over four years (\$1M in 1999-2000) to replace 16 retail stores in the Torres Strait Region; and
- ◆ \$5.8M over two years (\$1.5M in 1999-2000) to replace Aboriginal Council Chambers at Bamaga, Lockhart River, Mapoon and Woorabinda.

3.2 Department of Equity and Fair Trading

The vote total for the Department of Equity and Fair Trading is \$19.809M, with departmental outputs as follows.

Output	Total Cost \$'000
Fair Trading Services	32,353
Women's Policy and Services	4,407

Initiatives for the department include:

- ◆ \$0.5M for a one-year investigative program targeting two-tiered property marketing schemes;
- ◆ \$0.5M per annum to continue the Hostel Industry Development Unit;
- ◆ \$0.2M per annum to the Retirement Villages Tribunal to resolve significant disputes between villages and residents; and

- ◆ \$0.2M per annum to assist the Premier's Council for Women fulfil its Women and Employment brief.

During the hearing, the minister was asked questions relating to issues including:

- ◆ progress on opening new consumer affairs offices in regional areas;
- ◆ the development of software for the Office of Fair Trading;
- ◆ the audit of the Auctioneers and Agents Fidelity Guarantee Fund;
- ◆ the approval of motor dealer licences by the Auctioneers and Agents Committee;
- ◆ funding for the Queensland Building Services Authority and administered payments to the Queensland Building Tribunal;
- ◆ proposed funding for the new retirement villages tribunal;
- ◆ the role of Women's Policy in implementing and monitoring initiatives combating domestic violence, eating disorders and insufficient child care; and
- ◆ the number of women appointed to significant Government positions.

4. MINISTER FOR FAMILIES, YOUTH AND COMMUNITY CARE

The 1999-2000 vote total for the Department of Families, Youth and Community Care is \$562.387M. 1999-2000 outputs for the departments are as follows.

Output	Total Cost \$'000
Services for Children and Young People	157,461
Services for People with a Disability	251,511
Families and Community Support	73,297
Youth Justice Services	46,327

Service priorities for the department include:

- ◆ \$100M over four years (including \$10M in 1999-2000) to protect and support abused

or neglected children and their families (this funding also addressing recommendations of the Forde commission of inquiry into abuse of children at State institutions);

- ◆ \$24.6M to commence construction of a new youth detention centre at Wacol under the Youth Detention Centre Infrastructure Plan; and
- ◆ \$12.5M over four years (including \$2M in 1999-2000) for ongoing support of participants in the Moving Ahead Program.

During its hearing, the committee inquired into a number of issues, including:

- ◆ estimated 1999-2000 staffing levels for Services for Children and Young People;
- ◆ capital outlay for Foodbank Queensland Limited;
- ◆ costing of, and funding for, the transition from the Disabilities Program to Disability Services Queensland;
- ◆ systems for allocating Adult Lifestyle Support packages to registrants;
- ◆ the Commonwealth/State Disability Agreement;
- ◆ fulfilling Project 300, in moving people with psychiatric (and intellectual) disabilities out of psychiatric facilities;
- ◆ the delivery of funding to families under the Family Support Initiative;
- ◆ measuring the unmet needs of children with disabilities, and their families;
- ◆ numbers of people in and expected to enter the Moving Ahead Program;
- ◆ funding for the Gambling Help-Line; and
- ◆ dealing with unregulated 'backyard' child care operators.

5. RECOMMENDATION

The committee recommends that the proposed expenditures, as stated in the *Appropriation Bill 1999* for the organisational units within the portfolios referred to Estimates Committee G for examination, be agreed to by the Legislative Assembly without amendment.

6. ACKNOWLEDGMENTS

The committee thanks the ministers and departmental staff for their cooperation during the estimates process.

