

**ESTIMATES COMMITTEE A**

Ms L. H. Nelson-Carr (Chair) Mr G. S. Musgrove  
 Mr D. E. Beanland Mr M. H. Rowell  
 Mr J. N. Goss Mr P. W. Wellington

**PRIMARY INDUSTRIES AND RURAL COMMUNITIES****IN ATTENDANCE**

Hon. H. Palaszczuk, Minister for Primary Industries and Rural Communities  
 Dr W. Hoey, Director-General  
 Mr T. Johnston, Deputy Director-General  
 Dr R. Clarkson, Executive Director, Agency for Food and Fibre Sciences  
 Mr P. Neville, Executive Director, Queensland Fisheries Service  
 Mr J. Pollock, Executive Director, Policy Analysis and Industry Development  
 Mr R. Beck, Executive Director, Forestry  
 Mr J. Skinner, Executive Director, Corporate Performance  
 Ms P. Pender, General Manager, Finance and Business Development  
 Dr P. White, Executive Director, Rural Industries Business Service  
 Mr K. Dunn, Executive Director, Animal and Plant Health Service

The Committee commenced at 8.30 a.m.

**The CHAIRMAN:** I declare this meeting of Estimates Committee A now open and 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 2000 for the areas set out in the Sessional Orders of 22 June 2000. The Committee will examine the proposed expenditure for the organisational units in the following order: Minister for Primary Industries and Rural Communities; Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading; Minister for Families, Youth and Community Care and Minister for Disability Services. The Committee has also agreed that it will suspend today's hearings for the following breaks: morning tea will be from 10 till 10.15; there will be a break from 11.45 to 12 noon; lunch will be from 1.30 to 2.30 p.m.; a 15-minute break at 4 o'clock and a further 15-minute break at 6 p.m.

I remind members of the Committee and Ministers that the time limit for questions is one minute and answers are to be no longer than three minutes. A single chime will give a 15-second warning and a further double chime will sound at the end of these time limits. An extension of time may be given with the consent of the questioner. A double chime will also sound two minutes after an extension of time has been given.

The Sessional Orders require that at least half of the time available for questions and answers in respect to each organisational unit is to be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members.

I ask departmental witnesses to identify themselves when they first come forward to answer a question so that Hansard can record the information. In the event that those attending today are not aware, 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, the public may be admitted to or excluded from the hearings at the pleasure of the Committee. I also ask that mobile phones be switched off.

In accordance with the Sessional Orders, a member who is not a Committee member may, with the Committee's leave, ask a Minister questions. In this regard the Committee has agreed that it will automatically grant leave to any non-Committee member who wishes to question a Minister unless an objection is raised at the time by a member of the Committee. Also in accordance with the Sessional Orders, each Minister is permitted to make an opening statement of up to five minutes. Again a single chime will give a 15-second warning, and a further double chime will sound at the end of that time limit.

In relation to media coverage of this hearing, the Committee has agreed that silent television film coverage be allowed for the Chairman's opening statement and for each Minister's opening statement. I now declare the proposed expenditure for the Minister for Primary Industries and Rural Communities to be open for examination. The time allotted is three hours. The question before the Committee is—

"That the proposed expenditure be agreed to."

Minister, would you like to make a brief

introductory statement, or do you wish to proceed direct to questioning?

**Mr PALASZCZUK:** I would like to make an introductory statement.

**The CHAIRMAN:** We ask that you limit it to five minutes.

**Mr PALASZCZUK:** The 2000-01 budget for the Department of Primary Industries will drive growth by enhancing the innovative capacity of our food and fibre sectors. In turn these industries will strengthen those dependent communities around Queensland. DPI's budget for the year 2000-01 is an increased investment of \$6.9m to give a total operating budget of \$289.9m. This figure does not include DPI Forestry Commercial's budget of \$81.7m and whole-of-Government administered expenses of \$20m.

The Queensland Rural Adjustment Authority and Safefood Production Queensland will have separate budgets. An increased DPI budget is obviously good news for our primary industries and rural communities. This budget builds on the last two budgets I have overseen as Minister and reaffirms the Queensland Government's commitment to innovative science and technology, development of high value product and services, trade and market development, sustainable development and rural community development. In simple terms, the theme of this budget is safe food, smart food. The budget invests \$141.5m in the research, development and extension of work of the Agency for Food and Fibre Sciences. AFFS was established last year, positioning DPI as one of the world's leading science, technology and innovation organisations.

On the issue of dairy deregulation, I would like to inform the Committee that my office has been advised of the number of Queensland applications for assistance under the national dairy deregulation restructure package. My office has been advised that only about 27% of the application forms sent to Queensland dairy farmers have been returned to the Dairy Adjustment Authority, which is administering the package—and that is up until the end of last week. That leaves almost three-quarters of Queensland's more than 1,500 dairy farmers yet to complete their forms to access assistance under the \$1.78 billion restructure package.

The Federal Government said that the deadline for applications is 17 August. I have written to all Queensland dairy farmers advising them of the State Government programs and initiatives to assist their industry as well as reminding them of the 17 August

deadline for applications. I understand that the department will be working further with the Queensland Dairyfarmers Organisation to assist in encouraging dairy farmers to complete their applications.

Under legislation which is currently before State Parliament a single authority, Safefood Production Queensland, will be established to monitor and ensure the safety of animal protein produced. Safefood Production Queensland will take over the functions of the Queensland Livestock and Meat Authority and will then extend to the dairy and seafood sectors. We are committed to being a national leader in food safety, which further enhances our reputation as a top quality producer of safe and healthy food here at home and also overseas.

Under this budget, \$44.57m will be devoted to trade development and market access programs. The Queensland Government is committed to strengthening existing markets as well as establishing new markets and new trading partnerships. This budget recognises the importance of developing those trading relationships. We will be putting extra emphasis on the Middle East and the United States this year as well as an additional focus on organic markets. The key to our success overseas, of course, is market access. Unfortunately, the threat of new pests and diseases to our agricultural industries is ever present. We must be ever vigilant to these threats. Some \$27.6m will be invested in biosecurity and quarantine surveillance and in response in the 2000-01 budget to reduce those risks to our industries.

As a Government, we believe rural community development is fundamental to our State's prosperity. We are the most decentralised mainland State of Australia and the challenges facing our communities are very diverse. This budget will invest \$29.9m in targeted rural community development programs. A prosperous primary industries sector alone does not immune those communities from severe hardship and difficulties. The Government is committed to overcoming the barriers of distance and isolation.

Also, as the Minister for Primary Industries and Rural Communities, I have recently assumed the portfolio responsibilities of the Queensland Rural Adjustment Authority. I welcome this responsibility. QRAA plays a vital role in assisting Queensland rural enterprises. I believe that its transfer from Treasury will build QRAA's obvious synergies with the DPI and the Office of Rural Communities. This

Government places a very high priority on the legislative framework for primary industries, and the past financial year has seen one of the heaviest legislative programs for the rural sector. I welcome, as do the officers of the Department of Primary Industries who have joined me, the opportunity to discuss the budget estimates with the Committee. That is my five minutes.

**The CHAIRMAN:** The first period of questions will commence with non-Government members.

**Mr ROWELL:** Inside the front cover of the Ministerial Portfolio Statements there is a disclaimer regarding the actual financial and non-financial performance of DPI for the year 1999-2000. What assurance can you give the Committee about the accuracy of the estimates given the obvious implications for this year's budget? Are you prepared to guarantee that they will not vary by more than, say, 1% or 2%?

**Mr PALASZCZUK:** Can I just ask you what page you are referring to?

**Mr ROWELL:** Inside the front cover. That is this section here—the disclaimer.

**Mr PALASZCZUK:** At the outset could I just say that—you were saying between 1% and 2%?

**Mr ROWELL:** I am just talking about that level of accuracy, yes. Nominate another figure if you cannot come within the guidelines that I am suggesting.

**Mr PALASZCZUK:** That is the budget that has been agreed to and signed off on. While I am on this issue, the honourable member has also raised another issue in the House in relation to the \$6.9m operating surplus. Could I just explain to the Committee the reasons behind that? The increase in the 2000 estimate largely relates to the funding for the South-East Queensland Regional Forestry Agreement of \$5.5m; supplementation for enterprise bargaining costs under the new agreement with effect from 1 July of \$4.7m; the transfer of the Queensland Forestry Research Institute to DPI, which is worth \$7.1m; the merger of the QFMA and DPI's fisheries group forming the Queensland Fisheries Service of \$3.8m; the full-time effect of the transfer of the Office of Rural Communities to DPI of \$1.7m; and administrative and restructuring arrangements relating to assets transferred and liabilities assumed for QFMA, QFRI and CSA of \$6.7m. These increases are partially offset by basically \$1.6m for superannuation savings; \$1.8m for embedded taxation savings from the introduction of the GST; decreased expenses

in the provision of corporate services agencies, which is \$9.6m; adjustments for non-continued initiatives of \$2.8m; and a reduction of \$7m in unsourced revenue largely due to the additional revenue one-off being received by CSA during the 1999-2000 year from DNR, DPI Forestry relating to the completion of the SATNET implementation project and higher than expected user charges in some areas. Therefore, that explains the \$6.9m that the honourable member referred to. In relation to the disclaimer, could I refer that to John Skinner.

**Mr SKINNER:** The figures provided in the budget are estimates. Each year the department succeeds in coming in on budget. We would be confident that those figure would be within the—

**Mr PALASZCZUK:** Can I say that I understand it is just a standard disclaimer at the beginning of all departmental estimates.

**Mr ROWELL:** Last year the equity return on DPI was struck at 6% and fully funded. This year, the equity return is again to be struck at 6%. What percentage of the equity return has been funded by Treasury?

**Mr PALASZCZUK:** I will ask John Skinner to respond to the honourable member in relation to the equity returns.

**Mr SKINNER:** I may refer that question to Pauline Pender, who has the detail in relation to that.

**Ms PENDER:** Are you asking about the main part of the equity funding that is provided in the first instance by Government and how much it funds in the first instance?

**Mr ROWELL:** Yes.

**Ms PENDER:** That is fully funded in the appropriation.

**Mr ROWELL:** Okay. Minister, last year in these hearings the issue of equity return was raised. Mr Skinner informed the Committee that Treasury had set DPI a target in terms of capital assets of \$1.7m. Mr Skinner also informed the Committee that the department was undertaking a review of all its assets and properties to determine any that may be surplus to requirements. What was the outcome of that review? Were any assets or properties disposed of? If so, which ones? What was the amount returned for this on the sale of those properties?

**Mr PALASZCZUK:** That is a good question. I will refer that to John Skinner. He has the details in front of him.

**Mr SKINNER:** Thank you, Minister. Last year I referred to the property target in

response to a question. As I indicated in that response, the Department of Natural Resources had undertaken a review of the department's property assets. During the year, the sale of assets which took place included a residence at Mooloolaba, which returned net proceeds of \$130,640; another residence at Mooloolaba, which returned \$110,609.62; a property at the Urangan dam reserve, which returned \$82,124.24; and a property at Rockhampton depot, which returned \$21,000. The total net proceeds from sales for the year totals \$344,373.86. As a result of that property assets review, a sum of \$1.2m was returned to the department as part of its assets funding. That figure is included in the figures in the MPS statement in capital. I can refer you to the section on page 1-33 which is Other Acquisitions of Property, Plant and Equipment, and it totals \$6.9m. The department received a return of \$1.2m as part of that review process in terms of that review identifying that it was difficult for the department to meet the schedule in terms of property asset sales.

**Mr ROWELL:** The Statement of Cash Flows on page 1-37 shows payments for property, plant and equipment totalling \$20,547,000. The Statement of Financial Position at page 1-36 shows an increase for property, plant and equipment of only \$11.323m. This would indicate the disposal of some of the \$9m in property, plant and equipment assets. Can you explain this discrepancy? Which assets did your department dispose of? The first page is 1-37 and then we go to the financial position at page 1-36.

**Mr PALASZCZUK:** Could you please clarify the question?

**Mr ROWELL:** I will read it again. The Statement of Cash Flows at page 1-37 shows payments for property, plant and equipment totalling \$20,547,000 whilst the Statement of Financial Position at page 1-36 shows an increase for property, plant and equipment of only \$11,323,000. This would indicate the disposal of some \$9m in property, plant and equipment assets. Can you explain the discrepancy? Which assets did the department dispose of?

**Mr PALASZCZUK:** I will ask Pauline Pender to respond to that question.

**Ms PENDER:** The basic difference is depreciation. Depreciation also has to come off.

**Mr ROWELL:** \$9m in depreciation?

**Ms PENDER:** No. Depreciation also

includes amortisation of other types of non-current assets, but they are not physical assets.

**Mr ROWELL:** That is from \$193.972m to \$205.295m, where you list the \$20.547m.

**Ms PENDER:** But you also have intangible assets there as well. So it is your opening balance of your non-current assets less what you sell plus what you buy. You also have to take into account depreciation and amortisation.

**Mr ROWELL:** Has that been done throughout? Has depreciation been shown on all assets?

**Ms PENDER:** Yes.

**Mr ROWELL:** Right. We might examine that a little later. Last year in reply to question on notice No. 3 from my predecessor, Mr Cooper, the Premier claimed that he examined each department and identified \$568m of carryovers and lazy money. You indicated DPI's output funding had been reduced by \$1.764m in the 1999-2000 year but that that sum would be reinstated in the 2000-01 fiscal year. You also indicated a one-off \$3m deduction had been made from the 1999-2000 equity injection, which was again to be reinstated in the 2000-01 fiscal year. I find no reference to the commitment being honoured in the Budget papers this year. What is maintained? Have there been any similar such deductions this year?

**Mr PALASZCZUK:** That requires a very detailed answer. I will call on Pauline once again to respond. You are obviously referring to the smoothing from last year.

**Mr ROWELL:** That is right.

**Ms PENDER:** I am just finding the correct page to show where you will find that increase in the equity funding. My apologies for not going directly to it. Page 1-37, under Cash Flows from Financing Activities, shows that equity injections have gone from \$3.2m to \$4.9m. That is the increase in equity injection coming back. Is that precisely what you are asking?

**Mr ROWELL:** Have there been any similar deductions this year?

**Mr PALASZCZUK:** The answer to that is no, not for this year.

**Ms PENDER:** They have put that back again, that equity injection.

**Mr ROWELL:** That has gone back in. Okay.

**Mr PALASZCZUK:** When you ask

questions, would you please refer to the page numbers? It might make it a bit easier for our officers to respond to you more quickly.

**Mr ROWELL:** Okay. That was a question from last year. That is what made it difficult. I am trying to identify where it actually is in this budget. It is difficult for me to understand where it is until I actually ask the question.

**Mr PALASZCZUK:** All right.

**Mr ROWELL:** Regarding the Operating Statement on page 1-35, there are amounts for assets assumed/liabilities transferred totalling \$11,639,000 under Operating Revenues and \$6,746,000 under Operating Expenses for the QFMA, QFRI and CSA at 30 June 2000 being recognised in the operating result in the 2000-01 budget, rather than being recognised as equity in the balance sheet. Have you got all that?

**Ms PENDER:** Yes, I know what you are saying.

**Mr ROWELL:** Was the same treatment effected for transfer of the Office of Rural Communities?

**Mr PALASZCZUK:** The Office of Rural Communities came across to the Department of Primary Industries just recently. It was a worthy acquisition because, really, the Office of Rural Communities needed to sit within the Department of Primary Industries, where the synergies of both the Department of Primary Industries and Rural Communities needed to be put together. Similarly, the Queensland Rural Adjustment Authority also came across to the Department of Primary Industries. I believe that now, with those three entities working pretty closely together, we will achieve the desired result for our primary industry producers.

**Ms PENDER:** The basic difference is that the Office of Rural Communities is a whole-of-Government or a machinery of Government transfer, so it does go through the balance sheet.

**Mr ROWELL:** Aren't the QFMA, QFRI and CSA—

**Ms PENDER:** No.

**Mr ROWELL:** They are not involved in any Government department now?

**Ms PENDER:** They are considered to be part of the Minister's portfolio.

**Mr ROWELL:** The Corporate Services Agency was transferred to DNR on 1 July. What is DPI's projected expenditure on corporate services for the 2000-01 financial year? You have transferred that across to the DNR—the Corporate Services Agency.

**Mr SKINNER:** The total projected expenditure for the Corporate Services Agency is \$8,423,250. That comprises, under the service delivery agreement, continuing work on the SAP system and finance and HR processing costs. That is within the budget for expenditure.

**Mr ROWELL:** Where is that actual expenditure shown in the budget?

**Mr SKINNER:** It is on page 1-35, Supplies and services.

**Mr ROWELL:** Pretty innocuous, isn't it?

**Mr SKINNER:** It is under Operating Expenses.

**Mr ROWELL:** Do you think you are getting a pretty good deal? I understand that it cost something like \$44.52m to operate that when it was under DPI. Would that be right? I understand that in the 1998-99 budget the cost for corporate services was \$45.256m and the estimate for the 1999-2000 year was \$44.524m, after adjusting for equity returns in 1999-2000. So in effect you have come down from a cost of \$44m to \$8m for that same service. Is that right?

**Mr SKINNER:** No, that would not be correct. You may be referring to total corporate services costs. The Corporate Services Agency is but one part of those costs, because there are other aspects of corporate services—for example, information systems and other parts of corporate performance. When the department apportions its corporate costs across its outputs, corporate costs cover, for example, the Office of the Director-General and the corporate-type expenses which in a broad sense comprise corporate services. The Corporate Services Agency came in within budget in the last financial year and it has been reducing costs. In fact, it has been engaging in benchmarking its costs with other similar providers engaged in similar processes. So the budget for the Corporate Services Agency has remained relatively stable.

**The CHAIRMAN:** The member for Hinchinbrook, your allotted time has expired. Minister, dot point 3 on page 1-8 of the MPS mentions advancements in biotechnology. How does DPI intend to most effectively manage its investment in the developing science of biotechnology? What technologies or processes are most important and what outcomes can be expected from these investments?

**Mr PALASZCZUK:** Biotechnology is always a contentious issue, but Queensland agriculture has much to gain from its development. It has the potential to increase

export revenue, to increase returns to our producers and also to provide consumers with higher quality produce and to reduce environmental impacts. It is also recognised that biotechnology needs to be applied with caution and with extensive community consultation, and building consumer confidence by continuing education and demonstration of the safety of biotechnology products is a high priority for this Government.

The department is committed to engaging in innovative science and technology and investment, and biotechnology is a major plank of this initiative. Biotech is entering a new era of functional genomics where information from genome sequencing projects will be applied to improve yields and reduce losses from pests and diseases. It is also a very competitive area, I would like to inform the Committee, and the department will focus on areas for which Queensland has a strategic advantage; namely, tropical agriculture, aquaculture and forestry.

The Queensland Agricultural Biotechnology Centre is the department's strategic biotechnology research centre located at the University of Queensland and, of course, this is quite dear to the heart of Mr Denver Beanland, who is the Deputy Chair of the Committee at present.

The proposed location of the QABC within the new world-class Institute for Molecular Biosciences will provide the DPI with direct access to state-of-the-art equipment and to the latest scientific breakthroughs, particularly in the area of genomics and the application of this knowledge. IMB will house up to 700 scientists and will be a world force in biotechnology. The Queensland Government has made a substantial investment in IMB and expects this investment to be returned in economic stimulation and job creation.

At this point, could I give my remaining time to Rosemary Clarkson, who is the Executive Director of the Agency for Food and Fibre Sciences to build on what I have just said.

**Dr CLARKSON:** Thank you, Minister. As you said, we are taking care with the biotechnology work that we do to make sure that it lies within the areas that will be acceptable to consumers and will have environmental benefits for the State. Some of the work that we are doing—we are looking for a vaccine solution for tick fever, looking at a jumbo ginger clone, low seed varieties—really looking to add features and attributes to products so that they will be much more acceptable in the marketplace.

**Mr MUSGROVE:** Minister, on page 1-1, the last dot point of the 2000-01 MPS mentions accessing the skills and knowledge of members of the Queensland Food and Fibre Science and Innovation Council on which I also sit as a member. Minister, could you please tell the Committee what are the objectives in establishing the Queensland Food and Fibre Science and Innovation Council and what benefits the council will provide?

**Mr PALASZCZUK:** So the honourable member sits on the other Innovation Council?

**Mr MUSGROVE:** On the other Innovation Council.

**Mr PALASZCZUK:** There is a difference between the Innovation Council that the honourable member sits on and the one that has been put together through the Department of Primary Industries and the Office of the Chief Scientist. It is basically an integral part of the Government's strategy to strengthen its efforts in supporting the Queensland food and fibre sector. The council's role is to provide strategic advice to the Government on key priorities and opportunities for investment in food and fibre science and innovation to deliver better social, economic and environmental outcomes for Queensland. This advisory function links with the Government's overall objective of making Queensland Australia's Smart State.

Members of the council have a diverse range of experience, skills and knowledge and I will inform the Committee of the composition of that council shortly. They will bring a valuable outside view on the best strategies to advance the food and fibre sector. The council's job is to analyse and review major topics related to science and innovation in Queensland food and fibre systems and to provide recommendations to the Government on issues considered by the council. This will then enable the Government to target high priority areas in food and fibre science and innovation for future investment.

I believe that our Innovation Council is so important that I have taken the role of being the chair of the council. We have on it Dr Joe Baker, a most eminent scientist in Queensland who is the Chief Scientist of the Department of Primary Industries, and might I add I classify him as the Chief Scientist for the Queensland Government; the Honourable Mike Ahern, who is our special representative of the Queensland Government for Africa, the Middle East and India; Professor Ted Brown, Senior Deputy Vice-Chancellor of the University of Queensland; Mr Jock Douglas, who is known

to all people who are here; Dr Laurence Hammond, principal of Knode Partnerships; Mr Spencer Jolly, State Political Editor, Channel 9 News, who has extensive interests in aquaculture and fisheries; Dr Debbie Kuchler, Director, Australian Tropical Sciences and Technology Park; Mr Paul McVeigh, a very innovative irrigator and cotton producer; Mr Peter Merritt, who is the Queensland Manager of Coles; Dr Roy Powell, who is Executive Chair of the Centre of Agriculture and Regional Economics, Armidale; Professor Ron Quinn; Ms Debbie Thomas, who is the editor of the Australian Women's Weekly; Professor Gus Guthrie, who is the Chair of the Queensland Innovation Council, he is there in an ex officio capacity; and Dr Rosemary Clarkson.

The Innovation Council held its first meeting just recently and I must say that the energy that was forthcoming from that Innovation Council was very good to see. As a matter of fact, the energy was so good that we have decided to hold another council meeting in October at Bribie Island, which is becoming the seat for aquaculture research not only in Queensland but Australia.

**Mr WELLINGTON:** Minister, page 1-28 dot point 3 of the Ministerial Portfolio Statements refers to adjustments currently under way in the dairy industry and the regional assistance package. Minister, what is being done by your department to assist dairy farmers wishing to diversify and enter into new rural industries?

**Mr PALASZCZUK:** The honourable member has asked a very important question. As we all know, the dairy industry is undergoing some very, very tough times. What the Department of Primary Industries is doing is working in conjunction with other State agencies and with the Commonwealth Office of Employment, Workplace Relations and Small Business, which basically is to administer the Dairy Regional Assistance Program. This will ensure that all available funding is put to the best use in mitigating any adverse impacts of the deregulation process. However, I must add that in my opening statement I said that only about 27% of our dairy farmers have actually put an application in for their restructure package. I would urge all members of the Committee and all members of Parliament who have dairy interests in their electorates to, for goodness' sake, get on to the dairy farmers to access that package, because they only have until 17 August. That is the number one priority.

The questions that have been raised by the honourable member are also a priority, so

what the DPI is doing is conducting a series of regional briefings with the Commonwealth's Area Consultative Committees and other major stakeholders, including local government, to ensure that they are well informed of the potential regional impacts of dairy adjustment. This will assist in their consideration of funding applications to be submitted under the Dairy Regional Assistance Program.

The department is also having a very close look at other areas of diversification. We have conducted a highly successful Dairying Beyond 2000 program which concluded on 31 March 2000. This program provided dairy farmers with the skills to assess their options and make appropriate business decisions in a deregulated environment. Our dairy farmers have access to the facilities that are available through QRAA. QRAA is really targeting assistance aimed at the dairy industry and also the people who are suffering tough times in the sugar industry. We are holding workshops, group workshops, and also looking at other areas of diversification.

One of the areas that comes to mind, of course, is organic milk. There are a number of dairy farmers in north Queensland and there are other dairy farmers who are operating in the Burnett who are considering forming small cooperatives to go into organic milk, because organic milk will command a very high premium. The only organic milk available in Queensland at present is produced or manufactured in Victoria. So that is one of the areas that we are considering. However, as time is running out, I will correspond with the honourable member to give him further ideas of what the department is doing.

**Mr WELLINGTON:** I have a follow-on question for the Minister. In your opening statement, you referred to approximately only 27% of dairy farmers having accessed or submitted applications. Some time ago, I approached one of my local milk processors and tried to get names and addresses of dairy farmers, and they said, "No, we cannot provide that information to you." Do you have any proposals as to how we, as members of Parliament, are able to access names and addresses and those particulars so that we can contact farmers in our electorate, or does the department have any process by which we can access names, phone numbers and addresses?

**Mr PALASZCZUK:** In regard to that, I would suggest that the honourable member contact the QDO. It has the names and addresses of the dairy farmers in Queensland. The one problem that we have had—and I

believe that it has created a deal of confusion within the dairy industry—is that, rather than having a single, united voice working on behalf of the industry, we have had two groups out there with opposing points of view. Really, at the end of the day, for the dairy industry to be able to work in a coherent, one-voice manner, I believe that all dairy farmers need to unite together because, once united, the dairy farmers will become a strong voice. So I would urge all dairy farmers, through this Committee, to work in together because, at the end of the day, that is the only way that they will be able to come out of this deregulation in the right frame of mind. I think the QDO might be the only way to go.

There is a problem with some privacy issues that relate to the names of individual dairy farmers being given. I just have a rough figure of 27%, which we have accessed, and I will be out there encouraging as many dairy farmers as possible to access the dairy industry restructure package ASAP, because it runs out pretty quickly. I know that the honourable member would be working with his dairy farmers. I know that he has brought numerous delegations to not only me but also the Premier in relation to this issue. To say that only 27% of dairy farmers have accessed the dairy industry restructure package up until the end of last week, to me, is a cause for concern and, therefore, I would suggest once again that all honourable members who have dairy farmers in their electorates ensure that they do whatever they can per medium of the media, or whatever, to get the message out that time is running out.

Also, I understand that QRAA has written to approximately 1,000 producers on its books urging them to lodge their applications by 17 August. The QDO has also asked banks to advise their clients as well.

**The CHAIRMAN:** Thank you, Minister.

**Mr MUSGROVE:** On page 1-18 dot point 10 of the MPS, mention is made of electronic information. In what way is DPI promoting Queensland, the Smart State?

**Mr PALASZCZUK:** To enhance the research capabilities of clients and DPI staff, the DPI research staff all over Queensland now have desktop access to an extensive range of library information services. Research staff can obtain the latest information in full text electronic format, often before a journal has even been printed. In the past two years, these information services have been expanded significantly at no extra charge to DPI by coordination across agency library purchasing consortium.

The client service CD is an interactive multimedia training tool providing information to staff. It consists of five modules running for a total of over 90 minutes. The first module is about DPI and its clients, because client service spans all industries, both public and private. The other four modules provide information, guidance and examples of good and bad client service. The CD can also be used by community groups and schools as an educational tool.

The DPI's web services has recently undergone a redevelopment of the DPI web site. New features included in the web site will allow DPI staff to respond quickly to client information needs. The redeveloped DPI web site includes an automated publishing system, which will allow DPI officers to create web pages and update their information from their desktops at any DPI centre. It also includes an events calendar where both staff and clients will be able to list coming events. The redeveloped web site has been designed from the client's perspective rather than from the perspective of bureaucracy. This means that anyone wanting a service or a DPI product can locate those activities more easily than they could in the past.

DPI Publications also produces the DPI Prime Notes CD. I think that I issued each of those to honourable members last year, or the year before. This is a collection of 4,000 advisory fact sheets. It is produced by the department's publications with input of content from 18 organisations nationally. These include all State Departments of Agriculture, Primary Industries, most State Departments of Natural Resources, several Commonwealth R and D corporations, CSIRO and two non-profit farmer organisations. The Department of Primary Industries is the lead agency in this development and is seen to be the leader by the other States.

**Mr MUSGROVE:** Minister, if I could just say quickly: I would like to congratulate you, and particularly those officers of your department who are here today, in terms of the construction of that web site. I think that it is one of the best web sites that I personally have ever seen.

**Mr PALASZCZUK:** That is very good feedback for the staff of DPI. Honestly, when it comes to information technology, I do not think that any agency can outdo what the Department of Primary Industries has done, is doing, and, I believe, will continue to do.

**The CHAIRMAN:** On page 1-19, dot point 11, mention is made of rural women. How does DPI's Women in Rural Industries Unit

contribute to the Queensland Government's more jobs for Queenslanders priority and combat economic and social decline in regional communities?

**Mr PALASZCZUK:** A much more confident and skilful regional population creates innovative business opportunities. This leads to job creation, better infrastructure, population retention and more vibrant and resourceful communities. The Women in Rural Industries Unit creates, supports and publicises activities to build the skills, confidence and opportunities for women and young people to play a part in the future of Queensland's rural industries. Sharing information with a monthly newsletter to over 1,000 individuals and organisations means that women and young people can make informed decisions and access training and support.

Developing a regional women on boards training program with the Australian Council of Businesswomen formalises women's skills and confidence and encourages emerging regional businesses and individual participation in decision making. The DPI's support of the inaugural Rural Industry Research and Development Corporation award in the year 2000 raised the profile of rural women and recognised their vital contribution to the future of agriculture and resource management. RIRDC awarded a \$20,000 bursary to each State winner, and the department's Women in Rural Industries Unit gave \$3,000 to the two Queensland runners-up. The prizes provide rural women with the financial support to further expand their skills and abilities and to develop their vision for the future of their industry and community and to play a greater role in agriculture.

Could I just say that, since I have become the Minister for Primary Industries, in travelling the State I have noticed that for quite a long time women in rural industries—in primary industries—have really been the forgotten sector. For much of that time, only 50% of the people in primary industries participated in decision making. I would like to see 100% of the people who are involved in rural industries being decision makers. Hence the department's priority in encouraging women to become more active in decision making because, at the end of the day, no matter where you go—and I suppose Marc would agree with this—it is generally the women who are at the laptop; they are making the decisions; they are doing the accounts; and it is time that they were recognised. As Minister, I am encouraging more and more women to become involved in the decision making, especially in the more important roles,

becoming members of boards, etc., within the Department of Primary Industries.

**The CHAIRMAN:** Hear, hear!

**Mr ROWELL:** If I could go back to questions 2 and 3. I detected some variance in the response I got. I thought Ms Pender indicated that there was 100% of the equity return, and Mr Skinner said that instead of the \$1.7m there was only \$1.2m. I am not quite sure. Am I correct in saying that, or not?

**Ms PENDER:** I have not been looking that one up. I have been double checking the question on depreciation.

**Mr SKINNER:** We will take that on notice.

**Ms PENDER:** We do need to take that one on notice.

**Mr PALASZCZUK:** We will take that on notice.

**Mr ROWELL:** That is fine. I would like to refer to issues relating to the budget and cuts that I am concerned about. Minister, you certainly claim that there has been an increase of \$6.9m to \$289.9m in 2000-01. \$1.67m has been allocated to establish the Safe Food Queensland Authority. \$8.9m has been allocated for the RFA. You have taken on the QFMA, including the apparent increase allocated to Fisheries of \$47.9m. On top of that, you took on the Office of Rural Communities, and that is \$4.286m for this budget year. What has been the net effect of these added responsibilities and new initiatives on DPI's bottom line, and how have these added responsibilities and new initiatives been funded, given that the apparent increase does not cover their costs? Which programs have been cut?

**Mr PALASZCZUK:** I think that I did answer this question previously, but I will go through it again. Let us just go through the increases in the 2000 estimate. You mentioned the Queensland regional forestry agreement. There is \$5.5m there. That is an increase.

**Mr ROWELL:** 5.5, not 8.9?

**Mr PALASZCZUK:** 5.5 for the year 2000-01. Supplementation for enterprise bargaining costs—

**Mr ROWELL:** I thought we were talking about 8.9.

**Mr PALASZCZUK:** Okay, right. There is \$8.9m there, but less the 1999-2000 figure of \$3.4m, that brings us down to \$5.5m.

**Mr ROWELL:** What is that for, the 130 hectares or so? What is that part of it?

**Mr PALASZCZUK:** That is the funding for the South-East Queensland Regional Forestry Agreement. It is at \$5.5m this year. There is a supplementation for enterprise bargaining costs under the new agreement, with effect from 1 July. That is \$4.7m. There is the transfer of the Queensland Forestry Research Institute to DPI from DPI Forestry. That is \$7.1m. There is the merger of the Queensland Fisheries Management Authority and DPI's Fisheries Group, forming the new Queensland Fisheries Service, of \$3.8m. There is the full-year effect of the transfer of the Office of Rural Communities to DPI, which is \$1.7m. There are the administrative restructuring arrangements relating to assets transferred and liabilities assumed for QFMA, QFRI and CSA of \$6.7m. That is close to—

**Mr ROWELL:** Could you just repeat that CSA one?

**Mr PALASZCZUK:** That is the administrative restructuring arrangements relating to assets transferred and liabilities assumed for the QFMA, QFRI and CSA, which is \$6.7m.

**Mr ROWELL:** I thought we were talking about \$8.45m or thereabouts for the CSA. No?

**Mr PALASZCZUK:** No, we are talking about assets transferred and liabilities assumed for the QFMA, QFRI and CSA, which comes down to \$6.7m. These have been offset by—these are added now—\$1.6m for superannuation savings with the reductions of the employee superannuation rate; \$1.8m for embedded taxation savings from the introduction of the GST; decreased expenses in the provision of corporate services/agency services to the Department of Natural Resources of 9.6; adjustment for non-continuing initiatives, \$2.8m; a reduction of \$7m in own-source revenue, largely due to additional revenue one off being received by the CSA during 1999-2000 from DNR and DPI Forestry relating to the completion of the SAP implementation project and higher than expected user charges in some areas. Once you subtract this from the first figure, you come up with \$6.9m.

**Mr ROWELL:** Could we get a record of those figures? I am sure they are quite interesting, because I am confused.

**Mr PALASZCZUK:** So was I for a while, but I am not confused now, but I will certainly pass those figures across to you.

**Mr ROWELL:** If you can add some detail, I am sure it would be of some benefit.

**Mr PALASZCZUK:** Sure, no worries. That will be done for you.

**Mr ROWELL:** Minister, in a media release on 19 July 2000, you attempted to write off the reduction in staffing levels by stating that—

"A total 288 staff will be moved from DPI to the Department of Natural Resources."

However, a check of the staffing numbers in DNR on page 2-6 of the Ministerial Portfolio Statements reveals the actual numbers were 276. Can you explain the discrepancy? Another 137 jobs were cut or non-filled from the last year's projections. How do these job losses reconcile with your pre-election commitment, as reported in the Toowoomba Chronicle on 17 October 1997, that there would be no job cutbacks in DPI under a Labor Government? Ninety-six of the full-time equivalent cuts last year were from DPI Forestry. How does this reconcile with the Premier's and Deputy Premier's promise to create 200 additional jobs in the management of plantations and reserves?

**Mr PALASZCZUK:** Okay. I understand the text of the question. I think I should get Ron Beck up from Forestry to respond to the honourable member, because that is where I think the member is referring—

**Mr ROWELL:** Some are them are Forestry and some are—

**Mr PALASZCZUK:** Let us start with Forestry first.

**Mr BECK:** I can talk about the DPI Forestry component of that. As you may know, Forestry is Queensland's principal forest grower, supplying more than 80% of the log timber used each year by the regionally-based timber processing industry. While DPI employs some 700 full-time staff, many thousands more are employed by sawmillers and downstream timber manufacturers throughout the State.

**Mr ROWELL:** They have nothing to do with Government though, the other people, do they?

**Mr BECK:** In terms of total regional employment with the industry, DPI Forestry has been encouraged for quite some considerable time by the Queensland Timber Board to join with it from a whole-of-industry perspective to underpin the international competitiveness of that industry. Recently I understand Mr McInnes, the General Manager of the board, has commented on that particular newspaper article, complimenting DPI Forestry and the Minister on the efforts—

**Mr PALASZCZUK:** Could I just at this stage quote from Rod McInnes, who said—

"For some considerable time, the Queensland timber industry, represented by the QTB, has been encouraging DPI Forestry to reduce its cost structure so that it is comparable with private sector growers and other commercial forest agencies within Australia and internationally. We applaud the actions of DPI Forestry to reduce operating costs to become internationally competitive and thereby underpin the viability of the \$1.7 billion per annum timber industry in Queensland and its 30,000 dependent persons. We have noticed no significant reduction in service delivery during this process."

**Mr ROWELL:** If I could interrupt. We are talking about a statement that you made some time ago before you got into Government that you would not reduce jobs, and we are also talking about the CSA, the transfer over there, so we do not want to dwell on Forestry entirely.

**Mr PALASZCZUK:** All right. Keep going.

**Mr BECK:** I can account for the numbers, if you wish. That will take a little bit of time.

**Mr PALASZCZUK:** I think it is important that we account for those numbers.

**Mr ROWELL:** Put them on notice, if you like.

**Mr BECK:** Yes, we do have a detailed summary. Minister, would you like to address the breakup of those numbers by providing a summary of them?

**Mr PALASZCZUK:** Yes. If you want them, we can give you those numbers.

**Mr ROWELL:** In the operating statement on page 1-35 employee expenses are projected to remain static at \$155.941m this year. Given that staff numbers will drop by 279 this year and dropped by 137 on last year's projected numbers, we are looking at a reduction in staff numbers of at least 7.5% and up to 10.75% if we include the 135 from last year. Why have the employee expenses blown out to this extent? The expenditure on wages has not varied very much, yet there has been a substantial drop in numbers.

**Mr SKINNER:** Employee expenses would be affected by the transfer of the CSA to the Department of Natural Resources. As has been mentioned, staff who were previously accounted for under the Department of Primary Industries will now be accounted for in the Department of Natural Resources.

**Mr ROWELL:** They would not come under this budget if they are DNR's responsibility, would they?

**Mr SKINNER:** No.

**Mr ROWELL:** The expense is still pretty much \$155m even though you have dropped about 400 staff. That is a large number. We can talk about EBAs and a range of issues, but there has been a substantial increase in the amount paid to those left in the industry.

**Mr PALASZCZUK:** Where does your figure of 400 come from?

**Mr ROWELL:** We are talking about 275 going across to the CSA and the 137 who were there before from the 1998-99 budget. Those numbers have dropped by 137 in the 1999-2000 budget. In other words, you have a substantial reduction, but the same amount of money is being paid out?

**Mr PALASZCZUK:** Commercial Forestry is not in the budget, is it?

**Mr SKINNER:** No.

**Mr ROWELL:** It is on page 1-35. There is very little variation in employee expenses—\$155m—from one year to the next.

**Mr PALASZCZUK:** I see what you mean. We will take that one on notice and get back to you.

**Mr ROWELL:** On page 2-5, the Statement of Financial Position—Government Rural Assistance Administration, or QRAA, shows a \$57.7m cut to cash assets on last year's budget and, by virtue of that, a \$52.969m cut in total equity, which Note 5 attributes to changed cash management arrangements. Is this simply a \$50m raid on QRAA? Does the \$16.266m which appears in the statement of assets and liabilities administered on behalf of the State Government on page 1-39 constitute the annual appropriation grant that your Government now needs to fund QRAA, and how is the capped level of financial support QRAA is able to offer the rural industry established? How confident are you that sufficient amounts will be given to compensate for the downturns in the sugar industry and the dairy industry?

**Mr PALASZCZUK:** That is a good question. The changes in the funding arrangements will not adversely affect QRAA's operations, its lending capacity or performance in any way. Funding to all QRAA schemes is continuing at current rates. Current staffing levels will be maintained and QRAA will continue to maintain its high level of service to the rural sector. The Government is working to

make better and more efficient use of the State's available funds. This is being accomplished by withdrawing QRAA's cash holdings and providing future funding for QRAA schemes on an as required basis from the Consolidated Fund. QRAA has traditionally maintained large balances in the bank. These balances will now be put to use in delivering Government services elsewhere without impacting on the nature or extent of QRAA's operations. As I said originally, the changes in the funding arrangements will not adversely affect QRAA's operations, its lending or performance in any way.

**Mr ROWELL:** But effectively it has taken away the equity and transferred it to the Government for its use. To what level has it guaranteed borrowings to QRAA?

**Mr PALASZCZUK:** The money will still be available, but on an as required basis from the Consolidated Fund.

**Mr ROWELL:** That is like giving the money which has been assessed for that department and which has been available in the past to somebody else, be it the Government, a family member or however else you want to term it. But then they are saying, "Trust us. We'll allow you to have that money back." Is that what is happening?

**Mr PALASZCZUK:** I know what you are saying.

**Mr ROWELL:** But it is right.

**Mr PALASZCZUK:** It is not right.

**Mr ROWELL:** No, it is not right.

**Mr PALASZCZUK:** I will say one more time that I do not believe that the funding arrangements will adversely affect QRAA's operations, its lending capacities or performance in any way.

**Mr ROWELL:** Why was it necessary to do this? You moved it over to Primary Industries, which I thought was a good idea. I probably would have done the same. But the whole issue is that QRAA's bottom line has been deprived of \$50m.

**Mr PALASZCZUK:** QRAA has traditionally maintained large balances in the bank. These balances will now be put to use to deliver Government services elsewhere without impacting on the nature or the extent of QRAA's operations.

**Mr ROWELL:** Is Treasury going to give you the benefit of the interest on the \$50m? That is quite an amount.

**Mr PALASZCZUK:** It is quite an amount.

**Mr ROWELL:** I refer to the Premier's statement that DGs' bonuses would be paid

for outer departmental budgets. Was any performance bonus paid in 1999-2000 and, if so, how much? Is there an amount in this budget for that purpose and, if so, what is it?

**Mr PALASZCZUK:** Could I suggest that you refer this question to the Premier's Estimates rather than continuing with it here? It has more to do with the Premier's Estimates.

