

**ESTIMATES COMMITTEE G**

Mr P. G. Reeves (Chair) Hon. V. P. Lester  
 Mr G. J. Healy Mr J. Pearce  
 Mr H. W. T. Hobbs Mr F. W. Pitt

**COMMUNICATION, INFORMATION, LOCAL GOVERNMENT, PLANNING AND SPORT****IN ATTENDANCE**

Hon. T. M. Mackenroth, Minister for  
 Communication and Information,  
 Local Government and Planning and  
 Minister for Sport  
 Mr K. Yearbury, Director-General  
 Mr D. Peddie, Manager, Finance  
 Mr G. McCallum, General Manager CITEC

The Committee commenced at 8.30 a.m.

**The CHAIRMAN:** I declare the meeting of Estimates Committee G now open. I welcome the Ministers, 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 as set out in the Sessional Orders. The organisational units will be examined in the following order: Communications and Information, Local Government and Planning, Sport, Tourism and Racing, Environment and Heritage and Natural Resources.

I remind members of the Committee and the Ministers that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given upon the expiration of these time limits. An extension of time may be given at the consent of the questioner. The Sessional Orders require that at least half the time be allotted to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in the transcript. These proceedings are similar to Parliament to the extent that the public cannot participate. In that regard, I remind members of the public that, in accordance with Standing Order 195, strangers, that is, the public, may be admitted to or excluded from the hearing at the pleasure of the Committee. The Committee has resolved that television file footage without sound will be allowed for the opening statements by the Chairman and Ministers and that radio and print media coverage be allowed at all other times. If you have any

mobile phones or pagers, could you please turn them off.

I declare the proposed expenditure for the portfolio of the Minister for Communication and Information, Local Government and Planning and Minister for Sport to be open for examination. The question before the Chair is—

"That the proposed expenditure be agreed to."

As indicated on the hearing program, the Committee will begin by examining the proposed expenditure in the area of Communication and Information. After morning tea, at 9.45 a.m. the Committee will examine the Estimates for Local Government and Planning and at 11.30 a.m. it will examine the proposed expenditure on Sport. Minister, would you like to make a brief introductory statement?

**Mr MACKENROTH:** Firstly, today we are trialling our new system of answers. Rather than having all of the answers on paper we have them on computer. We will see how it works. If it does not work, I can fall back on the paper-based system. Answers in relation to the tables in the MPS are also contained on the computer. It is worth trialling this to see how it works. If we do not trial these things, we will never move forward.

Since last year's Estimates there has been a change to my portfolio in that in December Rural Communities was moved to the Department of Primary Industries, and Sport and Recreation was moved from the Department of Tourism and Racing and Sport to my portfolio. So there is a change from last year.

**The CHAIRMAN:** The first period of questions is for non-Government members.

**Dr WATSON:** I seek leave to ask questions of the Minister.

**The CHAIRMAN:** Leave is granted.

**Dr WATSON:** Perhaps next year we can have a big screen.

**Mr MACKENROTH:** I thought next year you could ask them from your office and I could answer them from my office. It would save us a lot of trouble. You will get the same answers.

**Dr WATSON:** I refer the Minister to the Visionstream broadband communication infrastructure project and further to the Queensland Government's decision to allocate a significant portion of the Queensland Government's telecommunications expenditure over the next five years to Cable

and Wireless Optus. Given that during last year's Estimates committee you were unable to give the financial details of the Queensland Government's arrangement with Optus but you gave a commitment to reveal such details, will you now detail the minimum total value of telecommunication business that has been directed to Optus from Government agencies over the next five years?

**Mr MACKENROTH:** The amount of money is \$23.5m over each year over the next five years, which is about equivalent to the amount of money that the Government was spending with Optus, anyway. Basically, what we have done is commit to Optus about the expenditure that the Government was spending with Optus, which enabled them to enter into an agreement with Reef Networks to take up the cable once it is laid to Cairns. In doing that, we have provided for a second fibre-optic cable by a different carrier from Brisbane to Cairns, which is going to have the result, I believe, of lowering prices for people in regional Queensland. That is why we took that decision. What we did was dedicate some Government expenditure, which has to be at competitive rates. We have not agreed on the rates with Optus. They have to get that work competitively. We have guaranteed that they will get that amount of expenditure over the next five years.

**Dr WATSON:** Could you detail what the whole-of-Government expenditure on telecommunications and data services was for each of the five service providers in each year from 1998-99 and 1999-2000?

**Mr MACKENROTH:** We do not have the expenditure on other Government departments here. It is about \$140m. But we will get that expenditure for you.

**Dr WATSON:** Can you also give me the projections for each of the five providers and, particularly in line with your Government's agreement with Cable and Wireless Optus, what the forecast expenditure will be for the years 2000-01, 2001-02, 2002-03 and 2003—

**Mr MACKENROTH:** For the five providers?

**Dr WATSON:** No, sorry, what the expected amount is for the whole of Government.

**Mr MACKENROTH:** I will get what we can in relation to those figures and provide you with that information.

**Dr WATSON:** There would have been some figures included in the Forward Estimates.

**Mr MACKENROTH:** As to providing you with the forecast expenditure for the different providers, I do not believe that would be possible, because different departments will vary—and they are able to—from one provider to another, provided that they commit a certain amount to Optus. Some departments will have contracts now with some providers for certain services. Those contracts will run out during the next five years and they will go out to contract and they may change their provider. I do not think it would be possible to give you that sort of information.

**Dr WATSON:** But you should be able to get an estimate of expenditure during the projected period in the budget for total—

**Mr MACKENROTH:** No, I could not do that, not with individual providers. The only figure that we can give you in relation to the forward five years as to what money will be expended with individual providers is the guarantee that has been given to Cable and Wireless Optus—the \$23.5m—which, as I said, has ensured that we will get a new fibre-optic cable from Brisbane to Cairns. That is now about a quarter of the way laid out up the coast.

**Dr WATSON:** With reference to the panel of five telecommunications suppliers decided by your Government, can you advise whether Optus is the cheapest service provider for both local and long-distance calls?

**Mr MACKENROTH:** Whether it is?

**Dr WATSON:** The cheapest provider for both local and long-distance services?

**Mr MACKENROTH:** I would have to get those figures for you. The department goes to the panel and gets what is the best deal for it. We do not make the deals for departments. Departments make the decision on which provider they use. What we have is a panel of providers, which they have tendered for. Departments can use that panel.

**Dr WATSON:** Earlier in the answer to the question you said that Cable and Wireless Optus had to be competitive.

**Mr MACKENROTH:** Yes.

**Dr WATSON:** If the departments are doing their own individual negotiations or contracts, how are you assured that the situation is competitive?

**Mr MACKENROTH:** The situation is that the departments have done their own individual picking up of contracts with the provider that they wish to deal with. Within that we have identified the usage that they have with Cable and Wireless Optus. We have guaranteed that that amount of money will be

spent with Cable and Wireless Optus over the next five years. We have asked departments then to ensure that some of their expenditure goes to that company.

**Dr WATSON:** Provided Optus is competitive?

**Mr MACKENROTH:** Yes. And if they are not competitive, then the contract that we have with them would be null and void. If they try to charge a higher level because they had an agreement for \$23.5m, that would not work. The thing is that their prices have to be competitive.

**Dr WATSON:** There is just one other question in relation to that. I assume the latest anticipated completion date for Visionstream is what is contained in a press release issued by the Premier on 1 February which said that the anticipated completion date is April 2001, which I think is somewhat beyond what the original intention was. Does this affect the contractual arrangements entered into by your Government with Reef Networks and, secondly, with the contract between the Government and Cable and Wireless Optus?

**Mr MACKENROTH:** I do not believe that the project's completion date is any different from what we believed it was when the contracts were entered into. It may be different from when we actually started the expressions of interest and negotiations with companies. At that stage we probably hoped to have the cable being laid out probably six or nine months earlier than what we finally did. But once we had entered into the contracts with Cable and Wireless Optus and with Reef Networks, I do not think that the dates have changed from that.

**Dr WATSON:** All the contracts were independent of the start date, in other words, or the finish date—

**Mr MACKENROTH:** But your question was that the finish date is different. I do not believe that at the time we entered into contracts the proposed finish date was any different.

**Dr WATSON:** Okay.

**Mr MACKENROTH:** At the time that we announced that we were going out for expressions of interest—

**Dr WATSON:** It was much earlier.

**Mr MACKENROTH:**—we had hoped to get it up earlier. The negotiations to get to the point where we reached contracts took longer than we had anticipated. So that pushed out the anticipated finish date. But from the time that we had entered into contracts, it has always been just prior to the middle of next

year. When the cable was started to be laid out—I think it was at the end of January or the first week in February this year—it has always been anticipated that it would be the middle of next year.

**Dr WATSON:** On page 46 of the MPS I notice that you had budgeted to fund DSTC some \$800,000 in 1999-2000 and you only expected \$400,000. Could you tell me what the reason is for that expected shortfall?

**Mr MACKENROTH:** What page is it?

**Dr WATSON:** I think it was on page 46 of the MPS. At the bottom of the table, funding for DSTC was estimated to be \$800,000 and it has gone to \$400,000 and back to \$800,000.

**Mr MACKENROTH:** I will get Greg McCallum from CITEC to answer the question. It is actually part of CITEC's budget.

**Mr McCALLUM:** In answer to the question, CITEC's contribution to DSTC has two elements. One is a cash contribution and the other one is a contribution in kind, which broadly is for full-time equivalent staff. In the past our cash contributions have always been made, but we had two resignations of staff and other events occurred during the year which meant our in kind has gone down. But also in the course of the year, my involvement with DSTC increased significantly because I am now chair of the compliance committee of the board. We anticipate through other staff appointments to pick up on that commitment in the course of the current year.

**Dr WATSON:** So the commitment, if you like, has not changed in principle?

**Mr McCALLUM:** No, the commitment has not changed in principle and the cash has always been made and the in kind suffered because of the resignations of two staff during the course of the year.

**Dr WATSON:** Thanks very much. I refer to your strategy for the development of funding of IT incubators. What is the progress on this?

**Mr MACKENROTH:** What page is that?

**Dr WATSON:** I thought it was in one of the discussions. It is just the general argument on your IT incubators. I do not have a reference, but I think it was in the discussion, if I remember correctly. It is my understanding that you did some work on IT incubators, and I was wondering what the progress of that initiative is. I know that the Department of State Development is doing work. My understanding is that you were also doing work in that area. I just wonder what is the progress of the initiative, what the outcomes are and what is the future of this initiative within your own department?

**Mr MACKENROTH:** The Communication Information Advisory Board of mine is doing a report on incubators at the present time. Once that work is complete, it will come to our department. The way that the advisory board works is that they work through issues—it is totally an industry board—and they give us their suggestions as to how they believe Government can assist and to work with them. We then will go through that and respond back to the board and, in responding, we will then also go to other departments that may be affected by any of their recommendations and get either commitments or responses from different departments.

The area of incubators is a responsibility of DSD. We will feed in to them what we think needs to be done in terms of incubators for the IT industry. We funded a radio technology group to come together and to start to work together so that they could see what they can do in their own area. We are also starting at present to look at how we can do that in the area of security on the Internet. So we are looking at ways that my department can help to assist there. The actual funding and advancement of incubators becomes a responsibility of DSD. It is one area that the board is developing some ideas for us on.

**Dr WATSON:** So there is still a commitment there—

**Mr MACKENROTH:** To do something? Yes, there is. The DSD is actually working on funding an incubator. Now some work has started on that. They are establishing now a board to oversight an incubator for Toowong for the IT industry. We will have a representative on that board. But as I said, we will have a look at what we think needs to be done for the IT industry. From our department we try to set some policy direction for Government. The board will give us the industry view. They establish a working group within industry. So it is not just the board members; other people can serve on the working group. Industry groups have an input into it, and from there we will get the recommendations back from them as to how they think we can go ahead.

**Dr WATSON:** On page 19 of last year's MPS under Future Developments you stated that you intended to streamline IT and communication purchasing requirements through the GITC mechanism. Looking at the MPS this year, it is not clear what you have done with respect to that initiative. What have been the outcomes of that?

**Mr MACKENROTH:** I just have to wait a moment.

**Dr WATSON:** Technology is slow sometimes.

**Mr MACKENROTH:** It is actually faster than going through these books. It just seems to be slower because you are not doing anything.

**Dr WATSON:** We need a broader band.

**Mr MACKENROTH:** You have just been trying to put me down for trying to do that. You cannot have it both ways.

**Dr WATSON:** As you said last year, you used our expressions of interest, so we actually started the process. I just would have gone further and faster, that is all.

**Mr MACKENROTH:** The GITC agreement represents a standard form of agreement whereby suppliers of IT & T products and services pre-agree to utilise a standard set of contractual terms and conditions in the commercial dealings with Government agencies. The majority of contractual provisions, including contentious issues, are pre-agreed through the GITC contract authority. It reduces the time associated in contractual negotiation of issues, thereby the GITC agreement streamlines the overall procurement process.

The GITC is further streamlining the IT & T procurement process by providing significant information online by GovNet to agencies and some IT & T suppliers, including template official orders, to assist agencies in placing a purchase order with specific suppliers. Others include pre-agreed terms and conditions over and above standard GITC provisions which form part of the contract, specific contractual attributes which differentiate specific suppliers and detailed product and service price lists pertaining to specific suppliers. They are the areas that have been worked on over the last year or two to assist departments to use GITC.

**Dr WATSON:** You just mentioned the fact that there is an indication that you are getting departments to do stuff online. Are there any statistics available as to what the usage of that is with selected IT suppliers, or did I misunderstand what you said?

**Mr MACKENROTH:** No, I do not think there are statistics on it. Any department that is purchasing any IT-related infrastructure needs to come to us in terms of what they are doing. That is how we get our input into that.

**The CHAIRMAN:** The time for non-Government questions has concluded. It is now time for Government questions. I call the member for Mulgrave.

**Mr PITT:** Minister, it is indicated at pages 3 and 4 of the MPS that \$10.3m will be made

available over the next four years to support the development and implementation of a communication and information industry development strategy. I think we all agree to the importance of information technology and its link with business. I am interested in finding out how your department and DSD carve up their basic responsibilities in this respect, because \$10.3m is being spent from your budget and no doubt there will be some money being spent from DSD. Is there an overlap?

**Mr MACKENROTH:** No. The areas where each department could be working in the same area would be through the work that is done by the Information Industries Bureau. To ensure that there is no overlap, we have a protocol with the Department of State Development as to how we actually work with them. If a person or company requiring assistance was to go to the Information Industries Bureau to seek assistance, and some of that assistance could come from our department and some from the Department of State Development, by simply going through the IIB door they would be able to access the assistance from both areas. My department would do the negotiations with the Department of State Development.

A similar thing happens with the DSD. If the assistance needed comes from DSD, that company would get that assistance through the IIB. So we do not send somebody from one place to another. If they come in one door, they are treated and looked after there. We have a very good working relationship and a protocol worked out with them as to how that actually operates. It is working very well. We need to have something such as the IIB which completely focuses on the IT & T industry so that it is able to work to advance the development of the industry in Queensland.

**Mr PITT:** The fourth dot point talks about facilitating the development of a communication and information industry portal. Do you have any vision for this yet? Have you decided what broad parameters you are going to operate within to do this? Do you see this being a Government initiated portal to be accessed by the private sector, or are you going to work in partnership with the private sector or assist the private sector to get it up and running?

**Mr MACKENROTH:** In putting together the Communication and Information Strategic Plan, we convened a meeting of industry groups and representatives from the industry. We had about 80 people come together in May last year. We broke into work groups and

looked at the whole area of the IT industry and how Government could assist. The number one thing that came out of that was that the industry wanted an industry portal which the Government would put together for it. We had the Communication and Information Advisory Board do some work on that. It has now made recommendations to the Government. The portal we are working on will adopt leading design technologies to achieve a range of objectives to showcase the capabilities of Queensland IT & T industries.

In Queensland, the industry portal will adopt leading design technologies to achieve a range of objectives to showcase the capabilities of the Queensland IT & T industry to the world, particularly potential investors; promote the up-take of IT & T by businesses, large and small, throughout Queensland through showcasing practical applications of Queensland produced IT & T products and services to Queensland firms; promote community and household awareness of the potential of IT & T; promote electronic commerce use and up-take by business and consumers; provide information and IT & T training courses and raise awareness of IT & T career opportunities; provide links to specific stakeholders, Government and non-Government, so that inquiries can occur directly with that organisation; and identify a Government strategic initiative in IT & T. My department is now working on establishing that portal so that industry is able to use it.

**Mr PITT:** I refer to something that was in your portfolio last year, that is, the Office of Rural Communities. We asked questions about that last year. It has now gone across into the portfolio of the Minister for Primary Industries, Henry Palaszczuk. There was an IT component in that. It was very important that each of the QGAP offices in particular had the best technology available to them to be able to draw down whatever information was necessary to operate with Government departments. Will your department still be involved in some sense with that?

**Mr MACKENROTH:** Yes, there is money in our budget. The 61 QGAP offices in Queensland are progressively connected to GovNet and the QGAP MIS, a manual on line, via a minimum 64 kilobit per second bandwidth. This infrastructure connection is being completed by collaborative efforts between my department, DPI and six other lead agencies. All QGAP sites are expected to be connected to GovNet by the end of August, with the possible exception being three very remote locations that may need specific satellite infrastructure.

Of the 61 QGAP sites, there are 22 non-Government sites where staff act as agents of the Government. These will also be connected to the QGAP systems, resulting in all QGAP offices delivering improved customer service. For the first time, all QGAP offices will have the capacity to link directly with those agencies on whose behalf they deliver services. So, yes, we are still doing that work and there will be funds in the budget to complete it.

**The CHAIRMAN:** I want to ask about the communication and information industry development strategy. Page 4 of the MPS states that one of the key features is the continuation of the work of the Information Industries Branch beyond 2001. Could you briefly outline the main role of that branch? Do you see that changing beyond 2001?