Grant Musgrove MLA
Chair

21 October 1999

MEMBERSHIP

Mr Grant Musgrove MLA (Chair)
Mr Denver Beanland MLA (Deputy Chair)
Hon Russell Cooper MLA
Mr Bruce Davidson MLA
Mr Gary Fenlon MLA
Ms Lindy Nelson-Carr MLA

STAFF

Mr David Thannhauser (Research Director)
Ms Tania Jackman (Executive Assistant)

**The transcript of the committee's public hearing
is available on the Internet via the Hansard site at**

www.parliament.qld.gov.au

DISSENT REPORT FROM NON-GOVERNMENT MEMBERS

FAMILIES, YOUTH AND COMMUNITY CARE

The Minister for Families, Youth and Community Care, Disability Services, by her own admission has misled the Parliament and the people of Queensland with the Ministerial Portfolio Statement while being mean spirited in failing to meet a range of commitments.

The Minister indicated that there were a series of issues within the portfolio on which the Minister had a lack of appreciation.

These important issues which the Minister failed to address are vital to the outcome of provision of services by the Department this financial year. It indicated a lack of planning and effort by the Minister.

1. CHILD PROTECTION WORKERS

I refer to the Ministerial Portfolio Statement p 5 staffing numbers, which the Premier claimed, had increased by 70 for child protection workers. A check of the table on p 5 will indicate an increase of 22.

Furthermore the Minister indicated in the estimates Committee that the MPS presented to Parliament by the Minister was misleading.

In addition the Minister indicated that as the end of the financial year looms and where there is excess money in staff budgets that it is common practice for people to employ contract workers until the end of the financial year. This indicates poor planning.

The Government intends to replace 48 temporary staff with 48 permanent staff plus 22 additional permanent staff giving the Government figure of 70.

However, in point of fact that will only be another 22 people to do the work, not an additional 70.

2. FORDE INQUIRY RECOMMENDATION FUNDING

The additional funding for child protection in terms of recommendation No. 4 of the Forde Inquiry has not occurred contrary to the Government's claims.

Only an extra \$10M has been allocated for this financial year, not \$103M as recommended by the Inquiry.

3. DISABILITY SERVICES QUEENSLAND

The Minister admitted that on the eve of establishing the new Agency on December 1 1999 that the Minister was unable to indicate the establishment cost of the new Agency for Disability Services.

The Minister indicated that from the Treasury's viewpoint it had to be revenue neutral, that is there would be no additional funds made available for this.

This further highlighted that the establishment costs would come from within the provision of current services.

As the Government has had more than 15 months to resolve these issues it is apparent that the Government has little idea of the costs or what exactly is involved in setting up this new agency.

Moreover the Minister initially tried to brush aside the fact that there was an upgrade of classification for the Executive Director from SES 2 to SES 3 which in itself would bring additional costs. In addition, these funds expended on the establishment of the Agency and on increased recurrent expenditure mean less funds for those individuals with unmet needs.

The Minister indicated for example that although the SES position was to be upgraded that staffing costs would remain the same although the Minister refused to indicate what staffing positions would be downgraded.

4. OUTPUT STATEMENT YOUTH SERVICES

The MPS Output Statement Youth Services p.24 indicates that target estimate for 98/99 was the same as the actual for 98/99.

Under intensive questioning the Minister indicated that this is the first year that Government Departments have been required to report on an output based model and "that this material had been collected on the way."

In other words to quote Minister Bligh: "It is the Actual."

So again the Output Statement put to Parliament by the Minister is incorrect and misleads the Parliament in that it is not the target estimate for 98/99 but in fact the actual.

5. OUTPUT STATEMENT DISABILITY SERVICES

The MPS p 14 Output Statement Services for People with A Disability highlights for example that in 98/99 financial year the miserable failure of the Minister to meet the target of 174 families for funding under the Family Support Initiative with only 13 actually receiving benefit.

In addition the Statement shows that the Minister set a target in 98/99 financial year of 80% for Local Area Co-ordination pilots commenced on time when in fact 0% was actually achieved.

Further the Statement again shows that the Minister set a target in 98/99 financial year of 90% for respite services developed by agreed date and that 0% was actually achieved.

5.1 Capital Works

Some 70% of the Capital Works vote approved by the Parliament 98/99 financial year has been carried forward to next financial year.

This clearly indicates that the Minister had no focus and was obviously never going to spend a large percentage of the Capital Works funding even before the Parliament passed the Budget and therefore had

no interest in creating the jobs that came with this Capital Works expenditure.