**Mr ROWELL:** There is nothing really in this budget as far as the Dgs' bonus is concerned? Is that the case?

**Mr PALASZCZUK:** I think you will find that, if you redirect the question to the Premier's Estimates, you will get your answer.

**Mr ROWELL:** Right. So there is nothing in this budget. I turn to the Capital Acquisition Statement on 1-33, which reveals that there are only three new capital works projects, with a gross value of \$900,000. In view of the fact that farm gate returns for primary industries account for over \$6 billion and your claimed commitment to innovation, how do you explain such a paltry capital works budget? There is also no mention of the South Johnstone quarantine facility which is to be jointly funded between DPI and AQIS. How much will be expended on that project this year?

**Mr PALASZCZUK:** For the 1999-2000 year the department has scheduled \$5.884m for building works, with a similar amount scheduled for 2000-01. Major projects completed in 1999-2000 include: the Charters Towers operational facilities, \$1.624m; the Gatton laboratory facilities, \$0.716m; the Parkhurst asset strategy report, \$0.047m—

**Mr ROWELL:** The point I am making is that a lot of them are carryover projects. I am talking about new money.

**Mr PALASZCZUK:** Yes, I am coming to that. A total of \$3.9m has also been expended on the replacement of major airconditioning plant, works and refurbishments. Funds were fully expended in 1999-2000 and all projects were completed as planned. Other works to be continued into 2000-2001 include projects in Cairns, Rockhampton and Toowoomba. The major capital works project for the year 2000-2001 will be the commencement of a new northern fisheries centre, which will cost in the vicinity of \$7m over two years. \$5.4m has been set aside for this project in the year 2000-01.

**Mr ROWELL:** New projects is only \$900,000, though. In a media release dated 19 July 2000—

**Mr PALASZCZUK:** You wanted to clarify the issue of the glasshouse at the Centre for the Wet Tropics at Johnstone?

**Mr ROWELL:** It is not a glasshouse; it is a quarantine station.

**Mr PALASZCZUK:** After gaining the necessary approvals—approved quarantine directive, which took two years to complete—AQIS declined to honour its written commitment to provide its support.

**Mr ROWELL:** I think I have written to you and I have also written to the Federal Minister about this issue, too.

**Mr PALASZCZUK:** Yes. But we have provided \$15m from our minor capital works program to complete the necessary upgrade of the post entry quarantine facility at the Centre for Wet Tropics Agriculture at Innisfail. This is in keeping with the high level of importance that our Government places on helping industries to become established and to access both domestic and export niche markets.

**The CHAIRMAN:** The member's time has expired.

**Mr WELLINGTON:** On page 28, the last paragraph of your Ministerial Portfolio Statements refers to updating forestry legislation to assist private forestry development. What will your Government do to ensure that trees planted for harvesting by private landowners will be able to be harvested at any time in the future at the total discretion of the private landowner, bearing in mind that some local councils have local laws restricting at-will timber harvesting?

**Mr PALASZCZUK:** I will get John Pollock to answer.

**Mr POLLOCK:** The department is preparing legislation to enable private forestry plantation. It is done by some amendments to the forestry legislation, I understand. It has been driven primarily through the Department of Natural Resources. I must point out at this stage that we have only worked up the proposal for legislation on freehold land. The Department of Natural Resources is working with us and other agencies to work out the policy requirements to do a similar thing on leasehold land. I think there is a greater impediment to a speedy solution of that because of the longstanding tradition of the trees being vested in the Crown on leasehold land. So that is going to take a bit longer to work out. But we intend to have the legislation for freehold land put before Cabinet before the end of the year.

**The CHAIRMAN:** On page 47, paragraph 4 of the MPS, you mention DPI Forestry's high standards of environmental management. How is the department ensuring that its forest

production operations are being conducted in an ecologically sustainable manner?

**Mr PALASZCZUK:** During the 1999-2000 year DPI Forestry, the State Government's commercialised forest grower, gained international certification to ISO 14001 for its environmental management system. This is the international environmental system standard for forest management. Certification will help Queensland's timber processes sell products sourced from DPI Forestry into export markets that increasingly demand timber to be sourced from sustainably managed forests. The environmental management system provides guidance for the responsible management of forest operations from an environmental perspective. It reflects legislative requirements, environmental codes of practice independently established by the Department of Natural Resources, sound scientific principles, applied research and development, and documented procedures. The certification covers environmental aspects and impacts associated with selective harvesting of native forests; the establishment, development and harvesting of plantations; and the establishment and maintenance of forest infrastructure such as roads. Certification of the department's forestry environmental management system recognises its commitment to sustainable forest operations and a high standard of environmental management. Ron, would you like to add to that?

**Mr BECK:** DPI and DPI Forestry in particular are extremely proud of this achievement. We are the first Government forest agency in Australia to achieve this goal. In addition to what the Minister has outlined there, the EMS has streamlined our licensing requirements under the Environmental Protection Act and provides the basis for ongoing internal auditing. It provides a management framework that optimises and maintains long-term productivity; minimises adverse impacts on and off site; improves environmental operations through the adoption of commercial best practice; enhances public acceptability of forest products and DPI Forestry activities; and, as the Minister pointed out, it facilitates environmental certification of timber products by industry. That latter point is becoming increasingly topical and necessary in the international market, particularly the European markets and some of the American markets, where they are increasingly looking for higher certification standards of best practice.

**Mr MUSGROVE:** On page 28, dot point 6 of the MPS, assistance in the advancement of

industries is mentioned. What is your department doing to assist Queensland's nursery, landscape, flower and associated industries?

**Mr PALASZCZUK:** This is one of the really emerging industries within Queensland, and to that end the department has recognised the significant contribution that the nursery, landscape, flower and associated industries make within Queensland and is committed to the ongoing development of this industry. Some current estimates place the value of this industry at around about \$1.5 billion and employment figures as high as 21,000. The industries are spread throughout the State and make a valuable contribution to regional economies. These industries also represent some exciting growth opportunities for Queensland.

The department has built some strategic partnerships with industry through the development of and support for an industry development council for the nursery, landscape, turf, flower and allied industries. The whole of industry council provides a unique opportunity for collaboration between industry sectors and also across Government. The industry development council with the departmental support is developing a long-term plan for the future of the industry. This plan will provide both industry and Government with priorities and strategies to ensure continued industry development and contribution to the State of Queensland. The department is well advanced in the development of the Redlands park—that is not in your electorate, is it?

**Mr MUSGROVE:** It is right next door. I am very aware of it.

**Mr ROWELL:** There is no grass growing there.

**Mr PALASZCZUK:** The research there is proving the opposite. The research there is that we can get a very fast growing grass to be developed pretty shortly. It is going to be a centre of excellence for the horticultural industries providing a complete range of services for their ongoing development. Through its Agency for Food and Fibre Sciences, the department also invests \$1.7m annually in terms of research, development and extension services. This provides industry with the necessary support for continued growth, viability and sustainability and to take advantage of export market development potential. There are some major initiatives of the agency.

I might ask Dr Rosemary Clarkson to elaborate on that. Before I do, I must inform

the Committee that last year I took a very successful trade delegation to the Middle East. One of the persons with me was a person who owned substantial nursery interests on the north coast. Through that delegation, he was able to make some very good contacts within the Middle East and now he and his family have shifted and are living in Tunisia permanently and he is supplying his products to the Middle East. So that is a very good news story. Rosemary, I do not think you will have much time to elaborate any further because we have just been gonged out.

**Mr WELLINGTON:** Page 4 of your Ministerial Portfolio Statements refers to more jobs being created in Queensland. Will there be any new jobs created at the Nambour research station in my electorate of Nicklin? If so, do you know how many new jobs will be created?

**Mr PALASZCZUK:** The electorate of Nicklin is a very fast-growth area. I was in the vicinity of your electorate on Saturday. I noticed that there are a number of alternate industries being developed. While I was there I was fortunate enough to launch a publication called *How to Grow Wild Flowers*. I believe that that industry, together with the horticulture industry, is one area that has been sadly lacking not only in Queensland but also in Australia. If we take the world wild flower market, which is valued at \$400m, only \$45m of that market comes from Australia. The rest of our native flowers are grown in places such as Israel, South Africa and, of course, the United States.

With the launch of this new publication, it is basically a one-stop shop for any person who is interested in growing wild flowers such as kangaroo-paw, proteas and so on to access that market. It goes through the entire process of where to start, what types of soils to use and so on. That is a very exciting proposal. To give the honourable member a more detailed response on what is happening in Nambour, I will now call on Dr Rosemary Clarkson.

**Dr CLARKSON:** We cannot really predict accurately, but we do believe that the growth of the horticulture industry, particularly the nursery and allied industries as they start to get more legs under them—it is very unsophisticated at this stage—will be a major growth area and that that will create a lot of jobs. The nursery industry is quite labour intensive. We think that they are the areas in which job growth will occur.

**Mr PALASZCZUK:** Can I also add that in the south-east Queensland region the percentage of jobs in March 1994 was 27%. In

June 2000, it is 36.5%. So there is a fundamental growth in jobs in that area. Keith McCubbin has just advised me that DPI jobs in Nambour have increased by two with a new officer being appointed in Nambour. With the reprioritisation that is occurring within the Department of Primary Industries where low priority programs are being redirected to higher priority areas, I can see that there will be further growth in the Nambour area.

**Mr WELLINGTON:** Thank you, Minister. I was not so much concerned about the growth in private enterprise but rather within the department.

**Mr PALASZCZUK:** I have been referring to what is happening within the department itself. So there has been an increase of two. A new officer has been appointed at Nambour. With reprioritising within the department, I can see that growth rate increasing in line with the predictions from 27% in 1994 to 35% in the year 2000.

**Mr WELLINGTON:** Thank you, Minister.

**The CHAIRMAN:** Minister, page 1-9 at dot point five mentions strategic, planned extension in value-added products and services. What strategies are being undertaken to assist in the development of high-value horticulture products and services?

**Mr PALASZCZUK:** The department's Queensland Horticultural Institute has been working to enable Queensland horticulture producers to develop and capture new opportunities and a range of domestic and international high-value markets. Many of these options are based on facilitating producers to take control of their product much further down the value chain, that is, beyond the farm gate and, in some cases, right through to retail. Industry partnerships are working to identify rainforest species which have commercial potential as foliage and cut flowers for the lucrative export market, including the very high-valued hotel market in the Asian region.

In February this year I launched the Chinese new year apple. This apple, which could retail for up to \$10 per apple, is aimed at a specialty market in Hong Kong and Singapore which only Queensland will be able to supply because we produce out of season. Queensland is about the only place that can produce fresh apples for that Asian market. A market consolidation trip followed this launch and has established market networks with retailers in both countries, enabling Queensland growers to take their product direct to consumers in Hong Kong and Singapore. The Queensland Horticultural

Institute has also established a range of trademarks and patents and is in the midst of commercial-in-confidence negotiations with several potential partners for full development and implementation of these. Each of these developments will enable Queensland horticultural producers to enter new high-value markets through our innovative production and marketing strategies.

Another success story, of course, is the launch of the B74 mango, which was exported in a trial shipment to France. That mango fetched \$37 on the French market. That is also in their new year. To further enhance the unique properties of this mango developed by our DPI scientists in Queensland we are looking at changing the name from B74 to Tango, which has a nice ring to it—the Tango mango. I believe that looking for niche markets such as apples for the Chinese new year, mangos for the French market and so on will really enhance our horticulture industries. A lot of this work is being done through the Agency for Food and Fibre Sciences in Queensland.

**The CHAIRMAN:** Thank you, Minister.

**Mr WELLINGTON:** Minister, page 1-8 of your portfolio statement at dot point two refers to the wound healing properties of Jelly Bush honey. What steps are being taken to protect beekeepers' present and future access to Crown land?

**Mr PALASZCZUK:** This is a rather vexatious issue with our beekeepers. Recently I addressed the Australian Beekeepers Association annual conference on the Gold Coast where I met with quite passionate people who are involved in the industry. One of the main issues they raised with me was access to the areas that the honourable member refers to. As a result of my discussions with the Beekeepers Association I have had discussions with the Minister for Natural Resources, the Honourable Rod Welford. Through the Department of Natural Resources, the Government is going to negotiate sensible outcomes not only in regard to beekeepers but also in regard to horse riding trails and so on, which of course are in the honourable member's electorate.

At the end of the day, our honey industry is a very important industry. Capilano honey, which is based in my electorate, has made inroads into the lucrative export market. Its product is featured prominently on shelves in the Middle East and other countries. With the Department of Primary Industries' work with MediHoney, which is now on the market, I believe that also enhances the product and gives it a new value-added focus. The

honourable member has raised a very important issue, that is, access to the resource. As I said earlier, I believe that at the end of the day a sensible resolution will come.

**Mr WELLINGTON:** Thank you, Minister.

**The CHAIRMAN:** I think it would be appropriate to suspend the hearing at this point for morning tea. The hearing will resume at 10.15 a.m.

Sitting suspended from 9.58 a.m. to 10.15 a.m.

**Mr ROWELL:** Under Rural Community Development reference is made to the impact of restructuring on participating industries and the community. Sugar, dairy and meat processing are cited as particular examples. Minister, can you outline the level of expenditure allocated by the department to assist the dairy industry adjust to the effects of deregulation? Has this money has been allocated from within the existing DPI budget or has it been provided by new initiatives funding? Did you go to Cabinet to seek compensation for the loss of milk supply quota or any further support for dairy farmers and dairy communities?

**Mr PALASZCZUK:** In the first instance I refer to the dairy communities themselves. As the honourable member would know, it was a Queensland initiative that extended the dairy industry restructure package to include support for our rural communities that are being affected by dairy deregulation. We were able to secure an additional \$12m there. That money is going to be administered by the Commonwealth Government, but I would urge all communities who are dependent on the dairy industry to make application to access those funds.

As to support for the dairy industry, a \$1.74 billion package has been made available through a levy on milk of 11c per litre for eight years on consumers. This is the most generous package ever put together to restructure any industry. Once again, I would urge all dairy farmers who have not applied for this package to do so, because I believe it is very, very important for them to apply for that package.

The Government does have a number of existing programs in place to assist our dairy farmers, but the bottom line is that in the budget no additional funds have been allocated to assist the dairy industry. All we are using is programs that we do have in place at present to help our dairy farmers. Rosemary, would you like to add to that?

**Dr CLARKSON:** We have run a very intensive program up until now with the aim of making sure that every dairy farmer has had access to the whole portfolio of DPI services, making sure that they understood what was available to them and also making sure that they had a financial planning tool they could use to work out where they would be when deregulation occurred. Now there is ongoing assistance to use that. As the Minister said before, there is also an effort to try to make sure that all of them apply for the package. We have really had a very intensive program to have constant contact with virtually every dairy farmer.

**Mr ROWELL:** But there is nothing new about that. That has always been there. Any dairy farmer could have accessed those programs prior to deregulation. There is nothing in the package at all as far as the State Government is concerned for the deregulation of the dairy industry. Is that correct?

**Mr PALASZCZUK:** Basically, as I have said previously, the bottom line is that in this budget there are no additional funds made available to assist our dairy farmers. However, we have also put together a working group to coordinate an all-of-Government response to allow our dairy farmers to access existing programs that are available to them.

**Mr ROWELL:** Thanks, Minister. It is interesting to note that, although the sugar industry proposal for a repayable assistance scheme has been before both State and Federal Governments for six weeks or even longer now and it was previously forecast while your budget was being developed, there is no allocation in your budget whatsoever. Given that the window of opportunity for replanting the State's sugar crop is fast closing, it is important that assistance be provided urgently. Previously, State and Federal Governments have offered joint support for such assistance schemes. Will you be making any provision for such assistance and when?

**Mr PALASZCZUK:** The honourable member is well aware that the sugar industry has put in a submission to the Federal Government, which I understand is being considered by a subcommittee of the Federal Government.

**Mr ROWELL:** The State Government did not get that package, Minister.

**Mr PALASZCZUK:** That submission requests assistance of up to \$585m to the industry. I think it is clear to everyone that a package of that magnitude can only be provided by the Federal Government.

**Mr ROWELL:** Nothing from the State whatsoever.

**Mr PALASZCZUK:** The leader of Canegrowers, Mr Harry Bonanno, made it clear to the Premier at the recent Budget breakfast that he realised that this was the case. Nonetheless, the Premier, the Treasurer and I have all indicated our willingness to discuss this matter with the Federal Government. However, most unfortunately, the Federal Government has chosen to use the media to communicate with the State Government on this matter. I believe this type of adversarial approach is disappointing. I would much prefer a bipartisan response to the sugar industry's concerns.

In the meantime we are closely examining what the State can do to better deliver services to the sugar industry. As the honourable member would know, we have introduced into the House a number of pieces of legislation that are very important for the sugar industry. We have passed the Sugar Industry Act, which of course returns the control of the sugar industry to the local level. Finally, we have got through the House, after a number of years, the return to the industry through Queensland Sugar Ltd of the bulk sugar terminals.

Of course, the department has also committed \$1m over three years to the Sugar Solutions Project in order to address the issue of current low profitability in the sugar industry in the Wet Tropics. This initiative involves both Government and industry and will assist community and producer groups to identify issues, determine needs and develop plans to deal with issues facing the region. There are a number of components of this project, and I think the honourable member is pretty well aware of those. Part of this is development of farm business plans and enhancement of business and planning skills of growers, use of on-farm trials and demonstrations of improved farming systems, including rotation crops and other outputs from the Yield Decline Joint Venture, economic analysis of changes in farm practices, industry restructuring options for the sugar industry in the Wet Tropics and an assessment of cropping options for the wet tropical coast.

**Mr ROWELL:** Those programs were there prior to the downturn and the recent events in the industry. It has been a combination of a couple of things that you are well aware of. While \$1m has been provided for Sugar Solutions, that was started back in about the 1998 Budget. Nothing new has come in to support the industry. It is disappointing that it has been six weeks since I think both State

and Federal Governments were made aware of the necessity to provide funding. The Federal Government has given some indication, but we have not heard anything from the State at this time.

**Mr PALASZCZUK:** All I can do is reiterate that the sugar industry's submission has gone to the Federal Government.

**Mr ROWELL:** And the State Government?

**Mr PALASZCZUK:** Well, I was briefed by Ian Ballantyne on the submission that was put forward to the Federal Government.

**Mr ROWELL:** Did he give you a copy of it?

**Mr PALASZCZUK:** Of course I received a copy, but the submission went to the Federal Government. In the briefing I received from Ian Ballantyne he indicated to me that the proposal is of such magnitude that it has to be decided by the Federal Government and not by the State Government. I reiterate once again that the Premier, the Treasurer and I have all indicated our willingness to discuss this matter further with the Federal Government and we are just waiting for them to talk to us.

**Mr ROWELL:** You are taking a package to Cabinet shortly, I understand.

**Mr PALASZCZUK:** As I said previously, we are prepared to discuss all issues with the Federal Government. Of course, the honourable member, being a previous member of Cabinet, would know that if a submission on any issue is going to Cabinet we do not talk about that issue, simply because—

**Mr ROWELL:** It was just relayed in Parliament that that was going to be the case. That is why I thought I would raise it. Going on—

**Mr PALASZCZUK:** The Premier did indicate that.

**Mr ROWELL:** Minister, I refer to your proposal to devolve responsibility for tick inspections to local authorities and introduce a user pays system for cattle producers. This issue was also raised last year in these hearings, at which time you said that a decision would be made in the best long-term interests of the industry and the Queensland community. Given that the Northern Territory Government has announced that it will not accept cattle that have not been inspected by the DPI as far as their clearance is concerned and that some 60% of live cattle are exported or shipped out of Darwin's port from Queensland, how can shutting down a major

part of the beef industry marketing chain be in the best interests of the industry? Is this simply an attempt to make producers pay for the only real service they receive from the DPI? If your department has received a budget increase, how can it be possible for the necessary impost of this new service to be put onto the cattle producers?

**Mr PALASZCZUK:** Could I ask the honourable member first where he receives his information about the Northern Territory not accepting the proposal that has been put forward to Agforce?

**Mr ROWELL:** Well, I have got a note here that talks about Agforce at present refusing to accept the Minister's assurance, claiming that he has not taken on board the industry's concern. But I understand that the Northern Territory is very concerned about cattle coming into there because it is a very big area for export. Of course, the east arm is one of the major export areas as far as the live cattle trade is concerned.

**Mr PALASZCZUK:** Well, could I just say that this issue has been around now for approximately five years. It was around when the honourable member asking the question was the Minister for Primary Industries. I dispute the assertion made by the honourable member in relation to the Northern Territory. I am advised by the department that industry claims—and it is obviously your claim now, too—regarding the proposed third party provider system for tick clearances in live cattle exports out of Darwin cannot be substantiated. I am also advised that discussions with Northern Territory officials have acknowledged that if a new system is introduced they will need to become involved in the process and specify appropriate performance criteria. I am further advised that officials in the Northern Territory have not suggested that cattle movements to the Northern Territory will cease.

**Mr ROWELL:** They have not exactly given it the green light so far, have they?

**Mr PALASZCZUK:** As the honourable member would know, seeing that he was briefed by Keith Adams from Agforce, negotiations and discussions on this issue will be ongoing until the end of the year and in that time there will be negotiations and discussions that will take place not only with the Northern Territory but also with New South Wales.

But the bottom line is this: there has been ongoing consultation with industry for the past five years. No progress has been made. The issue has become more urgent with the emergence of industrial relations problems

associated with weekend tick clearance services in early '99, and I think it was untenable that our DPI stock inspectors had to work every day over the Easter break to clear cattle. I believe that Agforce officials will continue to oppose any change until Government makes a firm decision either way.

There are many private individuals within the industry who are seeking the greater flexibility that a new system would bring. The issue is also supported by the Queensland Animal Health Council. Over 40% of DPI stock inspector resource is currently allocated to tick control. Industries are also demanding additional services, such as weekend and on-property clearances. The current DPI budget for cattle tick control and eradication is \$2.6m per annum. However, expenditure exceeded the budget by \$400,000 in the 1999-2000 year, taking resources from other high priority areas. Our department is to relocate animal health resources to higher priority activities that have public benefit and support trade. These are very important and they include disease surveillance, animal welfare—we are getting ready to put a new piece of legislation before the House on animal welfare—and food safety, which is also of paramount importance.

**Mr ROWELL:** I have just a little to add to that. I know that China is certainly in the process now of developing the live cattle export trade. They have regarded the tick line as an important area to identify the blue tongue problems that they perceive we have got. If we have not got the level of surveillance that we had once upon a time with DPI—have you spoken to them about that, too, what their attitude is to all this?

**Mr PALASZCZUK:** I know where the honourable member is coming from. The honourable member has, of course, taken a trip to Foshan where the Department of Primary Industries is establishing—

**Mr ROWELL:** Good to see you keep a track.

**Mr PALASZCZUK:**—a feedlot for the export of live cattle. Queensland is the point of origin where live animals are being accepted into China, which is a huge breakthrough. We have been trying to do this now for the past three years. I think it started when the honourable member was Minister and we have finally succeeded. It takes a heck of a long time—

**Mr ROWELL:** We are providing some expertise there—

**Mr PALASZCZUK:** I understand that. It takes a long time to get those protocols arranged with the Chinese Government and

that province. I think I might ask Kevin Dunn to give a more detailed response, to further add to what I have said.

**Mr DUNN:** Kevin Dunn, Executive Director of the Animal and Plant Health Service.

In relation to the China protocol, the relationship between the current tick line and the blue tongue access is very, very slight. In fact, the blue tongue virus, which is of consideration to the Chinese, is not tick transmitted. It is a virus that is transmitted by flying midges. There has been a designated blue tongue free zone in Queensland, as well as a designated blue tongue virus activity area with a buffer zone in between the two. That zone has some bearing on the tick zone but the actual tick line is not a consideration in that.

**Mr ROWELL:** I thought I would mention it because it could be relevant. Page 1-23 refers to the Trinity Inlet adjustment scheme. That was implemented during the 1999-2000 Budget. How was this funded? What is funded at least in part with the \$280,000 that the Government did not expend from the \$500,000 gulf fisheries licence buy-back scheme? Given that the \$500,000 scheme was a partnership between the gulf fisheries and the Government aimed at cooperatively reducing effort in the fishery, what message does the Government squibbing on the deal send to the rest of the industry about the future of such schemes?

**Mr PALASZCZUK:** Before I get onto the issue that the honourable member has raised in regard to the gulf scheme, we have also had a closure of the Trinity Inlet net fishing which came into effect just before the start of the barramundi season. It cost the Government around about \$500,000 to implement that scheme and I believe it has been very, very well received.

In relation to the Gulf of Carpentaria Fisheries Adjustment Scheme—that is what the honourable member is referring to?

**Mr ROWELL:** Yes.

**Mr PALASZCZUK:** Under the Government's fishing industry adjustment scheme, there was an allocation of up to \$500,000 for adjustment in the Gulf of Carpentaria N3 fishery. A total amount of \$220,000 was provided from the scheme for initial licence symbol acquisition by industry. The use of these funds resulted in the purchase of these licence packages. The industry was prepared to make the scheme as effective as possible by adding their own contribution each year to top it up. To allow for this, the Fisheries Regulations 1995 were

amended to enable the collection of an annual contribution to the scheme by commercial fishers of \$1,000 each per year. The industry contributions commenced in 1998-99 and a total of \$102,000 was collected by the Fisheries Management Authority from industry for the 1998-99 fee year. Invoices for the \$1,000 symbol fee for 1999-2000 for the current 95 N3 licensed fishers have been dispatched.

The QFMA board then made a commitment in 1999-2000 to put in \$102,000 of Government funds to top up the scheme. The Queensland Fisheries Service is obliged to honour the Queensland Fisheries Management Authority board commitment. With this money, and that paid by industry as their contribution, the scheme will total approximately \$300,000: industry \$102,000, 1999-2000; \$95,200, 2000-01; and Government \$102,000. The Queensland Fisheries Service, working with industry and Treasury, will implement the buyback scheme this financial year based on criteria which are yet to be negotiated with industry.

**Mr ROWELL:** Which buyback are you referring to?

**The CHAIRMAN:** Order! The member's time has expired. Minister, do you wish to finish that?

**Mr PALASZCZUK:** Yes, I was going to call on Peter Neville to add to my answer, if he feels that he has any more to add.

**Mr NEVILLE:** The scheme will be continued following the transfer of QFMA into DPI.

**Mr ROWELL:** That is the gulf scheme or the Trinity Inlet—

**Mr NEVILLE:** The gulf scheme. Sorry, the N3 buyback for the gulf scheme, which will be continued with the resources which are transferred from QFMA into the new Queensland Fisheries Service. Letters are about to go out to those N3 operators, probably in the next couple of days, to initiate the scheme under the new Queensland Fisheries Service arrangements.

**Mr ROWELL:** And the buyback of the Trinity Inlet scheme, is that completed?

**Mr NEVILLE:** It is completed, yes.

**Mr PALASZCZUK:** I did give the honourable member the answer to that previously. The Trinity Inlet scheme has been completed. It was about \$500,000?

**Mr NEVILLE:** Yes, that is right.

**Mr PALASZCZUK:** \$500,000 to buy back

those licences and it has been very well received by the Cairns community.

**The CHAIRMAN:** Thank you.

**Mr PALASZCZUK:** Especially those who want to catch a fish within an hour.

**Mr MUSGROVE:** Minister, I would like to ask you a question about your legislative program. On the last paragraph of page 1-2 of the MPS mention is made of an appropriate legislative framework to assist the delivery of industry adjustment schemes. What is the extent of the department's legislation program over the last year and what in particular are the benefits to industry?

**Mr PALASZCZUK:** The last financial year has seen the passage of six primary industry Bills through Parliament and the introduction of a seventh. The passage of these Bills represents a culmination of an extensive and diverse reform program with each of the seven items of legislation containing significant new policy initiatives. In the sugar industry, the Sugar Industry Review Working Party report of 1996 was implemented in 1999, giving the sugar industry a more commercial focus and giving increased responsibility to industry to manage its own affairs. This year, the process was continued through the transfer of the marketing and bulk sugar management functions of the Queensland Sugar Corporation to industry-owned companies.

The dairy industry legislation allowed for the Queensland dairy industry to participate in the Commonwealth Dairy Industry Adjustment Program. Deregulation of the industry was forced on Queensland by the deregulation that occurred in Victoria—and I think everyone is very well aware of what happened there; it was quite a passionate debate in the Parliament. Legislation was passed to facilitate the transition of statutory primary producer representative bodies to non-statutory legal entities.

In the fishing industry, the QFMA was abolished and new institutional arrangements for fisheries were implemented into the department. The national docketing system to detect illegally collected abalone was also introduced and the Brisbane Market Authority was corporatised and National Competition Policy reviews of chicken and grain legislation were implemented.

Finally, a Bill has been introduced into the Parliament to ensure that primary produce produced in Queensland is safe for consumers. I hope in the not-too-distant future to introduce another piece of legislation, a much-needed reform in the animal welfare area. So basically what I am saying is that we

have had a very, very full legislative program within the Parliament and I believe that the initiatives that have been introduced by the Government have been well received by industry.

**The CHAIRMAN:** Minister, on page 1-13 dot point one, the Northwatch program is mentioned. Can you outline how surveillance and response systems in northern areas are reducing risks to our food and fibre systems?

**Mr PALASZCZUK:** The northern areas of Queensland present special risks to our biosecurity from serious pests and diseases because of the closeness of neighbouring countries and the chance of undetected incursion due to the remoteness of the area. An amount of \$1.3m was allocated to Northwatch in 1999-2000, including \$100,000 from AQIS, which was delivered; pest dossiers and host surveys containing vital information about how the major pests may spread and how they may best be detected and controlled in remote areas; contingency plans have been developed for key pests; community education for their recognition and reporting of unusual pest and disease symptoms; an information and inspection station at Coen for the benefit of travellers on Cape York, with financial support from AQIS; assistance for the eradication of the Asian honey bee and banana black sigatoka, the biological control of spiralling white fly, the containment of the mango leaf-hopper and restriction of the spread of fruit flies in Torres Strait.

Seasonal incursions of the papaya fruit fly and melon fly from infested areas of Papua New Guinea into southern Torres Strait have increased risk of mainland incursions of flies. A successful \$200,000 strategy involving the proactive treatment of northern Torres Strait islands with the male annihilation blocks that are used to attract and kill exotic fruit fly was initiated in the 1999-2000 wet season. This joint effort by the Department of Primary Industries and AQIS, funded under a national cost-sharing arrangement, has significantly reduced the threat of mainland incursion based on fruit fly trapping results.

A further \$200,000, of which the Queensland Government will contribute \$31,000, will be allocated in the year 2000-01 for fruit fly work in the Torres Strait. The Northwatch program will be continued to be funded in the year 2000-01 by an allocation of \$1.3m. These northern activities are part of the \$27.6m allocated in the year 2000-01 to the broad area of biosecurity directed to managing the risks of biological agents such as pests and diseases.

Significantly, the nature and type of biological threat is changing as a result of global changes and as new organisms emerge over time, as highlighted by the recent outbreak of Nipah virus in Malaysia. Of course, the other important issue that we need to consider is that of whether, in fact, illegal immigrants will also bring in pests and diseases with them when they come to Australia. That area is being addressed now.

**Mr WELLINGTON:** On page 1-46, the second last dot point refers to joint ventures and partnership agreements for hardwood timber plantations. What is being done by your department to encourage farmers to use unproductive areas of their farms for joint venture and partnership arrangements for hardwood timber plantations?

**Mr PALASZCZUK:** As the honourable member would know, under the RFA, the Government's priority is on new plantations. Part of that priority is to encourage joint ventures and also to encourage individual farmers to become involved in tree farming. What is happening in Queensland is quite exciting. There are farmers from the top of the State all the way down to the bottom of the State who are seeking information on the planting of hardwood. Some of the plantings will be small, but in the context they are very important plantings. Others are joint ventures; some with overseas companies, some with local companies.

I will look at some of the areas where these plantings are occurring and look at the Boonah area, with the very aggressive local council there with Mayor John Brent. Quite a deal of land is going under plantation there with eucalypts. In relation to other areas, coming from the Atherton Tableland working all the way down, a lot of new initiatives are being introduced by our proactive producers. To give you a more detailed response, I might call on Ron Beck to give you some more information.

**Mr BECK:** As you are no doubt aware, the DPI, through DPI Forestry, is managing on behalf of the Government the hardwood plantation establishment initiative: 5,000 hectares to facilitate the transition from native forest logging to plantations. The target for this year specifically in terms of those hardwood plantations is to establish 2,000 hectares, supported by an ongoing commitment to research and development. I can only support what the Minister says there. There is quite a large program of communication at community level, at farmer level, at forest investor level. That is supported by field days, active

discussions with councils, onsite/offsite discussions, mailouts. There is a whole range of programs there. Forestry has been identified in terms of dairy farmer support services, and those people are being provided with information relating to the opportunities to join in investment strategies.

**Mr MUSGROVE:** On page 33, item 5 of the Capital Acquisition Statement of the MPS, reference is made to "Cairns, Northern Fisheries". What has the department done to increase DPI's fisheries and aquaculture R & D capacity in north Queensland?

**Mr PALASZCZUK:** Aquaculture is one of the really new sunrise industries emerging in Queensland, and the Department of Primary Industries, through its various research centres scattered throughout Queensland in relation to aquaculture, is certainly progressing different forms of aquaculture, including the traditional prawn aquaculture, but also going into other areas such as aquaculture of blue swimmer crabs, mud crabs and so on. Since 1996-97, the Department of Primary Industries has conducted a major reef fish aquaculture R & D project in Cairns through the Queensland Government's new initiatives. Reef fish aquaculture has been previously identified by a Department of Primary Industries feasibility study as having excellent potential. To support the research effort into aquaculture R & D in north Queensland, the Government has provided \$5.5m for the construction of a new aquaculture and stock enhancement facility at Northern Fisheries Centre, Cairns, as well as a satellite facility at Green Island. The existing Northern Fisheries Centre will also be refurbished to support R & D into harvest fisheries and resource management. Once this facility is established, I urge all members of Parliament to take some time out to go and visit, because I believe that what they will see there will truly amaze them, especially the new satellite facility at Green Island and the Northern Fisheries Centre, once it has been completed.

Unfortunately, the current facilities at the Northern Fisheries Centre are inadequate considering the national and international profile of work conducted at the centre. Aquaculture R & D at the Northern Fisheries Centre has attracted almost \$2m in externally funded projects. That is in the period from the year 1999 to the projected year 2004. However, additional facilities are needed to meet projected outcomes from these projects. The facility will accommodate the current and future R & D activities for fisheries and aquaculture in north Queensland. Just for the information of the Committee, I point out that

the existing facility was originally designed to house about 15 staff and now is accommodating 69 staff. I certainly would not like to work in that sort of environment. That point was quite forcibly made to me by the staff at the Northern Fisheries Centre. The aquaculture facility has severe workplace health and safety issues and requires an expansion to carry out the objectives of both the reef fish project and the tropical rock lobster program. I believe the investment of \$7m—\$5.5m this financial year—is money well spent.

**The CHAIRMAN:** On page 13, dot point 8 of the MPS, mention is made of market access. Minister, could you please tell us how Queensland companies are earning export dollars by working with the Japanese consumer cooperatives?

**Mr PALASZCZUK:** Yes. This is a really great initiative by the Department of Primary Industries. It is basically dealing with cooperative companies in Japan direct, which basically means missing out the middle persons, whereby our producers deal directly with a cooperative in Japan. This is quite mind-boggling: the Japanese consumer cooperatives are the largest food retailers in Japan, with an annual turnover of over \$40 billion. Targeted research by the staff of the Rural Market Development Division has resulted in two Queensland companies gaining market access to the cooperatives. The research showed cooperatives have specific market needs, with an emphasis on food safety and production based on reduced chemical usage. It also identified good opportunities to develop direct relationships between producers and the cooperatives. The research information and the contacts developed are used by Rural Market Development staff to help Queensland horticulture and beef producers develop trade relationships with one of the larger consumer cooperatives. Quality Queensland asparagus and grass-fed beef are now on display and selling well to co-op members in Japan. Photos of the farms and information on the producers are on display in the stores. This market is expected to grow rapidly in the future, with expanding opportunities for other Queensland produce.

Queensland now has an excellent profile with the cooperatives, which ensures that Queensland is on the itinerary for visits by cooperative buying staff to Australia. On that point, could I just say that the department has played a very key role in assisting Miandetta Fresh Food and the Brigalow Beef Company to access the cooperatives and to establish

strong supply chain relationships. A delegation from the Iwate Consumer Cooperative, including the executive director, visited Queensland in late July. I was fortunate to meet with the cooperative members. I can assure the Committee that the visit of the cooperative was very successful, and I believe it will ensure greater access for our Queensland companies to the network of over 650 cooperatives in Japan.

The one thing that stood out for the cooperative members was the clean, green reputation that our Queensland producers have achieved over the years. That appears to be our main selling point when we try to market our goods for these Japanese cooperatives. They are after a clean, green product, which we in Queensland are able to deliver. It is a really good-news story.

**Mr WELLINGTON:** Minister, I listened to your answer to the question earlier on the Northwatch program, and I take you to the bottom of page 12, last dot point, of your portfolio statement, where you refer to transmissible diseases and the impact such diseases may have on enabling the respective industries to access existing and new markets. What steps are being taken by your department to control and prevent insect pests and diseases from being transmitted from old orchards or rundown farms to operating orchards in close proximity to the offending property?

**Mr PALASZCZUK:** That is a very good question. Could I ask Kevin Dunn to respond?

**Mr DUNN:** That is an area of considerable concern to the industry, the question of neglected orchards. It is an area where the department is trying to work on a cooperative basis with the owners of those orchards to undertake the necessary biosecurity measures in relation to their fruit and produce which falls into decay on those pieces of land and, in turn, then helps to build up a fruit fly number. In terms of those owners of the land who are unwilling or unable to help, that area is still under consideration in relation to what legal powers the department has. We are examining those possibilities. At this stage, it is my understanding there is not a clear-cut way in which we are able to enforce that, most particularly as one of the main flies of concern is the Queensland fruit fly, which is an endemic fly but a fly which does have some market access problems as far as some of the southern markets go. So we are still continuing to look at that, but achieving the progress so far has been largely by dint of cooperation by the owner.

**Mr WELLINGTON:** In my electorate of Nicklin, where a lot of rapid subdivision is taking place, abandoned orchards are an issue of concern. One adjoining property owner in particular, who is trying to meet the best standards by being clean and green and doing away with pesticides and chemicals, feels that his farm will become unviable through his having to use large quantities of chemicals simply because his adjoining neighbour will not look after the problems of fruit flies on his trees. This issue is of real concern. I was hoping for a better answer than that you were working in partnership and relying on goodwill; there is no goodwill on the part of some neighbours.

**Mr DUNN:** As I said, the issue is compounded by the fact that these fruit flies are endemic, that is, there is no means by which they are able to be eradicated. Control is largely left at the enterprise level at this stage. Certainly, if it was a case of an exotic fly, there is ample legislative support available for us to take immediate action. But, as I said, we are continuing to look at the broad policy question on this and hoping to find a better way forward. I am aware that other States are in the same situation.

**Mr PALASZCZUK:** This is a rather important issue, because we are trying to maintain a reputation not only in the domestic market but also in the overseas market as being a clean, green producer. The issue raised by the honourable member in relation to one particular orchardist in his electorate whose neighbouring property was sold is a real one. Could I give the honourable member an assurance that the Department of Primary Industries will take on board the honourable member's concerns and try to work out a solution to address those concerns for the honourable member.

**Mr WELLINGTON:** One of the concerns was working with councils. Many times an application for the subdivision of a farm goes to the council and it gives all of the approvals, yet there does not seem to be a focus on the issue of fruit fly.

**Mr PALASZCZUK:** Okay. We will take that on board.

**Mr ROWELL:** During the year you assumed responsibility for the Office of Rural Communities, which has now been amalgamated with Rural Industries Business Services under the Rural Communities Development output. According to your answer to my question on notice No. 8, the Office of Rural Communities had a budget of \$4.286m and 26.2 full-time equivalents prior to this

merger. How is it that the budget for Rural Communities Development has remained static whilst staff numbers have been cut from a budget figure of 288 in last year's MPS to 253 in this year's Estimates? Have you effectively disbanded the ORC to get your hands on the \$4m?

**Mr PALASZCZUK:** I think the question comes from the wrong premise. The Office of Rural Communities is a stand-alone body. It has not been merged at all with previous RIBS. I basically cannot understand the tone of the question from the honourable member. But I can say that I do have a vision for rural communities, and that is to improve the quality of life for all Queenslanders through the intelligent expansion of food and fibre industries and the creation of jobs in rural and regional communities. There is a firm mandate to link food and fibre industry development to rural development. The Office of Rural Communities' affiliation with the DPI has provided DPI with the opportunity to extensively participate in all of the Government activities impacting on rural Queensland. Through this alliance, the Office of Rural Communities has gained direct access to a major network in rural Queensland, including resources such as offices and staff. The department has proven to be a valuable source of in-depth information on a range of rural issues and the Office of Rural Communities' affiliation will help the department take a broader approach which covers economic, social and environmental factors in its dealing with rural communities. The strong relationship between the Office of Rural Communities and the Department of Primary Industries is evidenced through the collaborative efforts to improve the quality of life in rural Queensland by building stronger communities and helping to generate jobs. The annual Positive Rural Futures Conference is a good example of this collaboration. The Office of Rural Communities is a stand-alone office. As far as I am concerned, the Office of Rural Communities will play a very, very important role in delivering services to rural Queensland.

**Mr ROWELL:** It is a little confusing. Page 1-17 mentions that the newly formed Rural Community Development output is delivered by the Office of Rural Communities and Rural Industries Business Services. There is a budget of \$29.843m for the year 2000-01.

**Dr HOEY:** The honourable member might be confusing the output, which is a grouping of services, in this case a Rural Community Development output, which is serviced both by the Office of Rural Communities and by Rural

Industries Business Services. They deliver separate components of that. Reporting on outputs is something we do for Treasury. It is not as we did last year, when those outputs were aligned with business groups. This year they are not.