**Mr MACKENROTH:** The IIB's main role is to work with industry to help it to grow. We run a number of seminars for business and a number of programs that actually work to help business to grow. For instance, if some business wants to look for venture capital and they come to the IIB, we can give them information about how they can actually get that assistance. We have recently changed the name of the IIB from "Branch" to "Bureau" to try to give more of a focus on what it is—rather than its being a branch of Government. It started off as the Information Industry Board. Then it became a branch. Now it is a bureau.

**Dr WATSON:** All the letterheads have to be changed, do they?

**Mr MACKENROTH:** Only as it is necessary—of course, with the new striking Government logo on the top! We are able to work with industry to help it to grow, as I said. We are looking at the way the IIB actually operates to see how it is able to give industry greater assistance to expand and to see new markets start here and stay here.

**The CHAIRMAN:** Page 12 of the MPS lists future developments and states that your department will assist agencies to implement the Government Information Architecture to facilitate a common approach to better management of the Government's information resources. What type of assistance will be given? What do you see as the major benefits regarding this common approach?

**Mr MACKENROTH:** The future support which will be provided is that the department will continue to detail all the GIA domains and prioritise information standards, guidelines for appropriate sign-off and approval from the architecture coordinating team. The department, in conjunction with agencies, will

finalise the review of existing information standards in line with the GIA framework. The department will continue to provide information briefings and workshops to assist agencies in implementing the GIA information standards, etc.

The architecture coordinating team will review and continually update the architecture information to reflect the changing business requirements of Government. The department, in consultation with agencies, will seek to amend the existing authority for information standards in the Financial Management Standard 1997 by strengthening compliance. The department will provide access to an electronic repository of architecture information via GovNet while continuing to provide information in other formats to those agencies not connected to GovNet.

I will set out the benefits of adopting the GIA. Implementation of the GIA will see opportunities for greater access to information for Government clients through development of new on-line services or integration of existing services which were previously unavailable. There will be improved and integrated Government service delivery through establishing interoperability between information systems in different Government agencies. This provides new opportunities for creating new services to better meet the needs of the community and decrease duplication and replication of information systems, which typically results in duplication of effort and costs and often conflicting information.

**The CHAIRMAN:** Page 13 of the MPS talks about the establishment of an electronic local laws database to improve access by local governments and the community to local laws. What type of work has been done on that database? What are the costs of actually constructing that database? How accessible do you think that will become?

**Mr MACKENROTH:** The department is developing an Internet web site containing electronic copies of all local laws, including subordinate local laws, currently in place throughout the State to improve access for the community, business, local government and State agencies to these documents. The Internet site will provide a similar service for local laws as currently exists for State legislation on the Office of the Queensland Parliamentary Counsel web site. It is proposed to allow free access to the information stored on the site.

The department presently has 40% of the local laws electronically stored and is in the process of obtaining the remainder of the

documents from local governments. When a sufficient number of the local laws have been stored electronically, the Internet site will be made available to the public. The site will advise people wanting to view local laws not available on line to contact the department or the council to obtain a copy.

The cost for developing the database is approximately \$15,000. The majority of the cost, \$13,500, is for employing a contractor to assist in the collection and formatting of the electronic copies of the local laws so they can be stored on the database. The balance of the money is allocated for obtaining the software required to develop and maintain the database.

**The CHAIRMAN:** Page 13 of the MPS talks about the development, in partnership with the industry, of a Queensland communication and information industry portal web site to showcase the local communication and information industry. What stage is that at and what is the estimated cost of that to the Government?

**Mr MACKENROTH:** As I said before, the concept of the portal came from a workshop we had in May 1999. The department has conducted research and spent some time clarifying the objectives of the portal and the major areas of content. A proposal containing basic principles and a draft project plan was presented to the CIAB in June 2000. The budget for it will be \$250,000.

**The CHAIRMAN:** Page 20 of the MPS lists recent achievements and talks about how the department assisted the public sector and essential service providers to successfully address and minimise the risks and impact of the millennium bug. Is there an estimation of the total cost in last year's budget of the measures related to the millennium bug and of all the advisory services to get us Y2K compliant? Were any strong lessons learnt through the experience?

**Mr MACKENROTH:** The amount of money you spend on it depends on whether it was a disaster. Seeing as it was not a disaster, we spent \$15m. It would have been a disaster if we had spent \$280m. The Government allocated \$15m to my department and the Y2K office to allocate to different departments and to actually run the Y2K program. That money was specifically for Y2K. But across Government, it is estimated that expenditure of about \$280m occurred in Y2K, but most of that money was actually spent on new equipment. So what we saw was equipment replaced or upgraded or new capital expenditure brought forward from this year and

even from next year. That money was not wasted; it has actually been put into new equipment, and I think we need to look at it in that regard.

What has been learned from it? I think you need to take heed of what the warnings are that come. The results of Y2K, or what could have happened from Y2K, were really unknown. I think that if the Government had done nothing or done very little and there were widespread power blackouts or equipment failures in the hospitals and things like that—sewerage system failures—we would have received a lot of criticism and would have deserved it. So we had to take, I guess, the precautionary track and ensure that everything that could be done was done, and that is what we did.

I was pleased that we really had very little problems with it. I think we had a wrong date come up on the Government Internet site and on the Government's Y2K bug warning which was in the window of 111 George Street. It had the wrong date on it. That was about it.

**The CHAIRMAN:** The time for Government questions has concluded. I now pass on to the member for Moggill.

**Dr WATSON:** Could I refer to page 7 of the MPS, Staffing (Full-Time Equivalents). Can you explain why Government Communication and Information Service Delivery has dropped from 63 to 56?

**Mr MACKENROTH:** The finalisation of Y2K is one, and also the facilities management for the telecommunications, which is no longer done in the way that it was.

**Dr WATSON:** No longer done the way it was?

**Mr MACKENROTH:** No longer done the way that it was, that is right. We might be very lucky.

**Dr WATSON:** That was a very long process. I am well aware of some of those problems.

**Mr MACKENROTH:** We are out of all of those problems now. But I know I won't get any questions about that, so—

**Dr WATSON:** We could, but we would be trying to share the blame. We would be both sheeting home the blame to different Governments.

**Mr MACKENROTH:** I would blame your Government totally; you know that.

**Dr WATSON:** And I would blame the previous Government.

**Mr MACKENROTH:** So don't ask any questions!

**Dr WATSON:** Can I also ask, on that same page, the explanation for the rise in the Access to Government, Information and Services from 49 to 64? I see in the footnote that that is to do with Regional Community Forums. Can you explain what that is about?

**Mr MACKENROTH:** The Regional Communities Program is one that has been started up and now is fully operational. Some of the staff who are contained within head office to support the regions are contained within here, and as well as that, some of the corporate staff are contained within those numbers.

**Dr WATSON:** What is the explanation for the increase from 49 to 64? That is an increase of 15, or about 30% or something like that.

**Mr MACKENROTH:** There are new regional community staff that weren't there last year. That is one. So we actually built that program up.

**Dr WATSON:** So are you putting in more officers there or expanding—

**Mr MACKENROTH:** No, because the program had only started in the previous financial year, and we didn't put all the staff on to start. We have built up to it. The program actually was launched only in February of the previous year. We then had the conferences throughout the State. After that, we established the offices and then established the head office staff. So it is not an expansion; it is only actually putting it into place. But you will see overall that the total numbers of staff there have not increased greatly.

**Dr WATSON:** I understand that.

**Mr MACKENROTH:** They are very frugal.

**Dr WATSON:** Those two things I just asked about kind of contrast, one where you have a reduction in the number of staff in communication and information service delivery, and the other where there was an increase in the numbers of staff involved in access to Government, information and services. That is your priority as a Government. I may have a different set of priorities, but it seems to me that they are about the provision of information.

**Mr MACKENROTH:** But we can't really keep working on Y2K, so that has really gone.

**Dr WATSON:** I understand that, but of course they could have been directed into delivering other online services. At any rate, that is a policy issue. With respect to page 30 of the MPS, in particular, the Electronic Service Delivery strategy under Property Plant and Equipment, I notice that in the previous year's

budget on Budget Paper No. 5, the Capital Statement, that had an estimated total cost of \$7.5m and in this year's Capital Statement you have an estimated cost of \$9m. Can you explain why this project has increased by 20% in terms of estimated total cost?

**Mr MACKENROTH:** I am just looking at No. 5 now.

**Dr WATSON:** If you look at last year's Budget Paper No. 5, the estimated actual cost is \$7.5m; this year it is \$9m. I was going to ask a further question—

**Mr MACKENROTH:** I will check the answer for you, but I would assume that the answer is that this is an ongoing thing which actually takes us into out years, and we have probably got an out year in this year which wouldn't have been included last year because the electronic service delivery is something that is being ramped up. So the new out year which would have come into this year—which wasn't in the last year's one because you don't go that far out—is probably greater. I will check that for you and just make sure, but I would think that that is what it is, because that \$9m that is here—no, I am sorry—

**Dr WATSON:** There was an ongoing of \$3m last year.

**Mr MACKENROTH:** There is new funding there of \$1.5m. If we go to page 30—

**Dr WATSON:** It is not there.

**Mr MACKENROTH:** Well, no.

**Dr WATSON:** Go on further. Last year, if you look at page 30, you had an adjusted budget of \$4.5m. Your estimated underspending this year is \$730,000 and it seems that that has been put off into next year. It looks like you have got \$730,000 extra. To summarise it, the cost seems to have gone up, the project seems to have slowed down compared with last year and the project seems to be sliding as well. Do you see what I am saying?

**Mr YEARBURY:** The \$730,000 that you are talking about is part of the ongoing building of infrastructure for electronic service delivery. Principally, at the moment that is focused around a piece of technology called a service locator which is going to provide, if you like, a major exchange of facility for people who want to get access to Government information. That is a major piece of both hardware and software development, and the \$730,000 that you talk about which is committed to that project simply had not come to charge in the last financial year. The ongoing commitment—



**Dr WATSON:** Had not come to charge. You mean—

**Mr YEARBURY:** It had been committed but, of course, we are paying on the achievement of milestones through the project, and that particular milestone had not been achieved, so we held the money until such time as that milestone had been achieved. So it is committed to that and it is part of that project and will be paid at the time that that milestone is achieved. The ongoing budget for the future is the continuing to ramp up of that electronic service delivery infrastructure for completion of the service locator and other supporting infrastructure around GovNet.

**Dr WATSON:** Can I clarify—

**The CHAIRMAN:** Sorry, the time has expired.

**Dr WATSON:** I will not ask any more questions, I will just ask on that question. I just want to get it straight. The \$7.5m to \$9m in the capital budget is because of an expansion.

**Mr YEARBURY:** Yes, it is.

**Dr WATSON:** And the \$730,000 we are talking about was simply because the project, if you like, had slid because a milestone had not been reached.

**Mr YEARBURY:** Yes.

**Mr MACKENROTH:** There is \$1.5m new initiative funding.

**Dr WATSON:** An amount of \$1.5m new initiative on the same project?

**Mr YEARBURY:** Yes.

**The CHAIRMAN:** The time for non-Government questions has concluded. I call the member for Mulgrave for Government questions.

**Mr PITT:** On page 11 of the MPS under the heading "Recent Achievements—Advisory Services", fourth dot point down, it is mentioned here that your department encouraged the development of IT&T skills in high value niche sectors, etc. and talks further about the provision of scholarship funding to QANTM for targeted educational programs. Could you elaborate on what sort of programs that entailed and the actual dollar value placed against that part of the program?

**Mr MACKENROTH:** We have got an agreement with QANTM and it is a key strategy of our strategic plans to foster the development of IT&T skills. The 1999-2000 State Budget included \$3.1m to implement the IT&T skills strategy. QANTM was funded under this strategy to deliver an interactive visualisation in games design, education and

training program. QANTM is being funded \$980,000 over a two-year period to provide 80 full scholarships. The program builds on previous contributions by the Queensland Government which were to establish the QANTM and Australian Silicon Studios Training Centre. The program supports 40 students per year in a one-year diploma program with students paying the equivalent of TAFE enrolment fees and charges. The first intake of 20 scholarship-funded students commenced in February 2000 and are expecting to graduate in February 2001. Applications for the next intake of a further 20 scholarship places are currently being received and these students will commence on 28 August 2000. At least 30% of the scholarships will be offered to students from regional areas. This quota requirement has been met for the first student intake. The agreement between the Queensland Government and QANTM provides that QANTM work with industry to leverage additional sponsorship funding. Industry contribution to date includes commitment from Auran to contribute \$100,000 in cash over two years to be used to purchase games development, hardware, additional software and/or additional places, a donation for a period of two years for the use of the Krome Studios game engine for exclusive use of games students.

**Mr PITT:** Thank you, Minister. On the same page two more dot points down, you mention there that the department supported the successful conduct of the March 2000 local government elections and the use of a web site is also detailed. Obviously, that was an initiative where the responsibility would have been shared between yourselves and the QLGA. What was the cost breakdown there and what is, I guess, the report card on that process?

**Mr MACKENROTH:** The cost for the election web site was \$4,786. That was met totally by our department. What was the second part?

**Mr PITT:** I am just wondering if the QLGA actually shared costs there.

**Mr MACKENROTH:** No, that was done by the department.

**Mr PITT:** Back on page 4 of the MPS, one of the strategies was to promote the export potential of small to medium IT&T companies. How is your department going about promoting that export potential? Is that by trade shows, contact with overseas persons, what?

**Mr MACKENROTH:** The C and I industry is characterised by very rapid growth in global

markets. Consequently, products and services quickly become redundant. Queensland C and I firms must focus on getting products to the global market as quickly as possible to maximise returns on investment and to Queensland. Small investments and encouragement at the early stage of a venture can reap substantial returns to Queensland. Certainly intervention for existing firms to become global has implications for the increased retention of C and I firms in Queensland.

The project provides financial assistance for firms to attend and/or exhibit at overseas trade shows. The project also provides targeted support and training prior to undertaking the trip to maximise the effectiveness of the firms at the overseas event. Firms applying for assistance will be assessed on a competitive basis. Applicant firms will be subject to a needs analysis and a projected return on investments to the State of Queensland exceeding 20 to 1 over three years. Funding will generate increased exports for Queensland IT firms of 20 times the assistance value provided by the project funding. The project will also achieve increased leverage by Queensland C and I firms of Federal Government funding including existing Commonwealth Ausindustry export assistance schemes like export market development grants and export access rather than replace them with State Government assistance.

The project value adds the services available through Austrade with a specific focus on Queensland's C and I micro to medium firms. The project complements and value adds export assistance programs of other agencies, greater exposure of Queensland's IT&T firms to global markets for products services and capitals, increased opportunities for Queensland IT&T firms to export products and services and greater opportunities for Queensland IT&T firms to form global strategic alliances which is of significant benefit to Queensland's IT&T industries.

**Mr PITT:** Just one last question. The State Government initiative to develop a State purchasing policy obviously is welcomed by all. I am just a little concerned about the history in all levels of government, not just in Queensland, of each department doing its own thing in respect of software. Is your department taking the initiative here to ensure that the software developed for the State Purchasing Policy is compatible across departments?

**Mr MACKENROTH:** Firstly, the GITC actually sets the standards that the departments have to work to. So from an IT perspective—which our department runs—the GITC sets the standards for which departments must operate. Cabinet has made a decision on a standard operating environment across Government, which is Microsoft, and we are working towards that with departments so that we do have, in fact, a standard operating environment.

In relation to the implementation of the State Purchasing Policy, which is the responsibility of the Minister for Public Works, my department is working with that department on the implementation as it affects the IT industry to get that sort of thing that you are talking about.

**The CHAIRMAN:** The time allotted for the consideration of the proposed expenditure in the area of Information and Communication has expired. I thank the portfolio officers for their attendance. The Committee will now break for morning tea.

Sitting suspended from 9.31 a.m. to 9.45 a.m.

**The CHAIRMAN:** The next area to be examined is the portfolio of Local Government and Planning. I remind members of the Committee and the Minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given on the expiration of these time limits. The Sessional Orders require that at least half the time is to be allotted to non-Government members. I ask the departmental witnesses to identify themselves before they answer a question so that Hansard can record the information in their transcript. I remind all present to ensure that mobile phones and pagers are turned off. Minister, would you like to make a brief introductory statement?

**Mr MACKENROTH:** No.

**The CHAIRMAN:** It is time for non-Government questions. I call the member for Warrego.

**Mr HOBBS:** Minister, I refer to the review of the Commonwealth local government financial assistance grants. We are all aware that the Commonwealth's formula used to determine Queensland's share discriminates against Queensland in favour of the southern, more populated States and that the present review will have varying impacts on councils across Queensland. What representations and what meetings have you had with Senator MacDonald or the Commonwealth in relation to this issue?

**Mr MACKENROTH:** I have actually spoken to Senator MacDonald on a couple of occasions personally. I have made written representations to him in relation to the grants. As you would be aware, the Commonwealth's Financial Assistance Act is actually being reviewed at the present time. Last year we asked him to agree to allow the methodology which the Commonwealth Government agreed with the State—an agreement that I had made with Brian Howe back, I think, in 1995—to continue for one more year, which was last year. We have asked him to allow that to continue again. Whilst we have not seen the final details, I understand that Senator MacDonald the week before last at a civic leaders forum actually announced that that would happen.

He has asked us to provide him with some further information, which we have done, and we are now waiting to hear the outcome of his determinations. But I have advised Senator MacDonald that we will be forwarding to him, or have forwarded to him, the State Grants Commission's recommendations, which are based on the formula which was agreed in 1995. If he wishes to change it, he can do it, because I will not.

So if any councils lose money greater than the amounts that the Local Government Association had agreed upon in 1995 as a result of the Commonwealth changing the system, we will all know exactly who is to blame, and it will not be the State and it will not be the councils. So it will be up to him to make that decision. I think that is probably why he has decided to allow this to continue for another year until such time as the review of the Act is completed, which I think is the proper way for it to go.

I think it is a ridiculous situation where the States are required to allocate funds from the Commonwealth to councils on a fiscal equalisation basis and we get funds on a population basis. It is just totally unfair.