PRIMARY INDUSTRIES

Acknowledging it is the Government's responsibility to apportion expenditure to programs within each portfolio, the Coalition is nevertheless concerned with a number of key elements within the 1999/2000 budget for the Department of Primary Industries.

1. BUDGETARY POSITION

The Coalition views with extreme concern the \$26.6 million reduction in DPI's 1999/2000 budget from last year's actual, as per Budget Paper Number 4. The former Coalition Government delivered budget and staffing increases each year of its term following six years of cuts by the Goss Government. After inheriting a buoyant budgetary position, the Beattie Government's DPI budget cuts herald a repeat of the Goss era. The Coalition is concerned budget belt tightening across DPI will also force further introduction of fee-for-services, a point alluded to by the Minister when discussing the prioritisation of funding for animal health.

2. EQUITY RETURN

By the Department's own admission, the application of the equity return has forced DPI to initiate a review of all assets with a view to disposing of some properties. Rural and regional Queensland has already been hard hit by the loss of government services. The equity return will pressure DPI to place unrealistically high demands for short-term dividend returns from research and extension associated with assets which are of longer-term or more overall benefit to regional areas.

3. BEEF INDUSTRY SERVICES

A cut in staff numbers from 216 to 205 and the resultant loss of research and extension officers from some regions of the State is a retrograde step. Under questioning, the Minister referred to staff relocation but did not adequately explain the actual eleven staff cuts in terms of from which areas those staff would

come, how services will be maintained in those areas and the reasoning for the cuts. The Coalition suggests budgetary pressures imposed by the Government provide reason for the reduction in staff numbers rather than any conscious will on the part of the Beef Industry Institute to wind back service delivery.

4. FISHING INDUSTRY DEVELOPMENT

The Coalition is concerned with the underspending of the 1998/99 vessels replacement program by \$3.134 million and the reduction in the 1999/2000 allocation to \$1.679 million. This slow-down of capital spending and the application of the equity return is at odds with the need to at least maintain coastline and fisheries enforcement. The Coalition is also concerned with the likely impact on commercial fishermen of the Labor Government's East Coast Trawl Management Plan, the lack of any impact assessment and the lack of an adjustment package in the budget.

5. AGENCY FOR FOOD AND FIBRE SCIENCES

The Department is inadequately resourced to fund the creation of the Agency for Food and Fibre Sciences and the Queensland Food and Fibre Science Council, especially in light of the overall budget cuts, without jeopardising the funding of existing functions. The inadequacy of funding is evidenced by the application of what was termed an 'internal productivity dividend' across DPI.

A case can possibly be made for greater coordination between the Institutes. However, the Coalition has grave reservations with the Government's creation of effectively another two layers of bureaucracy and the dilution of the Institutes' role, and by virtue of that, the industries' role.

6. MEAT PROCESSING INDUSTRY REFORM

The inability of the Minister and the Department to provide the committee with measures to ensure the integrity of the Meat Processing Task Force's deliberations and the propriety of its members is unaccountable, and at worst, negligent. The evasive

responses suggests there is either no such measures in place, or if they are in place, they are not being adhered to. Given the level of influence this task force holds regarding the expenditure of considerable sums of public moneys and the competitiveness of individual businesses, this is entirely unacceptable.

7. ANIMAL AND PLANT HEALTH SERVICE

While it is acknowledged that certain programs have wound down, the Coalition is concerned that \$9 million has been cut from the Animal and Plant Health Service budget. The cut does not reflect the importance or cost of maintaining and enhancing Queensland's disease free status, and is at odds with increasingly stringent market demands requiring scientific proof of this status.

8. SOUTH-EAST QUEENSLAND REGIONAL FOREST AGREEMENT

Evident lack of detail regarding hardwood plantation development to compensate for an added 425,000 hectares of forest reserves strengthens doubts regarding the Government's South-east Queensland forest deal.

DENVER BEANLAND MLA
Member for Indooroopilly

BRUCE W. DAVIDSON MLA
Shadow Minister for Fair Trading
Member for Noosa

HON. RUSSELL COOPER MLA
Shadow Minister for Primary Industries
Member for Crows Nest