**Mr ROWELL:** The operating statement for QRAA on page 2-4 lists the budgeted and estimated actual expenditure for grants and other contributions as principally relating to the funding of FarmBis activities from within the QRAA surplus in 1999-2000. Explain how this in itself reduces the estimated actual outlay from the budgeted figure by some \$4.5m despite the reported increase in demand for the program. Why was training assistance reduced from 90% to only 75% from 1 July? This is important, because a lot of programs run off this training assistance.

**Mr PALASZCZUK:** With the indulgence of the Chair, can we have that question again?

**Mr ROWELL:** I was told by the Chair to speak more quickly.

**Mr PALASZCZUK:** I will ask for a lifeline!

**Mr ROWELL:** Can I have some additional time, Madam Chair?

**Mr PALASZCZUK:** Don't you worry about that.

**Mr ROWELL:** The operating statement on page 2-4 lists the budgeted and estimated actual expenditure for grants and other contributions as principally relating to the funding of FarmBis activities from within the existing QRAA surplus in 1999-2000. Explain how this in itself reduces the estimated actual outlay from the budgeted figure by some \$4.5m despite the reported increase in demand for the program. Why was training assistance reduced from 90% to only 75% from 1 July this year?

**Mr JOHNSTON:** In terms of the budget change, we will have to get back to you on that. But in terms of the second part of the question, which is the reduction in the FarmBis subsidy, the subsidy for FarmBis was increased for a specific period of time, and that finished on 30 June. The subsidy actually went back automatically to the figure which was the previous maximum set for this scheme. No other State in Australia has had a subsidy level higher than the 75% which FarmBis reverted to on 1 July. In terms of the dollars, we might need to take that on notice. It is quite a complicated question.

**Mr ROWELL:** Regarding your department's research and expenditure on biotechnology, you have also issued a number of media releases regarding the major market

opportunities for organic food. What controls, if any, has your Government introduced for the safe production of organic produce and genetically modified produce? What assurance can you give that there are no inconsistencies in relation to the Government pursuit of biotechnology and the promotion of organic produce by your department's Rural Market Development Division?

**Mr PALASZCZUK:** In relation to biotechnology, I will refer the honourable member to the answer that I gave earlier on. Basically, it explains the work that the department is doing within the areas of biotechnology. In relation to the issue of new markets for organic foods, the honourable member is correct; there is a huge market existing overseas for organic foods. Department of Primary Industries' estimates basically show that within five years the European market will be a \$150 billion organic market. Hence, we in Queensland with our clean, green image and reputation would be foolish not to progress that additional step to take advantage of that very lucrative organic market overseas.

**Mr ROWELL:** But it is challenging, because we just heard from the member for Nicklin and the problems he has with people not spraying and looking after their produce. The farmers beside them then have some difficulties. It is a bit of a juggling act, is it not?

**Mr PALASZCZUK:** Let us start with Australia. The major supermarket chains Woolworths and Coles are actively developing their organic range. In my discussions with the manager of Coles at the last Innovation Council, he basically states that as soon as the organic product is put on the shelves it disappears. So there is great potential for organic foods locally.

Just recently I was able to attend a new organic restaurant that has been opened here in Brisbane, one of three that were opened in the past two months. From the information I have received, it appears that they are continuously booked out. This restaurateur in Brisbane is not only serving organic food in his restaurant but also has a very small processing plant next door where he manufactures organic products which he also sells on the shelves. I think that is a very innovative way of doing it.

**Mr ROWELL:** I hope he does not buy second-grade mangoes that have a spot on them.

**Mr PALASZCZUK:** I cannot answer that question. The member has raised the issue of organics accreditation. It is in a state of flux; he

is right. But the department is exploring ways to overcome that. The national standard for organic and biodynamic produce administered by AQIS is the Australian standard for the export of organic food products. This standard does not apply to domestic markets in organics. No domestic standard exists. However, anecdotal evidence that we have suggests that the national standard is being used as a de facto domestic standard.

Whilst preliminary departmental investigations reveal that there is a need and industry desire for a domestic organic standard, its development and adoption at the State level appears fraught with problems. Firstly, industry indicates that it would prefer a national organic standard with preferably one national brand and is currently progressing this through ANZFA, and the adoption of different standards between States and subsequent attempts to restrict sale of certified organic produce from interstate may constitute a breach of the Mutual Recognition (Queensland) Act 1992.

If Government did develop a domestic standard with an appropriate legislative framework and subsequently administered and conducted audits on that standard, in effect this would reintroduce Government as a regulator. This would be in contradiction to the current trends to encourage industry towards self-regulation. My understanding is that our Department of Primary Industries officers are having a good look at this. In actual fact, they are investigating. Once the investigations are complete, I certainly will receive a report.

But at the end of the day, let us not discount organics. It has a lucrative market for us overseas, especially in the European market. The department, through one of its programs, is actually bringing producers from different parts of Queensland to supermarkets and also to butcher shops to view first-hand organic products being sold. I believe that at the end of the day there is a huge market for us domestically and overseas. We have to be in there. That is one of the reasons why there is a pretty strong focus by the department this year on organics. Peter White, we will be holding a series of seminars?

**Mr WHITE:** We are in the process.

**Mr PALASZCZUK:** We are in the process of doing that right now. If you want any further information, I can get Peter up to give you some more detail.

**Mr ROWELL:** I think it is fine.

**Mr PALASZCZUK:** Are you happy with that?

**Mr ROWELL:** Yes. Note 2 on page 1-41 refers to the increased enterprise bargaining cost. Do DPI Forestry employees who perform comparable work to other core DPI or DNR employees receive the same level of remuneration? If so, are DPI Forestry employees required to achieve productivity targets that are not required by DNR or core DPI employees for the same remuneration? If so, why the discrepancy?

**Mr PALASZCZUK:** I will ask Ron Beck to respond to that.

**Mr BECK:** It is a fact that DPI Forestry as a commercialised unit has a separate enterprise agreement to the core. That is consistent with the rules and regulations laid down. We have our own bargaining framework that is signed off by central agencies. As a consequence, obviously there are certain elements in our agreement which may be out of sync with the core agreement. Fundamentally it is similar to the core agreement, though not exactly the same. The timing of certain pay increases, certainly in our EB2 agreement, differed slightly from the core just because it is a separate agreement and it did not start or finish on the same date as those agreements. Obviously there will be some misalignment. To say that it is substantially different, I do not believe that is the case. It is consistent with the frameworks established. It is linked to the key result areas defined in our business plan.

**Mr ROWELL:** What you are saying is that there is no inconsistency as far as the DPI core is concerned?

**Mr BECK:** I did not say that. I said it is substantially the same, but it is a separate agreement. So the timing of increases and the magnitude of some increases are different. It also differs insofar as it links to the key result areas of our business plan, and our business plan is a separate business plan which reflects our commercial charter.

**Mr ROWELL:** Page 1-47 makes reference to the DPI Forestry commitment to the implementation of environmentally responsible forest production practices to help timber processors sell into export markets that increasingly demand timber to be sourced from sustainably managed forests. You would be aware of the Caribbean pine plantation in the Dalrymple region and your department's recent cancellation of the heads of agreement for a locally sourced local timber mill project. Since then 27 permits for B-double movements have been sought in the Dalrymple region. Can you rule out speculation within the Ingham district that the forestry

resource is going to be woodchipped rather than be utilised in the value-adding process envisaged. If this is not the case, what are your plans to utilise this resource?

**Mr PALASZCZUK:** The honourable member has asked a question in a number of parts. In relation to the first part dealing with export and environment management systems, we have answered that pretty well. So I think I might take that as being my answer.

**Mr ROWELL:** That is fine, Minister.

**Mr PALASZCZUK:** Towards the end of his question, the honourable member referred to Ingham Sawmills.

**Mr ROWELL:** That is right, and certainly the prospect of the 27 B-double permits.

**Mr PALASZCZUK:** Let us go through the issue of Ingham Sawmills. It was made a conditional offer of sale for uncommitted State-owned plantation resources in the Ingham area in late 1997 following an expression of interest process. A head of agreement between Ingham Sawmills and the Primary Industries Corporation set out a number of milestones the company had to achieve before final approval for the project was given by the Government. Ingham Sawmills has been seeking finance since 1998 for the project which involves the construction of a sawmill in Ingham. Over the past 18 months, DPI Forestry has extended several times the deadline for Ingham Sawmills to demonstrate it had secured satisfactory funding for the project. The last such deadline was the end of May 2000.

After detailed examination of documentation tendered by Ingham Sawmills, the company was advised that it had failed to demonstrate that it had secured project finance and that negotiations with financiers were unlikely to result in satisfactory financial arrangements. The decision to terminate was not taken lightly, as the honourable member would know. It was made only after extensive consideration by officers from my department, State Development and Treasury, as well as assistance from a highly reputable firm of private sector financial experts. Despite the setback, the Government's commitment to a processing operation based on the Ingham/Cardwell resource remains very firm. As the honourable member would know because he arranged this delegation, I met personally with representatives of the development bureau of Hinchinbrook and Cardwell Shires with a view to framing up a process to deliver such an outcome as a

matter of priority. Mr Beck, do you have anything further to add to that?

**Mr ROWELL:** It is the speculation that I want to address as much as anything else in respect of B-double permits. Is there anything in it?

**Mr BECK:** I must apologise, but I am not aware of the particular issue that the member refers to in terms of B-doubles. I would be happy to obtain the advice on that. Is that relating to current operations or proposed operations?

**Mr ROWELL:** Permits have been applied for in relation to B-double transport. Could you take it on notice and respond to us?

**Mr BECK:** Most definitely.

**Mr ROWELL:** Good. Minister, under Rural Community Development at page 1-3 reference is made to the department's role in the meat processing industry. Minister, you are also a stakeholder in Queensland Abattoir Corporation, which the Government is exiting at this present time. How many jobs will be provided by each of the new operators? As part of the process, your Government negotiated enhanced redundancy arrangements with QAC workers which the QAC board warned in its 1999 annual report were excessively generous and which it may be unable to fulfil from QAC's resources. What is the total value of these arrangements? What provisions have been made to ensure its obligations can be met? Also, given that standard industry awards provide for a maximum of eight weeks' severance pay for displaced employees, how can you justify to Queensland taxpayers, who ultimately own the QAC, the payment of 52 weeks' severance pay for QAC workers?

**Mr PALASZCZUK:** I understand the question that the honourable member has asked. Much of the negotiation that has been done in relation to QAC has been progressed through State Development. However, the honourable member is correct in that as Minister for Primary Industries I have responsibility for this area. I inform the Committee that at the Cannon Hill abattoir nearly 700 jobs which would otherwise have been lost will be retained through the sale of the QAC site at Cannon Hill to ACC. ACC is a major long-term supplier of processed meat to Coles supermarkets in Queensland. Having this facility in Queensland will consolidate Queensland as the leader in meat processing in Australia. ACC plans to spend about \$20m in capital expenditure over the next four years. ACC will spend nine months undertaking refurbishment and building new facilities on the

Cannon Hill site with completion set for November 2000.

Cabinet has also approved the sale of QAC's Ipswich abattoir. Both QAC and Halls have signed the contract of sale and settlement will be on 30 November 2000. Currently, QAC employs almost 200 people at Ipswich whilst Woolworths, QAC's major client in Ipswich, employs a further 217. The proposed new arrangement would see Halls providing 60 jobs and the Woolworths work force increasing to 221 during the first year and to 265 by year five. Halls currently supplies cattle and poultry to Woolworths. The company wants to vertically integrate its cattle business and provide a service kill for Woolworths at Ipswich.

The Toowoomba abattoir closed on 30 September 1999. The QAC facility was prepared for sale under expressions of interest. Over 90% of plant and equipment were sold at auction by the Steers Group. Wagners, a Toowoomba based company, purchased the site at the end of June 2000. The Queensland Abattoir Corporation owned the Bundaberg abattoir, which closed on 10 October 1997—I remember that occurred when Trevor Perrett was the Minister—after it sustained heavy losses of \$700,000 for the 1996-97 financial year. In December 1999 a committee was set up to assess this site for possible redevelopment. On 7 February 2000 Cabinet decided to transfer the land from the QAC to the Property Services Group in the Department of State Development. It will undertake the redevelopment of Stage 1 of the site works.

As far as the meat sector is concerned, the Government has been very proactive, unlike the previous Government, which recommended exiting from 17 abattoirs. We are in fact progressing meat processing in Queensland. I understand that the Deputy Premier indicated in the House that there will be a substantial increase in the number of jobs in meat processing in Queensland, which is good news for Queensland and also the rural communities in which those meatworks are situated.

**The CHAIRMAN:** Thanks, Minister. The member's time has expired. I refer the Minister to issues raised by the member for Hinchinbrook concerning finance issues and employee expenses. Can the Minister further explain to the Committee the reasons for the figures?

**Mr PALASZCZUK:** May I have a life line or can I ring a friend?

**The CHAIRMAN:** You may.

**Mr PALASZCZUK:** I ask Mr Skinner or Ms Pender to answer.

**Mr SKINNER:** In terms of elaborating further on the issue of employee expenses and the trend lines, in relation to offsetting the FTE transfer of the CSA to Natural Resources, there are a number of structural changes occurring including the Fisheries Management Authority, which has 48 staff, and the Office of Rural Communities, which has some 26 staff. Also, some 120 staff transferred with the Forest Research Institute from Forestry Commercial into the department. Adding into that increase is the \$4.7m enterprise bargaining increase. Linking those financial figures to FTEs would account for the question in relation to the trend line in terms of employee expenses, as was asked previously. The decrease of CSA was offset by the structural changes where we brought on board the Fisheries Management Authority, the Office of Rural Communities and the Forest Research Institute and then added on to that the enterprise bargaining increase of full supplementation for enterprise bargaining of some \$4.7m. I think Ms Pender wants to comment further on another issue that was raised.

**Ms PENDER:** I want to add to my answer on the change in the asset holding in property, plant and equipment. I said that depreciation had been the main difference between the figures that were mentioned. There is another one that should have been included. With the change of structure with the \$11m of assets and liabilities acquired and the \$6.7m of assets and liabilities being disposed of, they are non-cash transactions so they do not hit the cash flow statement. That makes up the changes to that asset level from last year or from this year to the next financial year in the Budget.

There is also another issue I want to refer to. The member asked two sequential questions on equity. I have looked at those more closely. Firstly, the equity return of \$11.9m and the equity injection of \$4.9m in the cash flow statements need to be clarified. The equity return is fully funded, as I said earlier. You need to understand that that is part of the operating expenses and, as I said, is fully funded by Treasury. The equity injection is not part of the operating statement; it is a balance sheet item and it is for purchasing additional assets.

**Mr MUSGROVE:** My question is in relation to emerging industries. At dot point one on page 1-12 of the MPS mention is made of market development for existing and

emerging industries. Minister, can you give some examples of emerging industries in Queensland and their contribution to our economy?

**Mr PALASZCZUK:** There are many emerging primary industries within Queensland which have great potential to provide significant benefits to our producers. I have already mentioned the nursery, landscape, flower and allied industries. They have a current estimated value to Queensland of \$1.5 billion, with employment of over 21,000. The industry is expecting major growth in exports, in particular for subtropical and tropical plants and flowers, turf technology and native flora and foliage exports.

The organics industry, which I mentioned previously, is another expanding area with many different commodities. For instance, organic beef has a potential to reach in excess of \$5m in domestic and export trade. There was also a trial shipment of GMO-free soya beans to Japan in July which, if successful, will open up a significant market. There is a major expansion of meat goats in the south-west, south and Burnett regions focused on export markets with market potential of \$10m per year.

It is also predicted that there will be strong world growth in aquaculture over the next 10 years. In Queensland, a forecast of \$180m is based on production of current species and particularly new species, such as mud crabs, Moreton Bay bugs and marine fin fish. Large growth is also predicted for marine prawns, which could grow in value from \$32m in 1998-99 to \$143m in the year 2010. Innovations in aquaculture production will include: new species, for example crabs, reef fish, tropical rock lobsters, Barcoo grunter and Murray cod; new systems, such as pond recirculation and water reuse, bioremediation of effluents, intensive tank recirculation systems; and new products, such as production of living organisms to yield fine chemicals, drugs and toxins. Perhaps Dr Clarkson or Dr White would like to add to that.

**Dr WHITE:** In terms of new industries, I do not have the specific information that the Minister was just talking about, but I think it is important to note that new industries represent more than just economic return to the economy. It is really an opportunity for many of our traditional producers who are not travelling too well with depressed commodity prices to see a way clear. We are introducing new industry development as a part of a diversification strategy for primary producers, to encourage them to think laterally about what

they are doing and to move into better, high-value opportunities.

**Mr WELLINGTON:** Minister, I take you to page 1-29 of your Ministerial Portfolio Statements. It refers to the development of a carbon trading mechanism to boost the development of the forestry industry. How will this proposal actually benefit farmers who have retained timbered land for future timber harvesting and who intend planting new areas for future timber harvesting?

**Mr PALASZCZUK:** That is a very good question. I will call on John Pollock to respond.

**Mr POLLOCK:** It flows on from what we talked about earlier in relation to freehold plantations, I guess, and also the comment that Peter White made earlier about diversification. Really, that is the context of the answer. It provides another alternative for Queensland primary producers or land-holders to utilise their land for the production of trees which in future we believe will be available for carbon trading. The purpose of the legislation was just to provide the legislative base for that.

**Mr PALASZCZUK:** For far too long the benefits of sustainable farm and land management have been left either unrewarded or else recognised only in terms of on-farm benefits. The Rural Carbon Sinks Unit in DPI will identify new opportunities for primary producers to obtain financial benefits from activities that have positive benefits for the environment and which assist in ensuring sustainable resource management in Queensland. Initially the unit is focusing on activities associated with domestic and international greenhouse policy developments, for example, as John has said: the development of legislation to permit carbon credit trading in Queensland, at this stage on freehold land; use of renewable or greenhouse friendly energy sources; methods to reduce emissions from livestock; and management of carbon stores in agricultural soils.

The Rural Carbon Sinks Unit will also investigate opportunities for land-holders to benefit from providing environmental services, such as growing trees for vegetation, that help to improve water quality or reduce salinity in water catchments. The Rural Carbon Sinks Unit is assisting the sugar industry also to develop a proposal to seek funding from the Commonwealth for investment in new technology that will increase the use of bagasse, a greenhouse friendly energy source. Similarly, funds are being sought to assist research into methane reducing science that will benefit the livestock industry.

**Mr WELLINGTON:** How will the actual farmer benefit? We talk about carbon credits. Will he see a \$20 cheque in the mail or a \$200 cheque in the mail, or haven't we planned that far ahead?

**Mr POLLOCK:** No, we haven't planned that far ahead. I think there are a whole range of opportunities available. Some farmers will plan and plant for the long term. In New South Wales and New Zealand, for example, there is a form of annuity whereby a third party can provide the main basis of investment. The farmer actually provides the land. It is almost like leasing the land. He gets an annual annuity by providing his land for, in this case, the growth of trees. I think a range of commercial mechanisms are available. We are looking at making sure there are no legislative impediments to that range of commercial opportunities.

**The CHAIRMAN:** Minister, I refer to paragraph 1 on page 1-23 of the MPS, where mention is made of major new projects that included additional value in mangrove timber and mud crab production. What are the potential benefits to Queensland of recent research into innovative food and fibre products?

**Mr PALASZCZUK:** Innovative rearing techniques that have been developed by the Agency for Food and Fibre Sciences' aquaculture researchers have achieved two world firsts: breeding mud crabs in hatcheries and farming soft shell crabs. The potential benefits include the dual opportunity of linking mud crab aquaculture with mangrove plantations which will sustainably yield two high-value products and farming soft shell mud crabs or blue swimmer crabs. Development of both products will stimulate jobs in production, processing, marketing and the restaurant trade.

Soft shell crabs are a delicacy in Asia and in Boston. Our DPI scientists have almost perfected the method of taking out mud crabs in the soft shell stage which takes out the uncertainty in getting 100% soft shell crabs. Previously it has been a hit-and-miss sort of a process. Secondly, if we can have mangrove plantations to breed mud crabs or blue swimmer crabs, we can then harvest that plantation for the manufacture of high-quality furniture. So it is a win-win situation.

There is also an exciting opportunity to utilise the crab moult by-product for the extraction of chitin, which has numerous applications as a pharmaceutical ingredient and industrial chemical. It is in short supply on the world market. Also, medihoney is an

innovative wound healing active honey that has been commercialised by Queensland company Capilano honey. I have spoken about that in my electorate. The high-value product is a first of its kind in Australia and one of the few worldwide. Though domestic demand is much greater than supply, export is a priority for the company.

The agency has achieved major tree breeding success, with the propagation of the rare and endangered Wollemi pine, or dinosaur tree, for the international plant market. A royalty based commercial agreement has been established with Queensland company Birkdale International to market the plants. This will result in a new multimillion dollar export industry for Queensland and targeting South-East Asia's valuable indoor plant market with sales of the Wollemi pine to begin in 2005. Agency horticulturists achieved a mango breeding breakthrough at the launch of the B74 mango, which of course we are renaming now as the Tango Mango to make it far more attractive to the overseas market.

**Mr MUSGROVE:** Minister, page 1-7 paragraph 2 of the MPS mentions the new Agency for Food and Fibre Sciences. What do you see as the benefits to the State of the establishment of the agency within DPI?

**Mr PALASZCZUK:** Queensland will see a much greater return on its investment in food and fibre research development and extension as a result of the establishment of the Agency for Food and Fibre Sciences. For the first time, the collective know-how of 1,500 staff across Queensland will be integrated and leveraged to significantly enhance Queensland's triple bottom line.

At the official launch of the agency in December 1999, I announced my department had estimated that by the year 2010 Queensland's food and fibre industries will earn \$32 billion in gross revenue for the State—a significant increase from today's figure of \$12 billion. Employment in the food and fibre industries will grow by more than 50% in the next decade to total 20 per cent of the State's work force in the year 2010, or some 500,000 Queenslanders. This growth will be supported by the emergence of the Agency for Food and Fibre Sciences as a world leader in the application of innovative science and biotechnology to the sustainable production of food and fibre products for key markets and consumer segments.

**Dr CLARKSON:** I guess one of the main roles has been to integrate the work of these staff and particularly integrate their ideas.

When you get a lot of very clever scientists sitting around a table and you are mixing and matching forestry people with climate people with aquaculture people, you do get some very interesting ideas emerging and that is really starting to happen. So I think it will achieve the stimulus that we were looking for in that area, and quite a few of the products that we have talked about today—something like the crabs in the mangrove, bringing those two together where you can actually grow aquaculture crabs and grow mangrove at the same time and harvest both. Those are some of the ideas. We have also had ideas for feeding the crabs, which came from the way we have been feeding crocodiles. Those two activities were in different groups. So we are starting to get some really good cross-fertilisation of ideas from one group of scientists to the other.

**The CHAIRMAN:** In the lead-up to the last State elections Queensland Labor made a commitment to the establishment of a single body to coordinate fisheries management, research, monitoring, enforcement and industry development. What progress has been made to date in honouring this commitment?

**Mr PALASZCZUK:** Upon election, Queensland Labor endorsed a full internal review of the administration of fisheries management in the department's fisheries group and the QFMA. The outcomes of this review were considered by Queensland Cabinet in March of this year when the formation of a new single agency to manage Queensland's fisheries was approved.

Since Cabinet's decision the following achievements have been made: the public announcement on 22 March 2000 that the staff and functions of the QFMA and Department of Primary Industries Fisheries Group would be amalgamated to form the Queensland Fisheries Service, direct consultation with key stakeholders on the structure of the new Queensland Fisheries Service to ensure stakeholder confidence and support in delivering outcomes, the amalgamation of research functions previously delivered by the Department of Primary Industries (Fisheries) into the department's Agency for Food and Fibre Sciences, the passage through Parliament of the necessary amendments to the Queensland Fisheries Act 1994 to provide the legislative basis for the new agency, commencement of the process of appointing a non-statutory expertise based board to be known as the Queensland Fisheries Advisory Board to advise myself and the department on fisheries management, commencement of the process of appointing a

new Fishing Industry Development Council with a significantly strengthened role in determining the future of all sectors of the fishing industry in Queensland, commencement of the process of strengthening the role of key stakeholder involvement in the fisheries management process through a review of the role and functions of management of advisory committees and zonal advisory committees—I understand that review is going to commence, I think, on the 3rd or the 4th of this month, and the disbanding of the Queensland Fisheries Management Authority as at close of business on 30 June 2000. I am pleased to advise that the new Queensland Fisheries Service was formally launched by myself at a gathering of key fishing industry stakeholders on 25 July. Under last week's State Budget, \$47.9m was allocated to QFS for fisheries management, enforcement, planning, education and research.

The launch of QFS also completes the formation of the Agency for Food and Fibre Sciences with the addition of fisheries and aquaculture research and development efforts. Importantly, this has all been achieved with the full support and cooperation of key stakeholder groups and the interim Queensland Fisheries Management Authority Board.

Could I just say I would like to thank the people within the recreational fishing sector, the commercial fishing sector and other sectors of industries for their cooperation and their support in the formation of the new Queensland Fisheries Service, which I believe will provide the necessary services for our very important wild fishery.

**Mr MUSGROVE:** Minister, on page 1-18 paragraph 2 of the MPS mention is made of the Queensland Rural Ministerial Advisory Council. Could the Minister inform the Committee of the objectives of that council?

**Mr PALASZCZUK:** The Queensland Rural Ministerial Advisory Council enables people living in rural and remote areas of the State to advise Government on the issues impacting on their communities. Council members are drawn from a broad range of sectors and areas across the State. The council complements the regional community forums and Community Cabinet meetings and fulfils the Government's election commitment to provide improved consultation mechanisms for regional and rural Queensland.

The terms of reference are for the council to provide advice on issues, challenges and opportunities relating to rural and remote Queensland, especially regarding employment, economic and social

development and industry diversification and sustainability; advice on rural and remote challenges and priorities for Government services, programs and facilities; comment on Government's proposals affecting rural and remote Queensland as referred to QRMAC, as it is known, by Government. Once again, as is the case with the Innovation Council, I chair QRMAC. The Office of Rural Communities and the Department of Primary Industries provide the secretariat to the council. Meetings are held three times per year in a different rural or remote location. So far it has held meetings in Gayndah and Mount Isa. I think the next meeting will be held in Miles.

As I said previously, members are drawn from a range of sectors to provide opportunity for input that reflects the broad interests of rural and remote communities. Sectors represented include local government, small business, primary industries, mining, tourism, health, education, isolated children's parents, communications, community support, unions, Aboriginal and Torres Strait Islanders community, women and youth. Membership reflects gender balance and geographically covers the State.

Could I just add that when Moira Pincott became the new President of the Queensland Country Women's Association, I met her near Yeppoon at one of their meetings. She indicated to me that her organisation is quite a large organisation in Queensland and, quite obviously, her organisation was overlooked. We basically were working with the Queensland Rural Women's Network. Since then, Moira has attended the Mount Isa QRMAC meeting as an observer. I just think it is important that we have a representative view from people involved in all industry in Queensland. The Queensland Country Women's Association is a very important facet of rural life in Queensland. It is from that point that I intend to issue to Moira a formal invitation to become a member of QRMAC.

**The CHAIRMAN:** The time allotted for the consideration of the Estimates for expenditure for the Minister for Primary Industries has now expired. I thank the Minister and the portfolio officers for their attendance. Before they leave, I remind them that the transcript of this part of the hearing will be available on the Hansard Internet quick access web site within two hours from now.

The hearing is now suspended for a break and a changeover. The hearing will resume at 12 noon with the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading.

Sitting suspended from 11.45 a.m. to 12 p.m.

**ABORIGINAL AND TORRES STRAIT ISLANDER POLICY, WOMEN'S POLICY AND FAIR TRADING****IN ATTENDANCE**

- Hon. J. C. Spence, Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading
- Ms M. O'Donnell, Director-General
- Ms K. Tim, Executive Director, Department of Aboriginal and Torres Strait Islander Policy and Development
- Mr M. Miller, Acting Commissioner for Fair Trading
- Ms S. Belfrage, Executive Director, Office of Women's Policy
- Ms C. Mason, General Manager, Residential Tenancies Authority
- Mr R. Potts, A/General Manager, Queensland Building Services Authority
- Mr T. Haralampou, Registrar/Manager, Queensland Building Tribunal
- Ms J. Archer, General Manager, Business and Executive Services, Department of Equity and Fair Trading
- Ms V. Johnston, A/Manager, Financial Services, Business and Executive Services, Department of Equity and Fair Trading

**The CHAIRMAN:** The hearings of Estimates Committee A are now resumed. The next item for consideration is the proposed expenditure for the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading. The time allotted is three hours.

The Committee proposes to consider in the first hour and a half the proposed expenditure for the Department of Aboriginal and Torres Strait Islander Policy and Development and for the Office of Women's Policy. Following lunch, the Committee will consider the proposed expenditure for the Office of Fair Trading, including the Residential Tenancies Authority, followed by the Queensland Building Services Authority.

For the information of the Minister and witnesses, the time limit for questions is one minute and for answers, three minutes. A single chime will give a 15-second warning and a further double chime will sound at the end of these time limits. An extension of time may be given with the consent of the questioner. A

double chime will also sound two minutes after an extension of time has been given.

The Sessional Orders require that at least half of the time available for questions and answers in respect of each organisational unit is to be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. Also in accordance with the Sessional Orders, each Minister is permitted to make an opening statement of up to five minutes. Again, a single chime will give a 15-second warning and a further double chime will sound at the end of the time limit. For the benefit of Hansard, I ask departmental officers to identify themselves when they first come forward to answer a question. I also ask that mobile phones be switched off.

I now declare the proposed expenditure for the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading 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 short introductory statement or do you wish to proceed direct to questioning?

**Ms SPENCE:** I would like to make an introductory statement. As this Estimates Committee hearing is split into two sessions, I will be making two short introductory statements, the first on Aboriginal and Torres Strait Island Policy and Women's Policy, and the second at the beginning of Session 2 on the Office of Fair Trading, the Residential Tenancies Authority, the Queensland Building Services Authority and the Queensland Building Tribunal.

I would now like to introduce the officers from my department here with me today: the Director-General of the department, Ms Marg O'Donnell; the Executive Director of the Department of Aboriginal and Torres Strait Island Policy and Development, Kerrie Tim; the Executive Director of the Office of Women's Policy, Stephanie Belfrage; the General Manager of Business and Executive Services, Jan Archer; and the Acting Manager, Financial Services, Business and Executive Services, Val Johnston.

The Department of Aboriginal and Torres Strait Islander Policy and Development and the Office of Women's Policy are both working towards the common goals of improved opportunities and better quality of life for

Queenslanders, especially indigenous people, women and girls. I am proud of the work done by DATSIPD and OWP over the past two years and I look forward to the challenges of consolidating this work and forging ahead with new initiatives during the next 12 months. DATSIPD's controlling operating budget of \$91.1m for the 2000-01 year will enable the department to get on with the job of improving the way the Queensland Government does business with Aboriginal and Torres Strait Islander peoples.

This Government admits to the wrongdoings of the past and learns from the mistakes. We maintain our commitment to the \$24.5m to compensate past Government employees for wage discrimination. We have said sorry; now it is time to focus on improving the future for indigenous Queenslanders. A key priority for DATSIPD in this year will be the development of a Towards a Queensland Government and Aboriginal and Torres Strait Islander Partnership. The 10-year partnership will leave Government with no excuses for gaps and overlaps in service delivery. It will enable communities to dictate to us how they want successes and failures to be judged, but it will also require commitments from the community to work alongside Government to help improve their own conditions. Importantly, it will free the vital area of indigenous policy from the dictates of the political cycle.

One of the tenets of the 10-year partnership is shared responsibility. This principle also underpins DATSIPD's endeavours to help Aboriginal and Torres Strait Islander communities break free of welfare dependence. In support of this, DATSIPD has allocated half a million dollars from within the department's existing budget for seed funding of economic projects in deed of grant in trust communities. These funds will help create jobs and sustainable economic development. The local justice initiatives program is also an example of community initiatives earning resource support from the State Government. I fought vigorously to secure an extra \$925,000 in recurrent funding for this program, bringing the total to a record level of \$1.5m. Other new money this year will contribute \$1m to building council chambers for the New Mapoon Aboriginal community on Cape York. DATSIPD will also continue its work of planning, constructing and maintaining essential infrastructure such as water, sewerage and waste disposal systems at an estimated cost of \$22.6m. Some people might call this practical reconciliation; we call it basic Government responsibility to ensure all Queenslanders live in a healthy environment.

Just as DATSIPD is working alongside indigenous Queenslanders to give them a stronger voice in Government, the Office of Women's Policy is promoting the interests of women and girls in a more collaborative manner than ever before. In the past year, the officers reached out to connect with the broader group of Queensland women through a series of community outreach forums. The nine forums so far have taken place in venues including Roma, Charleville, Townsville, Cairns and Deception Bay. A growing number of Queensland women have used the free service of the Women's Infolink, and the \$4.4m Office of Women's Policy budget will permit the continuation of infolink programs. The focus of the Women's infolink this year will include assisting disadvantaged women with job preparation and information technology skills and improving the Statewide library service.

Women living beyond the city fringes will also benefit from a \$200,000 grants program that will target projects aimed at breaking the cycles of domestic violence and family violence. The office will assist women who are victims of violent crime by coordinating a 12-month project to address priorities identified in the report. I want to take this opportunity to thank staff of DATSIPD and the Office of Women's Policy for their continuing efforts to improve the prospects of Aboriginal and Torres Strait Islander people and women and girls in this State.

**The CHAIRMAN:** Thank you, Minister. The first period of questions will commence with non-Government members. Leave has been granted for the member for Keppel, Mr Lester, and the member for Maroochydore, Miss Simpson, to ask questions. I call the member for Keppel.

**Mr LESTER:** Thank you, madam chair. Good afternoon, Minister, officers and everybody else. I refer to page 1-8 of the MPS where it shows that there were 76 full-time staff or their equivalents employed within the Strategic Policy Advice section of your department, yet last year this section had a total staff component equal to 96 full-time equivalents. As you would be aware, policies to improve the way of life in indigenous communities is a major priority of the State Government. Why, then, have 20 staff been removed from this section in the past 12 months? Why did the Minister not predict such a cut in last year's Budget papers?

**Ms SPENCE:** I thank the honourable member for the question. It is nice to see him here this year. It is a legitimate question and I

really think that it reflects the way the Budget papers have changed from last year to this year. That is due to the changes that we have made in the department over the last year. We now have basically three sections in the department. One of them is Strategic Policy. As you see from the output statements, the others are Community Development and Strategic Projects.

You will see from our overall staffing statement from DATSIPD's budget that there has not been a decrease in staff. In fact, there has been an increase in the number of full-time staff in the department over the year, but because we have actually changed the staffing arrangements around, people have had to reassess what area they work in in the department. You have seen an increase in the Community Development section and a decrease in Strategic Policy Advice. That really reflects the changing nature of the department from one year to the next. I might ask Kerrie Tim, the director of the department, to elaborate a bit more on what has happened there.

**Ms TIM:** Last year the department undertook a realignment to bring us into line with those strategic priorities that were set by Government for indigenous affairs. So those changes in staffing across the department really reflect the changes in priorities across each of the directorates.

**Ms SPENCE:** While we are on staffing, I would just like to take the opportunity of saying that I am very pleased that the staffing profile of the Department of Aboriginal and Torres Strait Islander Policy reflects that 36.4% of the staff have been identified as Aboriginal and Torres Strait Islander people. This is significantly higher than the Public Service average of 1.6% and the Public Service target of 2.4%. So we are pleased to be able to recruit so many indigenous people into our department, and we will continue to try our best to ensure that our future staff includes more and more indigenous people who have, of course, the necessary qualifications to be valuable recruits in a department such as ours.

**Mr LESTER:** It is good that indigenous people are being recruited. I again refer to page 1-8 of the MPS, which lists full-time staff and their equivalents. Since December, half of Queensland's most senior Aboriginal public servants have resigned. There are six Aboriginal regional managers in your department, and three have resigned: the regional manager for central Queensland resigned in December; the regional manager for south-east Queensland resigned in

February; and now the regional manager for Cape York has resigned in the past couple of months. What has prompted these resignations? What positive steps are you taking to retain senior indigenous public servants? What has been the total cost to your department in paying out these people who have resigned?

**Ms SPENCE:** Although we have such a large number of indigenous people working in our department, one of the problems that we experience as a department is that we recruit and train indigenous people and then they are pinched by other Government agencies or, indeed, outside interests. I guess that is something that we really cannot do much about. We have spent a lot of time and, no doubt, Government money in training them into our department, and they become very valuable employees across the Public Service. So it is quite usual for us to lose particularly our indigenous employees on a fairly regular basis as they improve their positions throughout the Public Service or, indeed, in private enterprise or, indeed, in other indigenous organisations such as ATSIC.

I understand that two of the three regional managers whom the member for Keppel mentioned have been offered other opportunities in indigenous organisations, and that is their desire to improve their job prospects. As to the third one—I am not sure of the reason for his resignation. But certainly, we are on top of this issue. We have advertised, and I understand my executive director has been spending a lot of the last week in interviewing the applicants for those positions. I might ask Kerrie Tim to elaborate on that.

**Ms TIM:** You are right: in this past year there has been significant change within the department. In fact, in 1999-2000, as part of that restructure, something like 71 staff left the department; 21 were permanent, 41 were temporary and 9 were casual. We had an extraordinarily high level of temporaries in our agency. There has been substantial organisational change which occurred during this time, and that was due to the establishment of the new department. Eleven of the staff who left were identified as Aboriginal or Torres Strait Islander, five of whom were employed on a temporary basis. Interestingly enough, I think, four of the indigenous staff who left the department since January 2000 have taken up opportunities in the private or community sector, and three of them were promoted to other departments. So the Minister is right, that we have been developing valuable staff and they have been

recruited elsewhere, both in Government and to the private sector.

The other good news from our perspective, I think, is that at least nine of the last lot of staff recruited in this same period are indigenous, and they almost equate to the same levels as those people who have left. So in this last year we have also recruited an SES officer, an AO8, an AO7 and a range of other officers at comparable levels.

**Ms SPENCE:** I am cognisant of the fact that we have not answered the second part of your question. I am happy to do that.

**Mr LESTER:** I was just going to follow on for a moment. Do you think it would be a good idea or could it be arranged that the other departments could shoulder the responsibility of training indigenous people a bit more so than they do now?

**Ms SPENCE:** I think that is a good question. As I said before, we have a target of getting 2.4% of the general Public Service to be indigenous, and our target is even better than that. I have not got it in front of me here, but I think by the year 2008 we actually want that 2.4% spread across all sectors of the Public Service, so every level of the Public Service. That will be a challenge, because we will have to make sure that indigenous people work their way up to the Senior Executive Service. To answer the member for Keppel's question, that target will ensure that other agencies do their bit in recruiting and training indigenous people, but I think that it is always going to be our department that will have the greatest number and do the most training, and the whole trend that we experience of losing those good people to other Government departments and agencies will continue.

The second part to the question you asked before related to the money that it cost our department to lose these people. None of the people who have left has taken voluntary early redundancies, so when they resign there are no additional costs on the department.

**Mr LESTER:** I refer to page 1-13 of the MPS, where the quality of ministerial and departmental advice is measured, and the MPS says that 100% of the advice received met ministerial standards. I am a bit concerned about the IBIS stores in the Torres Strait. These stores have run up \$3m in losses over the past two years, and the Auditor-General recently expressed concerns that this may not be able to continue. I remind you that you claimed in the media that you were unaware of the full extent of the pending financial crisis within IBIS until it was too late. Considering your own department has a representative on

the IBIS board, do you share the view expressed in the Budget paper that 100% of the advice received by you met ministerial standards in relation to IBIS stores?

**Ms SPENCE:** I think it is a very fair question. I am happy to talk about IBIS. Members of the Committee may not be aware, but IBIS is the Island Board of Industries Stores, which runs all of the stores on the Torres Strait. These stores are the only stores on each of those islands, so they are the principal source of food and other goods on those islands. IBIS is established by an Act of Parliament. It is a statutory authority. It is comprised of a board. I believe the Government has about two nominees on that board.

It is no secret that the activities of IBIS over the last few years have been incredibly disappointing, and indeed that has been the case over many years. In fact, if we go back to 1997, when the Opposition were in Government, we see that some of the problems that IBIS is experiencing today date back to that particular year, when the member for Caloundra, as Treasurer, approved two loans to IBIS totalling \$4m. This is despite the organisation making losses in 1995 and 1996 and heading for a half million dollar loss in 1997. Despite that, the Government of the day gave IBIS another \$4m of top-up money. It even gave IBIS a 12-month holiday from making any payments for these taxpayer-funded loans. So it is not surprising, I guess, then, that when IBIS started repaying the loans, it made a loss of \$1.6m last year.

I was made aware of the plight of IBIS by the Auditor-General in late November last year. I am obviously very concerned about its financial situation. I did not immediately sack the board, because I think that you have to be very careful in these situations. We as a Government agree with self-determination for indigenous people, and IBIS is a classic case of self-determination, where the people up in that part of the world are running this board and running their own organisation. I do not think that, as soon as a loss is experienced, we should be pulling the plug and putting in administrators.

I was pleased, though, that the board took notice of my and the Auditor-General's concerns and made some changes, but I was more pleased when, as a result of the council elections, the whole membership of the board changed in March of this year. Does that bell mean I have a bit more time?

**The CHAIRMAN:** Yes.

**Ms SPENCE:** This is a very complicated issue and I am happy to talk more about it. As you would be aware, a Public Accounts Committee inquiry is looking into the situation of IBIS, but I am happy to explore it more in today's questions.

**Mr LESTER:** Do you wish to finish the answer?

**Ms SPENCE:** If you have more questions, I am happy to talk about this.

**Mr LESTER:** I refer to page 1-15 of the MPS under the section titled Human Services. I note that over \$60m has been committed to infrastructure and planning projects under the Aboriginal and Torres Strait Islander Infrastructure Program since late 1995. Can you provide me with a breakdown of what projects are identified and committed to before the change of Government in 1996 and what projects have been committed to since the change, and can you give me the dollar value of each project?

**Ms SPENCE:** I am sure I can. You will just have to wait a minute until I find those figures. I cannot without notice provide you with the infrastructure breakdown prior to 1996, which I think was the first part of your question, but I am happy to see whether we can get those figures for you before the end of proceedings today. I am happy to talk about the figures in front of me. If I am missing anything you particularly want, we will endeavour to get those.