**Mr HOBBS:** Minister, in this particular review now, though, exactly what changes to the formula are you recommending? Or do you want to leave it the same?

**Mr MACKENROTH:** Unless there is more money in the pool, we believe that it contains the flexibility to enable the system to work very well in Queensland and that it should remain at what has been agreed upon by the councils. In 1995 and since 1995, the councils that have lost up to 15% of their grants actually agreed with the formula that we had agreed on with the Local Government

Association. Therefore, I would support that that continue.

**Mr HOBBS:** I refer to local government councillors nominating for the Legislature in relation to the review of local government electoral arrangements. What action or representations to you occurred that made you decide to include this proposition in the review of local government electoral arrangements? When do you propose that these arrangements would come into effect?

**Mr MACKENROTH:** The issue was raised at our party meeting and it was reported in the Courier-Mail, as I recall. So it was not quite a secret. It was raised at our party meeting that the Government should consider this. We were doing a review of the electoral arrangements for local government and there were some specific issues that we had put into the discussion paper. I decided that we should include this proposal, which had come from our party room, in this discussion paper to seek views as well from the community. I would anticipate that the Government will make a decision later this year. If the decision is to go ahead with that proposal—in other words, to make councillors the same as State members in relation to nominating them; if you want to nominate, you have to retire—we would have it in place for the next elections, that is, State and Federal elections, which are due to be held next year.

There are a couple of things, I think, that need to be considered in considering this. One is that we have made local government in Queensland far more autonomous than other States. In doing that, we have given the councillors greater responsibilities. We have also given them four-year terms. So we find that throughout our State there are now a large number of councillors who are actually working as councillors in a full-time occupation. In interstate areas where they have fewer responsibilities, councillors, basically, are elected for two years and it is very much a part-time role.

So I think that if people want to make the decision to run for councils and put up their hands for four years—and people have done that this year—then I think that it is wrong then for them to expect to run within a year for another level of Government when they obviously would have already known that before they even put their hands up to run this time. We require all councils to hold by-elections so that communities get the opportunity to elect the person to represent them. So that is a cost on their communities,

and I think that these things need to be taken into account in terms of considering this issue.

So we will consider it. We are looking at the issue. So far, of course, the only ones that we have heard from have been the councillors, who all do not agree with it.

**Mr HOBBS:** Minister, you mentioned that the issue was raised in your party room. Is it true that the member for Logan, Mr John Mickel, spoke strongly about sitting councillors running against him and other members of the Labor Party, such as the member for Waterford, Tom Barton, at your caucus meeting and that possible candidates such as Councillor Graham Able, who topped the Logan City poll, and Councillor Russell Luton, also from Logan City, who ran well against Mike Kaiser at Woodridge, will be Independent candidates standing against your party at the next State election and your move is now an attempt to disqualify them from running unless they resign? Why, Minister, is your Government clearly manoeuvring to corruptly influence the outcome of the next State election?

**Mr MACKENROTH:** I take exception to "corruptly influence the outcome of the next State election". That is a ridiculous statement to make.

**Mr HOBBS:** They do not think it is.

**Mr MACKENROTH:** It is not corruption. That is ridiculous. At the present time, in our State there are two people of whom I am aware—and there could be more—who are councillors endorsed by political parties to run at the next State election. I am aware of only two. One is a Labor Party councillor on the Townsville City Council. I do not think I could be accused of trying to do something corrupt against my own party. That would be a ridiculous statement. The second is Councillor Taylor, who has decided to join the National Party and be a candidate for the National Party. I would have to be honest—and I would be prepared to take a bet—that the Labor Party will not win that seat. I do not think that I made a decision based on our being able to win that seat. That is ridiculous.

Yes, John Mickel raised the issue you mentioned. That was in the Courier-Mail the next day. It was not out of any fear. Mike Kaiser ran against the councillor whose name you mentioned. I do not think that, having gone through a by-election in probably the most extreme circumstances possible, Mike Kaiser would be concerned about who ran against him at the next election, and neither would John Mickel. John raised it in relation to

what he believes is good policy, and that is why I am prepared to look at it.

**Mr HOBBS:** You would be aware that local government has been an important training ground for State Parliament members. In fact, 32 have been through this House in the past 10 years. Today, 15 former councillors sit in the House. No other State in Australia requires a councillor to resign to contest a State Parliament seat. Why do you put these members and future council candidates in the same category as bankrupts and criminals? Has your arrogance blinded your judgment to the extent that you cannot see the corruption behind the motive?

**Mr MACKENROTH:** The issue is not to stop anybody.

**Mr HOBBS:** It will be.

**Mr MACKENROTH:** It is not to stop anybody from running for State Parliament. What we are saying in the proposal is that, if an elected official wishes to run for State or Federal Parliament, they would be required to resign their position from their council before they nominate for the State or Federal Parliament—the same as would be required of you if you decided to run for the Federal Parliament. If you decided to run for the Federal Parliament, your leaders down there—John Anderson and John Howard—would require you to resign from the State Parliament. Are you suggesting that they are corrupting the system?

**Mr HOBBS:** We are talking about local government and State Government.

**Mr MACKENROTH:** No, there is no difference.

**Mr HOBBS:** There is a difference. This happens in no other State in Australia.

**The CHAIRMAN:** Order! You have asked the question. You will allow the Minister to answer it.

**Mr HOBBS:** I was provoked, Mr Chairman.

**Mr MACKENROTH:** There is no difference. They are elected. We have placed councillors in this State on a level playing field with other members of Parliament, both State and Federal, more so than any other State in Australia. Therefore, I think it is reasonable to consider this. What I, as the Local Government Minister, have done in the Local Government Act is to try to ensure that the provisions that apply to elected officials in councils are, as far as possible, exactly the same as apply to State members of Parliament. You cannot just have the ones that you like. If you are going to have

conditions that are similar or the same, you also have to have the ones perhaps that you do not like.

**Mr HOBBS:** I understand that Councillor Soorley is considering running for State or Federal Parliament. I ask: do you think he would make a better leader than Peter Beattie? Is it true that factions of the Labor Party are promoting this legislation to make it difficult for people such as Councillor Soorley to enter Parliament in the future?

**The CHAIRMAN:** Where is this in the MPS?

**Mr HOBBS:** It is under dot point 5 on page 12 of the MPS.

**Mr MACKENROTH:** Let us have a look at how ridiculous your question is.

**Mr HOBBS:** Absolutely. Let us have a look.

**Mr MACKENROTH:** Let us pull it apart.

**Mr HOBBS:** If he were to run for State Parliament, for instance?

**Mr MACKENROTH:** Firstly, there are no seats that we have not already endorsed candidates in that Jim could run in. There are no seats at the next election that the Lord Mayor could run in in the State that already do not have endorsed candidates.

**Mr HOBBS:** Hypothetically?

**Mr MACKENROTH:** Even hypothetically there are none; they already have endorsed candidates. Your proposition is that I am trying to stop Jim Soorley from doing something. Jim Soorley has already announced that he intends to see out this term and that he is not going to run for the next council election. Let us put this into perspective. Firstly, there are no seats available for him at the next State election. If he wants to run, it has to be at the one after. He has already announced that he is going to retire. So I am not doing anything to him.

**Mr HOBBS:** From local government.

**Mr MACKENROTH:** In relation to our leader, I am sure that you would like to see anybody replace Peter Beattie, because he is going so well. I am sure that, if I had a leader like yours, I would be trying to get rid of Peter Beattie, too. But we are not going to. We are very happy with Peter Beattie. Peter Beattie is doing an excellent job as the leader of our party and as the Premier of this State. I am sure that, when it comes to June next year, that is the way the people of Queensland will judge him and he will continue as the Premier and the leader of our party.

**Mr HOBBS:** Do you agree that, if councillors have to resign their position to contest a State election, union representatives should do the same?

**Mr MACKENROTH:** No.

**Mr HOBBS:** Why not?

**Mr MACKENROTH:** Because union representatives are not elected by the general population.

**Mr HOBBS:** But they are basically on the same type of salary arrangement, too, are they not?

**Mr MACKENROTH:** You probably would not want the president of the P & C to run. That is ridiculous.

**Mr HOBBS:** I will move on. Why are you proposing to take away from the public the right to choose the best possible range of candidates? As I said before, 32 councillors have come through this Parliament in the past 10 years.

**Mr MACKENROTH:** Gee, some of them have been good ones, too!

**Mr HOBBS:** We have 15 today. There have been four or five councillors elected at nearly every election. There would probably be another three, four or five candidates who lost. Probably six, eight or ten councillors have stood at every election. You are really knocking most of them out of the ring by doing this, because they will have to resign before they go in. It is as simple as that.

**Mr MACKENROTH:** No. If we make this decision, I will not be knocking any of them out of the ring—not one of them.

**Mr HOBBS:** They have to resign?

**Mr MACKENROTH:** What I and the legislation will be saying to them is: "Make your decision. Do you want to be a councillor or do you want to be a State member of Parliament?" A few years ago, you could be a councillor and a State member at the same time. That law was changed so that you could only serve in one sphere. We need to be looking at these things continually. That is what we will continue to do. I do not know why you feel so threatened by this.

**Mr HOBBS:** No other State in Australia has it.

**Mr MACKENROTH:** The situation is that we will be saying to councillors, "If you want to run for State Parliament, run for State Parliament, but you can't be a councillor, too. You can't have two jobs." That is the reality.

**Mr HOBBS:** I refer to page 2, which refers to "Facilitating Strong Government

Leadership" by "improving participation by regional committees in Government decision making". I agree; consultation is an important process of Government to determine community opinion. In view of the fact that the executive of the Local Government Association, the Urban Local Government Association and no doubt others in the very near future will unanimously reject this proposal of yours, why do you want to continue with it, if these local government bodies are totally opposed to it?

**Mr MACKENROTH:** Because they are the ones who are most affected by it.

**Mr HOBBS:** Absolutely.

**Mr MACKENROTH:** I never believed that when I asked local government and councillors what they thought of this provision they would come back and say, "We think it is a good idea." I knew the answer that I would get from them. The situation is that we will look more broadly than just at local government.

**Mr HOBBS:** Who else has complained?

**Mr MACKENROTH:** Local government may represent the community.

**Mr HOBBS:** Nobody else has complained here apart from your party room.

**Mr MACKENROTH:** Pardon?

**Mr HOBBS:** Nobody else has complained in the wider community, only your party room—no-one else.

**Mr MACKENROTH:** No-one complained to me.

**Mr HOBBS:** No-one has raised the issue.

**The CHAIRMAN:** Order! You have asked the question.

**Mr MACKENROTH:** Let us get this straight. Nobody complained to me. A member of my parliamentary party at a party meeting put forward a proposal that he believed Government should consider, and do you know what? We actually let our members have a say. I think that members of Parliament should be allowed to have ideas and have them actually considered by Government. That is the way that we actually operate—a very democratic process.

**The CHAIRMAN:** The time for non-Government members' questions has expired. I call the member for Fitzroy for Government questions.

**Mr PEARCE:** On page 21 of the MPS, dot point 2 under "Future Developments, Administration of Local Government Grants and Subsidies", reference is made to further distribution from the \$150m NCP Financial

Incentive Package to assist local governments apply competition policy reforms to their business activities. Could you just explain to the Committee what are the business activities affected by the competition policy reforms, and is the \$150m provided under the package sufficient to meet the cost of implementing these reforms to local government?

**Mr MACKENROTH:** It is a business activity, but predominantly water and sewerage. The National Competition Policy local government Financial Incentive Package is a pool of funds which totals \$150m in 1994-95 dollars which the State Government has allocated as a significant incentive for local governments to implement NCP and related COAG water reforms. The funds also recognise the cost to Government in reviewing their business activities and local laws and implementing such reforms. Given the importance of local government infrastructure to overall State development, implementation of NCP reforms by councils will also contribute to the economic and social development at State and regional levels.

The \$150m allocation of the FIP has three components. Firstly, there is \$1m in a training pool to provide NCP training and assistance to local governments by the Local Government Association of Queensland and the department. With indexation this is now \$1.101m. Secondly, there is \$7.5m in a review pool to assist local governments in meeting the cost of reviews of local laws, to conduct public benefit assessments of the impacts of introducing competitive neutrality reforms and assessments of the cost effectiveness of introducing two-part tariffs under the COAG water reforms. With indexation this is now \$8.255m. Thirdly, there is \$141.5m in an implementation pool to be paid to local governments for implementing NCP reforms. With indexation this is now \$164.092m.

Of the \$150m, \$45m in 1994-95 dollars had been set aside for Brisbane City Council, made up of \$2.25m being from the review pool, which has been fully expended, and \$42.75m from the implementation pool. This allocation was based on a variety of characteristics, such as recurrent expenditure, revenue and population, all of which suggested that an amount in the vicinity of 30% of the funding pools would be appropriate. Payments have been made to local governments over a five-year period commencing in 1997-98 with the total amount under the financial incentive package subject to Queensland receiving the full amount of its bonus payments from the Commonwealth.

**Mr PEARCE:** I just wanted to check something, if I could. The \$150m, I understand, is Federal money. If so, is there any requirement from the State to put money into assisting local authorities with these reforms?

**Mr MACKENROTH:** No, there is not. The \$150m is coming out of the COAG reforms which the previous Labor Government signed up for. We were negotiating with local government on this \$150m at the time that we went out of Government and then the coalition Government signed the agreement with the Local Government Association of Queensland to provide them with the \$150m. The interesting thing is that we are the only State in Australia that provides any of the COAG money to local governments to help them with their reforms. So the money that has been paid is paid to Queensland from the Commonwealth for reforms under NCP. The decision in Queensland was that we should share some of that money with local governments, and that is what we are doing. We are forwarding on some of that money. No other State in Australia is actually providing some of its COAG or NCP payments to local government.

**Mr PEARCE:** I turn to page 19 of the MPS, dot point 1. I note that \$41.530m was offered towards 32 capital works projects and two feasibility studies from the department's Regional Centres Program. Could you please provide the Committee with some examples of the projects funded under the program, and is there an allocation of funds in this year's budget for the continuation of that program?

**Mr MACKENROTH:** The program is actually funded in this year. There is \$20m in this year's budget, \$20m in next year's budget and \$10m in the year after. Some of the projects which have been funded include the Beaudesert Shire Council, \$715,000 towards a \$1.43m project to build a new fully integrated community centre incorporating a library and customer service; Bundaberg City Council, \$950,000 towards a project to build a new Bundaberg and District Police and Citizens Youth Club; the Burdekin Shire Council has received \$25,000 towards a study to look at what they can do for their revitalisation, which is what they asked for, and we have advised them that, as soon as they have finished their study, we will consider their further application for funds; Burnett Shire Council, \$1.25m towards a project to undertake streetscape and foreshore improvements in Bargara; Caboolture Shire Council, \$2.565m towards a project to rejuvenate the CBD, including infrastructure and streetscape improvements;

Cairns City Council, \$470,000 towards a project to undertake foreshore improvements on the city's northern beaches; Caloundra City Council, \$1.75m to undertake the redevelopment of the public space area at Kings Beach, Caloundra; Cooloola Shire Council, \$1m towards a project to build facilities and put in a new car park and amenities for events; Gladstone City Council, \$1.75m towards a project to provide a new and larger library facility in Gladstone; Gold Coast City Council, \$1.0625m towards a project to undertake streetscape and civic places improvement at central Nerang and \$943,000 towards a project to design and construct a pedestrian promenade to connect Point Danger, Greenmount Headland and Kirra Point; \$2m for Hervey Bay City Council to provide disability access infrastructure to assist delivery of the council's key objective to make Hervey Bay the most accessible tourist destination in Australia; \$1.6m to Ipswich to undertake city centre revitalisation work; \$1.5m to Johnstone Shire Council to undertake streetscape and Esplanade improvements; \$1.05m towards the Livingstone Shire Council to undertake foreshore and streetscape improvements in Yeppoon's main beach area—and you can see I am only up to the Ls.

**Mr PEARCE:** Statewide.

**Mr LESTER:** Minister—

**Mr MACKENROTH:** Did you write and thank me for the money?

**Mr LESTER:** I did and I thanked you for the Community Cabinet meeting—you might remember various things.

**Mr MACKENROTH:** I look after you, Vince.

**Mr LESTER:** I will let you know when you do not.

**Mr PEARCE:** Minister, page 4 under "Budget Highlights" refers to enabling councils across Queensland to deliver service and facilities. I note that \$16m has been made available under the Rural Living Infrastructure Program. I congratulate you on that, because it is a great program which helps a lot of the smaller shires. What are the guidelines for the administration of RLIP? Who benefits? What other types of projects will be funded under the program?

**Mr MACKENROTH:** The Rural Living Infrastructure Program will provide funding to smaller local governments to enhance the quality of life of people living in rural Queensland. The program demonstrates the Government's continued commitment to rural and remote communities disadvantaged by

location, size and a limited local government rate base. Some 94 local governments and 32 Aboriginal and Torres Strait Islander councils with a population of fewer than 15,000 will be eligible to apply for funding. The RLIP provides assistance to councils to improve community, recreational and sporting facilities and tourism or to improve their towns. The first round of applications for funding from the new commitment will close on 15 September 2000. Larger councils with over 15,000 people are not eligible under this program because they are eligible now under the Regional Centres Program. For a number of years the RLIP has operated under two different names, that is, the RLIP or the RCIP.

**Mr PITT:** Minister, page 11 of the MPS under "Regional and Strategic Planning Services" states that the department has—

"Finalised the Gulf Regional Development Plan and commenced implementation (in collaboration with councils) of the Far North Queensland Regional Plan and the Townsville Thuringowa Strategy Plan, providing the strategic frameworks for managing growth and development in these regions in the next 15-20 years."

I was in Cairns when you and the Premier launched the FNQ regional plan. It appeared to me that, after eight years in the making, it was very well received. We now move into the implementation stage, which is probably just as important as getting to the point we are at now. What dollars are going to be put into this program? What flexibility mechanisms are within the ongoing development of the plan itself?