The Queensland Government has allocated funds totalling \$15m over three years from 1998-99 and the Federal Government, through the TSRA, has matched this figure. DATSIPD's contribution to date has been \$8.75m. The total funds received to date have been \$18.768m. The total payments have been over \$13m. The balance as at 30 June this year was \$5.5m. The agreement was signed in October 1998 with funding of \$1.25m released each quarter by DATSIPD. The September quarter 2000 release of \$1.25m will complete DATSIPD's \$10m contribution over the first two years of the agreement.

There is an additional \$5m allocated from this year's State Budget for DATSIPD's contribution to the final phase of the agreement. Basically, the agreement is about the construction of water and sewage treatments on all of the islands. I am pleased to say that over the last five years I think all of the islands in the Torres Strait but one has had new dams. Sewage treatment plants are soon to be installed on Boigu and Saibai Islands. Saibai water supply upgrades works are to be

undertaken simultaneously. That is one we have not completed yet. Contracts have been awarded and work is to commence this year.

The Yam Island sewerage works are well progressed, with the treatment plant commissioned by July 2000. Water supply works on Badu and St Pauls have been completed. St Pauls Island Council was awarded the contract for the works in that community. The Murray Island sewerage contract was awarded in July, with works to commence in August this year. The Darnley Island water and sewerage project will commence in August for November 2000 completion. The Yam and Coconut Islands water bores drilling contracts have been completed. The Yam Island desalination plant contract has been awarded and will be completed by the end of this year.

**Mr LESTER:** I note on page 1-16 of the MPS under the section titled Law and Justice it is claimed that planning has begun for a diversionary centre in Cairns and that negotiations are still under way for the purchase of the land. I note that no anticipated timetable for completion of the diversionary centre has been mentioned. By contrast, on page 1-12 in last year's Budget papers you claimed that the department would purchase the land during the financial year, which has now gone, and said that the centre was expected to be completed during the 2000-01 financial year. Will the diversionary centre be completed during this year? If not, when do you anticipate it will be completed? Why has there been a delay in purchasing the land? What is the expected cost of the land and the cost of the construction? Where have these moneys been provided for in the budget?

**Ms SPENCE:** I agree that it is with great disappointment that this land has not been purchased yet in Cairns for the diversionary centre. I have made my feelings on this known to the department and to other people in Cairns who also have a say in this. You would be aware that it is not easy to find a good location for these diversionary centres. It took four years to get the location in Townsville, as the member for Mundingburra would know.

**Mr LESTER:** They had a bit of a problem in Rockhampton, too.

**Ms SPENCE:** I think it had a problem in Rockhampton. However, I am determined that it is not going to take much longer to find the correct site in Cairns. We do not just go in and choose a location; we have to consult with the local community, and that includes, particularly in Cairns, the city council, which has its fixed

idea about where this diversionary centre should be located, and indeed the indigenous people. I understand that we have located three possible sites and people are discussing the potential of each of these sites. However, I am determined that that process will be expedited. We had set aside \$300,000 to purchase the land. Until we know which land we are going to use for the site, it is difficult to say how much that will cost us. We have set aside \$700,000 in this year's budget to build that new centre. It is certainly my aim that by this time next year we will have a brand new diversionary centre in Cairns. I am not sure that that answered all of your question.

**The CHAIRMAN:** The 2001 Budget Highlights section, on page 1-4 of the MPS, outlines the provision of almost \$1m of new moneys for the Local Justice Initiatives Program. Can the Minister outline why this program requires this additional funding?

**Ms SPENCE:** I am pleased to talk about the Local Justice Initiatives Program. At the moment we fund about 32 local justice programs throughout the State. It is a program that began in 1992 and has steadily been increasing over the years. We have seen that there are some very good results coming out of many communities as a result of these local justice groups. We estimate that about 1,000 people in communities throughout the State are giving about 10 hours a week free community service to these local justice groups. What they are about is basically trying to divert people, particularly young people, from the formal criminal justice system. You find local justice groups throughout the State are not all in discrete Aboriginal and Torres Strait Islander communities. Some are in urban situations, such as Brisbane. What they do in particular is work with the young people. They involve the elders. They act as teachers and stabilising influences in those communities. They go to the schools and talk about their culture. They speak to the students in the schools about proper behaviour. They teach parenting skills. They counsel young offenders and help them through the court process and they help in the supervision of community service orders.

In some communities when they are working well they advise the judges and magistrates in dealing with indigenous offenders and they provide the court with better information about the offender, the background of the offence and the paths to rehabilitation. I think that these programs should not just be talked about in economic terms, but they certainly do save the public purse a great deal of money. An analysis of

eight community justice groups revealed that they diverted 960 people from custody in the last year. Obviously, that is an enormous social benefit for Queensland but it has also spared the resources of the Queensland Police Service, the courts and, of course, our jails from that diversion from custody.

I would like to see the number of programs that we can fund increase. Certainly, there are communities out there that do not have local justice programs. With this new funding we should be able to get some more local justice programs started. But I have also been concerned in my travels around the State that we probably, as a Government, have not provided the local justice groups with enough support over the years. We really need to go in there and do some more training with all of these volunteer people, who are really operating in very isolated environments and need training to improve the service that they deliver. So this is a huge commitment from the Government—an extra \$960,000—on an ongoing basis to ensure that the local justice programs in our State are firmly fixed as part of the formal criminal justice network in this State.

**Mr MUSGROVE:** In response to a question on notice on retail stores, you alluded to the high nutritional value of fresh fruits and vegetables being sold through the department's six supermarkets. Can you outline for the benefit of the Committee what benefits the communities serviced by those stores have derived from this increase in nutritional value?

**Ms SPENCE:** As you mentioned, we still run six stores. They are in Doomadgee, Pormpuraaw, Kowanyama, Palm Island, Woorabinda and Lockhart River. I guess it could be seen as fairly anachronistic that Governments are still running stores in this State. Certainly there is pressure on us to hand over these stores, and we are working towards that goal. But in the meantime, I think that we should be very proud of the job that the Government has done in improving the produce in these stores. Often these stores are the only retail outlet and source of food for people in these communities and they really do have the potential to help us in our assault on good health in those communities.

The good news is that in the past three years sales of fresh produce from these stores have increased by more than 55%. One of the ways we have done this is by marketing our fresh fruit and vegetables at a loss and putting an extra mark-up on products such as cigarettes, confectionary and soft drinks. On

Palm Island and Pormpuraaw we have installed new open case, temperature controlled fresh produce merchandising units which enhance the store's management ability to display fresh produce. I always visit the stores when I go to these particular communities and I have to say that the difference in the appearance of the stores over the past few years is marked. They certainly learnt a lot about displaying, keeping and pushing the fresh fruit and vegetables. I think that is a very important role that the Government can play in teaching people about healthy eating.

Some of these communities, as you would be aware, are isolated by floodwaters for months on end during the wet season and cannot always get fresh and healthy foods. The department has found a way through this particular problem. It has installed customised food storage containers at Kowanyama, Doomadgee and Pormpuraaw so that these can keep fresh fruit and vegetables in a good state for about three months to tide them over during their wet seasons. I have been into these particular customised food storage areas and they are terrific.

None of this happens by accident. The fact that the Government is out there actively encouraging people to buy fresh produce means that we can actually make a difference in the alarming health problems such as diabetes and heart problems, which we know are linked to lifestyle and nutrition.

**Mr WELLINGTON:** I refer you to page 9 of your Ministerial Portfolio Statements where you refer to the development of a 10-year partnership. What steps will you take to ensure that funds targeted for the indigenous population through your department actually reach the intended users?

**Ms SPENCE:** I am happy to talk about the 10-year partnership. The aim of that plan is really to better coordinate the funds that are spent across Government and reduce some of the duplication and overlap that we know exists in Governments dealing with Aboriginal and Torres Strait Islander communities. Anyone who has had much to do with indigenous communities very quickly hears the complaint that Government departments individually go into communities and undertake expensive consultancies and are probably then never seen much again. Indigenous people are sick of being consulted without seeing the results of these consultations. I think that they have a healthy scepticism about Government because of the way we have done business with them in the past.

The whole point of the 10-year plan is to go out to indigenous communities—we are doing it on eight different issues at the moment—and ask them how we can better deliver services to those communities across Government. The aim of it, of course, is to reduce duplication and reduce the amount of money that is currently being wasted across Government in duplicating our resources. Of course, it is not just the State Government that is an offender in this area. The Commonwealth Government, probably ATSIIC and, in some cases, local councils are doing the same thing. If our 10-year plan is going to be successful on a long-term basis, then in the future we will look at drawing the Commonwealth Government and ATSIIC into our planning framework.

This is an exciting initiative. We have had 10-year plans in education, in transport, in public works in the past, but no Queensland Government has ever had the foresight to say, "How about doing some planning in Aboriginal and Torres Strait Islander affairs? How about getting a big framework, the big picture, for the future?" We hope that the 10-year planning framework that we come up with will last from one Government to the next.

We are spending the next six months—we have just started out—out there in consultation with the communities. I hope that in March next year we will be in a position to put the final touches to the 10-year plan out there for the general public. The challenge for us as a lead agency in DATSIIPD is to ensure that other Government departments are involved in this process, because it is not just about our department; it is about across Government.

**The CHAIRMAN:** Your response to a question on notice about funding to Aboriginal and Islander councils outlines the extent of funding to these councils. In view of this funding, can you inform this Committee whether or not there have been recent improvements in indigenous councils' financial performance?

**Ms SPENCE:** As I outlined in my written response, last year the Government provided \$18.5m through the State Government financial aid program to meet the costs of local council services such as essential services and community policing. We all know that the Auditor-General comments on the financial accountability of Aboriginal and Torres Strait Islander councils each year, and I am pleased to say that there have been some small improvements as the years go on. Obviously some councils still experience financial

management difficulties, but overall the situation is improving.

Nine councils received a qualified opinion from the Auditor-General in the 1998-99 financial year when the auditor was unable to form an opinion on the finances of one council. On the other hand, in 1999-2000, 21 councils received unqualified opinions and the auditor commented favourably on councils including Yarrabah, Palm Island, Badu, Mer, St Pauls, Sue and Yorke. By comparison, in 1997-98 the auditor returned qualified opinions on seven councils, was unable to form an opinion on four councils and gave unqualified opinions on 20. It should be noted that there is an improvement; a slight improvement is occurring this year. I would ask members to also note that we really do ask these indigenous communities to provide many more services than we ask of mainstream councils, and their job in many respects is very difficult.

Last year I moved amendments to the community service legislation which now give me the opportunity to appoint a financial controller if a council is in difficulty. Previous to this, if a council was in difficulty we had to disband the council and appoint an administrator, which is an extreme move. The opportunity now to appoint a financial controller means that the councillors can still exist and have their decisions overseen by a financial controller. To date, two councils have asked me to appoint financial controllers—managers—to their communities. I think that this shows that councils are very acutely aware of the fact that they are experiencing difficulties and need some help and that they are happy to ask the State Government for that sort of assistance when they feel themselves enter that position.

I think, though, that we certainly need to improve some of the practices of Aboriginal councils. One such ongoing practice that concerns me is making financial loans to their community and not having these loans paid back to the councils. I have talked to the councils about this, and we will be legislating against this practice later this year.

**Mr MUSGROVE:** Minister, I understand you recently provided a grant to the Hope Vale Aboriginal Council for the refurbishment costs of the Hope Vale Parenting Program. Can you outline what this program entails? How will the community itself benefit from this grant?

**Ms SPENCE:** A grant of \$12,819 was provided to the Hope Vale community for its parenting program. Hope Vale has recently secured Commonwealth Government funding to fund a parenting program. Unfortunately,

the community did not have a building to run this program in. However, the council was able to identify a house which was very dilapidated and in need of refurbishment. It believed it could become a suitable headquarters for the important work of training parents in that community. Commonwealth funds would not cover the refurbishment costs. The grant from DATSIPD is aimed at bringing that building up to standard.

The Hope Vale program is aimed particularly at young adolescent parents and young single mothers. It will skill them in practical areas such as home making, family health, nutrition, cooking and budgeting. Being a parent is challenging for all of us, especially those who are barely out of childhood themselves. It is no secret that indigenous people have children younger than the general population. Therefore, parenting issues are acute in many of our indigenous communities, particularly when we realise that there is a breakdown in the parenting culture in these communities for many reasons. One reason is the damage caused by the stolen generation. Generations of these people have grown up without those particular parenting skills which the rest of us take for granted after being brought up in homes with parents.

It is important that we support parenting programs such as the one being run at Hope Vale. I think it is wonderful that the people of Hope Vale have identified the need to break this cycle and are willing to lay the foundations for building more functional families and a stronger society in that particular community.

**The CHAIRMAN:** Page 1-15 of the MPS states that the Department of Aboriginal and Torres Strait Islander Policy and Development has committed over \$60m to infrastructure and planning projects since 1995. Can the Minister outline what part of this expenditure relates to the past two years? What benefits have been achieved in the environmental health area as a result of such expenditure?

**Ms SPENCE:** Over the past two years the department has expended about \$43m on this particular infrastructure program. In 1998 I signed a \$6m agreement with the Aboriginal Coordinating Council. That money will be spent on training people in Aboriginal communities to own and operate their own water infrastructure. I make this point now, because we hear from many in our communities that Government is not giving enough money and enough policy-making and decision-making decisions to indigenous communities. It is important to understand that this \$6m is something that we have given to the ACC to manage on our

behalf. It is training people to operate their own water infrastructure.

We have also given money to the Torres Strait community to train its people in essential service offices to operate and maintain \$51m worth of infrastructure which we have installed in the Torres Strait in recent years. This will help Torres Strait Islanders break with the longstanding tradition of calling in experts from outside the region to work on its infrastructure. Recently we signed a bilateral agreement on housing and infrastructure with the Torres Strait and the Commonwealth. The three agencies—the TSRA, the Commonwealth Government and the Queensland Government—will jointly pool our funds and plan for housing and infrastructure together in the future. This is the way we are progressing in indigenous affairs in this country through these bilateral agreements.

The provision of water and infrastructure facilities is taken so much for granted in mainstream communities, but certainly the remoteness of indigenous communities means that these basic infrastructures should not be taken for granted. We believe that the provision of good water and sewage facilities will greatly assist in improving the environment through cleaner discharges to the waterways, reducing contamination of underground water and significantly improve the health of our indigenous Queenslanders.

**Miss SIMPSON:** Thank you, Minister, for your time today. Given that a significant threat to low income and disadvantaged young women vulnerable to exploitation is the prostitution industry, an industry due to expand with the legalisation of brothels under the Beattie Labor Government, why is there no mention in your Ministerial Portfolio Statements for women's policy of this issue, specifically no mention of programs aimed at getting women out of this noxious industry?

**Ms SPENCE:** There is no mention of the prostitution industry in my Ministerial Portfolio Statements because we are not directing any money to this particular industry from our budget. The Premier's Department has the budget for the various committees overseeing the regulation of the prostitution industry. I think that those questions would be better directed to him in terms of funding commitments.

**Miss SIMPSON:** With respect, Minister, I note that you have set targets for teaching women how to access the Internet, which is commendable as far as services operated by the Office of Women's Policy go. However, your agency is listed in the Ministerial Portfolio

Statements as being lead agency for issues affecting women. There is no mention of any monitoring being done by your department with regard to an issue which fundamentally affects women who are very vulnerable—those who are young, socially disadvantaged and on low incomes. There is nothing in your Ministerial Portfolio Statements that addresses this particular issue or anything being done to help women get out of this industry.

**Ms SPENCE:** The Office of Women's Policy had significant input into the framing of the prostitution legislation. It worked on whole-of-Government policy committees in that particular area. Obviously you would like to see us focus more on employment strategies for women to help them make other choices than the prostitution industry. I think that is a legitimate concern. That is why we have a very significant women and employment strategy operating out of the Office of Women's Policy. You are quite right in that the Office of Women's Policy is a lead agency for issues relevant to women. That is why we believe improving employment opportunities is crucial to women's long-term economic security.

Some of the projects that the Office of Women's Policy has been funding and will be funding this year include \$44,000 for a Work and Family Project and \$18,000 for the Stepping Out for Work Project, which is pre-employment training for women throughout community organisations being trialled in Logan City. We are contributing \$10,000 to a youth survey, an initiative of the Employment Task Force, which is focused on improving employment outcomes for young women.

The Premier's Council for Women, which has been operating for the past two years, has the specific brief of looking at employment, work and women. It has a number of initiatives which I am happy to elaborate on. The Office of Women's Policy conducts a Women and Employment Reference Group which provides strategic advice on women and employment issues. We sit on an interdepartmental working group on the issue of women and employment. This helps facilitate a consistent Government approach from key agencies and avoids duplication of effort. We are involved in a Women and Emerging Industries Project with DETIR and the Employment Task Force, and this is focused particularly on improving participation of women in the public sector, particularly in IT traineeships. We sit on the Jobs Policy Council and make sure that women's input is given to that particular council. Also, the Office of Women's Policy undertakes regular lunchtime employment seminars.

This year I have asked the Office of Women's Policy to work on a new strategy, a work and family strategy. I have been concerned for some time that this is an issue that has gone off the agenda in this State. We really need to focus a lot more of our attention on family-friendly work places and improve our performance as a Government and assist the private sector to improve its performance with work and family strategies.

**Miss SIMPSON:** I note that in your answer you said your office had significant input into framing the brothels legislation and note that you were quite silent in the House when it came to this issue, particularly during that debate. I also note what you said about increased employment opportunities. I believe there has not been any program outlined by you to get women out of this industry. The fact that no program has been detailed by you today shows that you do not care what sort of employment it is, even if it is prostitution.

**The CHAIRMAN:** Would you ask the question, please?

**Miss SIMPSON:** With regard to the Office of Women's Policy I note that there is a \$1m Domestic Violence Fund, the same as in 1999-2000. I would like you to outline how that \$1m has actually been allocated.

**Ms SPENCE:** Certainly. From that \$1m Domestic Violence Fund we are using \$500,000 to address family violence in indigenous communities. That has been specifically earmarked for indigenous family violence initiatives. The other half has been expended on continuing the funding to our court support services.

\$234,700 of that \$500,000 I can break down for you. That has gone to assist with staff salaries for the Napranum shelter. Over \$59,000 is being used to provide assistance to victims of domestic violence and carry out community development activities to address the underlying causes of family violence. That has been given to the Uniting Church in Wide Bay. \$58,893 recurrently for three years will be used to employ a community development worker to be part of a specialist Aboriginal and Torres Strait Islander child and family centre at Yelanghi preschool. \$174,000 has been allocated to establish a support unit for remote area child witnesses of domestic violence. This unit will develop training and resources in relation to domestic and family violence issues to be delivered to community service workers who have contact with children and families experiencing domestic and family violence in communities in the Torres Strait, Cape York

and the Gulf of Carpentaria in far-north Queensland.

**Miss SIMPSON:** I refer to the Output Operating Statement on page 2-17. Why have the estimated employee expenses risen \$259,000, or 15.8%, from the allocated budget level in last year's budget, despite the fact that it is estimated only one extra staff was employed in the policy unit? Could you please detail by item where this extra funding has been expended?

**Ms SPENCE:** I understand that increase has been because of additional supplementation to the Office of Women's Policy budget for enterprise bargaining and payroll tax during the year. I think that is principally the reason for the increase, but I will hand over to the Executive Director of the Office of Women's Policy, Stephanie Belfrage, who might have more of an explanation.

**Ms BELFRAGE:** You are right, Minister, that the bulk of that money is for an increase for EB and for payroll tax. However, what happens often in budgets is that there is internal allocation of the total budget between the time of the projection of the budget and during the year to respond to needs. So it is part of that internal reallocation that has caused that figure, where the budget was \$1.637m for employee expenses and the actual was \$1.896m.

For this year you will notice there is an additional increase, where the amount for employee expenses rises to \$2.053m. Again, that takes into account enterprise bargaining and payroll tax but also an additional \$100,000 that was allocated in the Office of Women's Policy budget this year for a specific position to address some of the recommendations of the Task Force on Women and the Criminal Code. A program to address the prevention of violence will be a response to look at how we address the current gaps in services for women who are victims of violence. So that accounts for that additional figure, which comes out at \$2.053m in the 2000-01 estimate.

**Miss SIMPSON:** I will ask a supplementary question in regard to employee expenses. Thank you for the explanation about the 25.4% increase over one budget period, taking into account this year. I hear what you are saying, that you have an extra position to undertake a specific project, yet your staffing levels actually fall from 31 full-time equivalents to 30 full-time equivalents, according to your Budget papers. If that is the case, why do you still have that difference?

**Ms BELFRAGE:** The staffing figures that were given are at 30 June. Since the Budget has just come down, we have not yet appointed anyone. That will be an additional staff person that will be appointed. At the moment we are in the process of preparing job descriptions to advertise for that.

**Miss SIMPSON:** So would it be fair to say that you will have a full-time equivalent? While your estimate was 30, you are likely to have 31 full-time equivalents in this coming year?

**Ms BELFRAGE:** Yes, we will.

**Miss SIMPSON:** Minister, I would like to ask a question about what you are doing to ensure that Aboriginal women under threat of violence have access to appropriate legal services to make sure they get adequate representation.

**Ms SPENCE:** As far as I know, the State has not directly funded specifically an Aboriginal Womens Legal Service. There is an Aboriginal and Torres Strait Islander Womens Legal Service at South Brisbane. Their offices are located in the old Boggo Road jail. They are ATSI funded. Certainly it would not come out of my DATSIPD budget to fund legal services. You really need to check, I guess, with the Attorney-General to find out where that money goes. The Attorney-General does provide funding for the Womens Legal Service and Legal Aid. I know that that Aboriginal and Torres Strait Islander Womens Legal Service over there at South Brisbane was auspiced by Legal Aid, amongst others. There probably is some State Government funding going into that particular service.

**Miss SIMPSON:** I refer to the Output Operating Statement on page 2-17. Minister, could you detail what expenditure has caused the "Other" operating expenses to blow out by 75.8% to \$320,000?

**Ms SPENCE:** I am told here that it is leasing accommodation, rent and things like that. I will pass that one to the executive director to answer.

**Ms BELFRAGE:** I think you asked about the increase, was it, from \$182,000 to \$320,000?

**Miss SIMPSON:** That is correct.

**Ms BELFRAGE:** As the Minister said, the "Other" expenses covers leasing accommodation, cars and audit fees. However, as I said in my previous answer, during the year budget allocations are rearranged within the budget. So you see an increase there to \$320,000 but a decrease in supplies and services. So some of that money has been readjusted and spent in another

section, in supplies and services. That explains the difference.

**Miss SIMPSON:** Would it be possible to take a question on notice to get a breakdown of what the "Other" operating expenses actually consists of?

**Ms SPENCE:** Certainly. We should be able to provide you with that by the end of the Estimates session.

**Miss SIMPSON:** That would be great. Thanks very much. I would like to ask the Minister a question in regard to strategies for eating disorders. I note that in the Managing for Outcomes process there are supposed to be targets set to measure the activity of Government in key areas. On page 2-14, under Review of Output Performances, your MPS states that you have coordinated a successful strategy to raise awareness about eating disorders and promote positive body images for young people. You also mention that there is a research component to the strategy. I would assume that there would be some measures within that research component to gauge the effectiveness of the strategy. Why are there no targets in the MPS so we can see through the Budget process the targets you are specifically aiming for—targets that detail some measure of the effectiveness, or effectiveness into the future, of the program?

**Ms SPENCE:** Could you just restate that last bit of the question?

**Miss SIMPSON:** I will rephrase that question. I note in the MPS you say that that strategy has a research component and yet within the MPS there are no targets that we can look at in what you are trying to achieve with the strategy so we can actually see what you are actually doing and how you are measuring the outcomes of that particular program. What I would like to know is what are the targets and why are there not some targets actually within the MPS?

**Ms SPENCE:** That is a good question. Basically, our eating disorders strategy for the last year has been focused on our Girl Genius campaign. \$410,000 on a non-recurrent basis was devoted to that in last year's Budget. Basically, it is an eating disorders campaign targeted at girls from 10 to 14 years old, because unfortunately the research shows that girls are developing eating disorders at a younger age and if we are going to prevent these disorders then we really need to target girls at younger and younger ages.

It has been a very successful project. It has been developed into a campaign with money being spent on cartoons, posters and

merchandise that has been distributed through the *Girlfriend* magazine, through schools, youth groups and community and health organisations throughout Queensland. I understand that we have developed 72,000 posters and 40,000 postcards and booklets have been distributed.

At the moment we have got a competition which we are currently judging where girls—and boys, too, have entered this competition—have been asked to develop one-liners for the new *Girl Genius* slogan and we have received 578 entries throughout Queensland.

The evaluation of the campaign is currently under way. Three agencies have been approached to tender. Millward Brown was the successful agency with a tender of \$16,000. So the evaluation results are due by the end of September this year.

Stage 1, as I said, has already been developed. That has been the postcards and the posters. Stage 2 is a cinema advertisement phase. We would really like to run the *Girl Genius* ads through cinemas throughout Queensland and we are currently enlisting corporate sponsorship to help us with that phase of the project.

Your basic question of why have we not got the outcomes in the MPS, I think that is a fair question. I understand that the output performances are still being—or have been until recently revised by not only our department but also Families, which is the joint contributor to this particular campaign, and perhaps we should be looking at putting more specific information like that into our MPSs in the future.

**Miss SIMPSON:** Thank you. Minister, I would like to ask a question with regard to the women's crisis centre funding. I know that obviously this is an area that goes into other portfolios, but in your role of monitoring what portfolios are doing—and it is a very important area in service delivery for women in need—what monitoring have you had of the funding of the State Government into women's crisis funding?

**Ms SPENCE:** It has not been our role in the past and the Office of Women's Policy has never undertaken that kind of role in the past. However, I think that the new worker who we are employing this year to look specifically at women and violence will be, to a small extent, looking at that, because what the new worker will be doing is developing a pilot project for us which hopefully we will get funding for next year. It has been a concern of mine for some time that throughout this State sexual assault

workers and domestic violence workers—in many respects they work in silos, and in country towns particularly you have got discrete entities doing sexual assault and domestic violence, they have got their own premises and their own budgets. I think that there needs to be more coordination across the sector, and specifically when we are looking at country towns that do not have any of these workers and want someone, I think that in the future we are going to have to provide women's workers who can fulfil all of these roles.

**Miss SIMPSON:** Some multiskilled workers or people who cover several—

**Ms SPENCE:** Absolutely, yes. And that is what this new worker will be focusing on; providing some pilots that we can use in country Queensland who will be women's workers and can provide advice and counselling support across all of these areas.

**Miss SIMPSON:** That is certainly feedback you get from people; where you have a specialised, dedicated service over a regional area, they cannot be present in a country town, but if you can have someone who is multiskilled who covers several areas you can effectively reach into that community rather than being centre based in some region. That would be good.

**Mr MUSGROVE:** Minister, I refer to MPS 2-15. An allocation of some \$100,000 has been made to the Office of Women's Policy to respond to key themes contained in the Women and the Criminal Code Task Force report. Minister, can you tell us about the leading role the OWP will play in addressing violence against women in Queensland?

**Ms SPENCE:** Yes. I am glad you asked this question, because it really gives me the opportunity to elaborate a bit more on the issue that the member for Maroochydore and I were just discussing. Besides my own personal feedback of the need to coordinate our women's services more particularly in rural and regional Queensland, the Women and the Criminal Code Task Force also identified this as an issue for concern.

I guess one of the things in Queensland is we have got these sexual assault workers being funded by Queensland Health, we have got the domestic violence workers primarily being funded by the Department of Families, and when you get different agencies needing to coordinate it all becomes quite difficult sometimes.

The Women and the Criminal Code Task Force report identified the need to better coordinate these services across Government.

It was felt that the Office of Women's Policy would be the best organisation within Government to undertake this kind of coordination and bring those two sectors together and explore future options for funding and for service delivery.

In the extensive consultations conducted by the task force around the State, women clearly articulated that it is no longer acceptable for women victims of violence to be shunted from one stage of the legal process to the next without any continuity between the stages or from the agencies assisting, and this lack of continuity means that women may have to repeat their stories several times to several different people, and it is all very unnecessary. So this new worker will certainly pull together a group across Government of the key stakeholders such as Families, Health, the Police Service and the courts to basically eliminate the bureaucratic lines of responsibilities and help us better assist victims of violence.

The funding is provided to the domestic violence services to provide court support services for victims as well, and we really do need to, as our court support service in this State is still in its infancy stage, ensure that the court support service is coordinated well with the other agencies. While each area has its own unique and sometimes independent responsibilities, there is much, I think, to be gained from coordinating the work of all of these Government departments. So I guess we are asking a lot of this new worker whom we are yet to employ, but it will be a real challenge for Government and I think it is something that is long overdue.

**The CHAIRMAN:** I refer to MPS 2-13. In excess of \$900,000 has been allocated to maintain the three Women's Infolink offices around the State. Minister, what role have these offices been playing in communicating with Queensland women, improving their job skills, particularly those women in regional and rural Queensland?

**Ms SPENCE:** I thank the member for the question. We have, of course, Women's Infolink offices in Townsville, Brisbane and Maroochydore. I am pleased to say that there has been an increase in the activity and use of the office of Women's Infolinks throughout the State in the last year. In fact, there has been a 13% increase in all contacts; that is, phone, visits and computer use. Women from rural and regional areas comprise the third highest volume of call categories.

There has been a 98% increase in contact on legal issues—women wanting

assistance with legal issues. There has been a 50% increase in the distribution of information resources to women throughout Queensland—basically, through our info sheets. There has been a 100% increase in access to free Internet classes across the three locations. There has been a 50% increase in community outreach activities, for example, in our community outreach forums focusing on women in rural and regional areas. The Women's Infolinks have also established online capacities and are out there teaching Queensland women how to use the Internet and ensuring that women in those locations have good access to the Internet. They have conducted a number of skill development IT workshops throughout the State.

So I am happy to say that Women's Infolinks continue to be a success story for the Queensland Government. Certainly their use and their value for Queensland women is growing each year. We look forward to more involvement from those agencies in the future year.

**The CHAIRMAN:** Thank you.

**Mr MUSGROVE:** Minister, I refer to MPS 2-14 where reference is made to the Register of Women upgrade and the work of the OWP with other Government agencies to increase the number of women appointed to Government boards. I am wondering if you could outline whether or not there has been an increase in the number of women appointed to boards in the last year.

**Ms SPENCE:** Yes. I am pleased to say that the Beattie Government has raised the number of women on boards and in its statutory authorities by more than half since coming to Government in 1998. The ranks of women on statutory boards has grown from 711 in June 1998 to 1,114 in July of this year. This means that the number of women on boards grew by 56%. We are very proud of that figure. The percentage growth of women members far outstrips the growth of male members, which was 9%. When the coalition left office 23% of board members were women. Now women constitute 30% of all members. At the start of the year, 40.4% of all new board appointees have been female.

In other words, the decision makers in some of the State's most important organisations are now more representative of Queenslanders than has ever been the case. The boards and statutory authorities are influential forums often in charge of significant budgets. Statutory authorities include port authorities, electricity boards, water boards and primary industry boards. Boards which have

undergone changes in the gender balance include port authorities, which now have a 44% female membership compared to 12% in June 1998.

The Office of Women's Policy keeps a register, which is a database of the names and qualifications of women who wish to be considered for board memberships. Government departments consult that register when nominating for significant appointments. Women know that membership of a board can open more doors for them. I am very pleased with the record that we have seen under this Government of appointing and elevating women to boards and statutory authorities. I think that it is in line with our other major appointments of women to the judiciary, to the magistracy, to the Cabinet, and to head State Government departments.

The appointment of women to boards is a practical step to show the women of Queensland that this Government is committed to promoting the interests of women in this State. I think that the existence of our Women's Register has certainly been beneficial for Government departments to ensure that good women are placed on our boards and statutory authorities.

**The CHAIRMAN:** Minister, I refer you also to page 2-14 of the MPS and the Premier's Council for Women, which is the Government's key advisory council for women in Queensland and which has an annual budget of \$240,000. Can you outline some of the work that the Premier's Council for Women has undertaken in the last year?

**Ms SPENCE:** Yes. The Premier's Council for Women has been going now for two years. It was established in March 1999. That really does not give it two years—a year and a half. It has 12 members. They are made up of women throughout Queensland. In appointing that council, we ensure that we have certainly a good geographical distribution of women and good representation of women from all walks of life.

The Premier and I gave the Premier's Council for Women the role of working on a jobs strategy for Queensland women. I am pleased to say that in the last financial year their activities have included providing \$63,000 for the Women and Work Research Project, which will provide a comprehensive analysis of women's status in the Queensland labour market, including recommendations for action. I understand that that draft report is currently before the Premier's council. They have used \$7,000 for the development and launch of the council's Women and Work web site, which I

invite you all to call up and have a look at. They have spent \$4,310 on an International Women's Day young women event, which was held in Brisbane. They have used \$1,400 for a joint event with Women's Network Australia on workplace responses to domestic violence and workplace violence. They expend about \$13,500 for each council meeting and they have had three full meetings this financial year, two meetings in its initial year. This budget includes travel, accommodation, sitting fees and catering.

The meetings are well attended by all of those council members. When they meet, they meet for two-day sessions and work very hard on their responsibilities. I commend the work that they have done in assisting the Government in ensuring that the whole issue of women and work remains firmly on this Government's agenda and challenging us as well to explore new areas in this whole work and women idea.

**Mr MUSGROVE:** I refer to page 2-13 of the MPS, which outlines a series of community outreach forums that the OWP has embarked on all around the State over the last 12 months. I wonder if you could inform the Committee of the purpose of these forums.

**Ms SPENCE:** Yes. The community outreach forums are an initiative of this Government. The Office of Women's Policy in the past—it is now a decade old—has never really gone out there and talked on a regular basis to Queensland women. It was a great concern of mine that as the policy makers in the Office of Women's Policy are basically Brisbane based, they were not out there talking to women throughout Queensland. So I asked them to initiate these community outreach forums. To date, nine forums have been conducted throughout Queensland. The forums have been held in Logan City, Roma, Mitchell, Deception Bay, Mount Ommaney, Charleville, Cairns, Ipswich and Townsville.

We have now set the Office of Women's Policy the task of holding one forum each month throughout Queensland. I have managed to attend most of these forums myself, and I have to say that they are well attended by the local communities. They provide a very interesting day where women can learn about the activities of the Office of Women's Policy. They can learn about the Government's range of initiatives and services on offer to Queensland women. But more importantly, they also give Queensland women the opportunity to come along and tell decision makers and policy planners what they should

be doing, what they are doing right and what direction they should be heading in the future.

I am very pleased with this particular initiative. In fact, it has been one of the cheapest initiatives that the State has ever seen, because the figures in front of me say that only \$8,089 has been spent on the cost of these forums to date. We have had nine forums throughout the State for \$8,000. So the Office of Women's Policy, like all women, and particularly women's organisations, knows how to use money very wisely and get the best value out of it.

**The CHAIRMAN:** I refer to MPS 2-14. The Office of Women's Policy allocated \$50,000 from the OWP Domestic Violence Fund towards the production of an educational resource for young people, teachers and community workers. Minister, can you tell us about the preventive role this video will play in educating Queensland's young people about violence in relationships?

**Ms SPENCE:** As you said, we have allocated this \$50,000. Basically what we have done is produce a video, 700 copies of which will be distributed to our universities, our schools and our TAFE colleges as well as young people's organisations. With the video is a booklet to be used as a teaching resource. The video, which I have seen and launched very recently, is all about making young people aware of violence, particularly family violence. It has four scenes in it. They are about violence in families, they are about date-related violence and they are about offensive language and inappropriate behaviour.

The video was made in Brisbane using young actors who are professionals. It is of a very high quality. It was trialled in three schools throughout Queensland before we put it out there for distribution. The feedback we have had from those schools has been very positive. There is a real dearth of information like this in schools. It is not an area that is necessarily talked about on school curriculums. So I think that the video will provide a very useful resource for teachers, particularly teachers of social science and teachers of human relationships in schools. The fact that we have made it by using young people—in fact, I understand that young people had a great input into the writing of the scripts of these videos—means that it is something that young people will relate to and get a lot out of.

**Mr MUSGROVE:** I refer to MPS 2-15, where some \$28,000 has been allocated towards the development of an innovative pilot model for women support workers. Minister, can you expand further on this pilot model and

how it will assist women in rural and regional Queensland?

**Ms SPENCE:** Previous to this we have talked about the \$100,000 new initiative which we got out of our State Budget and which is basically aimed at coordinating the Government activities in relation to sexual assault and domestic violence, which was a recommendation from the Women and the Criminal Code Task Force. This \$28,000 has been allocated towards, as you said, the development of the model to provide women support workers to rural and regional Queensland. As I said earlier today, this is something that women throughout Queensland have certainly been asking for. But we really cannot start putting these women workers in our communities without doing the hard work first of ensuring that Government clearly understands the kinds of services that they can offer in these communities.

We suspect that the women workers services could include addressing violence against women, mental health, drug and alcohol abuse, reproductive health, housing, relationships, positive parenting and access to education and training. Certainly that is what women in Queensland want out of these women's workers. But I am sure that you would all appreciate from that incredible list I just read out that it is a big ask to expect one worker to be competent to provide services in all of those areas. That is why we are spending this next year ensuring that we develop a good model for these women's workers and that the project does not propose necessarily the establishment of new services but maximises the existing services in rural and regional Queensland through the provision of referral information and an integrated approach to the delivery of services crucial to women's wellbeing.

**The CHAIRMAN:** I refer you to MPS 2-15 and note that the OWP has auspiced \$150,000 for two projects aimed at developing a support model for young pregnant and parenting women at risk of violence in both urban and rural communities. Where are these projects being undertaken?

**Ms SPENCE:** We managed to get this \$150,000 from the Partnerships Against Domestic Violence money, which is Federal Government money, so I have to acknowledge that the Federal Government has provided the funding for this particular initiative but also congratulate the Office of Women's Policy on successfully getting this money for Queensland. We all know that pregnant teenagers are at risk of becoming victims of

domestic violence, and a key aim of this project is to help school-aged women who are raising children or who are about to become mothers to have healthy and non-violent relationships. We believe we can address the causes of domestic violence and, at the same time, give young mothers and their children a better quality of life and confidence in their future. The project also intends or hopes to improve society's attitudes towards pregnant teenagers and young mothers.

The two organisations to receive funding have track records in assisting young pregnant women and mothers. They are the South Brisbane-based Micah Inc., the sponsor organisation for Young Mothers for Young Women, and the Atherton Neighbourhood Centre in Atherton. These two groups will work with schools, Government and non-Government service providers to develop models that can be used throughout the State.

This project, administered by the Office of Women's Policy, builds on work already under way in State high schools, and Education Minister Dean Wells last year developed Queensland's first uniform schools policy for helping parenting students. Education Queensland is now developing, we understand, a comprehensive picture of the social and economic costs of teenage pregnancies, including ways whole-of-Government response can reduce the number of pregnant students ending their schooling and limiting their future options.

Research has shown that the incidence of domestic violence in teenage pregnancy is considerably higher than rates reported to the general community. A recent Western Australian study found that of 537 pregnant women aged 12 to 17 years old, 30% of them were victims of domestic violence. So we are hoping that these two projects will actually give Government a lot of information to address the whole issue of young mothers, young women and domestic violence for the future.

**The CHAIRMAN:** Thanks, Minister. The member for Maroochydore has one final question to ask.

**Miss SIMPSON:** I wanted to ask a question in relation to page 2-17 of the MPS and the equity return, which was listed last year as being \$126,000. This year it is \$118,000. As this is a tax on assets of your office by Treasury, could I have a listing of the assets that the office actually holds that relate to this tax that has been made and the cost of the assets upon which this equity return or assets charge has been formulated?

**Ms SPENCE:** We do not have it with us at the moment, but we will certainly be able to provide that by the end of the session. I do not think we have that many assets; it will be okay.

**Miss SIMPSON:** That is what I was wondering. You have a charge there, so I was curious to see—

**Ms SPENCE:** We are not the Education Department.

**Miss SIMPSON:**—how they are getting the assets charge out of you.

**Ms SPENCE:** It would be mostly computers, we think.

**Miss SIMPSON:** As you have lead agency for women's policy across Government, what are the numbers of women in SES positions as at 30 June this year as opposed to 30 June last year?

**Ms SPENCE:** I have certainly seen those figures, and I just do not have them on me, but we will certainly get that by the end of the session. It is not a problem.

**Miss SIMPSON:** Thank you very much.

**The CHAIRMAN:** The hearing is now suspended for lunch. The Committee previously agreed that the officers solely related to the Department of Aboriginal and Torres Strait Islander Policy and Development and the Office of Women's Policy will no longer be required by the Committee. That means you can go. The hearing will resume at 2.30 p.m. with the Committee's consideration of the proposed expenditure for the Office of Fair Trading.

Sitting suspended from 1.28 p.m. to 2.30 p.m.

**The CHAIRMAN:** The hearings of Estimates Committee A are now resumed. Did the Minister wish to make an opening statement?

**Ms SPENCE:** I would like to introduce the officers of my department and statutory authorities with me here this afternoon: the Director-General of the department, Marg O'Donnell; the acting Commissioner for Fair Trading, Matt Miller; the acting General Manager of the Queensland Building Services Authority, Ray Potts; the Registrar of the Queensland Building Tribunal, Theo Haralampou; the General Manager of the Residential Tenancies Authority, Carolyn Mason; the General Manager of Business and Executive Services, Jan Archer; and the acting Manager, Financial Services, Business and Executive Services, Val Johnston. I might leave my opening statement at that, as I really

should not be making another one, I understand.

**The CHAIRMAN:** It takes up a bit of time and I believe you wish to answer a few questions at the end of this session. Is that all right?

**Ms SPENCE:** That is fine.

**The CHAIRMAN:** I now call the member for Aspley.

**Mr GOSS:** Minister, given that the Premier has stated publicly that bonuses paid to directors-general were to be paid out of individual departmental budgets and, therefore, I can only assume, are included and classified in your department's expenses for employee expenses, I ask: what is the quantum of the bonuses paid to your director-general in 1998-99, 1999-2000 and 2000-01?

**Ms SPENCE:** The director-general has a contract not with me but with the Premier. Really, that question needs to be referred to the Premier.