**Mr MACKENROTH:** It would be very difficult to put a dollar value on what goes into regional planning. My department has an allocation for regional planning to operate the offices and the Regional Planning Program. Every department has input into the work that is done. It may very well be the DPI that is required to do some work or the Department of Transport. Those departments are required to expend funds which will go towards the implementation. From our perspective, it would not be possible to put a dollar value on it. However, the most important dollar value is in the savings the Government can make by having in place a proper regional plan.

Now that the FNQ 2010 plan has been released and put in place, each council in far-north Queensland that encompasses the area where that regional plan has been done will redo its strategic plan. Under the Integrated Planning Act, all councils are required to put in

place a new strategic plan by 2003. They will be required to pick up the work done over the past eight years in their regional plan. In other words, the macro view that has been looked at in terms of the region will be put down to the micro level of the strategic plans of each individual council. By doing that, the State will be able to ensure that the planning that is done looks at the infrastructure that is necessary for the region. By looking at that necessary infrastructure, we are able to save money by ensuring that the money expended on infrastructure by Government is done in a proper and organised way rather than a piecemeal way which would require the Government to spend money out of sequence.

In terms of money from my department for specifically running the program, over the next four years we have allocated \$1.25m per year to simply run the regional planning process, but there are far greater savings to Government that come from having in place regional plans. We are now working on regional plans in eight different parts of the State covering 92% of the State population.

**Mr PITT:** Minister, in your answer you did not get a chance to address the second part of my question about the flexibility of the plans. Now that the plans have been laid down, obviously things will occur in time to come and changed circumstances will mean that perhaps the plan has to be revisited. How will that process operate?

**Mr MACKENROTH:** There are two ways. One is actually a review. If we take SEQ 2001, which started 10 years ago in December, we are holding a major conference in December to start a major review of that 20-year planning horizon. Whilst it may have taken five years to put in place and it was in place for five years, we are going to look at a major review. That will need to be done with all those plans. They need to be living documents. The plan is done with a macro view of the whole of a region. As each council looks at it on a micro level—on an actual parcel by parcel piece of land within its council boundaries—that gives the flexibility for some changes if necessary.

There is another way it can come about, that is, changes. For instance, if a land developer wished to develop land out of sequence from what has been agreed on at a regional level and a local level, there is nothing in the plan that stops that from happening, providing it is good planning for it to happen in that area. The State and the councils will then require that developer to pay the out of sequence costs—in other words, the costs that



the State and the taxpayers will need to meet to provide the services to that development because it is being built out of sequence.

The best example of that is a major housing development called Springfield in the Ipswich City Council area. Springfield is regarded as being built out of sequence from the SEQ 2001 plan. It was not stopped from happening, but what we required of the developer was for it to meet costs in relation to the new road that was built. The developer had to meet the costs incurred by the State to bring that forward by 10 years. The developer is required to meet the cost in relation to education facilities and emergency services facilities because we would not have been planning on building those facilities in those areas at that time. The developer is required to make a contribution towards that so that we are able to better plan our infrastructure and the State gets a much better output for its money. We need to look at that. So the plan does not stop things from happening. It is not prescriptive, but of course there will be areas in which people will not be able to do things.

**Mr PITT:** Thank you, Minister. I refer to the same section of the MPS on page 12. One of the non-Government members has already talked about the issue regarding councillors standing for higher office or other office. I ask you to look at the second part of the fifth dot point regarding the possible involvement of the Electoral Commission of Queensland conducting future local government elections. What has brought this about? If it does happen, what do you see as the benefits for the people of Queensland?

**Mr MACKENROTH:** The Brisbane City Council requested the Government to enable the Electoral Commission of Queensland to run its last election. We amended the City of Brisbane Town Planning Act to allow that to happen. The request from the Brisbane City Council is an increasing trend around the State for chief executive officers of local governments to appoint external persons to take on the role of returning officer. This highlighted to the Government the need to consider whether the Electoral Commission of Queensland should assume a greater role in the conduct of local government elections.

In general terms it is expected that a number of local governments could benefit from having the option of arranging for the Electoral Commission to conduct their elections. The increasing demand on CEOs and their changing role in large urban councils have been factors in councils calling for a

greater range of alternatives for organising and conducting elections.

It also reduces the risk of possible negative effects on relationships with future councillors as a result of decisions taken by the CEO while performing the role of returning officer. You might recall that after not the last council elections but the ones before there was the greatest turnover of mayors in Queensland there has ever been. Following that there was the greatest turnover of CEOs. I think some of that goes back to the fact that the CEOs may have been returning officers. We cannot prove that, but that could have been a factor.

Another advantage for local governments would be reduced disruption to other council business as a result of the CEO conducting the election. We have asked councils for their views on this. We are looking at it. We believe there could be benefits. Naturally, the Electoral Commission of Queensland, if it were to get the job of doing it, would not specifically run the 125 local government elections in the State. It would send a lot of those out to individual people, as some CEOs are now doing, by employing outside people to run their elections. We will consider that when we get the views in from communities.

**Mr PITT:** Will that same situation apply to Aboriginal community councils?

**Mr MACKENROTH:** That is a decision that would be made by that Minister. When we amend the Local Government Act in relation to elections we always consult with the Minister responsible for that Act as to whether those provisions should apply. That is a decision that would be made in the first instance by that Minister but then by Cabinet.

**Mr HOBBS:** Minister, I refer to Logan City vs Hume Doors, which is indirectly referred to on page 9 of the MPS. It states that the department contributed to a more effective and accountable local government system through clarifying and validating certain water charging arrangements of local government. The court case came about because water rates for Hume Doors, which was not a big water user, went from approximately \$800 to \$25,000 per annum. The legislation you put through the House was to validate two-part water tariffs introduced by some councils in Queensland, which we agreed with. You also stated that Logan City would revisit those outrageous charges. It is now six months down the track. What is the water charge applicable to Hume Doors today?

**Mr MACKENROTH:** The Logan City Council gave an undertaking to me to review

its water charges in light of the court action and consult with business on the matter. A significant step towards resolving the business concerns was taken by the council, which passed its 2000-01 budget on 3 July 2000. The council has adopted a new schedule of water charges. From 1 July, access charges to business will fall from \$200 per annum for a 20mm water connection, with the charge scaled upwards for larger connection sizes, to \$160. The decrease will mean significant savings for business with larger diameter water services.

In addition, the contentious issue of fire services has been addressed. Fire services will from now on be charged a flat rate of \$160 per annum for access, rather than calculated on the size of the connection, which resulted in charges of \$5,000 for 100mm connections and \$24,000 for the larger 150mm fire services for Hume Doors. This is a significant breakthrough which the council believes will satisfy most businesses, including Hume Doors. So the answer is that it has dropped from \$24,000 to \$160.

**Mr HOBBS:** Thank you. Those machines actually work, then?

**Mr MACKENROTH:** They do. So does my undertaking.

**Mr HOBBS:** I refer to question on notice No. 7 relating to the RLIP. You stated that no new allocations were made from RLIP in 1999-2000. The 1999-2000 program statement stated that RLIP was expanded to a \$4m program in each of the two years. It was \$3.2m per year and I think you bumped it up to \$4m per year for each of those two years. In last year's question on notice you offered \$2.1m to councils. Where did the rest of the money go and why have you not made further offers to councils with the funds that were originally promised?

**Mr MACKENROTH:** As I said before, there were two programs which were basically the same—RLIP and RCIP. The funds we topped up went into the RCIP. It is Rural Communities or Rural Living, so it did not make any difference. It went into that program. The commitments in that program, other than the top-up money, had already been made by the previous Minister, so I have no control over that.

**Mr HOBBS:** So you are saying that, of the \$4m, you have put in only \$2.1m. So you say all the rest of it was committed by the previous Minister?

**Mr MACKENROTH:** It was committed by

her, but we had to put all the money in because it was our budget. But I met her commitments.

**Mr HOBBS:** That should show up in the budget figures for the year, though. It does not affect the yearly figures. It does not matter who the Minister is. July ticks over the same.

**Mr MACKENROTH:** The previous Minister over-committed funds by \$1.2m. Maybe that was because an election was coming on. I would not be critical of it, but you did ask the question.

**Mr HOBBS:** I will come back to that later. You have not put any figures in this year's budget in relation to the Advanced Waste Water Treatment Technologies Program. What is to be spent this year? Also, what do you expect to be spent this year on the Landfill Remediation Assessment Program?

**Mr MACKENROTH:** Applications for the third round of the Advanced Waste Water Treatment Technologies Program closed on 30 June. Offers are expected to be made in October 2000. Up to \$3m will be available for distribution in this round. The next round of applications is expected to close around June 2001. So there will be \$3m available this year.

The Government provided \$7.5m in the Landfill Remediation Assessment Program, which was available as 50% financial assistance to local governments to investigate the extent of any environmental or public health risks from council landfill sites closed prior to July 1998. The program targets closed dumps mainly because it is more difficult for local governments to raise revenue for these, whereas work required and operating facilities can be factored into the charges and a quantum of funds allocated for the program. The cut-off for closure relates to the year in which the program started.

The program was introduced as a result of the Local Government Association of Queensland's request prior to the last State election for a 50% subsidy to assist councils with an estimated \$700m in works. There is no way that anybody knows the amount, and that is the problem. There is no reliable estimate of the remediation costs. The objectives of the program I put in place are to determine the magnitude of the environmental and public health risks from the closed landfill sites and to provide an estimate of the remediation costs. Not a lot of councils are actually prepared to have a look.

**Mr HOBBS:** Local governments, industry and the community are seeking assistance to fully implement and use the Integrated Planning Act to achieve the objective of

significantly reducing the costs of doing business in Queensland. I think mention of that is made on page 3 of the MPS. Why is it that, under you as Minister for Local Government, approval costs of building a home in Queensland have gone up?

**Mr MACKENROTH:** The costs for seeking a building approval are council charges, not State charges, and I guess the problem is that your legislation, which you take credit for, does not give—

**Mr HOBBS:** Which you do, too.

**Mr MACKENROTH:** But you are asking this question; I will give you this answer. It does not give the State the power to regulate the charges for building applications. The only way that we could actually control it would be to bring in hidden charges. So that has not been done on the Act.

**Mr HOBBS:** But are you going to do something about it? Are you looking at it? Do you want these rates to go up or not?

**Mr MACKENROTH:** We are looking at council charges right across-the-board in relation to development and development applications, and if we believe that it is necessary to take some action, yes, we will. I would be prepared to do that.

**Mr HOBBS:** You would be?

**Mr MACKENROTH:** Yes. Councils have to be able to get back the money that it actually costs them. It is whether there are charges there that we believe are outside of what it actually costs to deliver.

**Mr HOBBS:** That is true. Just while we are on the IPA, can you advise the Committee when full details of the review that has been undertaken in relation to the Integrated Planning Act will be made public?

**Mr MACKENROTH:** We already have in place a review organised by the department with all of the stakeholders who have been involved in it, which is going to be held in early September. That will be a two-day workshop where not all the groups that have made submissions but all of the industry groups, including the Environment and Local Government Association, will be involved in actually working through the issues that have come through with the review. That will be done. I can make available to you at that time a copy of the review document. It is not a secret or anything like that, but I don't know that there will be a public launch of it to say, "Well, this is the review document." It is fairly detailed and complex, and I don't know that anything is going to be gained out of releasing

it as a public document. But it is not a secret document.

**Mr HOBBS:** It is just that there has been a bit of public comment that there are some problems that we all recognise in the IPA that we are all trying to work through. We all want to get to the one end, and we are just trying to get it going.

**Mr MACKENROTH:** I appreciate that, and we are going to have this workshop that will work through it. That, as I said, will be early September. At that time, we will make a copy of the document available to you, and if you wish, someone from the department can actually go through any of the issues with you after you have had a look at them.

This is a result of actually getting the responses from industry and the community and the different stakeholders as to what their concerns are with the Act. So we have done that. Now we have to go back through and see whether we can make it work better. What we intend to do is to work up two amendment Bills, one towards the end of this year and one next year, to pick up the changes that will be made to make the Act operate better. So we will make that available. I will let you know when. We will get it for you. After you have had a look at it, we will make someone available to go through it with you if you wish.

**Mr HOBBS:** Okay. I refer to the local government planning schemes that have been implemented throughout Queensland. The cost and complexity of these schemes is increasing. I understand you allocated \$400,000 last year to assist local governments but you spent only half of that, I understand. What assistance have you provided this year to assist local governments to implement their new town planning schemes? Will you guarantee that there will be adequate staff available from your department to do that?

**Mr MACKENROTH:** Each council that is actually doing a new scheme, we have dedicated officers to work through the new schemes with them. I think that there is a little bit of, I guess, politics played in relation to the costs by local government and whether they can get some money out of the State to help them do their work with this. The previous Act required councils to review their strategic plans every seven years. So there actually was a requirement in the Act for councils to review their strategic plans every seven years. Your Government introduced the Integrated Planning Act in 1997. It required councils to review their planning schemes by 2003, which is a period of between five and six years.

Knowing that the Integrated Planning Act was actually coming in, councils held off doing a review anyway. There is no greater requirement on councils to do a new planning scheme than there was before. In terms of actually doing a planning scheme or reviewing their planning schemes, there is no greater requirement today than there was before. So there are no extra costs in actually having to do a review. There may be some extra costs in councils getting to understand what the—

**Mr HOBBS:** The complexities.

**Mr MACKENROTH:** I don't think it is complex. I think that it is much simpler. People find it complex in terms of talking about it because they are thinking inside the square that they used to think inside and not inside the scheme as it operates today. As we get more and more aware of what the Integrated Planning Act does and the way it operates, I think that a lot of those barriers are being broken down in people's minds, so it becomes much more simple for people to understand.

So I don't know that there are a lot of extra costs. The costs are in training the staff. We have been running workshops. We have run 100 IDAS-related training workshops around the State already, which have attracted over 3,000 local government and State agency and industry participants. We have distributed a wide range of practical training materials to local governments and State agencies. We have maintained and updated an Integrated Planning Act dedicated website containing a substantial supply of resource materials, including legislation updates, planning notes guidelines, implementation notes and forms. So we are doing our bit.

**Mr HOBBS:** You said you were also going to do a whole-of-Government review of the planning schemes to ensure that the State's interest in public and private sector infrastructure requirements are incorporated. We have three schemes approved now, I understand: Maroochy, Brisbane and Warwick. Are you talking about reviewing those schemes, or are you talking only about the new ones that are coming on?

**Mr MACKENROTH:** No, the new ones that come on. The major fundamental difference in the way the State interacts with planning schemes under this Act compared with what it did previously is that prior to the council advertising its scheme for public comment, the State has its input. We coordinate the State interest into that review. So when the council does its review of its planning scheme, the State has to do its review of it as well. We put our views into that.

We get State agency views on what the council is trying to achieve to actually make the objectives of the State work that much better. So we do that.

The difference in that from what it used to be is that, previous to this, the council would go off to do its scheme, take no consideration of State interests at all—and the State didn't want to have any consideration—and then they would have an input at the end of it if they wanted to, and in many cases it did not happen. It was much easier for State officials, say, to plan for a school under the old planning system, where they would plan for a school when they had 400 kids already living somewhere wanting to go to school, than it is today, where they need to look forward as to where there are going to be 400 people living and where they will need to plan for a school. So we have put greater requirements onto the State in terms of what it needs to do with its infrastructure planning, and that provides, I think, much better planning for the State Government in terms of what it is trying to do and how it achieves the best outcome for taxpayers' money.

**Mr HOBBS:** Fair enough. I refer to an advertisement by the Calliope Shire Council in its local paper stating that water prices will increase for urban consumers and industry because the State Government has decided to impose a tax on borrowings for the raising of the Awoonga Dam. The tax—or rort, as they stated in the advertisement—is likely to cost the community as much as \$1.8m per annum. Total income for water sales by the board is currently \$13m per annum, therefore \$1.8m in tax represents a 14% increase in current water sales. In your position as the Minister for Local Government and also as a member of the Cabinet Budget Review Committee, do you support these increases in water charges?

**Mr MACKENROTH:** I do not believe what you have told me is in that ad. I have not seen the ad. I do not believe—

**Mr HOBBS:** That is the one there.

**Mr MACKENROTH:** I have not seen it. I do not believe what they have put in it is true. So, therefore, what I support does not go with what they are putting into that—

**Mr HOBBS:** So you reckon that that is not the case? You reckon they got it wrong?

**Mr MACKENROTH:** No, no. If they are going to put up their water charges, they might try to blame the State, but that is not the truth. That is not the truth. If you want to give me a copy of that, I will get you an answer, not necessarily within this Estimates committee process. If you are happy, I will get a detailed

answer. We may need to get some further details from the council, but the charges that—or if something came from the State in relation to borrowings, they are not telling the truth.

**Mr HOBBS:** Thank you for that. At last year's Estimates committee you stated that you were undertaking a Statewide survey of urban water and sewerage infrastructure. What conclusions have you reached to date, will you make those findings public and do you propose any financial changes to that package? That relates to MPS page 21, dot point 6, urban water and sewerage charges.

**Mr MACKENROTH:** Are you talking about this year's MPS?

**Mr HOBBS:** Yes. Last year you said that you were going to do a review of it, looking at the urban side of it as well.

**Mr MACKENROTH:** The project has not been started. It is being done this year. It is a complex study and it was essential that the terms of reference were thoughtfully constructed and a suitable consultancy put out for tender. Whilst it is a department approved project by my department, it is in fact being managed by another department using a steering committee. Due to staff changes and other work priorities, the project was delayed but is now on track for completion this financial year. A steering committee to guide the project was established and first met in October 1999 to consider the draft terms of reference prepared from initial consultations.

Offers to undertake the consultancy were advertised in January and closed on 29 February 2000. Offers received were evaluated and three short-listed offerers gave a presentation to the steering committee on 20 April. The three short-listed offerers were invited to submit a price for the work by 8 June 2000. Priced offers were received from three short-listed offerers. The steering committee met to consider the three offers on 3 August. The committee agreed to a recommendation that further discussions be held with the preferred offerer to clear up some issues of concern prior to making a recommendation to Ministers in September 2000. The meeting is scheduled to be held on 10 August.

**The CHAIRMAN:** The time for non-Government questions has expired. I call the member for Fitzroy.

**Mr PEARCE:** Page 19, dot point 2, makes reference to \$1.1m being allocated to 39 projects to improve security and safety in public places. Could you please provide the Committee with details of some of the projects

funded under this program? Has public safety been improved because of these initiatives?

**Mr MACKENROTH:** Under round one of the program the types of works that were funded were the Bowen Shire had security lighting for its esplanades and its parks, \$25,000; Brisbane City had a safety project at a lagoon and New Farm Park; Bundaberg City, security lighting; and Clifton Shire, the installation of a public telephone at the recreation grounds and security lighting in three different areas. In some of the Aboriginal communities we looked at improving existing security measures over the council's workshops, storage and plant areas and fuel depots. Round two provided security lighting in a number of places. A lot of it has gone into lighting and to improve different areas. The project is available to councils on a 50% basis, so councils make their applications, but it is actually part of the Government's crime prevention strategy to see safer communities.

**Mr PEARCE:** So you would not know unless you were living locally if these initiatives had been effective or not, would you? You would not really know unless you were the local authority concerned if these initiatives are having an effect.

**Mr MACKENROTH:** We will evaluate the projects with each local government in consultation with any other organisations that are involved and, after six months and 12 months from completion of the project, each local government has to provide an evaluation report to the assessment panel outlining the project outcomes in comparison to its objectives. At this stage, there have not been any assessments completed, so we are actually going back to each local government that receives funding and requiring them to do a six-month or 12-month assessment against the benchmarks that they put forward. So we will have assessments that can be made and those assessments will help to guide us towards whether the scheme should be continued or expanded, or how we should use it in the best way.

**Mr PEARCE:** At page 19 under "Review of Output Performance" "Recent Achievements", "Access to Government, Information and Services" dot point 1, reference is made to the Ministerial Regional Communities Forums. Just explain to the Committee what are these forums and how are they proving beneficial to the regions and probably, in fact, beneficial to Government.

**Mr MACKENROTH:** The Government set up the Regional Communities Program as part of my portfolio to really get the Government

involved in communities outside of Brisbane so that the Government is not listening only to people in Brisbane. We set up eight regional communities forums, so in eight areas of the State, excluding Brisbane—in the growth areas—we established a community forum. In the rural areas under the Minister for Primary Industries, there is now a forum that has been established to represent the rest of the State. So everyone except for Brisbane City are actually covered by a forum in some way. The forums are held every three months and represented on those forums are 20 local people who nominated themselves or were nominated by other individuals at conferences which were held in February last year.

At those conferences we asked for people to nominate themselves in different categories—it may have been health, law and order, environment, business, tourism, primary industries, indigenous—a whole range of areas. We also asked local community leaders to nominate themselves to be the people who would select the people to represent them on the forum. So we had local people meet on a panel and select from the people who nominated to make those 20 forum members. Each quarter we have a meeting and at those meetings people are able to bring forward issues relevant to those regions which the Government actually has to respond to.

We get a lot more issues coming forward than the ones that are actually discussed at the forums, but all the issues that are brought forward come to me and then go to the individual Ministers and are responded to. Anyone who raises an issue in our Regional Communities Program gets an answer from the Government. So we are able to better listen to what communities have to say about what they want to see the Government doing in their community.

It also enables the Government to go to those communities and to tell them what we are doing and enable us to better liaise and communicate. We require the members on the forums to actually communicate with the sectors that they represent so that the message is spread very broadly throughout the regional community as to what is happening in terms of that relationship between the forum members and the Government.

**Mr PEARCE:** On page 21 of the MPS, under the heading "Administration of Local Government Grants and Subsidies", reference is made to a Statewide survey of urban water and sewerage infrastructure to help ensure that the highest priority water and sewerage

needs across the State are addressed under the Smaller Communities Assistance Program. I know that this is a small question in the overall picture, but what is the expected cost of this survey and, given the ability of local councils in conjunction with agencies to determine priorities, why is it necessary to have such a survey?

**Mr MACKENROTH:** An adequate supply of water and sewage disposal are prerequisites for improved public and environmental health as well as achieving social and economic development in Queensland's urban areas. These services are almost exclusively provided by local government. The State has an interest, however, in seeing that adequate services are available to communities.

The survey will report on and document the current status and future needs of urban water supply and sewerage in communities with a population of over 50 people. In particular, from the perspective of this portfolio, the survey will enable future funding from the Smaller Communities Assistance Program to be directed to areas of highest need. The survey will also provide an indication of the adequacy of the remaining funds in the Smaller Communities Assistance Program. An amount of \$87.8m of the full \$150m available in this program has been offered to date.

The survey will be undertaken as a consultancy administered by the Department of Natural Resources under the guidance of a steering committee comprising my department, the Department of Natural Resources, the Department of Health, the Department of Aboriginal and Torres Strait Islander Policy and Development and the Local Government Association of Queensland. The Department of Natural Resources will contribute \$200,000 towards the cost of the survey. My department will fund the balance of the cost. The total cost will not exceed \$500,000.

**The CHAIRMAN:** The member for Mulgrave?

**Mr PITT:** Minister, on page 12 of the MPS, under the heading "Future Developments" and the subheading "Policy Advice", dot point 6, it states that it is your intention, through your department, to develop new State planning policies in collaboration with relevant State agencies as a mechanism to achieve the Government's objectives of planning issues of State and regional significance. I am just wondering if you could let us know about the success of the existing State planning policies. Obviously, if you are going to develop new State planning

policies—and I see in the MPS "where necessary" in parenthesis—you must have some idea of the areas that may need to be covered.

**Mr MACKENROTH:** Yes. There are four State planning policies, I believe, in place at present—agricultural land planning policy, a State planning policy in relation to aerodromes and a State planning policy on the Koala Coast. We have also recently released a temporary State planning policy on the management of coastal development involving acid sulfate soils. That has only just been released. That is a temporary document, and that is the way you go about developing the document. It goes out for a year. So it will be a year before it is made into a permanent State planning policy.

I think that the State planning policies have been very helpful to the Government—to councils to help them to plan, and to enable us to make better planning decisions. The first one introduced, the agricultural land policy, has enabled us to make decisions in relation to development applications. Where good quality agricultural land is proposed to be developed, we use that policy to ensure that we are not allowing further fragmentation of good quality agricultural land areas. So we are able to use that policy as a planning tool to not allow development to happen and to really break down agricultural areas. If we want to remain a State that is a producer of agricultural products, we have to have good quality agricultural land. Unfortunately, it is usually the easiest land to subdivide and it is the area where developers have traditionally looked. So that is actually working fairly well.

In relation to the future planning policies, we are negotiating with the Department of Mines and Energy at present on a State planning policy on extractive industry. The Minister has agreed with me that we should develop a State planning policy on extractive industries. We are also working with the Department of Emergency Services on a State planning policy on land use planning for disaster mitigation. So that is being done now. The department is working with Emergency Services on land use planning for dangerous goods so that we have some codes in place that we are able to use in those areas.

We are looking at the draft planning guidelines on the first policy, which was 1/92, which was the development and conservation of agricultural land. We are actually looking at replacing those planning guidelines, and that is being discussed now. So we are working on those.

**Mr PITT:** Minister, I refer to page 16 of the MPS. Under the heading "Location" in the table, in regard to the proportion of departmental seminars, workshops and forums held outside the Brisbane/Moreton statistical division, I notice that the 1999-2000 target was 60%. You actually achieved 64%. But then for 2000-01 it drops down to 52.5%. Is there a reason for the fall-off?

**Mr MACKENROTH:** I would think because we are not running into council elections. They are on-demand services that we actually run. The department, in the lead-up to the last council election, ran a lot of seminars and workshops around the State. So there were a lot outside this region. That would be the reason, I think, for the drop down, mainly.

**Mr PITT:** Also in the same page in the note section at the bottom, note 6 states—

"Queensland State Archives has initiated in the last year a series of regional visits/seminars providing services to its regional clients, resulting in a reduction in regional clients having to make a personal visit to the State Archives facility."

I am just wondering if you could elaborate on the success of those regional visits. I also have a question in respect of the extent to which we are using technology to mitigate against having to make a personal visit anyhow.

**Mr MACKENROTH:** We have just launched an on-line facility to actually do that—to enable people to access the information that is available. Whilst you cannot at this stage actually access the State Archives documents, you can access their database to see what is available. In many instances, you are able to use the public access interface to provide researchers outside Brisbane and the south-east corner with information—either to access it and maybe stop them needing to make a visit to the archives or, if they do go there, it is a very quick visit. Then they can call somebody and get information over the phone after they have accessed the database, which is available over the Internet.

**Mr PITT:** The last sentence on page 19 reads—

"More than \$1.6M was also paid out to local governments in respect of reviews of their local laws and the costs and benefits of applying a two-part water tariff."

In relation to the two-part water tariff, I understand there were 17 targeted local government authorities that had to look at these things. I would like to know what was

spent in the last year in respect of those. But also, now that we have the local government elections out of the way, there will be some changes in the way in which councils handle their water policies. Will money be made available to those that are going to make a change now because of a different local government political direction?

**Mr MACKENROTH:** The money that is made available to them has been negotiated and they know what is available. If they have actually complied with the two-part water tariff and now want to change the way they are doing it, no, further money would not be made available to them to do that. You wanted details of the \$1.5m?

**Mr PITT:** I think it was \$1.6m. That was for the review of local laws and also the two-part tariff.

**Mr MACKENROTH:** That was paid to 116 local governments for conducting local law reviews and two-part tariff assessments, including the final payment to Brisbane. All local governments were required to review their local laws. That started some five years ago and really was not, in the first instance, a part of NCP. It was part of the new Local Government Act. We required local governments to review their local laws and, as a result of that, almost half the local laws that were in existence in Queensland have been abolished. We have reduced the number of local laws from around 5,000 to about 2,400. We have really made a change in the numbers of local laws that regulate local communities. We have given councils some payments out of this money for that.

**Mr PITT:** The second dot point from the bottom on page 12 lists under "Future Developments" the task of developing new building and plumbing codes that respond to a number of things, including emerging community needs and industry demands to eliminate conflicting and duplicating building and plumbing requirements. How advanced are we on this? Why have the plumbers and drainers in particular been singled out? I notice that the last dot point on page 13, under "Statutory and Regulatory Services", concentrates very heavily on their standards, competency and registration.

**Mr MACKENROTH:** It is pretty simple why they are singled out. They are under my portfolio, and none of the others are. The plumbers and drainers and the plumbers and drainers board are under my portfolio. I think the electricians are under the Minister for Mines and Energy. All other trades are under

the Minister for Fair Trading. That is why we focus only on that area.

There are 11 new codes to be completed. They will include two amendments to the Building Code of Australia. The amendments to the Building Code of Australia will be significant. They will introduce a new building classification that will address the specific functional needs of aged care buildings. Requirements are being developed in conjunction with the Commonwealth Department of Health and Aged Care and the aged care industry. It is also expected that substantial amendment will be made to the requirements of the Building Code of Australia that relate to access to buildings for people with disabilities. This will bring the Building Code of Australia one step closer to satisfying the requirement of the Disability Discrimination Act, which at present does not always recognise the BCA as being of an acceptable standard.

There is one amendment to the National Plumbing Code. The amendment to the National Plumbing Code, Australian Standard 3500, will result in the placement of all matters concerning domestic building installation, which are currently contained in four separate parts of the code, into a single document. This should result in a substantial cost saving in purchasing the code and a more user friendly document. I think those were the areas you were looking at.

**The CHAIRMAN:** The time for questions from Government members has expired.

**Mr HOBBS:** Minister, I refer to dot point 2 on page 22 which relates to mobile communications. I note that you are seeking funding from the Commonwealth's Networking the Nation to improve mobile communication coverage throughout Queensland's national highways and the State's strategic roads. I ask: which road and highways? How far have you got with your submissions? When do you expect to know whether the submissions have been successful?

**Mr MACKENROTH:** There is a \$25m Commonwealth Government program as part of Telstra's social bonus fund scheme that will cover gaps in mobile communication coverage on some national highways. Queensland national highways covered by the scheme are the Bruce, Cunningham and New England Highways. However, mobile communications coverage is almost continuous on these highways, and Queensland will derive little benefit from this program.

The Commonwealth program does not provide for any additional coverage on the



National Highway between Brisbane and the Northern Territory. Accordingly, the department is coordinating the preparation of an application to Networking the Nation on behalf of the State of Queensland for funding to improve mobile communications coverage on Queensland's national highways and State strategic roads, including communities near these roads, not covered by the Commonwealth's National Highways Program. Applications close on 6 September 2000.

Networking the Nation will confirm the eligibility of our project proposal. The department is selecting a carrier to provide the infrastructure and manage the consultation projects with communities. The roads we will be looking at are the national highways and State strategic roads and the communities near those roads that are not covered by the Commonwealth's National Highways Program.

**Mr HOBBS:** Are you talking about going from Queensland to the Northern Territory?

**Mr MACKENROTH:** Yes.

**Mr HOBBS:** Right through?

**Mr MACKENROTH:** The Commonwealth does not cover the areas including the Warrego, Landsborough and Barkly Highways. Our proposal will cover those.

**Mr HOBBS:** Minister, I refer to the Lang Park redevelopment. At last year's Estimates I asked what planning advice you had received. I raised issues about resumptions, particularly in Castlemaine Street. Your response was that there would be no resumptions in Castlemaine Street and that you were unaware of any resumptions of houses particularly. You said that you had heard all of that before. Do you still believe that there will be no resumptions of land in the vicinity of Lang Park if the proposal goes ahead?

**Mr MACKENROTH:** No.

**Mr HOBBS:** No resumptions?

**Mr MACKENROTH:** No, your question was whether I still believed that. My answer to that is: no, I do not still believe that. I believe there will be resumptions, because Cabinet has already made that decision.

**Mr HOBBS:** Last year you said there were not going to be any.

**Mr MACKENROTH:** No.

**Mr HOBBS:** That was your response. You said that there would be no resumptions.

**Mr MACKENROTH:** Being the sort of bloke I am, I thought you would probably ask this. What I said last year was that I was unaware of any resumption of houses. That has not changed. The stand is built in

Castlemaine Street, so there will be no resumptions in Castlemaine Street. Where the stand is, there will still be no resumptions; the stand has already been built. The proposed resumptions that have come about as a result of the environmental impact statement which has been done are of properties that will provide for a mitigation strategy for transport in terms of the bus interchange and also for a pedestrian plaza to enable people to get to the stadium. Those properties, I understand, are in Milton Road and in Chippendall Street.

**Mr HOBBS:** So there will be resumptions? There will be quite a lot of resumptions around the vicinity?

**Mr MACKENROTH:** At this stage—are we still talking about last year and what I said last year?

**Mr HOBBS:** You said there were not going to be resumptions. You implied quite clearly that there were to be no resumptions.

**The CHAIRMAN:** Order! The member for Warrego! You have asked the question. You will allow the Minister to answer.

**Mr MACKENROTH:** Do not try to change what I said last year. I said last year that I was unaware of any resumption of houses. It was the EIS that was done subsequent to that which identified a mitigation strategy—

**Mr HOBBS:** Everybody else was talking about resumptions.

**Mr MACKENROTH:** No.

**Mr HOBBS:** They were. Every consultant—they were all talking about resumptions.

**The CHAIRMAN:** Order! The member for Warrego! You have asked the question. You will let the Minister answer.

**Mr HOBBS:** He is okay.

**Mr MACKENROTH:** Do not try to change—

**Mr HOBBS:** It is in Hansard.

**Mr MACKENROTH:**—what I said last year.

**Mr HOBBS:** I am not changing it.

**Mr MACKENROTH:** You are trying to. Last year I was unaware of any resumption of houses, because it was the EIS that was done subsequent to last year's Estimates Committee which identified a mitigation strategy. So it was the EIS and the consultants which proposed this. In relation to the other question that you asked—and you were asking particularly in relation to the stand—the properties which will be resumed are in Chippendall Street and Milton Road. They happen to be on the corner of it.

**Mr HOBBS:** So there will be quite a lot of resumptions in the vicinity? For your proposal to go ahead there will be quite a lot of resumptions?

**Mr MACKENROTH:** No, there will not be quite a lot.

**Mr HOBBS:** There will not be?

**Mr MACKENROTH:** There will not be quite a lot, no. All of the property owners who are affected have been advised. There will not be quite a lot.

**Mr HOBBS:** Can you provide a breakdown of how you propose to fund the Lang Park development?

**Mr MACKENROTH:** The cost of Lang Park—the budget is \$279.7m. It is proposed that \$80m of that will be funded by loans which will be paid for through the hiring of the venue, through a package of memberships and also through naming rights on the stadium. So it is proposed that that would be from there. The remainder of the money would have to be met through State borrowings.

**Mr HOBBS:** Moving on, you stated that the funding for the Regional Centres Program came from the sale of the TAB. Now that those funds have almost been expended, do you have a proposal to extend that program?

**Mr MACKENROTH:** The proposal to do this is over the next three years. We have only just approved the projects. We have not yet been able to make an assessment on the success of it, although every mayor whom I talk to tells me it is successful.

**Mr HOBBS:** They would be happy.

**Mr MACKENROTH:** We will consider whether it is extended or not. We will make an announcement in good time.

**Mr HOBBS:** I want to talk about the GST. At page 3, dot point 8 of the MPS, it states that the impacts of the implementation of the GST on the department's client groups need to be monitored to ascertain whether any programs or services need to be adjusted to ameliorate, where possible, any negative impacts of the GST for those groups. Are there any programs or services in local government that need to be adjusted because of the negative impacts of the GST?

**Mr MACKENROTH:** No, there are not, because local government grants are not affected by the GST.

**Mr HOBBS:** No. Last year in Estimates you said—

"We do not support the GST. After 1 July this year, we might find that a lot of people in Queensland do not support it."

You further said—

"You cannot just support a little bit of it ... We did not support it at all so we voted against it as a party in the Federal Parliament."

In view of the fact that the implementation of the GST has been very smooth and generally well accepted and you just said that there has been no impact on local government, did you get that one wrong?