**Mr GOSS:** So there is no funding for the director-general in your budget?

**Ms SPENCE:** Not on my understanding. It is our understanding that that comes from the Premier.

**Mr GOSS:** Could you confirm that later in the day?

**Ms SPENCE:** Sure.

**Mr GOSS:** If we find later on that that is not correct, it is too late to ask a question.

**Ms SPENCE:** Sure.

**Mr GOSS:** I turn to Equity and Fair Trading and refer to page 2-22 in the MPS, and in particular to the Operating Statement, and I ask: can you guarantee the accuracy of the estimated actual figures contained in the 2000-01 Budget papers?

**Ms SPENCE:** You actually want me to confirm that this whole page is accurate?

**Mr GOSS:** What I am saying is: can you guarantee the accuracy of the estimated actual figures?

**Ms SPENCE:** These figures are accurate as at the time that the Budget papers were put together. Obviously, a lot of these figures become fluid on a daily or weekly basis. But at the time that these Budget papers were together, yes, they were accurate.

**Mr GOSS:** Subsequent to that, if there is any variance would you expect it to be more than, say, 2%?

**Ms SPENCE:** I do not know. I might let

my finance officer answer that. I would like to introduce Val Johnston.

**Ms JOHNSTON:** Would you mind repeating the question, please?

**Mr GOSS:** I was referring to the accuracy of the figures, in particular the Operating Statement and the estimated actual figures. As the Minister said, there could be some flexibility there. Would that flexibility extend beyond 2% or 5%?

**Ms JOHNSTON:** I am not exactly sure of the percentage, but in the estimated actual position for DEFT we stated that we had a controlled operating budget of \$35.7m. In our statements that we provided to Treasury under AAS 29 we said that our actual controlled funds that were spent were \$37.2m, which is a slight increase over what we stated in the estimated actual.

**Mr GOSS:** Do you know what the percentage is?

**Ms JOHNSTON:** I can calculate that for you.

**Mr GOSS:** All right. I did not bring one.

**Ms SPENCE:** We have a calculator.

**Ms JOHNSTON:** That is a 4% variance.

**Mr GOSS:** Thank you very much. Again, I refer to page 2-28 and dot point No. 6 in which you confess your \$35m raid on the Auctioneers and Agents Fidelity Guarantee Fund during 2000-01. Given that you spent some \$12,500 last year to conduct an external review of the financial position of the fund, which subsequently advised that any further financial raids that have become a trade mark of your Government were unsustainable and would bankrupt the fund, why have you perpetrated this huge deduction from the scheme just to balance the budget?

**Ms SPENCE:** You are quite right in referring to the external review. It has been a cause of concern of mine for a number of years that money from the fund was being depleted. We started this fund of over \$100m at the beginning of the decade. Over the last eight years at least we have been taking approximately \$10m a year from that fund for Housing. This is not something just done by the Labor Government, I must remind the member for Aspley. When Mr Beanland was Fair Trading Minister, he signed the cheques every quarter to send that money to Housing as well. The money went under both Governments. But obviously the position of the fund was not going to be sustainable in the long term with that kind of money going to Housing. So I commissioned an external

review, as you said, because I wanted to get a real actuarial position of the fund.

The actuarial position did confirm my suspicions that in fact the fund was unsustainable if we were going to continue to take \$10m a year and give that to Housing. We have taken \$35m from the fund, but the point the member for Aspley fails to realise is that the fund in future is going to be underwritten by the Government. Our intention is always to keep a \$2m minimum in the fund. But if there are excessive claims on the fund, they will be underwritten by the Government of Queensland. While the fund was in a fairly precarious position previously with the \$10m being taken from it on an annual basis, in the future the Queensland people will have a more sustainable fund than ever before because the whole of the Queensland Government will be underwriting any potential claims on the fund. In fact, we will have a strengthened auctioneers and agents fund in the future.

I have discussed this issue with the real estate industry and the motor traders industry, and they are very comfortable with our guarantees that the Queensland Treasury will be underwriting this fund. In fact, I invite you to have a look at the property agents and motor dealers Bill which is currently out for public consultation. We have actually written that into that legislation. I was concerned that a future Government might not abide by the promises that I have been able to extract from Treasury this year, so we are writing it into the legislation that in future the Queensland Government will be underwriting this fund.

In fact, this is better protection for consumers. The fund in the past has been financing much of the work of the Department of Fair Trading. We have been financing a whole host of public servants and a whole host of our administrative costs out of that fund. In future those costs will be properly resourced by consolidated revenue, not the Auctioneers and Agents Fund.

**Mr GOSS:** Subsequent to that, why are the charges to the individual, who is paying these charges through the agents, not reduced to allow home owners and car purchasers to pay less for their product?

**Ms SPENCE:** I really do not know what the point you are making there is. I do not think you understand the source of this fund. This fund is money that is derived from the licence fees of real estate agents and motor traders and, more importantly, the interest on the trust accounts. So partly it is a fund that has been made up from industry, but more so it is a fund that is made up from interest from

trust accounts. In fact, the main source of income to the Auctioneers and Agents Fund is interest on trust moneys held on behalf of consumers. The 13 financial institutions hold in excess of 4,700 trust accounts on an annual basis. We basically move the interest on those trust accounts into this fund.

**Mr GOSS:** They will not be getting that interest anymore. What I was saying was—

**Ms SPENCE:** The Queensland Treasury.

**Mr GOSS:**—when they pay their licences, the agents and the auctioneers have to pass that cost on to the people who are purchasing a home or car. So that cost is all included in it. We could have reduced the fees instead of doing it this way. The Government is really putting a tax in there now. It is not really an insurance-type scheme anymore.

**The CHAIRMAN:** Is that a question?

**Ms SPENCE:** I would like to answer the question. I think the member for Aspley really fails to understand anything about this portfolio or what we do. In the BSA we collect licence fees from over 50,000 builders and trade contractors in Queensland. In the Office of Fair Trading we take licence fees off real estate agents, motor traders and a whole host of other people whom we licence in our department. Our primary job is to licence people in this State.

I have to say that every time someone talks politically about deregulation, all business wants is more regulation. On a weekly basis people come to see me and want to be regulated. Last week it was the nursery industry; they want to be licensed. The week before it was carpet layers or insect screen fitters. Business wants licensing; they want to improve the professionalism of their industry. Licensing does not come at no cost. If we are going to introduce a licensing regime into any industry, we obviously have to have standards. We develop codes of conduct, and there is a cost of developing a licensing structure. I do not accept your point that the licence fees are at all tied in to the Auctioneers and Agents Fund as to who should get reductions and why.

I would like to make another point about the Auctioneers and Agents Fund. There has been a criticism for a long time that the old committee structure, which we are going to replace in the new legislation, has been funded out of this fund, and it has been. So has just about half of the Department of Fair Trading. So there has been the criticism that officers in our department and the committee have been overly protective about this fund because they did not want to see the resource

disappear because it has been funding their positions. Now we have broken that nexus in the proposed legislation between the funding of the department and the fund—and I hope you look at that legislation. We are proposing a new tribunal which will be semi-judicial in nature which can make determinations on payouts without having any regard to the amount of money that is in a fund. It will be quite separate in future and I think it will eliminate the criticism that might have been quite justified in the past about people trying to protect the fund. I think there is no doubt that historically many people in the department have seen the fund as their own little sinecure to protect in many respects. That has been broken now.

**Mr GOSS:** Basically, you could say that the fund is almost totally being eliminated as such if you are keeping only \$2m in it?

**Ms SPENCE:** No. What I am saying is that there will be a \$2m minimum balance in the fund. This year the claims on the fund totalled under \$1m. I have studied the claims over the past five years and they average about \$1m a year. That is what we have been paying to consumers out of the fund. We are going to keep \$2m in the fund. But if there are excessive claims in any year and we need more than that, it will be underwritten by Queensland Treasury. They will be paying out the claims. In future, the claims will be determined by a tribunal which will be totally independent of the fund. To say that we are eliminating the fund is absolutely politically silly.

**Mr GOSS:** I asked you were you eliminating the fund, because if the Treasury is going to pay, then why have the fund as well—if Treasury is going to guarantee payments?

**Ms SPENCE:** The simple answer to that is that the Treasury does not want to administer the payments. That will still be done through the Department of Fair Trading. I would just like to pass over to the Acting Commissioner of Fair Trading, Matt Miller, who is very keen to make a point.

**Mr MILLER:** I would just like to add that this is an issue of transparency as much as anything else. As the Minister has indicated, the average total claims has been around \$1m a year. Historically it would indicate that claims would not exceed \$2m, and that is why that minimum threshold has actually been established with the safety net of Treasury underwriting should the claims exceed that level. As others have made the point, the Government feels it is a better use of the

funds rather than having them locked up in a reserve.

**Mr GOSS:** Minister, as you are responsible for the Department of Equity and Fair Trading, I refer to the past two years of Estimates Committees wherein you were asked about the Government's policy to open new consumer affairs offices in areas of rapid growth in the regions. I refer you to the transcript of 1998, in which you said—

"I hope to come back to you in next year's budget process and announce where the new offices will be located in Queensland."

I also refer you to last year's transcript in which you said—

"In the last year we have not established any new offices.

...

In terms of opening new regional offices—we are certainly examining the feasibility ..."

What have you done and how far have you progressed in this area?

**Ms SPENCE:** We have not opened any new offices in the past year. It was a tight budget. We would have liked to. However, we have managed to increase the number of staff at a couple of regional offices. I think Mackay has had its staffing increase by the addition of an investigations officer where none existed previously. I think we have managed to increase the numbers at the Gold Coast office as well during the year, and at Toowoomba we have also managed to increase the number by one extra as well.

**Mr GOSS:** I refer you to page 2-12 and I refer to an FOI search lodged by the office of the Leader of the Liberal Party dated 6 July 2000 which was seeking documents regarding your recent trip to Canada, in particular emails that exist or at least existed. I ask: can you advise me whether a request has been made of the IT branch of the Department of Equity and Fair Trading to sort and query the email logs of messages sent which refer to your Canadian trip?

**Ms SPENCE:** The IT request has been made. I do not know where that freedom of information question is at the moment, but I am sure it will be provided by the due date.

**Mr GOSS:** Thank you. I refer to your response to question on notice No. 641 in which you indicated that some \$25,740 had been paid to members of the Auctioneers and Agents Committee for what you identified as a

special assignment. I ask: what was the nature of that special assignment?

**Ms SPENCE:** We do not have that information with us at the moment, but we should be able to get that to you by the end of the session.

**Mr GOSS:** Thanks, Minister. On page 3-4 I note that you are forecasting an operating deficit of some \$547,000 in the 2000-01 financial year for the accounts of the Queensland Building Services Authority. What is the composition of the debt or the surpluses of the two funds? How much is to be transferred from the insurance fund to the general fund in 2000-01?

**Ms SPENCE:** What page did you refer to?

**Mr GOSS:** Page 3-4.

**Ms SPENCE:** I pass that question over to the acting Manager of the BSA, Ray Potts, for a preliminary answer.

**Mr POTTS:** Taking the last part of the question first, in the year 1999-2000 it is expected that we will draw down the full \$5.5m from the insurance fund to the general fund.

**Mr GOSS:** \$5m?

**Mr POTTS:** \$5.5m. I think the first part of the question was that we are forecasting a loss of \$600,000 into Consolidated Funds. That breaks down to a surplus of \$298,000 in the general fund and a deficit of \$898,000 in the insurance fund.

**Mr GOSS:** Thank you for that information. I note from last year's Estimates transcript that the General Manager, Mr Miller, stated that the overall deficit of some \$2.1m for the Queensland Building Services Authority was due to loss in the insurance fund. Mr Miller went on to say—

"The \$2m deficit in 1999-2000 is almost in entirety due to delays in introducing the new premium structure ... The other significant contributor to the loss in the insurance scheme for 1999-2000 is, in fact, an unforeseeable impact of GST liability ..."

How could Mr Miller have claimed that the deficit in the insurance fund was attributed to these two reasons yet fail to mention that two days before his appearance at that hearing he had signed a certificate for \$5.5m to be transferred out of the insurance fund to the general fund?

**Ms SPENCE:** Perhaps Mr Potts would like to answer that again.

**Mr POTTS:** I might have to be reminded of some parts of the question. In the year just

gone, as I said, we are drawing down \$5.5m as is permitted under the regulation. As you know, the \$5.5m is funded by surcharge in the insurance premium. In that year, the amount of surcharge collected was \$4.2m. The gap between the \$4.2m and the \$5.5m arises by virtue of the fact that the increased premium, including the surcharge, was introduced from 1 October. So, in fact, there were three months of the year where the premium was still being charged at the old rate.

**Mr GOSS:** The question related to what were identified as the problems. As you said, the delays in introducing the new premium contributed to it. There was also the loss in the insurance scheme because of the impact of the GST. However, nothing was mentioned about the fact that two days before a certificate had been signed which allowed \$5.5m to be transferred out of the insurance fund to the general fund. Last year I asked a question about this, the GST and the delays in the premium, but we were not told about the transfer of the money even though it was done two days prior to the hearing.

**Mr POTTS:** The \$5.5m relates to the 1999-2000 year. Is that the year you are referring to? There was no draw down in the year prior to that, that is, 1998-99. The 1999-2000 year is the first year in which we have been able to access those funds.

**Mr GOSS:** This is the second draw down?

**Mr POTTS:** No. The first draw down happened in 1999-2000.

**The CHAIRMAN:** We might have to leave it there, I think. I refer to page 2-9 of the MPS. There has been recent publicity and funds set aside in the 2000 Budget relating to the practice of payday lending in Queensland and in other States. A national television program, the Money show, interviewed the Minister about this relatively new phenomenon. The Money show alluded to the fact that Queensland was leading the charge against this highly unscrupulous practice of offering payday loans at exorbitant costs to the consumer. Could the Minister please advise what steps Queensland is taking to clamp down on payday lenders?

**Ms SPENCE:** Payday lenders are a relatively new phenomenon on the Australian scene. We estimate that they have probably only been in existence for 18 months in this country, even though they are a big business, particularly in the USA, Canada and Europe. The payday lenders are exploiting a loophole in the Consumer Credit Code which allows unregulated loans for loans up to 62 days. So the payday lenders are loaning people money

for under 62 days which means that there is basically no regulation covering this area. There are three major companies in Australia running the payday lending business, but I understand that they are selling franchises all over the country with great interest and great speed. It is important that we crack down on this activity because they are basically lending money at exorbitant rates to consumers who can ill afford it. They are particularly targeting gamblers and people on low incomes.

The payday lenders do not necessarily explain clearly the terms and conditions of the loan. In fact, they are not even obliged to because they are escaping the regulation in this area. When we calculate the kind of interest that they are charging, they are charging interest in excess of over 1,000% per year. However, they do not fully explain that to the people to whom they are lending the money. Mostly, they offer small loans of \$100 to \$500, but the people who take these sorts of loans have an inability to pay them back and get caught in the spiralling credit trap.

In fact, there was one instance of a Gold Coast couple who borrowed \$50 before Christmas and now owe the payday lenders in excess of \$700 because they just have not been able to make the repayments. All you need to get a payday loan is a name, an address and a bank account. If you do not make the payments, they will take the repayments straight out of your bank account on your payday. Because they are unregulated, they are not providing people with written contracts. They are making up their own rules. They are repossessing cars and other kinds of property if people fail to pay back their loans.

Queensland is the template State in the Consumer Credit Code. We are leading the nation in trying to stop this kind of lending. I established a working party on this in March this year. The working party is due to finally report to me with its recommendations next month. Two weeks ago I went to the national Consumer Affairs Ministers meeting in Perth and got the support of all the other States for our activities to take note of the recommendations of the working party and speedily act to change the Consumer Credit Code. Once it is changed in Queensland, it will take effect throughout Australia because it is a uniform national code. We believe that we can stop these activities. That is certainly one of the main focuses of the Department of Equity and Fair Trading in the next six months.

**Mr MUSGROVE:** Minister, I refer to page 2-9 of the MPS and note that you informed

the House in the last sitting of Parliament of the proliferation of overseas scams in Queensland. I understand that Queensland is powerless to take action against these international swindlers because they operate outside our jurisdiction. However, I understand that after the Office of Fair Trading recently publicised one such overseas scam a warning appeared on a British consumer web site and the operator was forced to shut down. Could you advise the Committee of the overall effectiveness of the department's consumer education and information campaigns? What funds are set aside in the 2000 Budget to maintain and enhance these programs, particularly with regard to the use of the Internet?

**Ms SPENCE:** In the past 12 months the Office of Fair Trading has received more than 800 written complaints and thousands of phone calls and telephone inquiries from consumers about different scams sweeping the State. In fact, there were at least 500 inquiries about the notorious Nigerian letter scam alone. Another recent scam has been the Estates General Promulgatus scam.

I have to say there is not a lot we can do to protect consumers in Queensland once they participate in a scam that has originated overseas. In fact, recently when I attended the world fair trading conference in Chicago I took the opportunity particularly to talk to the Canadian authorities about this matter, because a lot of these schemes originate in Canada. Not all of them do, but a lot of them that come to Queensland do. These authorities were fairly unaware of the schemes that were originating in their own country, because these schemes do target other countries and not necessarily their own population. I suspect that we are in a similar predicament with scams that originate in Queensland, and we know that there are many. They are not targeting Australians at all but they are offshore.

We had some success with the Estates General Promulgatus scam, because we lodged information about this particular scam on our web site. The British fair trading department took up the issue and lodged it on its own web site and started going after the originators of that particular scam.

I guess there is a lot more that we need to do as fair trading authorities around the world to share this kind of information, because at the moment it is very difficult to prevent thousands of Queenslanders from losing their hard-earned money to these overseas scams altogether.

The consumer education section of my department, though, is actively out there doing presentations to the general public, community organisations, businesses and school groups. They certainly talk about these scams. I think the production we released this year called the Little Black Book of Scams is an excellent production and should be compulsory consumer reading for anyone who contemplates sending their money, particularly to overseas organisations. We are attempting to improve our web site with information about these scams. Certainly we are asking our investigative branch in the department to crack down on any scams which might originate in Queensland.

**The CHAIRMAN:** I refer to page 2-7 of the MPS. The rental car industry is a crucial component of one of the State's most important industries—tourism. I understand that the Office of Fair Trading has taken court action against one unscrupulous operator in far-north Queensland, the Jolly Frog car rental company. What further steps is the Office of Fair Trading taking to protect the integrity of the majority of car rental companies in Queensland whose good reputations are at risk by the actions of an unscrupulous few? Could you advise whether additional funds have been allocated to ensure the effectiveness of any future strategy?

**Ms SPENCE:** During the last two years the Office of Fair Trading has received over 200 complaints about car rentals. We now have probably the most notorious Cairns car rental firm, the Jolly Frog, in court. That case is still pending. However, this is not a problem that is isolated to Cairns. Budget travellers throughout Queensland are targeted by unscrupulous car rental operators who operate on the fringe of the market. Often the rental agreements are complex and the rights and responsibilities are difficult for holiday makers to understand, particularly when English is not their first language.

Unfortunately, I receive letters on a fairly regular basis from Canada and from the US—from all over the world—from holiday-makers who have had bad experiences of car rental hire in Queensland. It is a significant issue for our tourism industry. In fact, I got a letter last week from a couple in Canada who said that they would be telling all their friends not to come to Australia because their experience of car rental hire in this State was so poor.

It is a significant issue for us. I am pleased to say that the Office of Fair Trading is working with the Motor Traders Association of

Queensland to develop an industry code of conduct, because there has not been any in this industry. We are hoping that the code of conduct will be finalised shortly.

Last month we held a car rental forum in Cairns, the first of its kind in the State, so that industry and interest groups could discuss these matters and give support to the developing code of conduct. I expect to hold another forum on the Gold Coast in the near future. I took this issue to the Ministerial Council on Consumer Affairs two weeks ago and received support from the other States. Really, if this is going to be successful it should be done on a national basis. They say to me that they do not have the same problems in their States that we may have in Queensland with car rental firms.

I have to say the unscrupulous car rental traders are a small part of the industry. The big players in this industry, such as Avis and Hertz, believe that they have higher standards. They usually have newer fleets and higher quality programs than some of the independents out there. They are not so keen on the code of conduct that we are proposing because they believe their standards are higher than those being suggested by the code, but we are very confident that they will come in and participate in our statutory scheme. At the moment the code of conduct we are proposing will be voluntary. However, if that does not serve to clean up this industry then we can consider making that a mandatory code of conduct and tying it into our legislation.

**Mr MUSGROVE:** I refer to page 2-9 of the MPS. The issue of adulterated petrol became a very real concern for many of my constituents after allegations were made about high levels of toluene in petrol sold to consumers in New South Wales. The Office of Fair Trading immediately launched an investigation into Queensland's fuel industry to determine whether the practice had in fact been adopted here. Would you be able to outline to the Committee what steps you instructed your department to take to protect the interests of Queensland motorists, the results of any random testing that may have been conducted and the financial impact of any testing in relation to the 2000 budget?

**Ms SPENCE:** I am pleased to say that the officers in the Trade Measurements Branch were on this job immediately they became aware of the possibility of toluene diluting Queensland fuel. In fact, they were working on it on the same day the media was breaking this story. Since then they have been actively collecting fuel samples across the

State—both petrol and diesel—and sending those samples in for analysis.

To date, over 300 fuel samples have been analysed from all over Queensland. Twenty-one of these samples have returned a result which could be considered out of the ordinary, but none of the 21 have been found to be excessively high to the extent that damage could be done to vehicles. At no stage has significant fuel adulteration been identified in Queensland, despite extensive fuel samplings.

At the time of this scare we formed a working party made up of our department, the MTAQ, the RACQ, the ACCC, Australian Customs Service and the Office of State Revenue, who have been monitoring the work of our department. There is probably no need for this working party to continue meeting, although they have signalled that they are ready to meet again in the future on that basis if there are problems in Queensland fuel. In the meantime, though, I have instructed the Office of Fair Trading to keep a watching brief on this issue and continue to randomly take samples of Queensland fuel to ensure that service station operators out there are aware that we will be constantly monitoring this particular issue.

This little exercise came with some impact on our budget. It cost \$12,323 to do that particular fuel sampling and testing. Although our inspectors can take the samples at the service station, those samples have to be sent away for independent analysis. That is basically the impact on our budget. I think it is worth while. It was a worthwhile activity to ensure that Queensland motorists are treated fairly and will be protected in the future from the potential of the unscrupulous traders we have seen in other States.

**The CHAIRMAN:** I refer to page 2-10 of the MPS. There have been a number of concerns raised in the media in recent times about standards and practices within the real estate industry in Queensland, particularly in relation to allegations that agents are forcing vendors to lower their asking prices. I note that you have stated on the public record your concerns about the industry. What steps is the Office of Fair Trading taking to curb unethical practices to protect both vendors and purchasers and to salvage the reputation of this very important Queensland industry?

**Ms SPENCE:** Like many members, I have been concerned about the allegations against unscrupulous real estate agents that we have heard in the media in the last couple of weeks. Interestingly, complaints made to the

Auctioneers and Agents Committee by a wide cross-section of claimants have not included concerns about the practices that we have heard about in the media. Basically, people in the media have been complaining about agents forcing vendors to lower prices and force them into auctions. We do not get those kind of complaint about agents necessarily in the department.

Nonetheless, this is a matter that could well be addressed in the course of the development of an enforceable code of conduct regulating the professional activities of real estate agents. The development of the code of conduct will be finalised during the balance of this year after the Property Agents and Motor Dealers Bill is introduced into Parliament very shortly. As I said before, currently the draft Bill is out there for public consultation and I look forward to receiving submissions from consumers and industry generally.

I guess we all have to be aware that prospective vendors do have the option of seeking independent valuations of their property and not rely on real estate agents' valuations if they want to get a truer picture of their property's real worth. In the meantime, I think that the Property Agents and Motor Dealers Bill that is out there for consultation introduces some good measures to protect Queensland consumers, such as the five-day cooling off period for unsolicited real estate sales. For the first time, we will be mandating that sole agencies can go for only 60 days. In fact, in legislation now there is no mandated time limit for a sole agency. In theory, a real estate agent could sign you up for a sole agency lasting three years if you were foolish enough to sign a contract of that nature. So we will be putting in legislation that sole agencies can only go for a length of 60 days.

We will also be introducing tough new requirements of disclosure in the real estate industry so that everyone who has got a contractual relationship or a financial relationship with the salesperson will have to disclose that particular relationship during the real estate sale. For the first time, we will be putting a warning on our contracts to advise people that they should seek independent advice before signing contracts. I am pleased to say that we will retain the regulated commission rate in Queensland despite pressure on this Government to deregulate those commission rates.

**Mr MUSGROVE:** I refer to MPS 2-8 and ask could the Minister please outline the success of your department's strategy in

dealing with the issue of two-tiered property marketing on the Gold Coast? I understand that funds have been set aside for a special unit and that you are currently engaging in a public consultation process on new legislation to further clamp down on these unscrupulous practices. Could you please provide the details of these initiatives and the funding involved in their implementation?

**Ms SPENCE:** Yes. I am pleased to announce that the Government did commit \$500,000 to address the property marketeering issues which have arisen in this State in the last few years. I think the money has been well spent, considering the amount of consumer detriment that has gone on in this State as a result of the two-tiered property marketers.

The Office of Fair Trading successfully prosecuted five companies and the directors of these companies under the Auctioneers and Agents Act on 16 counts of acting as unlicensed real estate agents. Fines totalling \$6,600 have been imposed to date as a result of these prosecution actions. The task force has investigated 85 complaints and will continue to pursue other marketeers when they have acted improperly and there is sufficient evidence to enable more prosecutions. The task force work has also led to the preparation of 27 claims for consumer compensation to be considered by the Auctioneers and Agents Committee.

However, I think that one of the most important things that we have managed to do in this new legislation is close a loophole whereby people in Queensland have been selling property without a licence. One of the problems with the property marketers is that they are unlicensed and they have been setting their own commission rates. This has been pretty unfair for the consumer, who has been paying exorbitant commissions, but also to licensed real estate agents, who are on a fixed commission structure.

The way we have proposed to do this in the new legislation is to, in future, suggest that anyone who sells more than six residential properties a year has to become a licensed real estate agent. So we do not want to make individuals who might buy and sell the occasional house have a licence for that. We think that six properties a year is probably a fair amount and that anyone who is selling more than that per year is, in fact, undertaking the role of a real estate agent. So, in future, we want to see people licensed. We are going to have more inspectors out there on the job ensuring that people are properly licensed and

we want to also ensure that people are keeping to the fixed commission structure that we have in place in Queensland.

**The CHAIRMAN:** Minister, I refer to MPS 2-10, 2-19 and 2-22 and I ask could you please inform the Committee of the number of claims against the Auctioneers and Agents Fidelity Guarantee Fund against real estate agents and motor dealers and the total amount approved for payment? Could the Minister please advise what action, if any, her department has taken to streamline processes to benefit both consumers and industry?

**Ms SPENCE:** Yes. There were 145 claims made in 1999-2000 by consumers who dealt with real estate agents. Of these, 108 were approved for payment to the value of \$292,497. Whilst \$765,727 was paid from the fund to claimants in 1998-99, that was an abnormal year because of the collapse of three large real estate agencies. These collapses resulted in the appointment of receivers and the payment of 192 claims and about half a million dollars. Eighty claims were made out of the fund with respect to motor dealing transactions in 1999-2000. Of those, 50 were approved for payment to the value of \$627,347. So you can see from those figures that the majority of claims made against the fund are, in fact, from consumers who have legitimate complaints with respect to motor dealing, not with respect to real estate agents. During the 1999-2000 year a total of \$924,992 was paid from the fund in claims.

Determining the claims has been a very labour intensive process. It ties up a significant amount of the Auctioneers and Agents Committee's time. Under the Property Agents Bill that is out there for public consultation, we are suggesting that all claims below \$10,000 will be considered by the chief executive of the department rather than by the new tribunal that we are proposing. However, anyone who has their claim assessed in an administrative way such as this will still be able to appeal against the chief executive's decision by taking that decision to the new tribunal. So basically consumers will have the opportunity to have a speedier process of their claim by having it assessed in the department. I am sure many of you are aware that one of the complaints about the Auctioneers and Agents Committee now is the length of time they take to process, hear and make a determination about a claim. So we think that having this done administratively will speed up the process enormously. Then if consumers still have a problem with the decision, they still have the opportunity to take it to the proposed new

tribunal. So I think it is a much better system from the point of view of consumers.

A survey over the past two years has shown that 90% of the claims are below \$10,000 and this accounts for 39% of the compensation paid from the fund.

**Mr GOSS:** I will go back to that question that I was on before time ran out. The \$5.5m that was transferred out of the insurance fund was transferred at this time last year after the Budget. So it would be in the 1999-2000 year. That was approved prior to the Estimates committee but, during the Estimates committee, it was the GST and the delay in introducing the new premiums that were the cause for the loss in the insurance fund, and the \$5.5m was not mentioned. I ask: why?

**Ms SPENCE:** I will refer that one to Mr Potts again. Do we know the answer to that?

**Mr POTTS:** I am sorry, I am just at a bit of a loss to explain the \$5.5m. The authority to draw down the \$5.5m was only allowed with the amendments that went through in October, I think. Since between October and 30 June this year, we have, in fact, drawn down that \$5.5m. I am not aware of any draw down from the insurance fund to the general fund prior to 1 October 1999.

**Mr GOSS:** No, 1999-2000. There was a certificate signed in the financial report for the Queensland Building Services Authority, including a note stating that the \$5.5m had been transferred. It appears that we are not going to get anywhere on that. If I can get back to a previous question—

**Ms SPENCE:** Just to complete that answer, because I think that we have some time there, the point that Ray Potts is making is quite accurate: we were not able to start drawing down from the insurance fund until the new legislation came into effect on 1 October last year. So there is no mystery about that. There is no mystery about the fact that we were doing it, either. We all sat there in the Queensland Parliament and passed this legislation to enable us to do this sort of thing.

**Mr GOSS:** To take the money.

**Ms SPENCE:** And the Liberal Party supported it.

**Mr GOSS:** Yes, but there was a note, a signed certificate saying that it would be done prior to the Estimates committee last year.

**Ms SPENCE:** Where are you getting that information from again?

**Mr GOSS:** We have researched that and we found that there was a certificate signed two days prior to the Estimates committee.

**Ms SPENCE:** We will have to take that on notice. I would really appreciate it if you could provide us with that signed certificate, because we do not have it here with us at the moment. Frankly, the former general manager and the present acting general manager have no idea what you are talking about.

**Mr GOSS:** Going back to the other question of the director-general's salary, which we were going to find out, in answer to question on notice No. 4, the director-general is listed as a staff member of the department but is not paid by the department. It is on the chart. It was in answer to question on notice No. 4.

**Ms SPENCE:** Right. We have just found out the answer to that. You are quite right: the director-general's salary is paid for by the department and I understand that the bonus does come out of our departmental allocation as well. In terms of the amount of the bonus—or whether, in fact, it was paid—that is confidential contractual information between the director-general and the Premier.

**Mr GOSS:** I find that rather intolerable, because it is taxpayers' money. It would be the same as receiving secret commissions and the taxpayers of this State not being allowed—

**The CHAIRMAN:** Is that a question?

**Mr GOSS:** Yes, it is. I would like your opinion on that, Minister.

**Ms SPENCE:** You can find it intolerable. That is your right. But you do have the opportunity to question the Premier on these matters when he appears before the Estimates committee later this week.

**Mr GOSS:** Thank you. I note that in response to question on notice No. 7 you state that there is to be no advertising conducted by the Queensland Building Services Authority in 2000-01. So does that mean there is no additional advertising or community awareness activities, for example, in relation to termites or any problems that may arise in the building industry?

**Ms SPENCE:** Ray Potts is going to give you an answer to that one.

**Mr POTTS:** That is right. The advertising budget for this year only allows for the one termite campaign, and we have not budgeted for anything beyond that.

**Mr GOSS:** So if any other scam arises or anything, we will not be able to—

**Mr POTTS:** We have not allowed anything in the budget. If an issue arises which is of a priority and a major concern, then we certainly will go back and relook at our budget

to see whether we can reallocate funds to cover whatever that situation might be.

**Mr GOSS:** Thank you. Minister, in relation to question on notice No. 8, given that the BSA is forecasting a budget deficit in 2001-01 and also a budget deficit in 1999-2000, I would like explained the general manager's expenditure of a taxpayers' funded lunch between the general manager and the director-general for \$65.50—and I know that it is not a lot of money but it is between departmental people—a lunch for \$142 between the general manager and an industry representative, a taxpayer-funded Christmas breakfast for BSA staff and the general manager, and a \$500 wine and cheese function for 20 people. It was either good wine or good cheese.

**Ms SPENCE:** Thank you. It seems to me that most of those figures are fairly modest. I have to say that, having been the Minister for this area for two years now, it has taught me that the BSA really operates in a very corporate world. A lot of its good work is done by having the cooperation of the building industry and, in particular, the main organisations that govern Queensland's building industry such as the Master Builders Association, the HIA, BISCOA and other organisations such as that. So the BSA does have to spend some time in that corporate environment. With respect to those individual issues, I think Matt Miller would like to comment on that.

**Mr GOSS:** If he can, Minister, especially item three, which is a Christmas breakfast for staff.

**Ms SPENCE:** Sure.

**Mr MILLER:** As the Minister has indicated, one of the issues that I think needs to be borne in mind in considering the relevance and appropriateness of these expenditures is the somewhat arm's length semi-Government business environment in which the authority operates. In relation to your specific issue about the Christmas staff breakfast, I do not feel in any sense that that is an inappropriate use of a very modest amount of money to say to regional staff who work very hard for the BSA, "A big thank you for a huge year in terms of a job well done." It is not something that we go holus-bolus overboard on but to simply say to the staff, "Come and have a breakfast with me when I am in Toowoomba for a specific function before I go about doing other things", I think serves a number of functions. Apart from saying thank you to the staff, it also builds staff morale. It also enables communication

between the CEO of the authority and staff in the regions who quite often feel like they are the forgotten people.

That is not unique to the BSA; it is simply stating that staff in regional Queensland deserve recognition for the somewhat remoteness that they sometimes feel when they are delivering these various onerous programs on behalf of the Government. Despite the tenor of the question, I feel that it is a very modest expenditure to say thank you to some staff who, quite frankly, have worked their insides out for the organisation.

**Mr GOSS:** Even though it is not the Public Service, I could understand how public servants in all departments could also expect a breakfast because I would think that the vast majority of public servants would work very hard. I am sure that the Minister would agree with that.

Minister, I would like to ask about insurance premium increases. What is the anticipated increase in revenue from the BSA's insurance premiums in 2000-01? Why was it necessary to increase the premium payable by home builders in Queensland by over 300% on an average \$150,000 home?

**Ms SPENCE:** The new premium structure, based on contract value, was introduced as of 1 October 1999 as part of the Better Building Industry reforms. The new structure is demonstrably fairer than the old two-tier structure, which has been in place since 1997. Under the old premium structure, those who built new houses or had renovations costing more than \$120,000 paid only 14.7% of total premiums but were receiving 41.7% of claim payments. So basically the people who were building and insuring cheaper houses were subsidising the wealthy, those who were building houses over \$100,000.

The current insurance scheme premiums are set out in a schedule. For a single detached dwelling, the current insurance premium, inclusive of GST, is \$5.50 for each \$1,000 or part thereof of the contract price of the work. If the work is not carried out under a contract, the premium is \$5.50 for each \$1,000 or part thereof. For multiple dwellings, if the work is carried out under a contract and a notional price for the proposed residential construction work applies, the current insurance premium, inclusive of GST, is \$5.50 for each \$1,000 or part thereof. The minimum/maximum premiums of 110 and 1,100 respectively apply.

The BSA does not intend to increase premiums in the current financial year and at this time does not envisage an increase in

2000-01. However, beyond this, premium level increases will depend on the movement in claims costs and the cost of reinsurance.

It was recently reported in the Australian of 22 July that Australia's largest housing indemnity insurer, Home Owners Warranty, underwritten by Royal Sun Alliance, is risk assessing 1,500 home builders across the nation, and those who don't shape up are being slugged, are receiving big financial penalties. High-risk builders are likely to pay \$1,050 in premium on a \$100,000 house, which is double—double—that paid in Queensland.

So thanks to this Government, we resisted the moves by you in Government to privatise the BSA's home insurance scheme. I think we are the only State in Australia that does not have a privately run home insurance scheme. As a result, we have the cheapest premiums in Australia, and as a result, last year we paid out 99% of the claims that were put before that scheme. We have the most successful scheme in this country.

**Mr GOSS:** I was still waiting for you to give what the total anticipated insurance income would be for the year.

**Mr POTTS:** For the year 2000-01, it is estimated that the insurance fund income will be \$12m.

**Mr GOSS:** Minister, would you agree that under our current insurance scheme, because it does not penalise bad builders who can repeatedly offend, the good builders—which is the majority of builders—are subsidising those bad builders? Unlike car insurance, where no-claim bonuses are given to good drivers, this system allows people with a bad record to pay the same premium.

**Ms SPENCE:** I have to say that we have probably the best record in Australia of eliminating bad builders from our construction industry, and I don't think that we need to do that by using the insurance scheme as a method of eliminating them. The BSA, through the new legislation, through the Better Building Industry reforms, has been better placed than ever before to ensure that builders in Queensland have the financial capacity to be operating the business in the first instance, are doing the right thing by their subcontractors and paying them in the second instance, and performing a good-quality job in the third instance. The BSA is very active in pursuing builders in this State who are not performing on any of those accounts. I had some figures last week about the kinds of complaints against builders and who was being pursued. I

might pass over to Ray Potts, who no doubt has those in his head, for your edification.

**Mr POTTS:** In any one year, we would receive in the order of 5,000-5,500 complaints of defective work, and something like 30% of those complaints would finish up as insurance claims.

**Mr GOSS:** That is through the tribunal, or direct from the—

**Mr POTTS:** No, direct from BSA. A dispute gets to an insurance claim for one of two reasons: either because the builder is no longer operating—and that is because they have gone into liquidation or have otherwise gone out of business—or because BSA has directed them to repair defective work, they have not done so, and in that case, we admit it as a claim so that the consumer is not disadvantaged. In that latter case, of course, if they fail to comply with the direction, then we take disciplinary action against them in the tribunal, and we have been very active in that area over the past couple of years.

**Mr GOSS:** Minister, I refer to your appointment of Mr Robert Wensley, QC, to the position of Chairperson of the Queensland Building Tribunal, which was gazetted on 1 July 2000. Is it correct that the remuneration paid to Mr Wensley is higher than that which was paid to the previous chairman, Mr Cottrell, and is it also correct that you agreed to allow Mr Wensley to work only part time and to continue private practice?

**Ms SPENCE:** I am very pleased to say that we have enlisted the services of Mr Robert Wensley, QC, to chair the Queensland Building Tribunal. Mr Wensley, I believe, is regarded as one of the three most eminent building construction lawyers in this country, and I am very pleased that he has taken on this responsibility. He has said that he will do it for one year. He does not necessarily want to continue that after a year, because he has a very successful private practice.

Obviously, the first year of the operations of the new Queensland Building Tribunal will be a challenging one for all concerned. We have made a number of promises to the people of Queensland about the operation of this tribunal. For the first time we have promised that disputes under \$10,000 will have same-day hearings. For the first time we are giving the opportunity for commercial hearings in the Queensland Building Tribunal, and there are a number of new obligations on that tribunal.

I understand that Mr Wensley will be on the same salary as the previous chair of the tribunal. However, given Mr Wensley's

extensive and very important private practice, which he does not want to give up completely during his one year in this position, we have allowed him to undertake some of that private work as well as chairing this new tribunal. I am very confident that a man of his expertise can competently manage that job as well as some of his own private commitments.

**Mr GOSS:** Are there any set days that he has to work per week?

**Ms SPENCE:** No. Mr Wensley will determine his working week.

**Mr GOSS:** I refer to the response to Question on Notice No. 1, particularly the 18 consultancies let by the RTA worth \$103,000, and ask the Minister why not one of these consultancies was put out to public tender, and yet Dialogue Information Technology received \$68,000 of that \$103,000.

**Ms SPENCE:** I thank the member for Aspley for asking a question of the RTA, and I would like Carolyn Mason to begin the answer to that question.

**Ms MASON:** We followed the State Purchasing Policy in all the contracts that we let. With regard to Dialogue specifically, I would just like to add the information that Dialogue was engaged under a standing offer arrangement, which under the State Purchasing Policy means that you do not have to go to a public tender but what you do is make sure that you get a number of written offers to compare value for money and the other principles of the State Purchasing Policy, and that was under Standing Offer CSA146.

**Mr MUSGROVE:** I refer to page 2-19 of the MPS. The trade measurement officers of your department are often referred to as consumer cops for the role they play in monitoring and maintaining high levels of service for the consumers of Queensland. Minister, can you please provide details to the Committee of the terms of reference and expected outcomes of the review of the trade measurement computer system database and the expected benefits to consumers of the targeted inspection program referred to in the MPS?

**Ms SPENCE:** The trade measurement officers, more recently referred to, as you say, as consumer cops currently maintain an out-of-date system of data recording based on a combination of paper-based records and a basic computerised system for which software support is becoming very problematic. The computerised system is a program based on the software package known as Paradox and is limited to use in the Brisbane office. Centres outside Brisbane still rely wholly on their paper

records. Changes to the breadth of the operation of the trade measurement section and the introduction of new legislation administered by this section has significantly increased the volume of information that they need to collate and manage. The terms of reference for the new database are primarily to record the details of the 25,000 traders in Queensland and their compliance history and details of the estimated 140,000 instruments that these traders use, including their accuracy levels and any activities that have occurred on those instruments. I think what we are seeing with the computerisation of the Trade Measurement Branch is really a much more efficient system of trade measurement data collection than we have ever seen before.

The other thing that I think is important to mention is that probably one of the best news stories to come out of the Budget for the Office of Fair Trading which we have not touched on yet today is the additional budget for this department, which will allow us to provide 10 additional officers in the forthcoming year. Our inspectorate numbers will grow from 50 to 60. I know that everyone around this table will welcome that. There has been concern for some time in Queensland that we have not increased the inspectorate in this department for a number of years. They are incredibly hardworking people with enormous caseloads. I believe the addition of 10 new inspectors, an increase of 20% in their ranks, will enable them to particularly pursue the caseload that they are carrying in the real estate and motor vehicle industry in particular. I know the REIQ and the Motor Traders Association have been critical of our inspectorate in the past because they have not been out there doing the proactive work of chasing unlicensed dealers in those industries. Unfortunately, they have been very busy conducting investigations into consumer complaints. I believe these 10 new additional officers will enable the inspectors to get out there and undertake some of those proactive policing activities that have been called for by industry for such a long time.