**Mr MACKENROTH:** No.

**Mr HOBBS:** You did not?

**Mr MACKENROTH:** I still do not support it, and I have to say I know a lot of people who do not support it. Maybe people in your party room support it, but I know a lot of people in my community do not support it.

**Mr HOBBS:** Last year you indicated quite strongly not so much in the Estimates but throughout the year that there would be impacts on local government. I am interested to hear of the day that you said that there would be no impacts on local governments.

**Mr MACKENROTH:** No. You asked me if there were any impacts on our department's funding of local government, and the answer to that is: no. I suggested that there would be impacts on local government. If you go and catch a Brisbane City Council bus outside the door here, you are paying 10% on your fare in GST. That is an impact on local government. If you go up to the Brisbane City Council car park and park your car, you are paying 10% which you did not have to pay before on top of what you are paying to park your car. When you get your rates bill, you are going to pay GST on your cleansing charges—on the council picking up your garbage. You are going to pay that. There is an impact on local government in that regard.

**Mr HOBBS:** Those councils have not come back to you then in that case and said, "We want more funding because we have been impacted on by GST", have they?

**Mr MACKENROTH:** They are going to have to collect that money and pay it on to the Commonwealth. That is what has been put on them by the Commonwealth Government. Why would they come to me and ask me to fund it? They would go to the Federal Government, not to me.

**Mr HOBBS:** I understood from what you were saying throughout the year that, yes, there would be impacts on there. One of the things that you did not mention before—and you talked about the buses and so forth—is the fact that there are tax cuts and other counter measures to in fact counter those. I do

not think there has been that much of an impact on local government at all.

**Mr MACKENROTH:** I am pleased that you think that. You are supporting your political party. It does not surprise me.

**The CHAIRMAN:** The time for non-Government questions has expired. I now call on the member for Mulgrave for Government questions.

**Mr PITT:** On page 13 of the Ministerial Portfolio Statement, dot point 6 under "Future Developments" states that your department intends to facilitate the dispute resolution process for appeals related to building work with the object of ensuring that these processes are efficient and responsive to client needs. How do you intend to do that, and how will the Building Services Authority fit in with that? Are these appeals by individuals or appeals by local government?

**Mr MACKENROTH:** It is a different matter to what the BSA deals with. The department manages the building and developments tribunal, which is established under the Integrated Planning Act. The tribunal hears appeals about building applications which are assessed by local governments and private certifiers. Tribunals are widely supported by the building industry and local governments as a quick, cost-effective way and non-legalistic way of resolving disputes. It is anticipated that there will be approximately 45 appeals to be decided by tribunals. Efficiency and responsiveness are measured by the costs of lodging an appeal, the time taken to decide an appeal and the level of customer satisfaction with the service provided.

So it is different from the BSA. It is dealing with an application. If you were to lodge an application with the council to build a house and they were to reject it for a particular reason, you could lodge an appeal against that and the tribunal would hear that appeal. So it is able to overrule the council's decision in relation to that. But there is not a lot there, because most things that councils deal with are code assessable. It is very black and white. If the code says you can build your house one metre away from the boundary, that is it. You cannot make it 750 millimetres. It would be silly to take an appeal for something like that where it is really black and white.

**Mr PITT:** On the same page, page 13, the second last dot point talks about improving the overall performance of the local government system and its capacity to service the needs of the community through—and you list three things there. I am interested in the second one, establishing appropriate

complaint management guidelines. Is that in any way connected with findings of the Ombudsman or anything like that? Do we have a problem in respect of this? Is it something that is systemic, or is it just a general decision to try to improve the way in which local government goes about it?

**Mr MACKENROTH:** The biggest problem is that because I am the Local Government Minister everybody thinks that, every time the council makes a decision that they are not happy with, I can change it for them. The standard approach to complaints management in the local government sector in Queensland does not exist at present. The Australian standard on complaints handling will form the basis of discussion with the working group, comprising local government representatives, with a view to determining whether an industry model standard is appropriate and the form it will take.

This is an extension of the department's work to date to improve the resolution of community complaints about local government decisions through the release of a brochure, "Where Do I Go From Here? A Better Way to Resolve Issues with Your Council". The brochure was distributed in hard copy and electronically to local governments in late 1999 for dissemination to members of the public. The brochure was also enclosed with departmental correspondence as appropriate.

The benefits of establishing local government guidelines for managing complaints about local governments include a consistent documented approach to dealing with public satisfaction with the delivery of a service with potential reduction in the numbers of complaints, a recognition of constituents' rights to be heard and receive quality of service and information, promotion of the need to improve internal processes and services to ensure customer satisfaction and the establishment of a base line against which improvements in complaints management can be measured by individual councils and across the local government sector such as the existence and promotion of complaints policies, access to complaints mechanisms online and complaint turnaround times. This would enable councils to better manage complaints within their own organisations. As a result of this, we would not see as many complaints coming to me as the Minister or indeed complaints to the Ombudsman.

**Mr PEARCE:** I refer to page 13 under Advisory Services at dot point two. I note the department's reference to working in partnership with local governments and peak

industry bodies to improve the overall performance of the local government system and its capacity to service the needs of the community. What are the types of programs being funded? Does the department monitor these programs to see if they are achieving the desired outcomes? How does the department determine what funds are allocated to these programs?

**Mr MACKENROTH:** In relation to the benefits of the program, we support improved performance by local governments and their communities in satisfying community needs through the adoption of improved management, operating practices and standards, including financial management and revenue raising. The suite of development and leadership programs will be offered to local governments in 2000-01. Demand for these programs was identified in 1999-2000 through a number of means, including feedback from councils, monitoring of complaints and ongoing discussions with the LGAQ and the Institute of Municipal Management on their priorities.

Programs to be offered include working as a team; advice to councillors on their roles and responsibilities; conflict resolution; material personal interest training; legislative requirements for councillors in declaring their personal interest when taking up office; corporate governance and accountability; training and development activity directed at improving local government corporate management standards in association with the Queensland Audit Office and the Local Government Association of Queensland; corporate planning; training to assist council to meet the requirements of the Local Government Act 1993; the Act and model process for effective planning and consultation with the community; meeting procedures; tips and practices on holding more effective meetings, plus a meeting diary; policy development; training and identifying the need for policy; methods of consultation and a process for development policy which can be implemented and measured; revenue raising and financial management training, including participating in rate user group conferences with a strong emphasis on meeting the requirements of the Act and dealing with problems in implementation; full cost pricing and training on how to determine an appropriate price structure for council business activities; financial management and reporting in conjunction with the Queensland Audit Office; training on local government accounting and audit issues; and performance management benchmarking and performance

indicators training to assist local governments in developing systems for improving their operations in terms of efficiency, effectiveness and quality of service.

In relation to the cost, due to the demand-driven nature of these programs, costs can only be estimated based on previous experience on this type of activity. Development costs, excluding staff costs, for 2000-01 including printing, hall hire and travel expenses are estimated as follows. In relation to working as a team, there is no cost to the department as local governments will contract directly with a consultant selected from a panel of accredited suppliers established by the department. In relation to material personal interest training, there is no cost to the department as local government will contract directly with a consultant engaged by the department on two previous occasions to deliver this training.

**The CHAIRMAN:** The time allocated for consideration of the estimates in the area of Local Government and Planning has expired. We will now move to examine the proposed expenditure for Sport. I remind members of the Committee and the Minister that the time limit for questions is one minute and answers are to be no longer than three minutes. A 15-second warning will be given on the expiration of these time limits. The Sessional Orders require that at least half the time is to be allocated to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in its transcript. I remind all present to ensure that mobile phones and pagers are turned off. Minister, would you like to make a brief introductory statement?

**Mr MACKENROTH:** No.

**Mr HEALY:** Minister, I refer you to page 22 of the MPS under Future Developments. It refers to a contribution of \$2m to the further development of Ballymore. I noticed in an answer to a question on notice that that funding will be used for redevelopment of the southern hill and to make the area safer for spectators. I could not find that \$2m figure in the capital works budget in your department. Was it there? What funding source does that come from? Is that a final allocation for Ballymore? I just could not find it as a line item in the capital works budget.

**Mr MACKENROTH:** This financial year \$2m is to be allocated to the redevelopment of Ballymore for Stage 2 works to the eastern grandstand and southern hill. The remainder of the committed funds has been scheduled

for the 2001-02 financial year as Stage 3. This work will include the upgrade of the northern grandstand, turnstiles and entry gates. The QRU has indicated that, if it becomes a tenant at Lang Park, Stage 3 would not involve the northern grandstand but incorporate other accommodation. In relation to where it is actually located in the Output Statement, it is partly on page 23.

**Mr HEALY:** Is this of the MPS?

**Mr MACKENROTH:** Yes, page 23 of the Ministerial Portfolio Statements. If you look at the table on page 23, you will see that there is an amount of money under "Quantum of sport and recreation capital grants administered". It then refers to note 2. If you look at note 2, the money is contained within that allocation.

**Mr HEALY:** So it is part of that \$25m?

**Mr MACKENROTH:** Yes. It was \$25m for the last financial year and \$28.7m for the next financial year.

**Mr HEALY:** So that is Stage 2, as I understand it.

**Mr MACKENROTH:** Yes.

**Mr HEALY:** That is Stage 2 which is the southern hill and safer areas for spectators. Is there to be a further allocation for Stage 3?

**Mr MACKENROTH:** Committed funds have been scheduled for 2001-02 for Stage 3. If the QRU becomes a tenant at Lang Park, Stage 3 would not involve the northern grandstand but incorporate other accommodation. So we would talk to them about what they would want to do.

**Mr HEALY:** So there is no projected figure at this stage for Stage 3 pending the decision made by Queensland Rugby Union?

**Mr MACKENROTH:** No, there is not.

**Mr HEALY:** Can you indicate to me the total amount to date which has been expended on the redevelopment of Ballymore?

**Mr MACKENROTH:** Total funding for softball and Ballymore was \$6m as at 31 March 2000. In relation to Ballymore, Stage 1 was \$4.931m. Stage 2 is \$2m and Stage 3 is \$2.3m. That makes a total of \$9.231m.

**Mr HEALY:** That final \$2.3m, again, is subject to the decision by the QRU to become a tenant of Lang Park?

**Mr MACKENROTH:** What it is actually spent on.

**Mr HEALY:** Yes, okay. I refer to page 28 of the MPS, under "Administered Items". My question relates to the Gold Coast Events Company and a reference to the 1999 Honda

Indy race. Value to Queensland is estimated at \$42.09m in economic benefit. I realise that an answer to a question on notice states that benefits accruing from the event have been calculated as follows. Nineteen per cent of benefits are to the recreational and personal services section, 17% are to the financial sector, 17% are to the trade sector, 15% are to the transport sector, 10% are to the manufacturing sector and 20% are to other sectors, including communication, construction, etc. What is the methodology for calculating that? The answer does not explain it.

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

**Mr HEALY:** Okay.

**Mr MACKENROTH:** It is probably the same methodology that your Government used.

**Mr HEALY:** We are just checking.

**Mr MACKENROTH:** I will let you know.

**Mr HEALY:** Is the amount of money going into the Sport and Recreation Benefit Fund for the year 2000-01 still 23% of gaming machine revenue?

**Mr MACKENROTH:** Yes.

**Mr HEALY:** What is that figure?

**Mr MACKENROTH:** It is 23%. The problem we have is that we can only project a figure. We will not know until the end of the financial year what it is. The projection for this year is \$55.2m.

**Mr HEALY:** Minister, on 16 May I placed a question on notice. I asked: what was 23% of gaming machine revenue in 1999-2000? Your answer was \$66.7m, based on 1999-2000 budgeted revenue of \$290m. Then you said it should be noted that, pending the outcome of the gaming machine review, funding to the Sport and Recreation Benefit Fund in 1999-2000 was capped at \$49.5m. What I am saying to you is that if, as you indicated, 23% of gaming revenue for 2000-01 was going to remain, there should be an increase in the amount of money going into the Sport and Recreation Benefit Fund.

**Mr MACKENROTH:** There is an increase. I do not have the answer that you have there or the question you asked to know what it relates to. The amount of money that went into the fund this year was \$49.5m. The proposal in the gaming machine discussion paper that went out was that that would be capped at that amount. When Cabinet considered the discussion paper and the recommendations that came from that, we did

not go ahead with that and in fact the 23% remained. So the growth in the fund will continue, providing gaming machine revenue continues to grow. So it was not capped. The proposal that was put forward to Cabinet did not go ahead.

**Mr HEALY:** But it did in 1999-2000. You said it in the answer. You said funding to the Sport and Recreation Benefit Fund in 1999-2000 was capped at \$49.5m. Then I went further and asked you another question: what was 23% of gaming revenue in 1998-99? Again you said \$49.5m. I understand that Cabinet has made the decision now not to cap it, but in the 1999-2000 year it was capped to \$49.5m whereas 23% of gaming revenue in 1999-2000 was in fact \$66.7m.

**Mr MACKENROTH:** I will have to get that information for you. Unfortunately I do not have it. All I know is that the amount was to be capped at \$49.5m. My colleagues listened to my arguments in Cabinet in relation to the 23% remaining. That is what happened: the 23% remained. The money that went into last year's budget was not something I dealt with, so I really do not recall the way this has come about. I will find that out and give you an answer on notice.

**Mr HEALY:** My major concern was that in that 1999-2000 year \$17.2m went somewhere other than the Sport and Recreation Benefit Fund, based on the answer you gave to me.

**Mr MACKENROTH:** I understand that. I will have to check that.

**Mr HEALY:** Okay. Minister, you mentioned that, as a result of the Cabinet decision, that 23% figure will remain. It is guaranteed for how long?

**Mr MACKENROTH:** There is no indication that it will be reviewed. It is not for a period of time. Simply, the 23% remains.

**Mr HEALY:** So, as you said, there will continue to be growth in the Sport and Recreation—

**Mr MACKENROTH:** There will continue to be growth if there is growth in gaming revenue.

**Mr HEALY:** Minister, I refer you to an answer to a question on notice in relation to the economic benefit to Queensland of Olympic teams training in Queensland prior to the Games. It was stated that a full economic benefit assessment had not been done. Why? What methodology was used to calculate the preliminary figure of between \$30m and \$40m?

**Mr MACKENROTH:** We do not have the methodology document here. I am not sure when the preliminary figure was worked out or

whether it was done prior to me. We do not have the methodology here, so we would have to check that for you. It would appear to me that the economic impact has been done by the Department of Tourism. We would have to get from it what methodology has been used to actually come up with that figure.

**Mr HEALY:** The answer you gave to the question on notice was that a full economic benefit assessment has not been undertaken.

**Mr MACKENROTH:** What has been done has been done by the Department of Tourism. I would have to find out from it what model it used. One of the problems we have in doing a full economic benefit is that we are signing up new teams almost every week. It is very difficult to do a full economic benefit at any given time. Three or four months ago we had 120 teams training in Queensland. We now have 157 teams. So there has been an increase of something like 37 teams in that period. They vary in size; some of them are only two-person teams and some of them are larger. So it is difficult to be able, I think, to do a full economic impact on something where we don't know what the numbers are going to be because it is continuing to grow. So the estimates that were done would have been based on some estimates of what the teams would be. We will find out what those were and why. But that would be the reasons why that would happen.

The model, I am told, is a tourism model based on the numbers of teams over the numbers of nights that they stay here. So that is the modelling, but we will get the details. But we still don't know the numbers, because people are still signing up, even as far away as Toowoomba.

**Mr HEALY:** That preliminary figure of 30 to 40 is based on your departmental assessment, not the—

**Mr MACKENROTH:** No. That was done by the Department of Tourism. They provided us with that information.

**Mr HEALY:** Okay. Can I just refer to the proposed Lang Park redevelopment and the figures that you supplied earlier to my colleague the member for Warrego? If the \$80m cannot be found from such things as loans and memberships and private sector involvement, will the proposal go ahead, or will the Government be forced to include that in its additional borrowings?

**Mr MACKENROTH:** The Government's decision to proceed with the redevelopment is based on actually putting in place the tenancies. They are being negotiated now. The other parts of the model, I think, will come

into place. I believe that providing that we do get those tenancies, we can then make that final decision and we will know the value of the loans that can be serviced by the income that will come in there. We will know that. So I believe that we will be able to do that.

**Mr HEALY:** Could I go back to the Sport and Recreation Benefit Fund again? I know that it is only a short period, but the basis of my questioning is on some of the answers that I did require for the 1999-2000 year in relation to that capping. I am still trying to find where that additional \$17.2m went to. I am just wondering if you have had a chance to research that.

**Mr MACKENROTH:** What, since you asked me? I told you I would get the answer back to you. I will take it on notice. Let me go away from here; I will send it back down the road. I need to go away and find out further details from Treasury. I cannot give you that information now. I don't know.

**Mr HEALY:** It is fairly important, and there are a lot of sporting organisations out there which have raised this with me in relation to this particular issue, because they believe that they have been duded somewhat in that particular year in relation to the amount of money that did not go into that fund as a result. I think it is reasonable that I raise those issues with you.

**Mr MACKENROTH:** And it is reasonable that I give you an answer, and I will.

**Mr HEALY:** That finishes my section.

**The CHAIRMAN:** Time now for Government questions. In relation to Lang Park, the impact assessment study, what is the present cost of that study? What did the study include? From past stadiums, is this regarded as one of the most comprehensive studies to have been undertaken in regard to a facility such as proposed?

**Mr MACKENROTH:** I think that the EIS would be one of the most comprehensive. We went through a very lengthy process. It took about eight months to actually undertake the complete EIS. We engaged a number of different consultants to go and talk to the local community about the concerns that they had, so that we actually had an input in helping to develop the terms of reference for that. We put those terms of reference together. We then went through a process of inviting people along to meetings every week to go through the issues. As the EIS was being put together, we were working with the local community to find out what their concerns were and actually building up the planning of the new stadium.

In building that up, we were able to address the concerns of local residents.