**The CHAIRMAN:** I refer to page 4-2 of the MPS and I ask: can you please inform the Committee of the educative role the RTA plays in informing tenants of their basic rights. I note that funds have been allocated to specific projects for indigenous tenants. I ask the Minister: is it an ongoing policy of your department to target people most in need of assistance in relation to tenancy advice?

**Ms SPENCE:** Yes. During 1999-2000, the RTA has allocated \$432,000 to community education initiatives. Some of the initiatives

undertaken have included an outreach program which put 30 staff in the field at displays, schools, trade shows, the RNA and other public events. The Community Education Public Grants Scheme provided \$90,000 in grants to nine not-for-profit community organisations to pursue innovative community education and research projects relevant to rental law in this State. The indigenous communities project delivered community education workshops about tenancy rights and responsibilities to deed of grant in trust communities and other remote communities on the mainland and in the Torres Strait. Sometimes for the first time these communities saw an officer from the Residential Tenancies Authority. We saw the completion of the first stage of the Movable Dwellings Community Project, which delivered workshops and visits to lessors, managers and tenants in the movable dwelling sector. A highlight was the release of *Renting in Queensland—a Guide for Caravan and Relocatable Home Park Operators*, which provides accessible information on the application of the Act for movable dwelling managers. The RTA also developed and released an information booklet called *Handling Tenancy Disputes in the Small Claims Tribunal—a Guide for Managers, Lessors and Tenants*. The booklet is designed to assist parties to tenancy disputes handled by the Small Claims Tribunal. I think you can see from that short list the extensive community education that the RTA has undertaken in the past year. The organisation certainly takes its responsibility to undertake community education very seriously. I am very impressed with the number of initiatives it has managed to initiate in the last year. I am very complimentary of that work.

**Mr MUSGROVE:** I refer to page 4-3 of the MPS and the issue of unclaimed bond moneys. I recall a Statewide campaign you ran last year encouraging former tenants to contact the RTA to reclaim lost bond money. I think an amount of some \$90,000 was up for grabs, which turned into an unexpected windfall for many consumers. Do you intend to conduct a similar campaign in the future?

**Ms SPENCE:** I think we would, because this is a very serious issue. Currently, there are 7,800 tenants, lessors and managers who are owed money in the form of unclaimed bonds, and the RTA is holding \$900,000 worth of unclaimed bonds in this State. Unclaimed bonds are bond refund cheques that were either returned to the RTA or never presented. The RTA attempts to return the unclaimed bond moneys that have remained uncashed

for 15 months or more to their clients. To this end, they conduct an extensive bond money publicity campaign on an annual basis. They advertise in regional newspapers throughout Queensland. They send letters to members of Parliament about this issue. They attempt to get as much media as possible about this issue and they attempt to use their web site to alert people to these unclaimed bonds. Last year's Statewide campaign was successful in refunding about \$90,000 to people throughout the State who were owed bond money. During the height of the campaign the RTA's call centre took 5,452 calls and paid out almost \$22,000 in just one week. A number of clients also access the RTA's web site. The RTA expects to conduct the next unclaimed bond campaign in January of next year.

**The CHAIRMAN:** I refer to page 4-3 of the MPS and the issue of compliance. Can the Minister outline to the Committee the RTA's role in maintaining industry compliance in relation to tenants' and landlords' rights? I ask the Minister to detail to the Committee the number of investigations launched by the RTA and the outcome of those investigations.

**Ms SPENCE:** The unit takes a measured approach where non-compliance with the Act has been established. It uses a range of strategies, including the provision of verbal advice, warning letters and correspondence seeking voluntary compliance. Prosecutions are undertaken where warnings fail. During 1999-2000 the unit commenced 1,065 investigations, of which 134 are still current. Of these investigations, 197 cases are resolved due to insufficient evidence or loss of contact with the complainant, 666 cases have been successfully resolved through voluntary compliance or the issuing of warnings and 50 cases were successfully prosecuted. During the year, investigations were initiated in response to complainants—about 29% lessors, 48% agents, 17% tenants and 6% principally head tenants. During 1999-2000, in response to this workload, the investigations unit was expanded through the establishment of a senior investigations officer position to supervise the unit's day-to-day operations. We believe the RTA is continuing to improve its compliance section.

**Mr MUSGROVE:** I want to turn, if I can, to the BSA section of your portfolio. Page 3-2 of the MPS refers to the implementation of the first wave of the Better Building Industry reforms. What have been the benefits for consumers from these reforms?

**Ms SPENCE:** I think consumers are already benefiting from the Better Building

Industry reforms. We talked a little bit about the statutory insurance scheme before, but one point I failed to mention is that we extended the coverage of that scheme from \$100,000 to \$200,000 on 1 October last year in recognition that people are basically spending more on their housing in Queensland these days than the \$100,000 upper limit provided.

Under the Domestic Building Contracts Act, which regulates domestic contracts worth \$3,000 or more, we have introduced for the first time a five-day cooling-off period so consumers can have five days after they have signed the contract to rethink it and pull out without any liability to themselves. That is a huge consumer initiative for the first time in this State. For the first time consumers are given a detailed information statement when they sign a building contract, and this is a first. If consumers are not given the information statement or they are not informed about their cooling-off period rights, then they can pull out of the contract.

Consumers have the right to terminate a contract unilaterally if the price rises by more than 15% or if the completion time extends by more than 50%. For the first time in this State we have legislated that all variations must be in writing as well as how the variation will affect the time, completion date and cost of the project. The Act also proscribes unconscionable provisions, including caveats over the owner's title for residential owners, deposits greater than 5% of the contract price or 10% on contracts under \$20,000, and compulsory arbitration clauses.

So I think all in all, through the Domestic Building Contracts Act, consumers in this State have an unprecedented level of protection. The reforms, I believe, that are working very well to eliminate unstable builders from the building industry in terms of assessing their financial competence to be a player in that industry are also a very important consumer protection. We are, in fact, eliminating some percentage of builders who at the time of licence renewal find that they do not have the financial capacity to keep operating in this industry. I believe that we are developing a stronger industry as a result.

**The CHAIRMAN:** Recent achievements on page 3-2 of the MPS refer to increased home owner cover in the BSA's statutory insurance fund. How well is the fund working overall?

**Ms SPENCE:** As I said before, I think that Queensland is in the fortunate position to have a Government-backed statutory insurance

scheme and an unprecedented number of consumers are being paid out of this scheme. I might just ask Mr Potts to give some further details on that one.

**Mr POTTS:** In the year just gone, we approved over 1,600 insurance claims. Of all claims, 98.8% fully reimbursed the claimants. As the Minister has said previously, the maximum benefit payable has been increased to \$200,000. The scheme is operating well. At the end of the last year it had net assets or free reserves of almost \$7.5m. The new insurance premium structure is much fairer than what we had in place previously. I think we have said that under the old premium structure those who built new homes or had renovations costing more than \$120,000 paid only 14.7% of the total premiums but were receiving 41% of the claim payments.

A question was raised earlier. We do not intend to increase premiums in the current year, although that will depend to some degree on the actuarial assessment of the scheme which is under way at present. We expect that loss ratios will increase slightly with the increased cover, but we expect that we can hold premiums for the next 12 months at least.

**The CHAIRMAN:** Minister, we might dedicate the rest of the time to your answers to questions on notice.

**Ms SPENCE:** This is not a question on notice, but my finance officer suggested that she would like to correct a statement she made before. The actual variance for last year was 2.7%, not the 4% that she calculated.

Miss Simpson asked for an explanation of the breakdown of charges of "other" on the operating statement of the Office of Women's Policy. The \$310,000 allocation of other expenses is made up of accommodation and leasing costs at \$283,000; gifts and donations, \$15,000; and car leasing, \$12,000. So that should be an adequate answer to that question. Miss Simpson also asked about women in the senior executive service. As at 30 June 2000, women comprised 17% of the senior executive service. This represents a 1% increase from 30 June 1999. The increase corresponds with an actual increase of five women in the Senior Executive Service.

Mr Goss, I believe, asked for the special assignment fees of the Auctioneers and Agents Committee. They are paid to individual committee members for the preparation of statements of reasons for decision. This is cheaper than having the whole committee meet to do so. Payments were made to Ms Wendy Cull of \$300; Mr Barry Vickers,

\$15,300; Ms Sandra Deane, \$8,380; Ms Jean Harmer, \$560; and Mr Eric Eastment \$300. The total is \$24,840.

I think the final question on notice which we are obliged to answer is: what are the assets held by the Office of Women's Policy upon which the equity return has been formulated? I think I might have to pass this over to my finance officer because this explanation is incredibly lengthy and I do not think you have 10 minutes to sit there and try to fathom that.

**Ms JOHNSTON:** How about I limit it to: the gross value of assets in the Office of Women's Policy is \$400,000.

**The CHAIRMAN:** Short and sweet.

**Ms SPENCE:** There was one more question that we took on notice. Mr Lester asked about our infrastructure spending before 1996. I think he wanted to make some comparison with the pre and post 1996 expenditure. To the best of our knowledge, there was no infrastructure spending on these items—and we were basically talking about water and sewerage—prior to 1996. It was very insignificant on behalf of the Queensland Government. I think we have answered all the questions on notice.

**The CHAIRMAN:** The time allotted for the consideration of estimates of expenditure for the Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading has now expired. I thank the Minister and the portfolio officers for their attendance. Before they leave, I remind them that the transcript of this part of the hearing will be available on the Hansard Internet quick access web site within two hours from now. The hearing is now suspended for a break and a changeover. The hearing will resume at 4.15 p.m. with the Minister for Families, Youth and Community Care and Minister for Disability Services.

Sitting suspended from 3.58 p.m. to 4.15 p.m.

## FAMILIES, YOUTH AND COMMUNITY CARE AND DISABILITY SERVICES

### IN ATTENDANCE

Hon. A. M. Bligh, Minister for Families,  
Youth and Community Care and  
Minister for Disability Services

Mr K. Smith, Director-General

Ms B. Griffiths, Senior Policy Adviser

Ms R. Sullivan, Children's Commissioner

Mr J. Parisi, Executive Director,  
Organisational Capability

**The CHAIRMAN:** The hearings of Estimates Committee A are now resumed. The next item for consideration is the proposed expenditure for the Minister for Families, Youth and Community Care and Minister for Disability Services. The time allotted is three hours. For the information of the Minister and new witnesses, the time limit for questions is one minute and answers three minutes. A single chime will give a 15-second warning and a further double chime will sound at the end of that time limit. An extension of time may be given with the consent of the questioner. A double chime will also sound two minutes after an extension of time has been given.

The Sessional Orders require that at least half of the time available for questions and answers in respect of each organisational unit is to be allotted to non-Government members and that any time expended when the Committee deliberates in private is to be equally apportioned between Government and non-Government members. Also in accordance with the Sessional Orders, each Minister is permitted to make an opening statement of up to five minutes. Again, a single chime will give a 15-second warning and a further double chime will sound at the end of that time limit.

For the benefit of Hansard, I ask departmental officers to identify themselves when they first come forward to answer a question. I also ask that mobile phones be switched off. I now declare the proposed expenditure for the Minister for Families, Youth and Community Care and Minister for Disability Services 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 short introductory statement or do you wish to proceed direct to questioning?

**Ms BLIGH:** No, I would like to make a statement.

**The CHAIRMAN:** Thank you. If you do wish to, as you have indicated, we ask that you limit it to five minutes.

**Ms BLIGH:** Thank you, Madam Chairman, and members of the Committee. This Budget builds on two years of solid reform and allows for some of the greatest development of services and support for individuals and families in the history of these portfolios. The Budget marks a turning point in the delivery of services to Queensland families. The Beattie Government signalled this priority in its Putting Families First Budget statement. It ushers in further record increases in funding for disability services, child protection and family support and is testimony to the Labor Government's commitment to addressing decades of underfunding and neglect in social services in Queensland.

Over the past 12 months, the Beattie Government has continued the revolution in disability services and the rebuilding of Queensland's child protection and youth justice systems. In the area of disability services alone, we have established Disability Services Queensland, the first ever dedicated agency to disability in Queensland's history, and supported hundreds of individuals and families with disabilities with the first full-year effect of our record \$30m increase in base funding. We have established a new needs based funding process and established a Disability Council and started building a network of 10 regional Disability Councils. We have increased the disability budget by 42% in our first term of office. The list goes on.

In the area of child protection and youth justice, we have enacted new child protection legislation and supported its implementation by Government and our community partners with an extensive training package. Increased numbers of front-line child protection staff followed the biggest increase in funding in the department's history. We have progressively implemented the recommendations of the Forde inquiry and improved our response at the preventive and early intervention stage by increasing the capacity of our community partners to respond. We have introduced new criminal screening laws for family services and disability services officers, introduced new legislation governing the Children's Commission which substantially strengthens the commission's role in the protection of children, substantially progressed the rebuilding of our youth detention centres after years of neglect and significantly improved

outcomes for young people at risk by targeting the causes of crime and its effects.

Supporting families and protecting children are the focus of this year's record Budget increase to Families, Youth and Community Care Queensland. Last year, the Premier promised to deliver an extra \$10m in the 2000-01 Budget on top of the \$10m delivered last financial year to help meet the recommendations of the Forde inquiry. The Beattie Government has gone even further in this Budget and delivered \$15m in new funding in Families, Youth and Community Care Queensland, Health, Education and the Children's Commission to boost our response to children and families across Queensland.

In disability services the Beattie Government will inject an additional \$9m into the base of the disability budget and double it to \$18m in 2001-02. This will be matched by the Commonwealth and see a total increase of \$18.1m in this financial year growing to \$36.3m in the following financial year in ongoing funding. This will provide support to more than 2,000 adults, families and children. It will fund more than 100 new and expanded services and provide more than 1,000 jobs.

The 2000-01 Budget will enable us to continue to implement the recommendations of the Forde inquiry, to complete the rebuilding of our youth detention system, to continue the revolution in disability services and continue improving outcomes for children and families in our child protection system. It will provide support to Queenslanders with a disability, their carers and families who never dreamt that support would come. It will provide services to families and children previously unable to access support.

Before I conclude, I would like to touch upon the introduction of the Managing for Outcomes framework. Members will be aware that the Beattie Labor Government introduced this new reporting framework in last year's Budget. We are the first Queensland Government to measure our services in terms of outcomes for the community rather than departmental inputs. In this year's Budget, we have improved on the output measures to ensure that they accurately reflect the performance of the portfolio areas. It is important that we take the time to get these measures right as they drive the work of the portfolio over the coming 12 months. These new output measures will improve the rigour by which the agencies in my portfolios can properly measure their effectiveness.

I would like to thank my Director-General and staff throughout the department for their

hard work and dedication over the past year and the efforts of senior staff, particularly Mr Russell Loos, in developing this year's Budget documentation. I wish to particularly acknowledge the work of the staff at the front line of service delivery of this department. These are tough jobs that require workers to confront complex and demanding familial and social issues every day of the week. I am proud to be delivering the extra support these staff need to carry out their difficult work and make a difference in the lives of families and children. It is easy to be an armchair critic, but it is harder to get in there and actually change things for the better. I look forward to yet another 12 months of record development and achievement in these portfolios.

**The CHAIRMAN:** Thank you, Minister. The first period of questions will commence with non-Government members. I ask the member for Indooroopilly to start.

**Mr BEANLAND:** Thank you, Madam Chair. Minister, welcome. My first question relates to page 3-4 of the MPS in relation to the timeliness of the Children's Commissioner. I note that both the percentage of complaints to be followed up within seven days and the percentage of assessments completed within seven days are being allowed to drop from 100% to 75%. I ask: how can an organisation established to maintain the highest achievable standards justify this decline in the timeliness of its standards of service delivery?

**Ms BLIGH:** I thank the honourable member for the question. In developing new measures for the Children's Commission and because this is the first time we have developed measures and reported on them, the member would understand that we have had to pre-empt to some extent the possible outcomes of the Bill before the House. As the member would be aware, the Bill proposes a significantly expanded role for the Children's Commission and broadens the number of agencies across the Government and non-Government sector against which complaints can be received and investigated by the commission.

What the commission is able to accurately say as a result of last year's workload is that it was able to complete those assessments on 100% of occasions within the 28 days. That is because it has spent two and a half years developing protocols with the Department of Families, Youth and Community Care, which is the only agency from which it is able to receive these complaints that require these investigations and assessments. It may well be and we would certainly hope to exceed the

75% target. However, given that during this time we will anticipate as a result of the Parliament's deliberations a possible inclusion into the Children's Commission work of complaints against, for example, the Education Department, the Health Department and others, there will need to be some work done with those agencies for them to develop some turnaround times which will enable the Children's Commission to meet those 28-day assessment periods.

What I am saying is that some of the capacity of the commission to meet that turnaround time is dependent upon the response time from the agencies that the commission is investigating. We have tried to be realistic in recognising that there will be a significant change to the commission's work and the work of agencies in their relationship with the commission. We have indicated that we would expect that there would be some potential timeliness issues in the early stages of implementing the new Bill.

**Mr BEANLAND:** Thank you. I again refer to page 3-4 of the MPS. I ask: in light of the approximately 25% increase in both telephone inquiries and complaint cases progressed, what additional staffing and other resources are to be employed?

**Ms BLIGH:** The staff of the commission is anticipated to rise predominantly in the area of the official visitors. There are currently two full-time official visitors. The official visitors of the commission will rise to a number of 25 casual staff across 19 locations across the State. Those staff will be predominantly concerned with official visitor duties, but some of those duties will involve investigation of complaints where they are made about residential facilities that are accessible by the community visitors.

In terms of complaints cases progressed, we will have to wait and see how the legislation impacts on the workload of the commission, but we anticipate that the potential increase in those other complaint areas can be met within the existing resources of the commission.

**Mr BEANLAND:** I refer to page 3-5 of the MPS. There is also reference to this matter on page 3-2. In relation to the employment screenings for child-related employment, what number of screenings are anticipated in the current financial year for both paid employment and voluntary employment?

**Ms BLIGH:** In relation to voluntary employment the answer would be none, because the Bill provides for a phased-in implementation in relation to voluntary employment. I am not sure if it is in the Bill, but I am certainly on the public record as saying

that it would be phased in at least 12 months after the provisions in relation to paid employment take effect. So we would not anticipate any screening in relation to that for at least 12 months after the passage of the Bill.

In terms of some exact numbers, it is actually difficult because we do not know when the Bill will be passed, when the Act will be proclaimed and what changes might occur in the process of the Parliament's deliberations. Assuming that the Parliament passes the Bill in its current form, there have been some rough estimates done on a full-year effect. It depends on when the Act is proclaimed. You will appreciate that it might affect only two or three months of this financial year. I might actually ask the Children's Commissioner, Robyn Sullivan, to give you a further indication of the numbers on which those calculations were made.

**Ms SULLIVAN:** It is extremely difficult in this area. We have talked with police about current numbers but, of course, what the police receive are some people who voluntarily ask for screening. So to try to determine what happens when you make it mandatory is a difficult thing to do. We believe that the money we have received to implement the program will in fact cover us for those first 12 months. Then we will try to look at the first 12 months and extrapolate from that where we go from there. Based on police evidence we have, we think the funding we have in the current budget will enable us to progress this initiative in the first 12 months for paid employees. It is not a retrospective suggestion, so we are only going to be screening new employees in child-related employment. It is a very difficult area and we will just need to pull up after 12 months and look at, I guess, where we go from there in terms of further screening of paid employees.

**Mr BEANLAND:** I appreciate the problems because the legislation is not through. Nevertheless, you have budgeted for a certain number of screenings. Could I ask for the number you have actually budgeted for? Also, could you indicate to me how that figure of \$40 is arrived at? Is part of that to be paid to the Police Service or is it to be kept by the Children's Commission?

**Ms BLIGH:** In relation to the specific numbers used for the calculation, I will take that on notice. There is a number which the commissioner used but which she does not have here with us. We will take that on notice and provide that fairly quickly.

In relation to the proposal for the \$40 fee, ultimately the expectation is that this system will be self-funding. I have, again, made it clear in the public arena that the \$40 fee includes a level of cross-subsidy for cost of screening between paid employees and volunteers. My recollection is that the current police costs are about \$37 for a full check. That includes interstate checking as well. The figure has been rounded up to allow for a level of cross-subsidy into non-paid employment that is the volunteer area.

**Mr BEANLAND:** I will quickly relate one other matter. I refer to page 3-5 of the MPS. I asked a question on notice in relation to a detailed breakdown for each of the items contained on that particular page. The only problem is that the reply I received is in exactly the same detail as has been provided on page 3-5. I appreciate that we might have a little bit of Yes, Minister going on here, but I did ask for a breakdown of those particular figures and I got the same figures back. I ask if we could have a further breakdown of those particular figures contained on page 3-5, which is the Operating Statement for the Children's Commission.

**Ms BLIGH:** My apologies. I didn't realise. You have drawn to my attention that that one was not done in the same way as the other departmental figures. It was difficult to know how far you wanted it drilled down. Are you asking for the same level of information for the Children's Commission table as for the other portfolios?

**Mr BEANLAND:** Well, some sets of figures below that. I am aware that you have the book and everything with those in. I would ask for the sets of figures below that—the make-up of those figures.

**Ms BLIGH:** So if I can provide you with the same table as has been provided for Disabilities and Families, that would be sufficient information?

**Mr BEANLAND:** I think that is probably this table that has been provided, whereas it is the next set of figures down that I am asking for in relation to the Children's Commission.

**Ms BLIGH:** But the next set of figures down that was provided for the other two portfolios, which are not the same?

**Mr BEANLAND:** Okay. That will be fine, thank you.

**Ms BLIGH:** They break down, for example, output revenue into two or three categories so you can get a clearer picture. We can provide that on notice.

Can I just go back and clarify something in relation to criminal screening? While it is difficult to anticipate the numbers that will be screened, as I have said we anticipate it will be a self-funding scheme. In some respects that means it does not really matter if it is 100 or 10,000, but we have put that figure in there on the basis of a calculation and we will get that figure to you.

**Mr BEANLAND:** I refer to page 3-5 of the MPS. What is the current cost of accommodation of the Children's Services Tribunal? How many cases did the tribunal hear in the last financial year? How many cases are budgeted for in this current financial year? I understand that this tribunal is to be transferred to the Attorney-General's Department at some stage.

**Ms BLIGH:** That is right. It is anticipated that when the new Act is proclaimed responsibility for it will transfer to the Attorney-General. The current funds budgeted for the operation of the tribunal is approximately \$150,000. In the last financial year 33 appeals were commenced. Sixteen of those appeals were completed, with decisions handed down. Thirteen are still in progress and four were withdrawn. A decision from one appeal was then taken to the District Court and the matter is still to be heard by the court.

There has been a slight growth in the number of appeals from the year before that, which I think was about 14. In the previous financial year there were 14 appeals, so it has grown from 14 to 33. It is a board of temporary officers who come in. It is within budget at the moment and we anticipate that the \$150,000 will be transferred to the Attorney-General's Department—or the appropriate proportion of it, depending on which part of the financial year it transfers in—to cope with that new function.

**Mr BEANLAND:** What staff is to be transferred over to the Attorney-General's Department? There is a registrar, is there not?

**Ms BLIGH:** There is only one person associated with the tribunal on a full-time basis—essentially, I guess, an executive officer to the tribunal. There are negotiations happening with Justice and Attorney-General at the moment as to whether that actual person will relocate over to JAG, but the funds of \$150,000 will incorporate the wage of that person. The panel of tribunal members then becomes the responsibility of the Attorney-General and they are paid sitting fees as and when they are required to sit. So that is the only staffing or salary cost associated with the tribunal.

**Mr BEANLAND:** I refer to page 3-4 of the MPS, the Non-Departmental Output Statement, specifically under "Quality". What is the basis for aiming for an implementation of only 75% of official visitor recommendations when such importance is given to these issues in relation to the Forde inquiry? I notice previously it had been higher than that. There is a figure under "Quality" there. It states it was a new measure in 1999-2000. All of these measures are listed as new measures. Seventy-five per cent is the target listed.

**Ms BLIGH:** So there is not a previous—

**Mr BEANLAND:** It is the one before.

**Ms BLIGH:** Again, it is an area where the Children's Commission has had to make the best estimate of likely performance in an area that will require, if the Act is passed, substantially changed and increased duties. It would certainly be anticipated already, for example, on the basis of the knowledge of the visitors to date, that some of the recommendations of the visitors are matters that can be resolved fairly quickly. Others, for example, may well require significant building work that could not possibly be undertaken by the organisation in one financial year and the organisation would have to gain funds, for example, to upgrade the physical standards. So while we would expect to see the recommendations of official visitors taken seriously and acted on as quickly as possible, I think it would be unrealistic to expect that all organisations would be able to meet all of them within one financial year.

**Mr BEANLAND:** Thank you.

**The CHAIRMAN:** I refer the Minister to page 3-2 of the MPS, which mentions the Commission's web page. Can the Minister provide the Committee with an update on the status of the web page?

**Ms BLIGH:** I thank the member for her question. On 18 May 2000, as you will no doubt recall, the member for Broadwater used the Parliament to draw to my attention objectionable material accessible via links to the web site. At the time, as I stated, I directed the Children's Commissioner to close the site immediately and prepare a full report on how the links to the objectionable material occurred. The report revealed that the site was established in March 1998 under the previous Children's Commissioner. Unfortunately, it was established without any consideration of the Government guidelines at the time for the development and management of Internet sites. It is also apparent from the report that the former Commissioner did not request or install a net

nanny or similar Internet filtering devices designed to minimise the risk of access or linkage to this type of material. As of 19 July, an interim site for the Children's Commission has been reinstated. However, this interim site does not link to any other sites; it is merely for straight-out information about the Children's Commission.

What this unfortunate incident has given the Commission, thankfully, is a great opportunity to review the old web site and to significantly upgrade the entire web site, particularly in light of the proposed changes to the activities of the Commission. A new site will be developed to inform users on the Children's Commission services when the new Bill is enacted or proclaimed. The new site will include a number of devices to minimise the risk of further objectionable material being placed on the site. I am sure all honourable members would agree that the Children's Commission site is one where we would hope that this sort of material can be minimised. I would ask the Commissioner to provide the Committee with some more details about the safety devices that are envisaged for the new web site.

**Ms SULLIVAN:** As the Minister indicated, we have got a temporary web site up at the moment, but I have just appointed a suitably qualified project officer to lead and manage the redevelopment of the Commission's web site and that will be in line with Queensland Government Internet guidelines and in consultation with the IT business analysts from Premier and Cabinet where we will seek expertise and advice. We certainly are formalising our web management procedures and we will take such steps as including a comprehensive and obvious site disclaimer and external links disclaimer statement if, in fact, we make a decision to include links, and that decision has not yet been taken.

As the Minister mentioned, we will install an internal filtering device to prevent access to inappropriate material and we will certainly include, as a result of this experience, a reporting facility for users to notify the Children's Commission web master in the event of the discovery of any objectionable material that might, by some means, have been added to our site. So they are the steps that I indicated in the report to the Minister I would take and I have already progressed some of those.

**Mr MUSGROVE:** Minister, I refer you to page 3-4 of the MPS, which estimates that the percentage of complaints received by the Children's Commission from outside Brisbane

will increase. Can you provide the Committee with information on what initiatives are planned to improve access to the Commission by children and other young people in regional and remote Queensland?

**Ms BLIGH:** I thank the member for the question. I think members will appreciate that being a Brisbane-based organisation with responsibility for children right across the State the Commission is presented with a number of challenges in terms of making its services accessible and relevant in both regional and remote parts of Queensland.

I am pleased to say that since taking on the role of Commissioner in December '98, Ms Sullivan has made significant progress in lifting the profile of the Commission in regional Queensland. Over the past year, Commission staff have made 135 visits to sites outside the greater Brisbane area. They have also been involved in the conduct of research forums held in key regional centres including Rockhampton and Townsville, the one in Townsville in conjunction with James Cook University. Consultation in regional Queensland on the proposed new Bill has included very large forums in Cairns, Townsville and on the Sunshine Coast. In some cases, this is the first time the Commission has actually visited these centres.

Upon proclamation of the new Act, further initiatives that are planned by the Commission include, as the Commissioner has outlined, a relaunch of the Commission's web site which provides a sound technological basis to do some outreach work into those more far-flung places, the promotion of a toll-free number which will allow children and young people to make complaints direct to the Commission via a free telephone call, and placement of information about the Commission in QGAP offices across the State. The new Act will also result in an expansion of the community visitor program. As I alluded to earlier, under the old system the Commission had two full-time community visitors based in the Brisbane office. The new system will see a number of community visitors placed in 19 locations across Queensland, which will not only allow them to do regular inspections of residential facilities but will also provide an opportunity for the Commission to have a presence in each of those locations.

**Mr WELLINGTON:** Minister, I refer you to page 2-12 dot point three on your portfolio statement where you refer to a new respite facility being constructed at Loganholme. Minister, how much will the respite facility cost and how many staff do you anticipate will be

working at the respite centre either full-time, part-time or casual?

**Ms BLIGH:** This is in relation to Loganholme?

**Mr WELLINGTON:** Loganholme, yes.

**Ms BLIGH:** The construction costs or the operational costs?

**Mr WELLINGTON:** The construction and operational costs.

**Ms BLIGH:** I will just have to check that in terms of the capital. Do you want me to take those figures on notice and get back to you?

**Mr WELLINGTON:** Yes.

**Ms BLIGH:** The facility is still in its construction phase. You are also looking for figures on what the operational—

**Mr WELLINGTON:** On the staffing.

**Ms BLIGH:** The staffing. I am sorry, I was in Children's Commission mode then. I can dig it out for you, if you like. While we are waiting, perhaps I could just briefly go back to the question asked by the member for Indooroopilly in relation to the calculations on the number of screenings of paid employees? It is calculated on a half-year basis that there would be in the vicinity of 20,000 paid employees. So we are looking at a possible full-year number of 40,000.

If I can just go back to that, there is \$550,000 capital allocated to transition respite services from the Basil Stafford Centre to a more appropriate setting in the south coast region closer to users of the service. I am sorry, it is better if I take it on notice. The problem with that particular one is that there is a transition facility operating and there is one being built, so rather than give you the wrong figures I think it is better if we get that to you accurately.

**Mr WELLINGTON:** Further on respite, Minister, on page 2-12 dot point two of your portfolio statement—that is the paragraph immediately above this one—you refer to new respite services being delivered across the State. Minister, if an incorporated association which seeks to be involved in the delivery of these new respite services identifies an appropriately zoned premises which meets disability access requirements and is realistically priced, what will your department do to assist such incorporated associations with acquiring these premises?

**Ms BLIGH:** I thank the member for the question. You would be aware of the pressing need that many families have expressed for respite, and it is well known in your area and in other areas right across the State. Hence the

decision to allocate some of the new funds into eight new services.

In terms of how we anticipate the services to be delivered, we have allocated enough funds to have eight services with an average of \$325,000 per year recurrent. We would anticipate that in some cases some of them will be up and running before others. So there will be in that budget some non-recurrent savings in the first year that could then be used for capital to either upgrade existing premises or perhaps buy another premises. I know that in some parts of the State I have been approached by organisations that have had premises donated. So there would be no capital costs associated with that.

In terms of how we get from the budget allocation to eight new services over the next six months, I am concerned to make sure that the eight go to high-need areas across the State. The department is preparing advice to me on those high-need areas. Many of those locations I anticipate will be in regional Queensland, because they have been neglected in the past. I will announce the locations late in August.

DSQ will hold meetings in those locations with people with a disability, families, existing service providers and other interested community members, depending on where it is—it could be the local council and others. Where there are no suitable auspices or there are a number of possible auspices, expressions of interest will be sought for a service provider to operate the service. So it would be at that point that a potential service provider would put in an application saying, "We can offer this service within these funding parameters and this is what we would be able to provide", and whether or not they would need a capital component. We accept that there will be need in some instances to be capital expenditure, whether it is upgrades or purchase, or rental to be included in the establishment of some of the eight. It is difficult without actually sitting down in local communities to identify exactly where, but we are very confident in this budget that we will have those funds available.

**Mr WELLINGTON:** I was just concerned with timing. I understand that one of the greatest problems in trying to find the appropriate sites for respite facilities is to get council approval. The ideal situation, of course, is in a residential street, which blends in really well. I suppose sometimes with council applications and considerations, with the best of intentions, it can drag on for months and I am just wondering how you were proposing to

overcome that sort of possible difficulty in delivering the service.

**Ms BLIGH:** That is something that we face almost every day in Disability Services Queensland—trying to incorporate services for people with a disability, whether it is just an individual house, or a larger service like a respite service in neighbourhoods. I think that we have actually developed quite a bit of expertise around it. There are some really great examples where organisations, in conjunction with the department, have been able to ensure that there is a great deal of community support.

I would anticipate that there will be, for the most part, a great deal of cooperation from local councils. We have had a number of experiences already where councils have been prepared to—going back to your original question about what support we can offer—there are a number of instances where council has actually come to the party and we do it in partnership. Council can identify council-owned land, for example, that they are prepared to put in, or council-owned properties, which we then put some capital funds into in converting to an appropriate facility.

So I anticipate that in every one of the eight cases, it will be something slightly different. We will be looking to work hand in hand and in partnership with councils. I can appreciate your concern about getting these things moving. I share those concerns. I am very committed to making sure that we move this along as quickly as we possibly can.

**Mr WELLINGTON:** Thank you, Minister.

**The CHAIRMAN:** Minister, I note that on page 2-7 of the MPS that two purpose-built accommodation services have been constructed. Can the Minister provide an update on the progress of these services?

**Ms BLIGH:** I thank the member for the question. The history of these services, of course, relates to the decision by the previous Government to sell the Challinor Centre to the University of Queensland. Unfortunately, as I have detailed in this Committee before, that decision was made without the appropriate planning for the people who would be rendered homeless by the decision. When I took on the portfolio, there were 45 people who faced homelessness and no planning or contingencies had been put in place for them in the short term.

In two years, we have built two new purpose-built accommodation facilities: one in Loganlea and one in Bracken Ridge. Twenty-four people are living at Loganlea and they

have been there since near the end of last year. Recently, I visited the facility and met with a number of the residents and the staff, and I am very pleased to say that the facility there is offering those residents a significantly improved quality of life than that which they experienced at the Challinor Centre.

Twelve people will be living at Bracken Ridge, and I am pleased to say that the first of those residents moved in today. So as of today, the final chapter of Challinor, and the difficulties facing the people who were displaced by the decision to sell it, have now been resolved. Bracken Ridge will be seeing a family barbecue today and the first residents, as I said, moving in. Actually, the first residents will be moving in on Thursday, but the barbecue today is for families.

Going back to the question asked by the member for Nicklin, these two facilities are outstanding examples of where local communities have embraced the future residents into their community. Bracken Ridge is actually the extension of an existing neighbourhood street and a barbecue facility has been placed at where the two parts meet. It is a facility that is available to residents of the DSQ houses and the other neighbours in the street. We have had an open day and I expect to see those facilities used in that sort of cross-fertilising way on a regular basis.

We have delivered, I think, on the original commitments that we made when we came into Government about Challinor, that is, we have retained the commitment to that small group of families who wanted to see some centre-based care. We have ensured that those facilities are small centres—not the large option of 40 or more people that was being planned by the previous Minister. We have gone out of our way to ensure that people move into welcoming communities and we have ensured that those facilities are located in neighbourhoods close to transport and shops, not out in the middle of nowhere isolated from any possibility of community inclusion. So it is a story that I think we can all be very proud of.

**The CHAIRMAN:** Thank you.

**Mr BEANLAND:** I refer to page 2-5 of the Ministerial Portfolio Statements and ask: in last year's Estimates committee, you and your departmental officers advised me that work had commenced on assessing the extent of unmet need of children with disabilities within families and that you were to develop a needs register for those families. What progress has been made on this in the past 12 months? Has this been completed?

**Ms BLIGH:** I thank the member for the question. Yes, I am very aware of the commitment that was made last year and there was, in fact, work occurring at the time about developing a register of need for families and children. In fact, after discussions with a number of service providers and families who were receiving services, and a further consideration of how we might in the future work through the issue of school leavers accessing services through post-school service programs, I guess our view of how best to include the needs of families and children changed. Rather than have a number of separate programs and processes and a number of separate waiting lists and regional priority panels meeting, we have chosen the path of having a single point of entry into departmental services. So there will be a single priority panel process and register of need. The priority panels will consider the needs, obviously, of adults, families or post-school leavers separately, but we will not be having a separate register for children and families.

The registration form that is required for families to apply for support, as I understand it, currently being trialled. It is planned to be distributed through Centrelink offices at the moment to families who are caring for a child with a disability. As you would appreciate, it is not an easy thing finding everybody in the community who might have a need for the service. Many services in the community have ensured that families and children who have come to them needing help are registered with our local offices for our family support initiatives, but we are developing an arrangement with Centrelink so that where a family applies for a benefit for a child with a disability, Centrelink are ensuring that that family is provided with a form where they can register with our register of need.

So that is a relatively new phenomenon. We could not by any means say that we have a rigorous and comprehensive register of families and children needing support, but the majority of families and children who are receiving support with us now are those who have registered an interest or a need with our area offices.

**Mr BEANLAND:** Can I just follow it up so that I understand. I thought you said initially that there was not a register, but I think at the end of your answer you said that there is a central register.

**Ms BLIGH:** Yes.

**Mr BEANLAND:** So there is a central register. Can I ask: how many of those people on that central register are not currently

receiving assistance? Are all people who are on the register receiving assistance?

**Ms BLIGH:** Sorry, can I just clarify? The intention is that there will be one central register that will have adults, and that is the register that you are already familiar with; it has already been publicised. At the moment, I can only tell you the adults that are on there. The decision has been made to include families and children and post-school leavers on that register as well, but that is only just in the process of being compiled, so I cannot give you a final list of how many children and families do not have their needs met at the moment. I have more information about adults whose needs have not been met. Did you want me to answer that?

**Mr BEANLAND:** Yes. I was going to come to that later, but if you would like and you have it there, I am happy to ask it now. In relation to the adults needs register, could you give us the number of adults in each of the categories who do not have their needs met as at 30 June? That would also encompass those children, I should think. If you have the adults, I would think you would also have the children of the families as well.

**Ms BLIGH:** Just in relation to families, can I say that of those families who have come to our attention—that is, they have registered their name with our area office as wanting support—most of them are actually receiving some level of service, even if it is, for some of them, through non-recurrent packages. So it is a different issue than it is with adults. The question on notice that you asked gave extensive information on the number of people on the registration of need and how many of them are in each priority category.

**Mr BEANLAND:** What I am asking about are the ones that have not received—

**Ms BLIGH:** Yes. At March, which is the last time I can give you this data, but 31 March 2000, the total number of registrants at that time was 4,641. Of those, 76.6% indicated that they were currently receiving some disability support services. About 78% of those in Priority 1 indicated that they were currently receiving a disability support. Obviously they wouldn't be in Priority 1 if they were getting the service that they needed. I think it is important to understand that just because someone is on the waiting list it does not mean that they do not have any support. Each of them have different sorts of support being provided, a different number of services provided, and I can go through that information if you like. But clearly they would not have been categorised as Priority 1 if the service that they were

currently getting was enough to meet their needs.

**Mr BEANLAND:** In relation to Categories 1 to 4, can I just ask what the numbers are that have unfilled needs?

**Ms BLIGH:** I would have to take some of that on notice. The information I have is total, which I have given you, and those in Priority 1 who have indicated that they are getting some level of support. So you would like the same information for Categories 2, 3 and 4?

**Mr BEANLAND:** Yes.

**Ms BLIGH:** I am happy to provide that.

**Mr BEANLAND:** And the same with Category 1, because 76.6% have some filled needs, but as we know, there are only 400—or whatever the number is—who have actually received lifestyle support packages, which I take it means that they are receiving the total support that they need. So there is quite a number there in Category 1 who still are not receiving the support they need. If I can just go on, though—

**Ms BLIGH:** It depends how you want to classify people. What are you asking me to provide: information about people in Priority 1 who are getting some service, or those who are receiving everything that they need?

**Mr BEANLAND:** Those who are not receiving everything they need.

**Ms BLIGH:** It is a simple process of deducting the number of people that I have given you on the question on notice from the number of people—

**Mr BEANLAND:** So you don't have anything new since the question which I asked at the end of March this year?

**Ms BLIGH:** No, no—

**Mr BEANLAND:** I am not being difficult, but I know I asked a question at the end of March. I was trying to get the updated figures.

**Ms BLIGH:** I am talking about the question on notice that you asked last week.

**Mr BEANLAND:** I see. So you don't have anything further on that?

**Ms BLIGH:** I can do the subtractions for you, but that is all we would be doing. Can I just clarify why the March data, the data about the list? For a lot of it, obviously people go to their local area office, and until the priority panels meet again, people are not categorised. So the last time the list was centralised was the end of March.

**Mr BEANLAND:** If I could move on. I refer to MPS page 2-5. I am sure that the Minister is aware that adults with intellectual or

developmental disabilities have a 60% higher mortality rate than the general population and are twice as likely to be hospitalised. What plans does the Government have to reduce these appalling statistics?

**Ms BLIGH:** Sorry, this was in relation to which part of the MPS?

**Mr BEANLAND:** MPS 2-5.

**Ms BLIGH:** You are talking about the health of—

**Mr BEANLAND:** Yes, the overall health of these people, where there is a much higher mortality rate for these people. I am sure you are aware of that better than I am.

**Ms BLIGH:** Yes.

**Mr BEANLAND:** I am just trying to discover what plans the Government has to reduce these statistics or offer support in these areas.

**Ms BLIGH:** Obviously it is a multi-pronged approach. The higher mortality rates for people in this grouping are the result of a number of factors that are interlinked. Obviously if people are living in substandard accommodation or they don't have appropriate supports, that will have an effect on their overall life expectancy. For many people, the nature of their disability of itself will limit their life expectancy. Their capacity to fight very ordinary diseases that the rest of us might be able to fight, for example, is reduced in some cases because of other disabilities they might have. So given the complexity of the reasons behind those mortality rates, there obviously has to be a multi-pronged approach to resolving it.

From the point of view of Disability Services Queensland, we obviously have a significant role to play in improving the quality of life of people with an intellectual disability by providing them as individuals and their families who are supporting them with the appropriate levels, wherever possible, of support. In many cases it is a question of greater levels of research into some of these issues, and through the University of Queensland the department funds the Intellectual Disability Developmental Unit, I think it is called, at the Mater Hospital. Through Professor Nick Lennox, it is doing some very interesting research into the health outcomes and mortality rates of people with an intellectual disability. We fund the Developmental Disability Unit by over \$300,000 a year to do some of that research in conjunction with the University of Queensland.

Specific questions about health—obviously, the Minister for Health has responsibility in broader terms for medical

responses to people with an intellectual disability who are hospitalised. Even if they are receiving full support from the Department of Disability Services Queensland, if they are hospitalised, then they, like you or I, become the responsibility of Queensland Health, and their health needs should be met through that portfolio.

**Mr BEANLAND:** I refer to MPS page 2-19. If it is not on that page, it will be covered under 2-5 anyway, but I think it will be covered under 2-19. In relation to the Disability Sector Training Fund, in the 1999-2000 Budget Highlights statement, you indicated that during 1999-2000 a detailed work force plan would be developed to progress the training and development of workers across the sector. In your portfolio statement for 2000-01, you state that it commenced. How far has it progressed and when will it be completed? What funds of the \$800,000 committed last year were expended, and were these funds all expended through the Australian Human Resource Institute, which I recollect was the agency, and if not, what were the agencies?

**Ms BLIGH:** Can I just clarify for the information of the member that the Australian Human Resource Institute was the initial auspice, and I outlined that last year. However, that organisation ceased operation late last year, and it returned the grant to the department. The funds have since been provided to another organisation called Adult Learning Australia. We anticipate that funding of \$720,000 will be distributed from the Disability Sector Training Fund in 2000-01 to sector organisations proposing training initiatives.

What has happened to date is, as I understand it, staff of Adult Learning Australia have actually been out into every region of Disability Services Queensland and met with service providers to determine their training needs, then to seek expressions of interest in providing training for those needs. There has been an initial round of grants and a further round of applications that are currently being assessed. The first organisations to receive funds were an organisation called Q-Rapid, which received funds of \$85,633; Fraser Coast Family Network, which received \$3,240; the South Burnett Autism Support Group, which received \$4,345; the Ingham Parents Support Group, which received \$14,822; Handy Home received \$1,500; and there were some collaborative projects in central Queensland between DSQ and non-Government agencies that received \$16,215. I am happy to give you those figures so you do not have to write them all down. A number of additional projects, as I

said, have been submitted for funding and they are in the process of being assessed. I am just trying to remember where they are up to. The recommendations for the next round have not come to me, but they have certainly been in the assessment process for a number of weeks now.

**Mr BEANLAND:** How much of that \$800,000 is still to be spent? That is quite an amount.

**Ms BLIGH:** Approximately \$720,000, which we anticipate will be distributed this year.

**Mr BEANLAND:** The whole system is certainly well behind, as was indicated last year. I regard this as a most important area in which there is a lot of interest and concern. Further, when were those amounts—which you kindly indicated you were going to give to me later—allocated to those particular community organisations?

**Ms BLIGH:** I will find out. I did the approval some time probably in the last quarter of the financial year. It was certainly some time in the first half of the year. Can I clarify that the committee, which is made up of six members, half of whom are representatives from the disability sector, met last week. I understand that they have recommended another \$200,000 worth of training programs. But I agree that there have been some unfortunate delays. You will appreciate that, with the folding of the initial auspice, which was unfortunate, the progress has not been quite as we would have liked it to have been. But there is no doubt that it has been a very collaborative process with the sector. It has involved different regions identifying their needs. There are not really shortcuts other than going out and talking to people about it.

**Mr BEANLAND:** Can I ask one more follow-up question. What action will you be taking to ensure that this whole program of \$800,000 is allocated and put to work in the community in this financial year? What do you have in mind?

**Ms BLIGH:** As I said, in the first month of this financial year \$200,000 of those funds have been determined. That is a quarter in the first month. If we progress at that rate, we will be finished before Christmas.

**Mr BEANLAND:** Will you progress at that rate or at the former rate?

**Ms BLIGH:** Obviously, the development of the training strategy goes hand in hand with the development of the work force strategy. It is important that those two things are linked. I can certainly assure the member that I am as committed to training in this sector as he is,

and I share his concerns. I am happy to reassure the Committee that we will be progressing this matter as quickly as possible.

**Ms BLIGH:** We certainly anticipate that all of those funds will be spent in this financial year.

**Mr BEANLAND:** I refer to page 2-5 of the MPS. In the 1999-2000 budget—last year's budget—page 12 referred to intensive and broad-based consultation that had occurred during the previous financial year to develop a comprehensive quality framework for services. If the consultation has been concluded, why has the framework not been introduced to the sector in the last 12 months?

**Ms BLIGH:** I thank the member for the question. The development of a quality framework in this area is one which has presented us with a number of challenges. There were four different strategies in the consultation process so that a clear understanding of the issues could be reached. There was the establishment of a reference group, workshops by a consultant, the running of focus group interviews throughout Queensland and the distribution of a questionnaire. The quality framework document has been produced with the sector.

Can I say that the framework that was as a result of all of that put to me, in my view, was deficient in a number of respects. The framework that was proposed, for example, did not have in it a comprehensive complaint mechanism. I thought that was central to a quality framework, and I have asked for more work to be done on it. You will see, however, that in the business plan it is identified as one of the priorities for implementation this year.

Again, while I share the member's concern for quality in this area, developing a quality framework that will be applicable across small agencies, large agencies, Government agencies and non-Government agencies has not been an easy business, and getting one that the sector is actually able to implement has also not been as straightforward as it would, on the face of it, seem. As I have said, it will be a priority in this year and has been incorporated into the business plan and the strategic plan.

**Mr BEANLAND:** Can I just follow up with a quick supplementary question. In relation to the funding, what was allocated last year and spent and what have you allocated in this year's budget to be spent in this area?

**Ms BLIGH:** I will get the amount of the funds that were allocated last year in a moment, but unspent funds in that category as well as a number of other categories were

expended in a one-off non-recurrent funding round in, I think, the end of the third quarter or the beginning of the fourth quarter of the financial year. That was a submission based funding round. We identified that there would be some one-off savings so they were made available to non-Government providers for a range of non-recurrent purposes, such as re-equipping respite facilities, fixing the roof, getting a ramp—those sorts of one-off costs. The brief that was handed up had a figure of \$34m, but I do not think we will have a quality framework that is worth that much.

**Mr BEANLAND:** That is very interesting, Minister.

**Ms BLIGH:** That was a total. I will get you the figure of funds that were allocated last year—they were spent in other ways because they were not spent on the quality framework—and what is allocated for this year.

**Mr MUSGROVE:** I refer to page 2-16 of the MPS and the proposed expansion of local area coordination. Would you be able to explain to the Committee how this service benefits people with disabilities living in rural and regional areas.

**Ms BLIGH:** I thank the member for the question. When I was in Opposition I went to Western Australia because at that time Western Australia certainly had a reputation as leading the field in the delivery of services, and WA shares some of the same service delivery challenges as Queensland. It is a big State with a lot of remote areas. One of the very innovative models being utilised in Western Australia at the time was local area coordination programs. These programs are designed specifically to provide a level of service in remote and regional parts of the State. We had an election commitment that as part of our injection of funds into this area we would fund on a pilot basis four local area coordination schemes. We have in fact funded six. There is one in Cooktown, there is one in Mount Isa, and then we have put together a hub of local area coordination programs in the Wide Bay area, which includes one in Mundubbera, one in Murgon, one in Gympie and one in Hervey Bay.

Those programs obviously interrelate to each other around that Wide Bay area. The model involves a local area coordinator who is a Disability Services Queensland employee. So it is a very innovative model of service for a Public Service to be delivering. It really is asking DSQ employees to do their work in a very different way and it has been an interesting experiment in that respect. The coordinator acts as a point of contact and

information and referral for people with a disability and works with up to 50 individuals and families at a time to link them into existing community supports, either a mainstream or specialist disability provider, works with the community itself to make the community more welcoming of people with a disability, and works to improve community access. They also have access to some discretionary funds of \$10,000 to provide one-off supports that will make a difference to those people in their group of responsibility.

What this program does is provide services in communities that, frankly, may never be big enough to sustain a specialist disability service. The budget this year provides funds to expand the program by establishing three new services in this financial year, growing to an additional nine—so a total of 12 new ones—in the next financial year. It is still embryonic. We are evaluating them as we go along. But the early results would indicate a very enthusiastic reception in the communities in which we have been able to base them.

**Mr MUSGROVE:** That is certainly good to hear. My next question refers to the regional Disability Councils mentioned on page 2-15 of the MPS and your answer to Government question on notice No. 10. Can you tell the Committee how many of these councils there will be and what roles they will have.

**Ms BLIGH:** I think it is important not to underestimate the importance of these sorts of partnership mechanisms on the ground and what it means out there to people who are providing services, what it means to families and what it means to the way that Government service providers provide our services. Two years ago when I took over this portfolio, I think it is fair to say that the disability sector was on the verge of collapse. There was a critical shortage of resources. Many of the people with a disability, their families and service providers with whom I had had contact in the lead-up to the election and afterwards were, frankly, distrustful of Government and of each other and they felt that they had no real say in what was happening to them.

We injected record funding, but money is not the only solution here. I felt very strongly that we had to address the need for a respectful partnership between all of the stakeholders. We established the Disability Council of Queensland, which brings together those stakeholders. There are 17 community members, made up of six people with a disability, five family members, five service providers and one academic; seven Government departments, all of whom have a

level of responsibility in this area; and it has a balance of rural and regional Queensland, indigenous people and people from different sectors.

It has been enormously successful. When we advertised for expressions of interest, 345 people from across Queensland wanted to be part of it. It was a very difficult task to narrow it down to a relatively small council. I felt it would be a real loss to our department if we were to lose that level of enthusiasm on the ground in regions. I felt that we ought to be doing whatever we could to harness the energy of those 350 applicants and whoever else might be out there with an interest in sharing what I think are some very challenging tasks.

The role for these councils at a regional level—there will be 10 of them—will be community development around disability issues, to strengthen the partnership between Government and non-Government agencies and to strengthen the capacity of people with a disability and their families to participate in decisions that affect their lives. I do not think it will happen overnight, but I fully expect that, as a result of these councils, in two or three years' time if we go and talk to people in regions, they will be able to identify that things have improved or the way that we spend the money that we have is more efficient and effective from their point of view and that we find ourselves trying things on the Sunshine Coast that we do not need to try in Townsville and what we are doing in Townsville is very different to what we are doing in Mount Isa.

There have been 32 community meetings in June about these councils and 700 people attended those meetings. There is an incredible groundswell of enthusiasm out there to be part of this. As I have said, there was originally a plan to have six councils. As a result of that consultation, there are now going to be 10. The extra councils will be in far-north Queensland in Cairns, Mount Isa, Wide Bay and the south-west—west of Toowoomba.

**Mr WELLINGTON:** I refer you to page 2-17, dot point two, of your Ministerial Portfolio Statements where you refer to support for Queensland's paralympians to assist with training, support and other preparations for the 2000 Games. Can you please clarify what support your Government is providing to assist our paralympians?

**Ms BLIGH:** The Paralympics will be held in Sydney from 19 to 26 October. It is actually the first time that they have ever been held in the southern hemisphere. So I would like to take this opportunity to encourage all members to consider going and seeing the

Queensland team. Obviously the prime responsibility for providing the sporting support for these athletes resides with the Minister for Sport, and that is appropriate. But I felt very strongly that it would be remiss of Disability Services Queensland if we did not take the opportunity in a number of appropriate ways to support the paralympic team, particularly on our home turf.

We have provided a total of \$380,000 to support the team. Of that, \$130,000 was in the last financial year, 1999-2000. We provided it to the Paralympic Committee. It comprises funds of \$30,000 for a proper farewell. There were no funds available for the paralympic team to have an appropriate public farewell. I again encourage people to mark it in their diaries and to come along. \$90,000 was for athlete support and development, including some training and travel money, and \$10,000 was for the Paralympic Committee to work with Disability Services Queensland around an ambassador or mentor program for young people with disabilities about what they can aspire to in their lives. In this financial year we have allocated \$250,000 of our community awareness budget to expand our Just Like You advertising campaign to produce and place two more ads featuring Queensland paralympians, and those ads will go to air around the time that the Paralympics are on.

I am sure many people here have had an opportunity to listen to Gerard Gossens, who is the CEO of the Paralympic Committee. One of the things that Gerard makes a great point of is the need to get recognition for paralympians and their talents. He looks forward to a time when everyone can name at least one paralympian as they can one Olympian. I think we have a role to play in Disability Services Queensland to promote the abilities of people with a disability, and this is a golden opportunity for us to do it.

**The CHAIRMAN:** I refer to page 2-11 and the Family Support Program established by DSQ last year. What are some examples of the flexible supports provided?

**Ms BLIGH:** This program is an incredibly innovative program which responds to the desperate need many families have who are trying to support a child with a disability. I referred earlier to my trip to Western Australia to learn what we could from them. I am happy to say that WA has recently visited Queensland to find out about this program and has, in fact, taken it back to Western Australia.

At any time 25% to 30% of children in the care of the Department of Families, Youth and

Community Care have a disability. While there have been efforts to respond to the specific needs of those children once they come into care, in my view there needs to be much more intensive effort done to focus on early intervention and ensure families are not in a position in which children come into care simply because their families are unable to meet the needs of the child with a disability.

The model that we have put in place around the Family Support Program involves a worker supporting families and having access to discretionary funds to meet their needs. It is based on the Xavier family support network, which was pioneered here in Queensland. The usual supports that we would probably all be familiar with, such as school holiday programs and respite, are provided to families on the program. But the real success of the program is due to its attempt to help families to think outside of the box and to deliver what might actually make a difference.

By way of example, if a family has a child who is incontinent as a result of their disability and the washing machine breaks down and the family does not have the capacity to replace it—and they need to, obviously—the Family Support Program is able to buy that washing machine for them. Not only is it giving people what they want, it is very, very cost effective. For example, in the case of a family who needs several weeks' respite while the mother goes into hospital to have another child, respite for the child with a disability would cost approximately \$2,000 per week. It is much cheaper in the long run and provides a range of other spin-offs for the family if we are able to bring the child's grandmother up from Sydney, for example, who can in effect provide respite at home for that family and strengthen its supports.

As an example, another family had been using very large amounts of respite because their child was not sleeping at night at all. The Family Support Program was able to provide a communication device for the child for the first time, who was then able to tell her parents that the medication she was using was making her sick. The medication has been changed, the child has started sleeping and the family has cancelled their booking for respite as a result. Those sorts of stories really need to be told to understand how, with a little bit of creative thinking, we can not only make the money that is available to us go a long way and meet the needs of families, but do it in a way that is making a difference to the quality of their lives.

**Mr MUSGROVE:** Looking through the MPS, on page 2-8 I saw something called the

Volunteer Friends Program. I just was not sure what it was. What does it actually do?

**Ms BLIGH:** We would be happy to see the member join the Volunteer Friends Program if he is interested. The Volunteer Friends Program provides support to people with an intellectual disability so that they can develop and maintain friendships with other community members. The program was actually established under section 35 of the Intellectually Disabled Citizens Act of 1985. That Act has now been repealed with the proclamation of the Guardianship and Administration Act of 2000. However, we fully intend to maintain the program even though there is no longer a need for a legislative base for it.

The annual budget for the program is \$320,000. It has a full-time program coordinator and 10 part-time regional coordinators in Brisbane, Ipswich, Toowoomba, the Gold Coast, Maryborough, Rockhampton, Townsville and Cairns. People can register to become a friend of someone who has an intellectual disability. Becoming a friend means going through training and being supported by the program, but it is a very simple way to break down social isolation so often experienced by people with an intellectual disability.

Some 575 friendships had been established previously and there were 59 new friendships in the last financial year. We are in the process of establishing another 75 friendships. People who join the program as a volunteer friend are really making a commitment in a long-term way to visit and do all of the things that friends do such as go to the movies on a regular basis with the person whom they become a friend with. The persons of whom they are the friend are in all kinds of circumstances. They might be living at home, living in a Disability Services facility, living alone in a unit or whatever. It is a way of expanding their social networks and providing greater involvement in normal day-to-day activities that so many of us take for granted.

Providing accommodation support and direct services is one thing, but this program attempts to deal with one of the ongoing issues for people, particularly those with an intellectual disability, that is, loneliness. Loneliness is one of the things that consumers identified in the national consumer data survey published at the end of last year. The program will be maintained despite the fact that there is no longer any legislative requirement. In addition, we have indicated in the business plan that we anticipate expanding the

program. We are currently looking at how that expansion might appropriately occur. Because of its legislative base, it was restricted to people with an intellectual disability. We are looking at whether it might be appropriate to expand it to people who are socially isolated for a lot of reasons and who may have a physical disability, not an intellectual one. There is some developmental work being done on an appropriate way of expanding the program.

**The CHAIRMAN:** Minister, I refer to a number of references at pages 2-1 and 2-8 to planning documents which have been developed by DSQ over the past 12 months. Can you explain to the Committee how these documents will benefit the disability sector?

**Ms BLIGH:** I thank the member for the question. I think it is important to understand the benefit that some careful planning will bring to a sector that has been characterised too often in the past by a lack of planning. It is easy to think of these documents as a waste of time and documents that sit on the shelf, but I can certainly attest to the difficulties that arose in the first 12 months as new resources became available. There was no clear planning mechanism by which to effectively and appropriately ensure that the funds went to the area of greatest need. When you have had an area that has been as starved of resources as this one, it is not surprising that it has been characterised by very ad hoc planning.

In the past, funding had been allocated to specific programs. For example, there might be some money made available by one Government to institutional reform or by another Government through Moving Ahead, but there has never been one consistent direction. That has left really clear gaps between programs resulting in duplications and overlaps. This is even more exacerbated when we look at what is happening at a regional level. These documents and the process that led to their development have introduced a level of rigour and conceptual work in the sector and in Government offices as to where those gaps are and how we can systematically, over a period of time, as resources become available, move to fill those gaps and how we can systematically over time, where appropriate, try to remove overlaps and duplication and, by doing those things, how we can aspire to provide a better quality of life for people with a disability and their families.

The Queensland Government's strategic framework sets a very clear vision across Government. It is a reaffirmation by this

Government of our commitment to the principles of the Disability Services Act and identifies priorities for Government in responding to the needs of people with a disability. The Disability Services Queensland Strategic Plan, which was launched during Disability Access Week this year, forms the basis of future developments for work in the department and forms the basis of Disability Services Queensland's first business plan. If you look at the business plan, you will clearly see how it is being driven by a very clear strategy as to how we get from where we are now to an ideal world.

**Mr BEANLAND:** Minister, I refer to page 2-5 of the MPS. I understand that Disability Services Queensland currently has six regions. There was a commitment given by you to the Estimates committee last year to move to eight regions by December last year by splitting a couple of regions. Has provision been made for this in the Budget? When will the other two regions be created?

**Ms BLIGH:** If I recall correctly, the commitment was that when Disability Services Queensland was formed it would be formed with six regions and grow to eight within 12 months of its formation. We have the six regions as a result of the establishment of the agency in December last year. We would expect the new regions to be on board by December this year. Can I say in relation to the two regions that the costs associated with running those new regional areas are provided for in the program support category in the business plan. So the funds are certainly available for those regions to come on board.

Given our experience over the past 12 months as Disability Services Queensland has progressed in its first six months of operation, I have already raised with the Disability Council of Queensland and I certainly intend to be speaking to groups in the two regions about whether they want an opportunity to reconsider whether a departmental regional office is what they are looking for or whether they would like the flexibility to establish local area coordination programs as opposed to a bureaucratic office. They would still be departmental employees. They would potentially still cost the same. As you know, we have already announced that we will move to have a regional council in those areas. So the funds are available and the regions will be established subject to further appropriate consultation with those regions about whether a regional office is the appropriate way to deliver what it is those regions need. However, there will be a departmental presence whether

it is through local area coordination or with an office.

**Mr BEANLAND:** What funds have been allocated for that?

**Ms BLIGH:** It is estimated that the cost of each of those regions will be about \$300,000 recurrent.

**Mr BEANLAND:** I refer to page 2-5 of the MPS. I ask: page 19 of the strategic plan and the strategic direction identify six groups of people with disability who have had an historical disadvantage in accessing services. Could the Minister advise what funding from the two-year DSQ business plan is available for each of these six groups?

**Ms BLIGH:** It is anticipated that the groups would be prioritised where possible and appropriate across each of those funding allocations. In the past, the way we have tried to address the needs of those groups which have missed out for one reason or another has been through the creation of new services. Out of the \$30m, we had an access and equity round. We funded some services to provide assistance to people with a psychiatric disability for the first time, really. If you look at the business plan under 5C, Service Development—I do not know if you have the business plan in front of you where it is spelt out more clearly—we have allocated \$1m this year growing to \$2m next year. We would anticipate that that will result in the creation and/or expansion of approximately 20 services growing to 40 services this financial year. Some of those new services and expanded services will be providing assistance to groups that have previously been overlooked.

Some of this is already starting to happen in the previous allocation of funds through access and equity. For example, for people with an acquired brain injury, funds of \$500,000 were allocated out of the \$30m initiative. Four services have been recurrently funded for a total of \$303,000 and non-recurrent funds of \$217,000 have been provided for training events in four regional locations, that is, training in two regional locations to enhance the capacity of generic service providers to provide support for people with an acquired brain injury and a 12-month trial of the use of video conferencing technology to support people and their carers in locations across the State.

In relation to some of the other groups, there are projects in a developmental or "soon to be implemented" phase in each of them. An interdepartmental working party has been established with the Department of Justice and Attorney-General to look at the particular

needs of people with a disability in the justice system, by way of example. If the member is interested in any of the particular groups, I am very willing and happy to give him more information.

People living in rural and remote communities and people with a disability who have ageing carers were the two categories of people identified as priorities by the Commonwealth for the funds that were being made available through the Commonwealth. So I would expect that there would be a significant number of people with ageing carers provided with adult lifestyle support packages over the next couple of rounds to meet the demands of the Commonwealth in that respect. In addition, we will also be looking at the development of an indigenous strategy, which will be assisting people living in remote indigenous communities.

**Mr BEANLAND:** I refer to page 2-1 of the MPS in relation to the strategic plan. Has a full costing been done over a five-year period to implement the strategic plan? What are the details?

**Ms BLIGH:** No, there is not a financial breakdown of what it would cost to implement the strategic plan. I guess the approach we have taken is to develop a plan so that as resources become available those resources can be expended in ways that meet the established priorities of Government and non-Government agencies who are trying to work to assist individuals and families.

As the member will be aware, the funding environment has been incredibly uncertain in the past and is significantly more certain at the moment. We will rely on continued allocations from Government to implement the plan. What we do have is a two-year business plan, which provides for the implementation of the strategic plan over the next two years. There has been some debate about whether that could have been a five-year plan.

One of the concerns of Treasury, frankly—this was the subject of discussion with Larry Anthony at the ministerial council last week—is the status or otherwise of the Commonwealth/State Disability Agreement at the end of the life of this agreement, which is June 2002. The Commonwealth is still playing a bit of ducks and drakes about its position on special purpose payments under the new tax regime. Until there is some certainty around what might happen to the Commonwealth's share of funds under the Commonwealth/State Disability Agreement, I think you will appreciate Treasury's nervousness about committing new funds to

new initiatives when it may be that new funds will have to be committed to meeting existing obligations if the Commonwealth withdraws support for special purpose payments. That is not just an issue in the CSDA; there are other—

**Mr BEANLAND:** Minister, you have partly answered this, but I would like further clarification. In relation to the strategic plan there has been no indication given of the priorities of the various strategies. When will there be a companion available or an operational plan developed to support this strategic plan? As I say, you have partly answered that.

**Ms BLIGH:** I am not sure whether the member actually has a copy of the Disability Business Plan.

**Mr BEANLAND:** I have one, but not with me.

**Ms BLIGH:** That document is the operationalisation of the strategic plan. It identifies the priorities and how they are going to be funded over the next two years. I am very happy for you to take it and ask questions about it.

**Mr BEANLAND:** But you do not have anything further than the two years. You answered that before, but it is just the two years? And what is set out in there are the priorities as far as you are concerned?

**Ms BLIGH:** That's right.

**Mr BEANLAND:** Thanks, Minister.

**Ms BLIGH:** Can I just clarify that they are not my personal priorities alone. They have been developed in conjunction with Government and after consultation with the sector.

**Mr BEANLAND:** They are Government priorities at the end of the day.

**Ms BLIGH:** Yes.

**Mr BEANLAND:** I refer to page 2-18 of the MPS, which is the Output Statement relating to Community and Infrastructure Support. I note that the State's contribution has decreased considerably, from some \$12.377m to \$12.168m. At a time when accommodation is proving to be such an issue for people with disabilities, how can you justify this decrease? That is what it seems to me to be.

**Ms BLIGH:** I can clarify for the member that items included under Community and Infrastructure Support do not include accommodation, for example. Services for adults are included in a separate program area and services for children and families have

their own program area. Just to clarify, the sorts of services that the majority of people on the waiting list would be waiting for are not those that are included in this area. This program area provides services such as the ones I outlined earlier, such as information and training services for people with an acquired brain injury, just by way of an example. Can I clarify that you are referring to page 2-18 and that you are talking about the State contribution?

**Mr BEANLAND:** Yes, the State contribution, which drops from \$12.377m to \$12.168m on that Output Statement.

**Ms BLIGH:** In terms of that particular category you are looking at State funds. You will see that Other Revenue actually increases. It is all money in a bucket. The way we have notionally allocated the Commonwealth dollars for this output area of the department is increased, so the total available to spend for services that are funded through this program of the department remains stable. In fact, it increases. Obviously when we have new funds available through Treasury we have to make decisions about where we will allocate. You will see through the business plan that the clear priority for the funds is in adult lifestyle support and family support packages. While there are funds made available for new services, they are less of a priority.

**Mr BEANLAND:** So the Commonwealth has increased some funding in this area and you have decreased some funding in this area—because the Commonwealth has increased it—and allocated your funds elsewhere, I think that is quite plain. Could you explain further what these matters cover—you mentioned some emergencies and so forth—so that it is quite clear what this money covers?

**Ms BLIGH:** Things that are included in Community and Infrastructure Support are, for example, community awareness campaigns such as the Just Like You campaign and the partnership arrangements such as the Disability Council—the new councils. Local area coordination is under this program. Services in the community such as ACROD, which is one of the peak organisations, Parent to Parent and the disability information and awareness line—those services that are, I guess, not individualised and are not providing direct support in the sense that it is not accommodation or community access—are the sorts of services I refer to. You asked earlier whether we looked at those groups that have historically missed out. The majority of services that are provided to compensate for

that historical lack will be provided through this program area.

**Mr BEANLAND:** I refer to page 2-19 of the MPS. What specific resources have been provided in the budget for Disability Services Queensland to play a lead role in coordinating the implementation of the framework across the Queensland Government, as mentioned in the strategic plan?

**Ms BLIGH:** The commitment of this Government to a new disability services agency was motivated by a number of concerns. One of those was the need for disability issues to have a higher profile across Government, in the community and in the political framework. Disability Services Queensland as an agency is a vehicle to improve the profile and to take a leadership role across Government.

The priorities of senior staff of the department will therefore include obligations, for example, to be involved through the Disability Council with senior officers of other departments in implementing, and have the overall responsibility for the Disability Council of Queensland implementing or overseeing the implementation of the strategic plan. It involves senior officers from six other Government departments, and senior officers of Disability Services Queensland will have that as part of their role. There is a specific unit established within Disability Services Queensland to work on whole-of-Government issues. While it is the responsibility, to some extent, of all senior officers, that unit—do you want details on the number of people in it and cost—

**Mr BEANLAND:** I would appreciate that—and the funding for resources, because that is particularly what I was looking at in relation to that.

**Ms BLIGH:** Yes.

**Mr BEANLAND:** In relation to MPS 2-9, the Output Statement—remembering, of course, the difficulty that the Minister had last year with all these Output Statements—Minister, this year you show the cost per person receiving support which, in itself, says little in view of the range of programs that are covered by this particular matter. Could you advise in terms of the headings of last year's Output Statement? It was useful the way that was set up. It is not very useful this year. On page 14 of the MPS last year appears the average cost per annum per person receiving assistance under Accommodation Support Services, the Moving Ahead Program, Community Support Services and Respite Services. They are the four

headings we had last year. I am just trying to get a comparison of the figures for this year with those of last year. I am sure you have those figures there.

**Ms BLIGH:** Sorry, I was just looking for the cost. You are still asking for the reconciliation against last year's—

**Mr BEANLAND:** That is right. We had the figures last year for those four headings on page 14.

**Ms BLIGH:** I am happy to provide for all of the Outputs on that table for the member. In relation to costs, I am just making sure I get the right year. The cost of accommodation services rose from 25,000—sorry, that was the estimated. I am trying to make sure I give you the right figures.

**Mr BEANLAND:** You appreciate that to make a comparison you need to have the figures for this year and those for last year. It is pretty useless otherwise.

**Ms BLIGH:** The problem is that they are not available because of the way that it has been cut across the different programs. What has happened this year is that the cost of providing support to individuals has been calculated across the three new program areas, so it is not available. We just do not have it.

**Mr BEANLAND:** You are saved by the bell, I think, Minister. I have a series of other questions now on that very issue.

**Ms BLIGH:** You can come back.

**The CHAIRMAN:** You were give extended time.

**Mr MUSGROVE:** Thank you, Madam Chair. You are very generous with the member for Indooroopilly. Minister, I refer to page 2-8 of the MPS and I am particularly interested in the support that will be provided for post-school services for young people. Can you explain to the Committee what has happened to the Moving Ahead Program, which has enjoyed some success, and how that relates to post-school services?

**Ms BLIGH:** Yes. I thank the honourable member for the question. The program of the post-school services that has emerged was called the Moving Ahead Program and it was established by the previous Government in April 1997. Its purpose was to provide support to people leaving school and was targeted to those young people with complex support needs for whom employment was not an option, or not an immediate option on leaving school.

The real purpose, it seems to me, of the previous Government in doing it was actually a short-term political fix in the sense that it bought off a political problem for two years with no budget and no plan for what was to happen to these young people and their families at the end of two years, which was conveniently located after the election. Families, in many cases, were desperate because they had had a service for their 18 or 19 year old child for a year and a half but no certainty of what would happen in six months' time. In many families that meant that their primary care provider or the primary breadwinner may well have had to leave the job that they were in and go on to income security in order to support the young person. So I am pleased that the Budget last year provided ongoing funding for all young people who were already enrolled in the program and for another 160 students to leave school at the end of 1999.

The budget for this financial year provides for students who will leave school at the end of this year and at the end of 2001. I think in the context of the huge unmet need out there in the community, particularly at the crisis end and at the end where so many carers are now moving into an ageing category, it is very important that we do whatever we can at an early invention end to support families and support young people to stay at home and stay in their communities and, I guess, help to ensure that they do not end up in crisis. So we have got a very broken system and we are trying to fix it from both ends and the post-school program is one of those early programs.

We cannot justify the program standing on its own, and I referred to this earlier when answering a question from the member for Indooroopilly about the integration of the waiting list or the register of need. It needs to be integrated and over the next 12 months Disability Services Queensland will merge programs so that students access funding through the needs registration and the panel process. It does not mean that students will have to compete for funding; funds will be set aside within that process to ensure that they are able to compete, and 160 students will continue to be funded through the program.

**Mr MUSGROVE:** Excuse me, Minister, a supplementary. That is 160 Statewide?

**Ms BLIGH:** That is right.

**Mr MUSGROVE:** This year?

**Ms BLIGH:** That is what we have done our costings on because that is our experience over the last two years of the number of

students who are leaving special school after 24 semesters of schooling, which is when they become eligible. Roughly, around 160 young people across the State are eligible for the program and join the program. We would have to expect that there will be fluctuations in that from time to time, but that is what the budget estimates have been calculated on.

**Mr MUSGROVE:** The important thing is the funding is ongoing.

**Ms BLIGH:** Yes. People do not fall off the cliff at the end of two years. At the end of two years their funds continue, basically for life. We hope that by doing that many young people will not need to register for an adult lifestyle support package because there is enough support for them and their family for them to stay at home or to find other ways of living in their community.

**The CHAIRMAN:** Minister, I refer to DSQ achievements on pages 2-7, 2-11 and 2-15. How do these achievements relate to the Government election commitments detailed in Labor's new direction statement, A New Beginning for Disability Services?

**Ms BLIGH:** I thank the honourable member for her question. The Labor Government came into office with a very comprehensive disability election commitment. I know that I released it in a number of places, including Townsville, and I think that the honourable chair of the Committee may well have been there at the time.

This was a very well publicised election commitment. We undertook that in our first year of Government we would provide an additional \$30m to address unmet lifestyle support and family support needs. We indicated that we would fund up to 400 packages for adults and families. We have, in fact, exceeded that target. We have, in fact, provided funds to almost 500 adults and 660 children and families. We have established, as per our commitment, a disability services agency. We have developed a five-year strategic plan, which was one of the commitments. We committed to allocating \$10m for community living for those people who chose to leave the Basil Stafford Centre. That has been delivered and, in fact, expanded. \$11.6m was allocated over four years.

We committed to renegotiate the Commonwealth/State Disability Agreement to ensure that funds were made available for unmet need. I, along with my counterparts in other States, have put in a lot of work over the last 18 months to get the Commonwealth to finally come to the table and have delivered

those funds on a matched basis. We committed to providing \$10m into the education department to support students with disabilities. That has been done in our first Budget and it has been added to this year with another \$16m in the education budget. We promised to implement guardianship legislation. That has been delivered with the Guardianship and Administration Tribunal established in July this year and a public advocate and a community visitors scheme legislated for. We undertook to support improved access to the arts for people with a disability, and the Arts and Disability Working Party reported to the Minister for The Arts in July 1999. Action includes strategic grants to people with disabilities and assistance for Access Arts.

We are also committed to assist organisations to meet their industrial obligations. We have provided \$1.3m to non-Government organisations to meet their award requirements and superannuation. In addition to our original election commitments, we have provided an extra 1% of superannuation which is required. There is an increase from 7% to 8% for superannuation for an employee from employers. That is at a cost of an additional \$500,000 growing to \$600,000, I think.

In summary, we have delivered. At a time when I think people are often cynical of political parties that make election commitments, this is an election commitment that was very comprehensive, very well spelt out, very detailed, and every bit of it has been delivered on time and, in some cases, exceeded. I am very pleased to report back to the Committee.

**The CHAIRMAN:** Thank you, Minister. The hearing is now going to be suspended for a short break and we will resume at 6.15 p.m.

**Ms BLIGH:** Will we come back on to Disability Services?

**The CHAIRMAN:** We come on to Families.

**Ms BLIGH:** Before I leave, can I just draw to the attention of the Committee an error in the answer to a question on notice provided to the member for Nicklin in relation to family support? I said that I was pleased to report to the member that we had exceeded our 1999-2000 target in the area of disability support for families and children by over 250%. Somebody had a calculated deficit, and it is actually 150% that we have exceeded it by. So the numbers were all right, but the actual percentage was miscalculated. So can I just draw that to your attention? It was an honest mistake.

**The CHAIRMAN:** We will resume at 6.15 for Families.

Sitting suspended from 5.56 p.m. to 6.15 p.m.

**The CHAIRMAN:** Order! The hearings of Estimates Committee A are now resumed.

**Mr BEANLAND:** Minister, can I first of all refer to page 1-7 of the Ministerial Portfolio Statements and ask: given that the Premier has stated publicly that bonuses paid to directors-general were to be paid for out of individual departmental budgets—and, therefore, I assume are included in the department's expenses or salaries—what was the quantum of the bonus paid to your director-general in 1998-99 and 1999-2000 and budgeted for in 2001? What was the basis for these payments, if any? It may be, of course, that your director-general does not get a bonus.

**Ms BLIGH:** The member for Indooroopilly would be fully aware of the fact that the contract of the CEO of the Departments of Families, Youth and Community Care and Disability Services Queensland are contracts between him and the Premier, as the Minister responsible, and all questions related to it should be directed to the Premier, who has indicated that he will be more than happy to answer those questions at the appropriate Estimates committee.

**Mr BEANLAND:** Madam Chair, I understand that in answer to a question on notice the Premier indicated that specific dollar amounts for the bonuses were calculated within each department and paid for from departmental funding. If that is the case, it is appropriate that this question be asked here and be answered at this particular hearing, as at other particular Estimates committees. I cannot speak for them but, if that is the case, obviously there are funds within the budget as well. I believe that the question is relevant to this particular hearing and, therefore, should be answered here. There cannot be any vexed reason for that. Salaries are matters that are straightforward.

**Ms BLIGH:** The salary of the chief executive officer is not a matter for my ministerial responsibility; it is a matter for the Premier's responsibility. The questions should be directed by the member, or someone acting on his behalf, at the Estimates hearing for the Premier's portfolio. The question of whether or not my CEO receives a bonus, the question of the amount of that bonus and the question of the basis for any such bonus are clearly questions that can only be answered by

the Minister who has responsibility for the contract, and that is not me.

**Mr BEANLAND:** According to the Premier, the dollars come out of this particular departmental vote, or this particular department's budget. I am going by what the Premier says. Surely he is telling us the situation.

**Ms BLIGH:** Of course, the salary vote is included in the aggregates of the salaries for the department, but I am able to say to the member that if he wants to pursue these questions, they are appropriately pursued with the Premier.

**The CHAIRMAN:** I would like to suggest that we move on to the next question. The Minister has answered that question.

**Mr BEANLAND:** It may have been answered to the Minister's satisfaction, but I hardly think it is really answered to the satisfaction of the Estimates committee. It makes a farce of openness and transparency. I have not heard of this happening before—where the vote is in this particular department. It would be different if it was not in this particular department.

**Mr MUSGROVE:** I rise to a point of order. We have been sitting here all day. Every Minister who has come before this Committee, for which the honourable member for Indooroopilly has been a member of all day today, has been asked this very same question. All the Ministers have consistently given the same answer. It is not, in fact, within their portfolio responsibility.

**Mr ROWELL:** I rise to a point of order. There have been inconsistent responses to this particular question. I think that is why the member is persisting with it.

**Mr BEANLAND:** There certainly has been an inconsistent response. I happen to have a copy of the Premier's reply in relation to a question asked of him in relation to this very issue. The Premier said, in fact, that the performance agreements carried the possibility of a performance bonus payable annually after review of performance. The specific dollar amounts of the bonuses were calculated with each department and paid for from departmental funding. So if that is the case—

**Ms BLIGH:** I have confirmed that for the honourable member.

**Mr BEANLAND:** Sorry?

**Ms BLIGH:** I have confirmed for the member that the salary—

**Mr BEANLAND:** Then I think that it is

appropriate that the question should be answered here.

**Ms BLIGH:** It is in the budget, and I have also confirmed that I am unable to answer any other questions other than to confirm that the salary is paid out of the departmental budget, because the question of whether or not my director-general receives a bonus, and questions about the amount of any such bonus and the basis of any such bonus are matters with which I am not familiar, I have no responsibility for and are appropriately directed to the Premier, who is the Minister responsible.

**Mr BEANLAND:** In view of the time I am taking up, I will move on, but clearly —

**The CHAIRMAN:** Thank you, we will move on to the next question.

**Mr BEANLAND:** It is part of the Government's secretive agenda. I hope that the other matters are not. In relation to equity return—which I hope is not a secret—I refer to page 1-28 of the Ministerial Portfolio Statements. With respect to the equity return, has your department been compensated by the amount of the equity return levied by the Treasury and, if not, by how much has the compensation included differ from the calculated equity return? What is the reason for this difference?

**Ms BLIGH:** I can confirm for the member, as I think we discussed in last year's Estimates—

**Mr BEANLAND:** Yes.

**Ms BLIGH:**—or certainly in and around that time, that the department was fully funded for the equity return in the previous financial year. The arrangements in relation to this financial year are calculated on the basis of the difference between the calculated assets of the department last year and this year. For the detail of the question that you are asking, I might refer you to Mr John Parisi.

**Mr PARISI:** The equity return is calculated on the basis of 6% on the net asset base. The department was fully funded for that last year. This year, the department had to find \$100,000 from within its budget to fund the equity return. Obviously, the department has to be concerned about managing its asset base and is taking steps to manage that and to ensure that it minimises the amount of equity return charge that the department receives.

**Mr BEANLAND:** Thank you. I refer the Minister to the Output Statement on page 1-12 of the MPS. I refer particularly to the section on quality. This was a matter that, in

fact, was raised last year. Last year you stated—

"These are children who are at significant risk of long-term damage as a result of constant placement turnover."

I notice that the percentage of children in care who have had only one placement within the last 12 months dropped from the modest figure of 75% down to only 66%, and I ask: what steps is the Minister going to take to address the decline in the quality of services for some of the most vulnerable children in the State?

**Ms BLIGH:** I thank the honourable member for the question. It is a very serious issue about which I have expressed my concern on a number of occasions. There are two things that I would like to raise in answer to this. Firstly, there are a number of measures being undertaken by the department to improve placement stability, and these range across improved support for foster carers—many of which are outlined in the budget—as well as work that has just begun in the department to completely review our case management system and our service delivery system. As we put funds into the non-Government sector and into the department for new staff and new services, I expect that some of those services will see the improvement in placement stability.

In terms of the actual measure, the member will notice that we are proposing to change the measure in this financial year. There are two reasons for that. Firstly, the proposed measure is more in line with the measure that is used by other States and reported to against the Australian Institute of Health and Welfare Research. It seemed to me that it would be useful for us to be comparing ourselves with other States as we strive to improve this. We need to be comparing ourselves with what other States are measuring so that we are comparing apples with apples, if you like—so that we can actually see whether we are doing better or worse than other States.