One of the things that I said to some of the local people when I met with them was that whilst I understood that some of them would never agree to seeing a stadium built in their community, the best thing that they could do was to involve themselves with the consultants to ensure that, if a stadium was built there, at least it addressed as many of the concerns they had as possible. The community did that, and we were able to look at things such as light, which was one issue. The consultants have come forward with a proposal that there be no light towers at the stadium, that all the lights will actually be contained on the roof. So there will be less light spillage from the stadium—which will seat another 10,000 people—than there is at present. In relation to noise, it will contain noise within the design of the stadium, whereas the previous stadium allowed it to go out. So there will be less noise for local residents than there was before.

In relation to the costs, you would appreciate that we are presently only a part of the way through a process, and because of that, it is really not possible to release those costs. They will be made available in time, but it is not possible to release individual costs at this stage, because a number of consultants that have been engaged will have the opportunity to tender for further work, some of it of a similar nature, and it would be wrong to have the costs in the public domain at this stage. So for a commercial-in-confidence reason, that information is not available, but will be in time.

**The CHAIRMAN:** With reference to one of the answers to the questions on notice re funding, I notice the Mount Gravatt Showgrounds were allocated \$50,000. Could you inform the Committee of what the purpose of these funds was?

**Mr MACKENROTH:** Seeing as you are the local member, I will tell you, but this one is actually back in Local Government, not in Sport. It comes out of the subsidies to show societies, which is part of the Local Government portfolio. But, Mr Chairman, I am sure you will not rule it out of order. The Mount Gravatt Showground Trust was allocated \$53,908 in the last financial year, but unfortunately, I do not have the actual details of the project here. We can find those out. I will take that on notice.

**The CHAIRMAN:** With reference to sports funding as a whole, could you inform the Committee whether there has been a review

done by the department on sports funding, and if so, has that been completed? What were some of the findings, and what impact will that have on the funding guidelines in the future?

**Mr MACKENROTH:** There has been a review. It is not into what is funded but is actually a review into the way that the systems operate. So there will be no changes to what we are actually funding. What I would like to see happen is to make the system easier to operate—or the systems that we have easier to operate—for the sporting groups. For instance, the latest set of guidelines calling for funds to sporting bodies which have just gone out will enable the sporting bodies to apply for three-year rolling funding. That is the first time that that has happened. So that is a change which will be to the benefit of sports. Major sports will be able to know that that they have got funds guaranteed for three years, provided that they meet the criteria which are set down.

I am actually looking at and want to see some of the applications that sporting bodies are required to make streamlined so that things are much simpler. I think that most sporting bodies that apply for funds from the Government do so year after year and I think that requiring them to provide some of the information year in, year out does not achieve anything. I think that if we get them—not preregistered, but if they make an application and we have that information on hand, we should not be requiring them to provide us with all of that information every year or in relation to every funding application they make because some of them may make four funding applications in one year.

So I would like to try to streamline the way that sporting bodies deal with us which will make it a lot easier for them and also make it a lot easier for us in terms of the processes that we have within our department. I would like to see those things happen. Those are the sorts of things that are being reviewed and that we are trying to get to work, not actually the types of projects that are funded. There are no changes proposed in relation to those.

**The CHAIRMAN:** There is a strong concern within national sporting bodies about the future of the AIS and Federal Government funding, particularly after the euphoria of the Olympics, and there is a concern amongst them about the downgrading of the AIS in Canberra. Could you inform the Committee what the plans are for the QIS for this year and for the future?

**Mr MACKENROTH:** The QIS will continue. We plan a review following the Olympics

ourselves. I understand the Federal Government is looking at how it can cut back the funds. We are not looking at how we can cut back the funds. We are looking at how we ensure that the QIS actually works. The QIS operates on a four-year cycle, and the board is actually going to do its own review of the operation of the academy and its future directions. That will be done following the Olympics.

I think that we all need to be concerned if funds are taken away from the AIS and the elite athlete program. I think that elite athlete programs actually help us to create the very base programs. If we have got elite athletes who are doing very well, it encourages young people to be involved in sport and physical activity. We do need those elite programs for people to aspire to so that we can have that strength at the very bottom which leads to better health and healthier communities. So I support elite athlete programs and the Government will continue to do that.

**The CHAIRMAN:** Further in relation to that, could you explain the assistance that your department has given to both the Olympians and paralympians leading up to the Games?

**Mr MACKENROTH:** The Government has a bonus grant system in place where each Queensland athlete selected to represent Australia at the Olympic Games and the Paralympic Games is awarded a grant of \$10,800—a bonus grant. Those grants are at present being presented to athletes as the sporting teams are announced for the Olympics and the Paralympics. We are making presentations. We have started them and they will continue to be made to those athletes over the next month. But that assistance is actually in recognition of the sacrifices that those athletes have to make. A lot of them cannot work the hours that they probably needed to. But the other assistance that we give is through the QIS itself where athletes are able to use the information that is available at the QIS. Whether it be career and education services to help them to do things, the biomechanics, the physiology and strength and conditioning—they will continue to be areas where athletes are able to utilise the QIS to help them to achieve their best at the Olympics. That is the sort of work that is being done there.

**The CHAIRMAN:** The member for Mulgrave.

**Mr PITT:** On page 20 of the portfolio



statement under the heading "Sport and Recreation Infrastructure, Facilities and Support", the last dot point mentions-

"Improved sport and recreation opportunities within Indigenous communities by supporting the employment of 12 Indigenous Recreation Officers within those communities."

Could you let us know where they have actually been appointed and if you intend to appoint more.

**Mr MACKENROTH:** The program that is running now at Napranum is being hosted by the Napranum Aboriginal Community Council, Aurukun by the Aurukun Shire Council, Lockhart River by the Lockhart Aboriginal Community Council, Hope Vale by the Hope Vale Aboriginal Community Council, Mornington Island by the council, Doomadgee by the council, Normanton by the Carpentaria Shire Council, Palm Island by the Palm Island Council, Woorabinda by the Woorabinda Community Council, Logan by the Logan City Council, Cunnamulla by the South West Queensland Aboriginal Cooperative Community Advancement Society and Brisbane by the Brisbane City Council. So they are the areas that actually have the local Indigenous recreation officer.

The program was a trial program. We extended it this year, allocated money to it and will continue to monitor it and see how successful it is. Depending on, I guess, the longer term success of it, we will make decisions as to whether it is extended any further. There is no plan at this stage to extend it. It will be a decision that will be made in the future.

**Mr PITT:** The 12 officers and their allocation; was that on application by those councils or was it a decision by the department to allocate those people to those particular councils?

**Mr MACKENROTH:** The actual decision on where they were situated was made before I was the Minister, so I might just have to check as to how—

**Mr PITT:** The reason I ask is that the Yarrabah Community Council is in my electorate. It is one of the largest indigenous communities in Queensland, and it does not seem to figure there.

**Mr MACKENROTH:** It was done by negotiation with those councils, and that was done by those councils nominating themselves because they were required to put up some of the funding. It is a partnership agreement. So those councils put themselves forward to be

funded, and that is why they were selected as the ones.

**Mr PITT:** The program started in the term of the previous Government or in the term of the current Government?

**Mr MACKENROTH:** This is, I think, the second year.

**Mr PITT:** Also on the same page there, the third last dot point, are these very noble sentiments-

"Increased access to sport and recreation opportunities—particularly in regional Queensland by improving ..."

and it goes on. I am just wondering how the local people have any input into that, how the local communities have input into accessing all of these programs. Is it all done by the Department of Sport itself or do we have, as is the case in some other portfolios, an opportunity for people who are outside the department who are knowledgeable in sport and so on to have some input into who really should and should not be accessing Government funds?

**Mr MACKENROTH:** The department actually funds councils to put forward sport and recreation plans for their local areas. That helps the council to identify the needs in its area. So that is one way of identifying needs. The other way is by individual sports themselves identifying needs. So if it is Rugby League, they may identify that they need new ovals in a particular area, or for any other different sport, the same thing can be identified. The applications are then called from throughout the State. So there is the ability then for a local government or for a sporting body to put forward an application for funding under one of our programs—whether that be the minors, major facilities, or national standard facilities. They are all then judged on the criteria that are set down as to who will get funding, and needs come into that. We would look at what the needs are in the area, what they are actually asking for and what they are prepared to put in themselves. So we then make a decision on the allocation.

At present, we are finalising the latest major facilities and also the national standards sports facilities. There is an amount of money that will be allocated in the next few days in relation to that program, but that will be decided as to what are the projects that best meet the criteria that are set down according to the amount of money that is available. Unfortunately for all of these programs, we always get more requests than we actually have money available. So that is what is decided. So anyone can access the program,

or any sporting body can access it. It is a case of making an application.

**Mr PITT:** Just following on from that. I accept everything that you have said. It has been my experience, though, that some of the organisations that are least able to put in satisfactory applications are, therefore, not empowered, so to speak, and they are the ones who are in most need. Do you within your department have a program whereby we actually skill up organisations to take advantage of the programs themselves?

**Mr MACKENROTH:** If an applicant put forward a proposal for funds which did not meet the criteria, which was inadequate, we would inform the organisation of that. It then would be the responsibility of the local area Office of Sport and Recreation to actually work with that group to provide them with the information that they need to put forward an application that is able to be considered. So I do not think that there should be sporting groups that are not able to put forward valid applications that are able to be considered.

**The CHAIRMAN:** The time for Government questions has expired. Time for non-Government questions. The member for Toowoomba North?

**Mr MACKENROTH:** Can I just correct something? The indigenous program was initiated by the previous Government in 1997, not in the next year by our Government. So I just correct the record in relation to that.

**Mr HEALY:** Is there another correction?

**Mr MACKENROTH:** No, no. That is all.

**Mr HEALY:** Minister, can I refer you again to the \$2m allocated as part of the redevelopment of Ballymore. I notice in your answer, when I asked in relation to the capital works and where it had been located in the budget, you referred me to page 23 of the MPS and the note 2 at the bottom of the page, which says—

**Mr MACKENROTH:** No, I only referred to note 2 to indicate to you which line that was on. I was not—

**Mr HEALY:** Yes, but I want to refer to note 2.

**Mr MACKENROTH:** All right.

**Mr HEALY:** It says that the increase is primarily due to the contribution to the further development of Ballymore. Of the projected \$28.7m minus the proposed \$2m for Ballymore, that leaves an amount of \$1.7m. Could I ask what that is to be used for?

**Mr MACKENROTH:** Yes, I believe that is a carryover of \$1m for Ballymore, which they

did not spend last year. The \$1.7m is a carryover of capital works from last year for Ballymore and \$700,000 which had been allocated for the bonus grants to Olympic and Paralympic athletes.

**Mr HEALY:** Sorry, Minister I did not quite hear that.

**Mr MACKENROTH:** The \$700,000 are the bonus grants that we are giving to Olympic and Paralympic athletes.

**Mr HEALY:** Can I ask why that \$1m was not spent last year by the Queensland Rugby Union, that carryover?

**Mr MACKENROTH:** We committed it. They did not spend it. I cannot give you an answer to that, no.

**Mr HEALY:** Okay. Again, on that—

**Mr MACKENROTH:** They may have actually spent it, but have not, at the end of the financial year, put the money in for it. So it might not be that they have not done anything; it could be that by 30 June they had not actually put a claim form in. I do not know.

**Mr HEALY:** The \$2m that has been allocated, does that come from one of the sports facilities programs?

**Mr MACKENROTH:** It does.

**Mr HEALY:** Which one?

**Mr MACKENROTH:** National facilities.

**Mr HEALY:** It was under national facilities? Okay. Thanks for that.

**Mr MACKENROTH:** Yes.

**Mr HEALY:** Just in relation to the completed Dairy Farmers stadium in north Queensland, could I ask which stream of funding and which program that came from?

**Mr MACKENROTH:** It was funded through the Premier's Department. It was not funded from my department.

**Mr HEALY:** Was money allocated for this out of the Sport and Recreation Benefit Fund?

**Mr MACKENROTH:** No.

**Mr HEALY:** It was not?

**Mr MACKENROTH:** No.

**Mr HEALY:** Thank you. Minister, could I ask a question in relation to the State's recreation camps? In May of this year I asked a question on notice in relation to the audits that were to be completed on those recreation camps and part of the answer was that the company that was involved in those audits had their contract terminated in March 2000 and that a department employee was subsequently allocated to that project. You advised me then that the report would be

assessed by your department and referred to you with recommendations for your consideration. Can I ask: has that process been done?

**Mr MACKENROTH:** No. It is being done; it has not been completed. The risk management and workplace health and safety audits are due for completion at the end of this month.

**Mr HEALY:** So we should have some sort of an answer in relation to that report by the end of August?

**Mr MACKENROTH:** No, the risk management and the workplace health and safety audits will be—that work is due to be completed at the end of August. The department will then go through that and make some recommendations to me in relation to that.

**Mr HEALY:** It is just that it has been a long time, Minister, as you can understand, since 1998—or when the contract with that company was terminated—until now for those reports to be completed. I am sure that you will agree—

**Mr MACKENROTH:** Yes.

**Mr HEALY:**—that it has been an undue time frame in relation to that. Those are all the questions I have.

**The CHAIRMAN:** The member for Mulgrave.

**Mr PITT:** On page 22 of the Ministerial Portfolio Statements, I refer to the second last dot point under the heading Sport and Recreation Infrastructure, Facilities and Support. I understand that one of the aims is to promote the development of sport and recreation programs for youth as a mechanism for decreasing antisocial behaviour and criminal activity through a range of strategies including the preparation of an indigenous sport and recreation strategic directions document and continuing to support the Local Indigenous Recreation Officer Program. I have asked you about the recreational officer program regarding indigenous people. Obviously, antisocial behaviour and criminal activity is not confined to our indigenous population. What steps are being taken to combat this through this type of program in urban areas?

**Mr MACKENROTH:** The Government funds all of the major sporting bodies to develop their programs to promote their sport in communities. We are working with those organisations by providing them with funds to develop, promote and grow their sports. We then help to provide facilities that enable

people to participate in the sport, and we also have in place programs that will provide funds to help towards coaching and the like. We are doing this to help the sport to develop, grow, and be there for those communities. That is the way, on that level, we are doing that. We are able, I think, to work like that. In local indigenous communities we identified areas where some special work needed to be done, and that is why we have done that in those areas. We are involved in some of the work being done in the community renewal areas. We have staff on community renewal projects around the State. They work with those community renewal projects to ensure that sport and recreation is a part of what is done to make those areas better places for people to live.

**Mr PITT:** On the same question, I think we all know there are pockets of urban, economic and social disadvantage throughout the State. You have mentioned a couple of strategies the Government has in place. The Urban Renewal Program is excellent. The Local Indigenous Recreation Officer Program also is working. I know that from first-hand experience. But in relation to having recreation officers to liaise with these groups, are we doing that within urban areas under a separate program? If we are not, are we going to consider that as one means of assisting people? The infrastructure is very important. Empowering sporting groups is important. However, you really need someone out there to work with individuals and groups to get them together to take advantage of these things.

**Mr MACKENROTH:** At that level it would really be a responsibility for local government. We fund local governments to put together their sport and recreation plans. In doing that, we should be enabling them to develop what is needed for their areas and to identify whether those sorts of things you are suggesting are needed. But I think that is an area that needs to be done at a local level rather than from a State level. That would be an area for local government to pick up and work on. I know that in a number of areas in the State there are sports and recreation officers employed by councils now. Our Local Government Recreation Planning Program for this year funded Gatton, Esk, Pine Rivers Shire, Biggenden, Gayndah, Kolan, Herberton, Cardwell, Noosa, Thuringowa, Bowen, Rosalie, Warroo and Warwick to do some recreation planning. They are looking at ways to ensure that there are some proper recreation and sport plans in place in their local government areas.

**The CHAIRMAN:** Often we hear about sporting groups being disappointed to have missed out on funding. That was probably because the amounts applied for exceeded the total funds available. Do you have the details of the amounts sought in the latest round of applications under the national standard sports and community sports and recreation and minor sports programs? How much did they apply for in the latest round?

**Mr MACKENROTH:** The amount?

**The CHAIRMAN:** Yes.

**Mr MACKENROTH:** Off the top of my head, it is around \$53m. It is about \$50m.

**The CHAIRMAN:** That is the total amount?

**Mr MACKENROTH:** Yes, that is the total amount. Then I think there is about \$20m or something like that to be allocated. There will be some disappointed people. There is no way you can get around that.

**The CHAIRMAN:** My final question regards the Olympic soccer at the Gabba. At this stage, do you have up-to-date information about ticket sales?

**Mr MACKENROTH:** Yes, I have, but I am not allowed to tell you. SOCOG does not allow that information to be told to anybody. Heaven help me, I would not want to get in trouble with SOCOG. Let me tell you that I think it is going extremely well. But if you have not bought tickets yet, there are still tickets available. I encourage you to keep phoning SOCOG. It will be a great event.

**The CHAIRMAN:** I have bought my tickets to the soccer. I got them on Sunday.

**Mr MACKENROTH:** Were they actually for you?

**The CHAIRMAN:** Yes. There being no further questions, that concludes the examination of the Estimates for the Minister for Communication and Information, Local Government and Planning and Minister for Sport. I thank the Minister and the portfolio officers for their attendance. Before they leave, I remind them that a transcript of this part of the hearing will be available on the Hansard Internet quick access web site within two hours from now. The Committee will now break for lunch and resume its hearing at 1.30 p.m.

Sitting suspended from 12.20 p.m. to 1.31 p.m.

**TOURISM AND RACING****IN ATTENDANCE**

Hon. M. Rose, Minister for Tourism and Racing

Tourism and Racing—

Mr D. Williams, Director-General

Mr L. Longland, Executive Director, Liquor Licensing

Dr B. Mason, Executive Director, Racing

Mr I. Warren, Director, Finance and Administration

Ms Liz Dickens, Coordinator, Planning and Reporting

Mr B. Bauer, Manager, Industry Development Unit

Tourism Queensland—

Mr S. Gregg, Chief Executive Officer

Mr D. Ronai, Director of Finance and Corporate Services

**The CHAIRMAN:** The next portfolio to be examined relates to the Minister for Tourism and Racing. I remind the members of the Committee and the Minister that the time limit for questions is one minute and the answers are to be no longer than three minutes. A 15-second warning will be given at the expiration of these time limits.