In relation to our decision about this measure—and it has been the subject of a great deal of deliberation—the measure in the last financial year calculates the percentage of children in care who have had only one placement within the last 12 months. This measure picks up all of those children who have just come into the care of the department as well as those children who are in the long-term care of the department. I am sure the member would understand that, even in the most perfect of systems, it is the very

early stages of an intake into care that a child is likely to experience some change in placement, and that is not necessarily a bad thing. It might be that the child is brought into an emergency foster placement overnight, and it might be that within a week it is possible for the department to locate the child's grandparent and place the child with the grandparent. On the face of it, that is two placement changes and would be recorded against that measure.

What we are really trying to test in terms of the quality of the whole system with this measure is those children who come into the care of the department and are in the care of the department for an extended period. Are we able to provide them with a level of stability? So the group of children that we are measuring are those who are leaving our care after 12 months or more—so they have had a period of time, and it could be 12 months to 18 years, in our care—and testing whether they have had three or fewer placements during their entire time in our care. That is an attempt to explain to you why we have gone with the new measure.

**Mr BEANLAND:** Can I just follow up on that? You indicated last year your concern about this, as you do again today. What did you do last year to try to stop this decline?

**Ms BLIGH:** As I have tried to explain to you, part of the problem is with the measure. It may be that a decline is actually a good thing. Do you know what I mean? A decrease in the number of children who have experienced more than one placement might mean that we are actually providing those children with a more appropriate placement. So that is why I think it was important to change the measure, because I don't think it is measuring the thing about which I am concerned and you are concerned. It is to be expected that, at the very early stages of coming into care, it is not unusual for children to go into an emergency placement, because they come to the attention of the department at midday on Friday and have to be removed by a court order by that afternoon and they go into an emergency placement. They are then placed in the next available foster arrangement. It is inevitable, I think, that it will take some time to organise an appropriate match between a child expected to be in long-term care and a family who is able to offer long-term care in a foster placement. So the decline doesn't necessarily measure what it is that we are trying to measure. So I don't think it is a good measure, and I am not so much concerned about the decline on that measure, but I would be about the decline on the new measure. I

think it might be useful for me to ask the director-general to add a little bit to that.

**Mr SMITH:** As the Minister has mentioned, it is quite a complex measure, and in fact, the Institute of Health and Welfare, in its report of 1999, outlined a placement stability measure for only four jurisdictions, that is, Queensland, Western Australia, South Australia and the ACT. Other jurisdictions in Australia did not report on that placement stability issue. In that report—which looked at, I suppose, the stability issue over five years between each of those jurisdictions—Queensland in fact had a greater placement stability than those other three jurisdictions. But it is one of the issues that is incredibly hard to measure, and there are only four jurisdictions currently measuring that which we can compare ourselves against, us being one of them, and we are keen to look at improving that measure so that it actually does demonstrate the importance of placement stability.

**Ms BLIGH:** You will note that the current one is the percentage of children in care who had only one placement. If we say that the most desirable thing for a child in care is to have only one placement, we run the risk of locking children into emergency placements, and that is not a desirable outcome. So that is what we are trying to get a better measure of.

**Mr BEANLAND:** I refer to MPS page 1-12 in relation to the costs of responding to each case being notified and note that they have increased considerably. You actually expended an average of 33% more, according to this output statement, per notification than the projected figure of \$594. Could you indicate, Minister, the reasons why the Estimates were so wrong last year?

**Ms BLIGH:** This measure is calculated simply by dividing the number of notifications with the number of staff and the salaries paid to those staff. The member will recall that there was a significant injection of new staff into the system last year, and you will note from the quantity measure at the top that the number of notifications remained relatively stable. Obviously the estimated actual is difficult to give you absolutely accurately, but there is certainly no evidence of a huge increase. So the number of notifications has remained relatively stable, but the number of staff available to investigate and assess those notifications has increased, so a simple division ends up with a higher figure. It is a cost measure but it is also a quality measure. You will appreciate that, with the workloads that staff in the department are confronted

with, the more staff available to meet those workloads, then the better the quality of the investigation of the notification. I think we would be alarmed if we were getting 10 times that amount, but some growth in that cost figure is, I think, predictable and desirable.

**Mr MUSGROVE:** I refer the Minister to the Budget related paper Putting Families First. Can the Minister outline the cost and rationale of the Survey of Families?

**Ms BLIGH:** I thank the member for the question. This year's Budget paper focused on Putting Families First by making it clear that this Government is making social investment a real priority. It is a clear signal of the way ahead for this Government in this and hopefully the next term. It represents the first step and the embryonic stages of the development of a long-term family policy by the Queensland Government. We are determined to ensure that the services that are provided to families meet their needs. One of the things that I have certainly learned working with the disability sector is that the more we talk to individual families, the more relevant and the more cost effective and the more accessible our services are, and that is the sort of approach that I would like to take right across the portfolio and other areas of Government. Listening to the views of the Queensland community has been a hallmark of the Beattie Government through a range of other areas, and this is an extension of that.

The proposed survey is just the continuation of that philosophy. The budget allocates \$85,000 in the 2000-01 financial year. The survey will be conducted in two phases. In the first instance, targeted focus groups will be held to identify issues. The first round of those targeted focus groups has already occurred, and I am awaiting the first cut of those results with interest. The second phase will involve a telephone survey to validate the issues that have been identified in the targeted focus groups.

The survey is targeting a very wide and extensive range of Queensland families across all possible family types, including families caring for a person with a disability, those with very young parents, families caring for an aged relative as well as those caring for young children, sole parents, step-parents and blended families and grandparents. The service will target families in metropolitan as well as in rural and regional centres.

I understand that the member for Indooroopilly has expressed some concern about the survey. I draw his attention to the cost of the Survey of Women conducted by

the previous Government under the then Minister for Women, Joan Sheldon. The printing costs alone, I think, were \$60,000. I understand that there were 10,000 copies printed but only about 1,000 distributed. We are still trying to find out where, but there are about 9,000 copies of it stored somewhere in the bowels of Treasury. I can assure the Committee that we won't be spending that kind of money on printing. The money will actually go into finding out what families want. I can assure the Committee that while we will certainly be publishing the reports in full, we won't have 9,000 copies stored in a vault somewhere.

**The CHAIRMAN:** I refer the Minister to page 1-20 of the MPS and the initiative to establish an extended hours family and adolescent support service for the inner city at an estimated cost of \$1.2m. Can the Minister provide greater detail about this initiative?

**Ms BLIGH:** I thank the member for the question. This service, in my view, is long overdue. There are currently very few services available for young people out of hours. I think most members here will be very familiar with the phenomena of young people going out at night and, particularly in some of the central parts of cities and regional towns, gathering in malls and meeting places and this causing some concern to the community. The Forde inquiry also indicated that there was a gap in services for young people in this area.

The first seven-day service will commence in inner Brisbane in early 2001. The service will be operated by departmental officers. We anticipate staffing numbers will be as follows: 10.5 full-time equivalent workers, with four workers on duty at any time. It will be an extended hours service and will target young people aged 10 to 17 and their families to help them to respond to conflict or crisis. It is anticipated that this new service model will support police responses that enable a wider use of cautions and readier access to bail for young people at risk of offending. We also anticipate that we will divert young people at risk of engaging in prostitution and reduce youth homelessness. It will involve close collaboration among departmental officers, police officers and other agencies and individual and family casework.

Other States have employed similar models. For example, in Western Australia—another service I visited in Western Australia—the Killara Youth Support Service has led to a reduction in court appearances by young people. It was a model that I thought was worth importing. The service will be

developed obviously in close consultation with those agencies that do provide some support to young people. But this is very much about both support and a statutory response and officers of the department working hand in hand with police after hours. I think police often feel like they are out there on their own. If we want to have a non-legal response to young people in trouble, we need to be out there working with police to provide that.

**The CHAIRMAN:** I note from page 1-20 that a specialised assessment and treatment program for young sexual offenders will be established at a cost of \$250,000. Can the Minister provide further background about why this service is being established?

**Ms BLIGH:** This service is being established as a long-term strategy as part of the Government's commitment to addressing the causes of crime. It is a long-term strategy to deal with the incidence of sexual assault and sexual violence in the community. Between 80 and 100 young people under 17 appear in court each year, plead guilty or are found guilty of sexual offences, ranging from indecent dealing through to rape. This is an extraordinarily high number and research shows that untreated juvenile sexual offenders continue this behaviour as adults. Unlike other juvenile offending that often ceases as young people mature, the indications are that this kind of offending persists beyond their reaching adulthood. To date no programs are available for the treatment of young sexual offenders. I am sure members would be aware that in the adult Corrective Services system there are a number of programs in which the courts require adult sex offenders to participate. There are no such available programs in Queensland for this area of offending. The lack of these programs was noted by the President of the Childrens Court, when he urged the "Government to consider the development of a program specifically designed to treat juvenile sex offenders in detention centres and in the community".

Under this Budget initiative a specialised assessment and treatment program for young sex offenders will be established at Griffith University. We have already held preliminary discussions with the School of Criminology and Criminal Justice and the School of Applied Psychology. The program will provide individualised assessment of young people and their families, evidence-based reports to facilitate court decisions, a range of treatment methods, and expert consultancies to other agencies and clinicians in this area. We will also provide research and evaluation of program activities and outcomes and training

and dissemination of information to other agencies and clinicians. Where necessary, young offenders and their parents from rural and remote areas will be assisted to travel to Brisbane for treatment and assessment. Again, it is a new program. We are yet to see how it will actually shape up, but I think it is a very important gap in the system that is now being plugged.

**The CHAIRMAN:** Page 1-19 of the MPS states that 1999-2000 saw the introduction of three youth justice services in Ipswich, Logan and Townsville. Can the Minister outline examples of the benefits these services have delivered in the north Queensland region?

**Ms BLIGH:** Yes. This is another delivery of a key election commitment which was very much targeted at addressing the causes of crime among young people, and all three services that were promised are now operational. Many benefits are already being achieved at all three locations, especially in the Townsville/Thuringowa region. As to the other two services—one is located in Logan and there is one in Ipswich. The Townsville service commenced 12 months ago, in August last year, and was the first service to become operational. It currently works with 191 young people in the region, stretching from the Burdekin to Ingham and from Hughenden to Palm Island. One hundred and twenty of these young people are indigenous. The service is a hub for the delivery of a range of programs, including counselling, group-based programs, work-based projects and educational and vocational projects. The Department of Employment, Training and Industrial Relations has provided a full-time employment officer to work in the youth justice service. It is an outstanding example of cross-departmental work to get maximum benefit from both programs. Fifteen young people have been assisted to gain employment and a further five recently participated in the local JPET program to prepare for employment.

Education programs for young people on juvenile justice orders is also provided for those who have dropped out of school, and they are having some reasonable success at reconnecting some young offenders with the schooling system. Young people at the service are also involved in a number of community service projects. I am sure the honourable member is familiar with the Graffiti Busters program auspiced by the Townsville City Council and the Adopt a Road program auspiced by the Thuringowa City Council. Both of those local governments have participated in a collaborative effort to ensure that there is plenty of community service work available for

young people who are sentenced to community service orders. I am pleased to report that the numbers of young people on probation orders and community service orders have continued to decline each month in the region since the service has opened. That suggests, I think, that the service is having a very positive impact on recidivism. Obviously, in a 12-month period you would have to exercise a bit of caution with the data, but there are certainly very early signs that indicate that the intention of this program, which was to attack recidivism and ensure that young people at the early stages of offending do not become serious offenders, is being realised. I certainly look forward to similar results over the next 12 months.

**Mr MUSGROVE:** I refer to page 16 of the Putting Families First Budget paper, which details an additional \$2m over four years for community neighbourhood centres in disadvantaged communities to improve self-reliance. Would you be able to inform the Committee how funding these community neighbourhood centres will address this disadvantage?

**Ms BLIGH:** I thank the honourable member for his question and I know of his long interest in this issue, particularly in his own area. It might be best if I put it in the context of the Forde inquiry, which recommended that additional resources in the department should focus on the prevention of child abuse through supporting at-risk families, respite care, parenting programs and other early intervention and preventive programs for high-risk families. Obviously, in order to meet that challenge we have to look at programs across the whole spectrum of primary through to tertiary responses. There is no doubt that neighbourhood centres or community-based centres are very much a key plank of the primary end of the business.

An active and well resourced community centre can assist families through the provision of very basic services, such as play groups and parenting programs. Play groups, in my view, provide an ideal opportunity for, for example, parents isolated at home with small children, firstly, to meet other parents and to learn from those parents some very basic parenting skills and to break down the isolation of parenting. It also encourages them, as I said, once they become connected to a community centre, to be a little more willing to participate in formal parenting programs that can then be offered through the centre. It is very much at that preventive end of family concerns. In a broader sense, these centres offer to those people who are part of them or involved in the

services they provide a sense of community belonging and an opportunity for referral to more intensive services. The Government currently funds around 60 neighbourhood centres at a benchmark of \$64,337, at a total of \$3.8m, and another 20 centres at less than the benchmark.

For a range of historical reasons a number of community centres have emerged in high-need areas through grassroots activity by community members and to date they have not been funded for coordination. They might have got one-off project funding here and there. The department cooperated with QCOSS on a joint project that identified just over 50 unfunded neighbourhood centres of varying degrees across the State, many of these operating in high-need areas. While I recently approved the advertisement and availability of a non-recurrent funding round of \$150,000 for small projects to help those neighbourhood centres, the funding that is available now—the budget allocation for neighbourhood centres this year of \$500,000—will build on that non-recurrent round and provide the opportunity to provide core funding for the first time to a number of unfunded neighbourhood centres. Obviously, it is not going to fund all 50, but it is the first time that we have had any funds available to provide a core coordination for those centres that have to date relied on one-off project grants.

**Mr MUSGROVE:** I note on page 1-16 that \$500,000 of State funds has been provided to support the viability of existing extended hours services experiencing difficulties with the implementation of the Crisis Assistance and Supported Housing Award—the CASH award. This will obviously have benefits for community workers. However, would you be able to detail the number of workers who will benefit from this State Government funding enhancement and tell us whether unmet demand will still exist?

**Ms BLIGH:** You would be aware that significant activity funded by the Department of Families, Youth and Community Care is undertaken by the non-Government sector. A great deal of work is done by the people working in what is known as the SAAP program—the Supported Accommodation Assistance Program. Until very recently, workers in this industry did not have an award that covered their area of work. So many of the very basic industrial standards that have been taken for granted by workers for 50 years in this country were not available to those workers. The CASH award, which covers these workers for the first time, took effect in April

1999 and it affects most services funded under SAAP in Queensland. The award provided for phasing in of salary increases, with full effect from 7 February 2000.

The award was recently finalised in the Industrial Relations Commission on 20 July. It provides for a range of salary provisions for staff working outside of ordinary hours. SAAP programs are refuges; they work all kinds of hours as necessary. The award provides, for example, for on-call or extended operating hours. While there is no doubt that the award has been welcome, its introduction has caused some viability problems for many services. In the 1998-99 budget we allocated \$2.75m to subsidise the award and the Commonwealth allocated \$3.8m. This is consistent with the 60/40 split of funding for SAAP programs between Commonwealth and State funds under the Commonwealth/State agreement. Our funding was based on the mid point of the range and the funding is provided for on-call allowances, weekday and weekend day time penalty shifts. Initially funding was not provided for public holiday penalties, overtime and recall to duty.

You will appreciate that implementing the new award has taken some time. As it was progressively implemented, it became clear that additional funding of \$1.3m was needed to keep particularly the 24-hour refuges open and viable. To this end, the Queensland Government has contributed a further \$0.5m in this budget to support the viability of those extended hours services. I have written to my Commonwealth counterpart and asked for them to contribute their share of those award costs. To date, unfortunately, that request has been unmet by the Commonwealth. They have indicated that they will not be funding those award costs.

That means that the Commonwealth is not providing its share of funds to allow for SAAP services to pay their staff full award entitlements for outside of hours work. It will mean that those 463 full-time equivalent workers in that sector who may be struggling to maintain the viability of the service either will have to close for certain hours or days or will be effectively underpaying their workers because they are not meeting the award rates. You can rest assured that it is something that I will continue to pursue the Commonwealth about. The industrial rights of workers in this industry has not been a priority for the Commonwealth Minister, unfortunately.

**Mr MUSGROVE:** That is very unfortunate.

**Mr BEANLAND:** I refer the Minister to the Output Statement of the MPS on page 1-12

under "quality". Why are only 85% of licensed child care services receiving contact visits twice a year and not 100%, and are there any not receiving visits at all?

**Ms BLIGH:** You will appreciate that the child care program provides resources, support and monitoring to services right across the State. There are, I think, approximately 1,000 child-care centres.

**Mr BEANLAND:** Yes, there are.

**Ms BLIGH:** A number of those are in very remote parts of the State. The program obviously attempts to visit services as much as possible. That is an average figure. Two resourcing contact visits is the minimum. There would obviously be some services that, because of distance and the cost of meeting that, it is not necessarily possible to do that. There are other services that require a lot more than two visits a year. If a service has experienced viability problems, it may end up occupying on any one year a particularly high level of time. I guess what we are identifying here in the quality measure is that we anticipate that being improved over time.

**Mr BEANLAND:** Are there any not receiving a visit at all through the year?

**Mr SMITH:** No. That target was proposed on the basis of the average visitation, particularly having regard to outlying centres in rural and remote areas.

**Mr BEANLAND:** Also on page 1-12 of the MPS under "quantity" I ask: in relation to the number of child protection cases notified, have all of these been thoroughly investigated and what number were reported to the police? There are some 20,000 there.

**Ms BLIGH:** The second question about numbers reported to the police I would have to take on notice. I am happy to provide that, if possible, this evening; if not, tomorrow. The member will be aware that many of the situations that are brought to the attention of the department may well cause concern about the wellbeing of the child and warrant intervention without amounting to a criminal matter.

**Mr BEANLAND:** Yes. That would be the vast majority, I would think.

**Ms BLIGH:** So there certainly will be a discrepancy between the number of cases notified and I am certainly happy to find that. I presume you mean brought to the attention of the police in the formal sense as a complaint, because you would be aware that the police are represented on our SCAN teams and often would be involved in a discussion about a case that is not a police matter. Are you looking for

something that is a formal complaint to the police?

**Mr BEANLAND:** That is a formal complaint to the department and that the department sends on to the police because, after investigating, it is clear that there is a criminal activity involved which requires police action to further investigate. Firstly, have all those 18,120 been thoroughly investigated by the department? Have they all been followed up?

**Ms BLIGH:** In broad terms the answer is: yes. It involves, though, the exercise of professional judgment. I am sure that the member would be aware of cases in his own electorate in which the department, for example, has a very extensive history with a particular child or a particular history and the level of response to a new allegation or a new notification may be somewhat less extensive than it is in other cases. So I guess in terms of your question about whether they have all been thoroughly investigated, that is a quality statement.

I can give you a breakdown of the percentage of initial assessments that were completed within 30 days. In the last financial year, 73% of the assessments of notifications were finalised within 30 days, 14% within 31 to 60 days and 13% were finalised in more than 60 days. Assessments still under investigation at the moment are not included in that, obviously. This figure would include notifications received on 28 June, so obviously it has not been finalised. That is just to give you an indication of the turnaround time of investigations. So the overwhelming bulk are completed within 30 days. I am happy to defer to the director-general for a further discussion of that question.

**Mr SMITH:** Based on the notifications received, cases are reviewed and classified according to the level of harm or risk of harm to the child. Clearly, if there is significant harm, then an assessment needs to be done as a matter of priority. If it is determined that there is likely to be harm to the child without significant harm, that can lead to a protective advice rather than a full assessment. If it is assessed that there is no harm to the child, then that is clearly just documented as an intake without further assessment. In terms of all of the notifications that are made, they are assessed in different categories according to those staff looking at those cases to determine what degree of assessment is required, depending on the degree of harm or risk to the child.

**Mr BEANLAND:** If I can ask a further supplementary question on that same issue. In relation to the number of child protection cases notified, in how many cases were the children removed from their parents and guardians? After all, there would be a number of these cases where the risk was significant enough as judged by departmental officers to remove children from their parents or guardians.

**Ms BLIGH:** Again, I can take that on notice to give you a detailed answer. If you look at the quality measure of substantiation, in 58% of notifications there was some level of substantiation. You would obviously then go down. It is a pyramid, basically. The degree of harm that is substantiated would influence whether or not children are removed. Are you looking for an answer of how many children were removed—

**Mr BEANLAND:** Yes, from their parents or guardians in that situation.

**Ms BLIGH:** In the last financial year?

**Mr BEANLAND:** Yes.

**Ms BLIGH:** It may not be exactly the notifications received because of change over the financial years, because a case might have been notified in the previous financial year and after three or four months of intervention then the child is removed. A number of children who come into the care of the department are often there because of a voluntary decision by their parents, as well as those removed as a result of a court order. Are you looking for both?

**Mr BEANLAND:** Yes, please. Just to conclude on this particular issue, what is the average time taken between when the complaint is first lodged with the department and when there is follow-up by departmental officers? I appreciate that that would probably depend upon the way in which the complaint was lodged and the significance of harm or otherwise of the complaint. However, there must be some average time and processes that are required by the department to follow these up.

**Ms BLIGH:** Once you start talking averages in this area, it is difficult to talk about meaningful data. If you cast your mind back to what the director-general was talking about in terms of classifying different notification types, presumably what you want is an average of the response time to a very high risk notification versus response time to a very low risk notification. I do not think it would be meaningful to aggregate across all of those categories. I do not know that it is meaningful to find an average, but if I go back to the

figures I have already provided in terms of an initial assessment and the finalisation of the matter, 73% of cases brought to the department's attention had initial assessments finalised within 30 days. That is in the significant harm category. Further in that category, 14% were finalised within 31 to 60 days. Some 13% were finalised in more than 60 days.

Even those measures are not necessarily useful to you because you would need to know why some cases took longer. A comprehensive assessment where there is a serious allegation of sexual assault against a child under two who lives in a remote part of the State obviously requires a great deal of specialist resources that may not be available in the child's home town. We need to wait for the results of tests. We need to do psychiatric assessments. Even saying that 13% are finalised within 31 to 60 days is not necessarily a bad thing. It means that the assessment is very comprehensive.

If the honourable member would like a full departmental brief at some stage about how case management decisions are made and the average times of turnaround, we would be very happy to provide it. You would also appreciate that the sorts of cases, the sort of response, the level of work, the services available to refer to and the availability of foster carers and other placements differs enormously from one place to another. The sort of workload and the way that workload is managed in an area office in central Queensland is quite different than in the Logan area office. I think you would expect that. It might be more useful for the member to take a briefing at some stage.

**Mr BEANLAND:** Thank you. I refer to the Output Statement at page 1-22 of the MPS under "Quantity" in relation to the juvenile justice figures in relation to pre-sentence reports provided to courts. It was estimated that some 978 pre-sentence reports regarding juvenile offenders were provided to the courts during the last financial year. However, 650 was the actual figure that you estimated, not 978. For this current financial year, you estimate that it will be 660. Could the Minister give some explanation for those major discrepancies?

**Ms BLIGH:** The member will appreciate that some of this is not in the control of the department. The department provides pre-sentence reports where matters are brought to the courts for the court to make a determination about sentencing. Obviously, the number of young people who come before

the courts relates to the rate of offending, the activity of the police and decisions of the courts rather than activity of the department. Obviously, what we seek to do is ensure that we provide pre-sentence reports wherever a child requires one.

Over the current year, the rate of admission to detention has decreased. That is reflected in the number of young people in detention, which is lower than expected. That is also reflected in the rate of placement of young people on supervised juvenile justice orders. These factors, together with others such as a reduced number of young people appearing in higher courts, have resulted in a lower than expected number of pre-sentence reports being ordered. Data to this effect has resulted in the revision of the figure to 650.

Basically, we anticipated in the 1998-99 target. When we went to the 1999-2000 target, we anticipated a growth in the number of young offenders appearing before courts and therefore a growth in the requirement on departmental officers to provide pre-sentence reports. That growth has not been realised. On the basis of the significant difference, we thought it more prudent to anticipate a lower level of growth, if any, in the next financial year. Does that clarify that?

**Mr BEANLAND:** Thank you. I refer to Budget Paper No. 5 while I still have a moment. I refer to page 74 where it is shown that some \$9.7m has been expended on Brisbane youth detention centres. That is coming along, and I thank the Minister for a recent inspection of that. Compared with last year's budget, you budgeted \$18.1m to spend, not \$9.7m. In view of the fact that the Premier says that Ministers of this Government go to bed each night and wake up the next morning thinking of jobs, jobs, jobs, why did you fail to spend the capital works funding that was allocated and thereby help redress Queensland's jobless rate?

**Ms BLIGH:** I thank the honourable member for the question. As he is aware, there is significant progress now occurring on the site. He is right in identifying that there is a significant underspend on this project despite its current progress. There are two main reasons why there have been delays in this project. The first is that findings of the commission of inquiry into the abuse of children resulted in a delay of approximately six weeks while the original design was modified and new work was done on the design to ensure that the design met the recommendations of the Forde inquiry. Whilst it would be desirable that there not be a delay,

it is important that if we are putting this sort of investment in we do it right. If we have the recommendations of a commission of inquiry to guide us in our work, it would be remiss of us not to have picked up those recommendations.

The second major factor causing the delay was that the tender results after we first went to tender were unexpectedly high. The lowest tender in the original applications was \$32.6m, which was approximately \$2.5m above the pre-tender estimate of cost. Yes, Ministers of this Government go to bed at night saying "Jobs, jobs, jobs", but we are also very aware of our responsibility to the taxpayer to use the finances that are available to us prudently.

I took the view that at the very least we should have negotiations with the tenderers. We negotiated with the lowest tenderer to reduce the scope of the work to bring us back into the budgeted amount. That, again, took approximately six weeks because reducing the scope of the work required some redesign work.

You are talking about the Wacol centre predominantly here, but you would be aware that a very significant part of the budget is in the Townsville rebuilding program. There has been an incredible amount of wet weather in Townsville. I would say all the building projects in Townsville are significantly behind. That is in Townsville. That is not the reason in Brisbane.

In a 24-month program we are probably somewhere between six to eight weeks behind schedule. It took us, as you know, some time to find the site, et cetera, but that does not account for delays in budget spending. I understand that a further \$2.5m worth of work was invoiced at the end of July. So we are well on track to spend it. I am very confident, barring further wet weather and unpredictable acts of God, about us being on track to complete the project in time to close the Sir Leslie Wilson centre early in the new year.

**The CHAIRMAN:** Minister, I refer to page 1-15 of the MPS. What success have the Respect is Ageless advertising campaign and other community awareness campaigns had in achieving their goals?

**Ms BLIGH:** I thank the member for the question. The Respect is Ageless campaign—I hope all members saw some of the advertising; it was one of our initiatives for the International Year of Older Persons—recently received well-deserved national accolades. It received a "highly commended" award at the Australian Marketing Institute 2000 public sector awards ceremony last week.

I take the opportunity to congratulate all the staff associated with the project. It was a \$200,000 TV, press and bus advertising campaign. It was screened 92 times in paid and community service announcements and broadcast predominantly during October 1999. The ad was designed to address the misunderstanding and fear that often occurs particularly between older people and younger people and to start to find those things which people have in common, regardless of their age.

Families, Youth and Community Care, through the Office of Ageing, had the lead agency role to coordinate the International Year of Older Persons. As I said, this campaign was an initiative of that in recognition of that year. I am pleased to acknowledge here what I think is acknowledged Australiawide: Queensland led the way on a national basis in our response to the International Year of Older Persons.

The commercial concept was designed by McCann-Erickson, who I think did a very good job. The area of social marketing, the area of promoting social issues and trying to promote the idea of better understanding between people, is not an easy area of marketing, and I congratulate those people associated with this.

I am also pleased to say that it is not the only area in which the department's work in this area has been acknowledged. The Just Like You disability advertising campaign was also nominated at the awards last week. The ads featured, as I hope people are aware, typical Queenslanders with disabilities. The post-campaign research showed very high recognition and recall across the population of these ads. Viewers found the ads believable and said that it helped them to appreciate that people with disabilities are just like you or me. Unfortunately, while that campaign was nominated it did not receive an award. I think the fact that it was nominated is indicative of the high calibre of the work that was done on it.

The GENERATE web site, which is the youth web site operated through the department, was also nominated for an Australian interactive media award in August 1999. I think that external recognition of the work of the department and the officers who have worked on these projects is very rewarding and I congratulate all of the staff who have been involved with it, along with those members of the non-Government sector who have worked with us on developing those campaigns.

**Mr MUSGROVE:** Minister, I refer you to page 1-22 of the MPS, which deals with the output statement for youth justice. Can you outline for the Committee the support provided to young people on juvenile justice orders?

**Ms BLIGH:** I thank the honourable member. It is, I think, very useful for me to have an opportunity to explain how we support young people who are on court orders, because there seems to be some confusion about it. Community service orders continue to be seen by the courts as a very effective way for young offenders to make reparation for their crimes, and many young people are on such orders. Between January and November 1999 the courts ordered a total of 101,820 hours of community service. Over 80% of those orders are completed successfully by young people. Where this is not the case, an application is made to a court in relation to a breach of that order.

As at 31 March 2000, officers of the department were supervising 1,543 young people on probation orders, the supervised sentence order most widely used by courts. Young people on probation report regularly to their case worker—that is, their Family Services officer—but they may also participate in a wide range of programs outside of that.

To support those young people who perhaps do not have the family support they need or are particularly at risk for one reason or another—to ensure that they complete their court orders, to support them in that process and to support them in programs addressing their offending behaviour—each region of the department has an allocation of discretionary funds for the deployment of youth workers to supervise young people on supervised community-based orders. Regional staff actively monitor the number of people on these orders and allocate youth workers accordingly. These workers are employed on a casual basis and their hours, their location of work and the young people they work with fluctuate greatly—from week to week, potentially—or if they are in a very busy area, it could be that they work the same number of hours but with different young people.

Once a young person has completed their order, the youth worker is then allocated to another young person. So it is not unusual—in fact, it has always been the case since the Juvenile Justice Act 1992—for workers to be allocated where the discretionary funds are there to allocate youth workers, that is, where young people are on orders.

The member for Indooroopilly again raised some concerns about this in his speech

in response to the Budget, and I am happy to inform him that the case in Cairns is no different from that in any other part of the State. Youth workers are allocated where young people are on orders. If the number of young people on orders declines, then those youth worker hours are allocated somewhere else, where there are more young people on orders. In the case of Cairns, the number of young people on orders at the Yarrabah community has decreased. It was down to three in June 2000. So one of the days of youth worker hours allocated to that community has been reallocated to the Wangetti school, where there are 10 students who are on community service orders. This is a normal practice. It happens in every part of the department. It happened when the coalition was in Government. It happened for the last eight years and it will continue to happen.

**The CHAIRMAN:** Minister, I refer you to page 1-5 of the MPS, which details \$0.6m budgeted for the International Year of Volunteers. What planning has been done for the year?

**Ms BLIGH:** I thank the member for the question. After the success of the International Year of Older Persons, the department is embracing with a great deal of enthusiasm our lead agency role to coordinate the State Government's response to the International Year of Volunteers. In 1997 the UN General Assembly declared that 2001 would be the International Year of Volunteers. It is an opportunity to celebrate the achievements and contributions of volunteers worldwide.

It is interesting to note that it is estimated that in Queensland alone more than 520,000 people provide some 93 million hours of volunteer labour per year. It is easy to see how much communities and Government rely on those efforts. It is something that is worth recognising and celebrating.

\$600,000 has been provided in this budget to celebrate the valuable contribution made by volunteers in building stronger communities across the State. \$50,000 has already been provided to Volunteering Queensland, which is the major non-Government volunteering organisation, to assist with the early planning of the year. Further funding will be provided to Volunteering Queensland to enable it to facilitate the participation of regional and rural communities. That is likely to be around \$150,000. There will be a community grants program to fund innovative projects which promote and recognise volunteering for its vital role, similar to the Community Grants Program

available through the International Year of Older Persons. Members of the Committee might like to think about projects in their own community that might be appropriate.

We are not just celebrating volunteering; we want to promote it as a way to be involved in the community and I guess give something back. We are targeting an increase of 5% in the level of volunteering across the State as a result of the year. If we were successful in achieving that, it would result in 4.6 million volunteer hours per year, which conservatively would cost it at an extra \$50m of value to the Queensland community. I think we would all agree that the value goes far beyond a monetary value. It really is about building community capacity and building strong communities, which has been one of the priorities of our Government.

**Mr MUSGROVE:** Minister, I refer to page 1-10 of the MPS and the development of GENERATE, the cross-Government youth web site. Can you inform and update the Committee on how GENERATE has developed over the past 12 months and how it links in with the Youth Participation Strategy?

**Ms BLIGH:** I thank the youthful member for Springwood for the question. I am happy to inform him that GENERATE was established in August 1999 and it targets young people aged between 15 and 25. It is an interactive web site that provides information and links to other useful sites. It has an interactive email facility. It promotes youth events, not just those in Government, and has conducted a number of on-line chats with Government ministers. The rate of monthly visits to the site has increased significantly and we are very pleased with this progress. It has increased from 4,100 in December 1999 to 20,000 in May 2000. So that is a significant improvement. At that rate we are making contact with a lot of young people. So it has been very successful. The total number of hits has been 115,600 since 1 September last year. 71 young people have used the interactive email capacity to ask policy and service related questions, examples of which range from band venues, boredom in country towns, through to, I guess, more serious issues about how to participate in Government youth programs and specific comments about the site or a number of questions seeking information about employment services, which is, I guess, what you would expect young people to be interested in.

To date, there have been five on-line chats with Ministers, including the Premier, myself, the Minister for Transport and the

Minister for Local Government, Planning and Communication, Mr Mackenroth. The fifth one was actually not with a Minister but with the Children's Commissioner. Future chats are scheduled for Minister Wells, Minister Spence and Minister Robertson in the next three months. We are looking at trying to get one Minister a month to do at least a one-hour on-line chat with young people. They have been incredibly well received and have challenged the technological expertise of the participating Ministers. GENERATE was, as I said before, nominated for an interactive media award last year. Again, while it was not successful, its nomination, I think, speaks volumes for the calibre of the web site.

The web site is only one part of the strategy, however. It is a four-part strategy and \$450,000 has been allocated in this budget to continue to implement the strategy. The other elements include working harder to get more young people on Government boards and the establishment of a State Youth Advisory Committee. Expressions of interest were called for a couple of months ago. They closed on 2 June. There were over 100 applications that have been received from all over Queensland. I anticipate the first meeting of the council will be held in September. The recommendations have not been forwarded to my office, but between now and near the end of September there will be an announcement and a first meeting. The entire strategy is really, as it says, a participation strategy. It is about recognising that Government is not always as good as it might be in ensuring that all of its citizens are able to participate in the processes of democracy and this is about ensuring young people can participate in information access and decision making by Government.

**The CHAIRMAN:** Minister, in the departmental overview on page 1-4 it is detailed that grants administered by your department have been grossed up to the full value of 10%. Does this not reduce the overall amount of community grants administered by your department?

**Ms BLIGH:** I thank the honourable member for the question and it is good to have an opportunity to clarify. This is a very confusing area.

Can I, first of all, confirm that there will be no reduction in the number of community grants being administered by the department as a result of the grossing up. The GST has had a major impact on the operation of community-based services. These are services and organisations which, in the past, have had little or no contact with the business taxation

system and many of them are having to put on extra staff, even on a short-term basis, to establish systems to allow them to be in a position to receive credit back for tax that they have paid at the point of sale.

The Beattie Government adopted a policy of fully grossing up the grants to GST registered non-profit organisations by 10% to take account of the fact that those organisations are required to pay a 10% GST on the grants to the taxation department. I am sure people here would all understand the effect that that would have on organisations in their own electorates. With a very small organisation, if you take 10% off then you are talking about cutting back on wages and cutting back on hours of service.

So, in effect, community sector organisations will now receive 110% of their grant and they will be required to pay 10% of that to the ATO but, we as a State Government, can actually claim back the 10% extra that we provided to them from the ATO. It is a money circle and it is very complicated, but it does not result in a cost to Government that would see us having to reduce the number of agencies that we fund.

One of the features of this is that the Federal Treasury has estimated that there will be savings to both Government and non-Government organisations as a result of alleged savings on embedded wholesale sales tax. So while charities have never paid wholesale sales tax, there is a view that they will be able to generate some savings because there will be embedded savings in the products and services that they are buying. The Federal Treasury has estimated those potential savings at around 2%. I am happy to say that we did not discount the grossing up by the alleged savings that will be generated. If they do make a 2% saving, then it is a windfall that I am sure is well deserved and will be able to contribute to organisations that run on a shoestring. I look forward to hearing of anybody who has actually generated 2% of savings from embedded wholesale sales tax savings. The Federal Government is requiring the State to return \$84m in alleged embedded wholesale sales tax savings, but we are not passing that burden on to non-Government agencies and charities, and I am very pleased to clarify that.

**The CHAIRMAN:** Thank you.

**Mr MUSGROVE:** Minister, I refer to pages 1-11 and 1-13 of the MPS and the increased financial assistance to foster carers. Would you be able to inform the Committee of the total

amount of this increased assistance and why that is necessary?

**Ms BLIGH:** I thank the member for the question and I refer back to a question asked earlier by the member for Indooroopilly about placement stability.

One of the ways that we can work harder to ensure that our foster carers are able to provide stable, long-term placements for those young people and children who need them is to ensure that they have the support that they need, at least the very minimal level of support that they need, to provide for those children so that it does not become such a financial burden on them. Many of them are very low income families themselves, but they are just unable to do it.

Therefore, funds will be allocated in the 2000-01 Budget to increase foster allowances by 4% to compensate those foster carers for the increased cost of living due to the GST. This increase mirrors the increase by the Commonwealth to people receiving income support payments. You will recall that the Commonwealth Government accepted that there would be extra costs to consumers and therefore increased their pensions and benefits by 4% to compensate for that. It should be noted that the Commonwealth made no such provision to the States to do this in relation to foster carers, but it was my view that it was obviously clear that a lot of the money that foster carers pay out for children in care is in consumables. It is in food and clothes and school books. I mean, a lot of items have GST on them and there will be an increased cost of living effect of that.

The initiative is expected to cost \$585,000 this year and to assist approximately 2,000 foster carers. I think we would all agree that people who accept the responsibility of fostering children in need of that kind of care are very special people in our community and it is their contribution that often goes unnoticed, so I was very pleased that we could find the funds to do that.

It comes on top of a number of other measures, including a statement of commitment to foster carers as part of our commitments to foster carers in the new Child Protection Act and funds of \$500,000 last year increasing to \$1.1m this year to improve the assistance to foster carers taking on short-term placements. We have put in place an arrangement now where foster carers taking on the sort of emergency placements I referred to earlier are able to claim for a minimum period of time rather than having to do very complicated calculations to get exact

amounts back. So it makes it easier for them; they get better compensation where they have taken on an emergency placement and it is hopefully a bit of an incentive for them to stay at the emergency end, which is very difficult, as you would appreciate.

We also introduced the Foster Care Excellence Awards which is a way of the State saying to foster carers in a recognisable way that we appreciate the work that they are doing and we recognise its value to the community and we believe that they are people who should be honoured in that way.

**The CHAIRMAN:** Thank you, Minister. Before we close this evening, you might like to clarify some of the questions on notice from earlier on.

**Ms BLIGH:** Yes. Can I go back to the first session? The member for Indooroopilly asked for the 1999-2000 allocation for the implementation of the Quality Framework. The 1999-2000 allocation was \$1.2m. Only \$162,000 was spent. The unspent allocation, as I said, was put into a non-recurrent round. In 2000-01, \$1.2m has again been allocated.

In relation to a question from the member for Nicklin in relation to the Loganholme Respite Centre, as I said, it is \$550,000 in capital to construct the facility. We have allocated \$395,000 on a recurrent basis to operate the facility. It will open with 5.5 full-time equivalent staffing positions.

In terms of the \$325,000 average figure for the eight new services, we fully anticipate that there will be some services in smaller regions that will be spending less and some that will have more. So it is an average figure. In terms of comparing it—to this one being a departmentally operated facility—the member will hopefully appreciate that many of the people who are receiving services from this facility will be at the very high end of those people with challenging behaviours, which is less likely to be true of community-based services. So does that answer all of those questions?

**Mr WELLINGTON:** Yes. Thank you, Minister.

**Ms BLIGH:** But it is in the comparable range of funding.

The member for Indooroopilly asked for a breakdown at the next level down of the Operating Statement for the Children's Commission. It just has a notation of what it is on the bottom from the Children's Commission. So I table that for the information of the member for Indooroopilly. Can I go back to the member for Indooroopilly's question

about the equity return for 1999-2000? If the member actually turns to the—

**Mr BEANLAND:** It was the departmental financial statements.

**Ms BLIGH:** 1-28. I am just looking for the one that you referred to.

**Mr BEANLAND:** I have got that open at that page, yes.

**Ms BLIGH:** You will see the figure. If you look at equity return, it goes from \$5,072 to \$5,127. John Parisi, in answering the question, obviously, just did a quick calculation in his head and said that it was \$100,000. It was another calculated deficit. If you actually subtract those two figures, it is \$55,000.

**Mr BEANLAND:** I hope that he is not the chief accountant.

**Ms BLIGH:** The member for Indooroopilly sought further information—which will have to be provided tomorrow—about the number of child protection notifications in that last financial year that resulted in official complaints to the police.

**Mr BEANLAND:** Thank you.

**Ms BLIGH:** And the number of children removed from their families into care.

**Mr BEANLAND:** Right. There was this question, which relates to page 2-9 of the MPS, the break-up of those figures in Disability Services. Were you getting those, or were they not available? I cannot remember which now.

**Ms BLIGH:** This was on last year's MPS?

**Mr BEANLAND:** Yes, compared from last year to this year.

**Ms BLIGH:** Because of the way in which the costs for this year have been cut across three new program areas, they are not available.

**Mr BEANLAND:** Okay.

**The CHAIRMAN:** Thank you, Minister. The time allotted for the consideration of the Estimates of expenditure for the Minister for Families, Youth and Community Care and Minister for Disability Services has now expired. I thank the Minister and the portfolio officers for their attendance. Before they leave, I remind them that the transcript of this part of hearing will be available on the Hansard Internet quick access web site within two hours from now.

That also concludes Estimates Committee A's consideration of the matters referred to it by the Parliament on 22 June 2000. I declare this public hearing closed. Thank you.

The Committee adjourned at 7.28 p.m.