The Sessional Orders require that at least half the time is to be allotted to non-Government members. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record that information in the transcript. Ensure that mobile phones and pagers are turned off, please. I declare the proposed expenditure for the Minister for Tourism and Racing to be open for examination. The question before the Chair is—

"That the proposed expenditure be agreed to."

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

**Mrs ROSE:** Thank you and good afternoon to members of the Committee. The next two years are probably the most exciting ever for Queensland's tourism industry. They will also be among the most challenging. Queensland will gain unprecedented exposure on the world stage from two prestigious sporting events: the Sydney Olympics and next year's Goodwill Games right here in Queensland. It is exposure that money just cannot buy. This budget gives us the

opportunity to cash in, to push ahead, to maximise our opportunities.

In the two years since our election, the commitment of the Beattie Government to growing tourism has been unflagging. In the very first week Cabinet approved an immediate \$5m injection into marketing of the industry. Then we announced a tourism rescue plan which pumps an additional \$6m over three years into tourism. This budget includes the \$2m second-year instalment. It also includes another \$2m, instalment three of \$8m over four years, for growing the lucrative convention, exhibitions and incentives sector. That is a total of \$19m—\$19m in special purpose funding to help an industry which was under extreme pressure from the Asian economic crisis when we came to Government.

This budget, I am happy to say, includes another \$2m, a permanent component of Tourism Queensland's base budget. The base budget is a record \$38.9m, \$1.4m more than last year. This \$2m has been quarantined for marketing to attract more visitors, both domestic and international, to Queensland. The Olympics will bring 1.6 million international visitors to Australia by 2004. Half of those are expected to come to Queensland and many will hit our shores in the next two years. They are in addition to the two million international and 16 million interstate and intrastate tourists we already welcome each year. When you consider that every additional 17 international tourists and every extra 32 domestic visitors create one full-time job, the benefits are clear.

Queensland outperforms the rest of Australia in its commitment to and development of the tourism industry. Three of the top five destinations in Australia are in Queensland: the Gold Coast, the tropical north and Brisbane. Nine of Australia's 20 most visited regions are in Queensland. We are determined to grow tourism further.

On my recent overseas tourism trade mission, I reinforced this message. I indicated the level of investment the Government is making to ensure tourism has the backbone of infrastructure it needs: the \$8m Vision Airlie lagoon project; the \$25m commitment to build rural tourism through the Heritage Trails project, the \$100m commitment to the Gold Coast Convention Centre; the development of the Roma Street parklands, bringing world-class gardens into the heart of Brisbane; the commitment to the Brisbane Airport rail link; winning events such as the Goodwill Games and the Olympic soccer tournament, which

was partly due to the upgrade of the Gabba; and the Cairns CityPort project.

On the back of this \$250m investment in infrastructure to building regional tourism, to developing events tourism, to improving transport linkages, the private sector is delivering a massive vote of confidence in Queensland tourism. There is a wave of private sector investment in Queensland destinations. We see it on the Sunshine Coast, we see it on the Gold Coast and we have seen it in Brisbane. We see it in the Whitsundays with a massive half a billion dollars of investment proposed for the region. We see it in the burgeoning wine industry in parts of regional Queensland through the Burnett and the Brisbane Valley, building on the success of the Granite Belt with Queensland wines now starting to take out Australian wine awards.

Tourism is a major growth industry, with tourists injecting more than \$8 billion a year into the Queensland economy. It employs more than 130,000 people directly and thousands more indirectly. This budget will allow Tourism Queensland to continue as the most successful and innovative State tourism marketing authority. It will help us maintain our best holiday destination mantle.

An initiative contained in this budget which gives me particular satisfaction is the \$400,000 first instalment of \$2.2m over four years to employ this State's first indigenous liquor licensing officers. Five officers will be recruited and trained this financial year. They will be based in Brisbane, Mount Isa, Townsville, Rockhampton and Cairns. A sixth officer will join them next year. The officers will address liquor related concerns in remote and urban indigenous communities. They will provide a practical and culturally appropriate response to the Aboriginal and Torres Strait Islander Women's Task Force on Violence report and complement the current crackdown on sly grogging in these communities. The Liquor Licensing Division of the Department of Tourism and Racing will continue to push its responsible consumption of alcohol message across the State and enforce the Liquor Act. Can I do half a minute on Racing?

**The CHAIRMAN:** We will take it out of our time.

**Mrs ROSE:** The Beattie Government has shown its support for the Queensland racing industry with a \$2m allocation to assist with providing training facilities. The training track subsidy scheme provides a major benefit to the racing industry throughout the State by helping to offset the costs of maintaining high

quality training facilities. The scheme provides assistance to a large number of race clubs throughout the State, especially in regional and rural Queensland. Thank you very much and I thank you for allowing me the extra time.

**The CHAIRMAN:** It is now time for non-Government questions. I call the member for Toowoomba North.

**Mr HEALY:** As I understand it, Mr Chairman, the first line of questioning will be directed to the area of liquor licensing; is that correct?

**The CHAIRMAN:** Yes.

**Mr HEALY:** Minister, I refer to Estimates Committee E on Tuesday where, in answer to questioning from the member for Moggill in relation to the abolition of the Liquor Subsidy Scheme at an estimated cost of \$40m to Queensland beer drinkers, the Treasurer said—

"The arrangements are being administered through the Department of Tourism through its responsibilities in relation to liquor matters."

He further said—

"The announcement was made by the Minister for Tourism, who has responsibility for the Liquor Act and the administration of the Liquor Subsidy Scheme."

Minister, did you make an announcement? Did you make a ministerial statement in Parliament? Did you issue a media release or hold a media conference? Did you place advertisements? Did you make reference to this in your departmental MPS? If not, why did you try to hide this from Queensland beer drinkers by only informing the industry?

**Mrs ROSE:** I did not make a ministerial statement, nor did I make any statement. However, I am pleased to have the opportunity to get some facts on record about the Liquor Subsidy Scheme, and the facts are these. Since the introduction of the GST, beer prices have gone up between 17c and 20c per pot. The removal of the subsidy accounts for 1c to 2c a glass. Those figures result from using CUB and Fourx figures.

The vast majority of the increase—between 15c and 18c—is due to the Federal Government doubling the excise and then charging GST on top of that. It is a tax on top of a tax. Without a wholesale sales tax, why would taxpayers pay a subsidy to liquor wholesalers for a wholesale sales tax they no longer pay? As the Treasurer said a few days ago, the old section 90 payments are gone.

They are finished. The Liquor Subsidy Scheme only existed because of the abolition of business franchise fees by the High Court in 1997.

To cover the lost revenue, the Commonwealth added a surcharge to wholesale sales tax of 15% on all liquor products. That rate was set at the highest rate across the States so that no State lost out on revenue. Because Queensland previously had a lower tax rate, a rebate scheme was put in place to pass back to wholesalers the difference between Queensland's rate and the 15% in order to keep liquor prices stable. That was all introduced under the previous Government. There was not a different rebate rate for different strengths of alcohol. The coalition introduced two rates only—one for beer and spirits and one for wine. Why? Because there was previously no difference in the tax rates between different strengths of beer or between beer and spirits. With the introduction of the GST, the subsidy scheme ceases. As there was no difference in the tax rate between full and low-strength beer before this scheme was introduced or during the scheme, there is no reason why the same should not apply now.

**Mr HEALY:** Minister, I again refer you to your Government's decision to abolish the \$40m liquor subsidy paid on beer by the State Government. Given that this subsidy was paid from specific excise revenue collected by the Commonwealth on behalf of the State Government following the 1997 High Court ruling, I ask again: why did you not inform the beer drinkers of Queensland by way of media conference, a ministerial statement in Parliament and advertisements that this particular subsidy was being abolished? Why did you try to hide this from the beer drinkers of Queensland?

**Mrs ROSE:** There was certainly no attempt to hide it from beer drinkers. As a matter of fact, the Executive Director of the Liquor Licensing Division wrote to all of the wholesalers. This whole issue is an outrageous attempt to confuse the Queensland electorate on the matter of beer prices. Queensland hotels and pubs and the drinkers know who is responsible for raising the prices, that is, the Commonwealth. Pubs have collected thousands of signatures condemning the outrageous doubling of excise tax on beer. The Commonwealth Government sneaked it in under the cover of the GST, and now you and your coalition colleagues are trying to cover for your Federal mates.

**Mr HEALY:** They did not provide the figure, Minister.

**Mrs ROSE:** Those people who like a casual drink at their local hotel know why the prices have risen. They know the Prime Minister promised that prices would not rise as much as they have and they now know that he was not to be believed. It is quite pathetic that you continue on this campaign to try to cover for him now. The facts are clear. Of the 17c to 20c increase in the price per pot, the removal of the subsidy only accounts for 1c to 2c per glass. The rest of it was because of the doubling of the excise and because of the GST. That is why beer is so expensive.

**Mr HEALY:** Minister, this is a \$40m figure that you have hidden. There was no public announcement. It is \$40m, and you are blaming the Commonwealth for hiding this amount of money from the beer drinkers of this State. I again ask: why did you try to do this? You may say it is 2c a pot. However, it is \$40m, and you are blaming the Commonwealth. That is unacceptable.

**Mrs ROSE:** I do not know where you get the \$40m from. I know that the Treasurer, David Hamill, gave an extensive answer to Dr Watson's questions on this the other day. My understanding is that it was \$33m last year for beer and wines. You can talk about \$33m all you like. The reason beer prices are so high is the doubling of the excise by the Commonwealth and the introduction of the GST. You can talk all you like about the liquor subsidy, which was only removed because of the GST. You can talk it around as much as you like, but the reality is that the reason beer is the price it is relates to the GST and the doubling of the Commonwealth excise.

**Mr HEALY:** That is not entirely right, Minister, because you have admitted that the price of beer will have increased by at least 2c a glass. It is a total of \$40m. That figure is not a figure we have plucked out of the air. You indicated earlier that a letter was written to wholesalers in relation to this particular issue. What other stakeholders were contacted in relation to the subsidy?

**Mrs ROSE:** As I said before, the Executive Director of the Liquor Licensing Division wrote to all of the wholesalers. I mean, obviously this is something that we were keeping a really close—

**Mr HEALY:** Is that all? Only the wholesalers?

**Mrs ROSE:** Yes, only the wholesalers. There had been a lot of speculation in the media for a couple of months, which I am sure you were aware of. There was also a

campaign being run by the Hotels Association. To get back to the \$33m, the scheme was administered by us but Treasury had the dollars.

**Mr HEALY:** Minister, I refer you to page 1-11 of the MPS under the heading "Recent Achievements". The last dot point refers to a figure of \$2.9m. It states—

"Processing applications for licences and permits generated revenue during 1999-2000 of \$2.9m."

Last year's MPS contained a figure of \$1.8m for general fees of office. What is that figure for 2000-01? It does not appear in the MPS.

**Mrs ROSE:** I will ask the Executive Director of Liquor Licensing to answer that for you.

**Mr LONGLAND:** The only figure I can see there, and I do not have that information in front of me—are you referring to the bottom of page 1-11?

**Mr HEALY:** Yes, of this year's MPS, and then I referred to last year's MPS. There was a figure there of \$1.8m for general fees of office. It does not appear in that section of this year's MPS.

**Mr LONGLAND:** General fees of office are normally application fees and other fees placed on licences. For instance, the 20% casual dining capacity on a restaurant is \$500 a year. So they are fees of office. This figure here would include some fines. It would also include premiums for the purchase of general licences and any other figures which would come about from disciplinary procedures such as show cause.

**Mr HEALY:** Those premiums for general licences are no longer applicable, though, are they?

**Mr LONGLAND:** They are at the present time. The premiums will go 12 months after the commencement of new legislation. At the present time, however, the Government has agreed that they should be discounted by half.

**Mr HEALY:** The 1999-2000 MPS had a State contribution target estimate of \$7.9m. Page 1-13 of this year's MPS has as a State contribution target estimate \$9.2m. Firstly, why was there an adjusted target estimate and an adjusted budget?

**Mrs ROSE:** I will ask Ian Warren to answer that question.

**Mr WARREN:** The reason the adjusted budget has occurred is that the department has been subject to a machinery of Government change during 1999-2000. As a result of that, the department has reallocated

the indirect costs of business support services and Office of the Director-General across the remaining departmental outputs that were left with the Department of Tourism and Racing.

**Mr HEALY:** What about the difference in the State contribution target—the \$9.2m from the \$7.9m? Is that the same?

**Mr WARREN:** The actual funding provided to the Liquor Licensing Division, as opposed to the output for the 1999-2000 adjusted budget, was a figure of \$5.04m. For 2000-01 the increase of funding provides for additional funds for adult entertainment permits and indigenous officers. So the difference is in the allocation of indirect costs to the output.

**Mr HEALY:** I refer to the Output Statement on page 1-13 of the MPS, to the number of complaints and number of investigations. In last year's MPS the target estimates for this year were 1,250 and 5,300. Is that because previously it was recorded as a percentage rather than as a figure?

**Mrs ROSE:** Yes.

**Mr HEALY:** What is the reason that was changed?

**Mrs ROSE:** The estimate of 1,225 for complaints finalised during 1999-2000 is in line with previous years. It is anticipated that a similar or slightly increased number of complaints will be finalised during the 2000-01 period. During the process of converting to a new database in May 2000, a number of files relating to investigations were identified as no longer active and have been deleted, leading to a reduced number of estimated investigations during 2000-01.

**Mr HEALY:** I refer to an answer to a question on notice submitted for the Estimates hearings in relation to alcohol management plans for indigenous communities. I acknowledge that you mentioned that in your opening statement. There was an announcement that four officers and a coordinator will be appointed initially for that particular program. Will they be working in the communities? Where will they be based? Could you give me some sort of a breakdown? I think the original question put on notice asked for a community-by-community breakdown for that funding of \$396,000.

**Mrs ROSE:** As I said in my introduction, a budget initiative which gives me great satisfaction, and one that I am certain will provide positive results, is the funding this year of five positions for indigenous officers within the Liquor Licensing Division. Queensland has never had liquor licensing officers before.



Indigenous officers are being used with great success by our police and ambulance services. It is something I had pushed in the Ambulance Service when I was Minister for Emergency Services because there were issues when ambulance officers went into indigenous communities. I saw how successful that was. That is why I was keen to pursue it in this portfolio. I am confident that the initiative will achieve similar success.

The budget contains almost \$400,000 this year to fund the five indigenous officer positions. Another officer will be recruited next financial year and two indigenous administrative assistants will be recruited in the following year in a \$2.2m initiative to specifically address liquor related concerns in remote and urban communities. The indigenous officers will play an integral role in our crackdown on the despicable sly grog trade, something we are working really hard at trying to stamp out.

These officers will provide more effective and culturally appropriate liquor licensing advisory, liaison and enforcement activities to indigenous communities to address the adverse impact that alcohol use and abuse has had in those communities. They will, of course, be working within our existing liquor licensing offices, but of course they will be spending a lot of time in communities as well. They are not going to be attached to a specific community. I am not quite sure if that is where your question is going.

**Mr HEALY:** What I was getting at was whether they are going to be based in regions—I think you have probably answered that—or whether they are going to be Brisbane based, Rockhampton based or whatever.

**Mrs ROSE:** They will be located in Cairns, Townsville, Mount Isa, Rockhampton and Brisbane. They will not be attached to just the one community. I do not believe that has any value. It is important that they build relationships with the council and the leaders in the community. We know that a lot of the success of the indigenous licensing officers is the cooperation we get from the community.

It is the same with sly grogging. In our efforts to tackle sly grogging we have found that the communities have been really responsive and that they are very enthusiastic in working with us so that we can get some solutions. Alcohol related issues in indigenous communities have plagued us for a long time. It is something I was exposed to a long time ago. As I said, the success of these programs for sly grogging and addressing some of the behavioural issues associated with alcohol will

very much depend on community support. With sly grogging, of course, we need to know when the shipments are being planned. We believe that residents are more likely to relay that information to indigenous officers.

The indigenous officers will perform a wide range of duties. They will hold discussions with relevant parties over the operations of licensed canteens in remote and urban communities with a view to promoting development of management plans that address community concerns over the sale and supply of liquor from those outlets. Improvements in cultural liaison arrangements have been introduced in our Liquor Licensing Division by having a senior officer specifically dedicated to issues involving the sale and supply of liquor in indigenous communities. I have to say: he has been doing an absolutely fantastic job.

The division will continue with inspections of community canteen operations to assess practices and to take appropriate action where necessary to ensure compliance with the Liquor Act. Of course, that involves the serving of liquor to intoxicated persons and the serving of liquor to underage people. Officers will continue to consult with indigenous organisations, working with the local council and with local community leaders in developing a range of alcohol awareness programs suitable for use in both remote and urban communities.

**Mr HEALY:** In an answer to a question on notice you mentioned that four Aboriginal communities—Doomadgee, Yarrabah, Palm Island and Woorabinda—have been identified to begin the program. The target is 10. Have you identified the other six yet?

**Mrs ROSE:** They are the ones that have been identified through the sly grog committee. A committee which has been formed will assess the communities of highest need. The four that have been selected are the ones that were identified in the women's task force into domestic violence. That is the reason we have targeted those communities initially. The committee I referred to comprises Liquor Licensing, Police and DATSIPD. Obviously, we will be monitoring the success of our programs and the indigenous liquor licensing officers. We will of course then be looking at other communities to identify where the need is the greatest and where we have the most problems. We want to be able to tackle the problem head-on. That will be the role of the committee: to identify the next communities that we will go into.

**The CHAIRMAN:** The time for non-Government questions has ceased. It is now

time for Government questions. I am aware of the recommendations of the Aboriginal and Torres Strait Islander Women's Task Force on Violence and note on page 1-12 of the MPS that your department will actively pursue activities in collaboration with indigenous communities. You have briefly spoken about them in previous answers, but can you explain your Liquor Licensing Division's response to the task force recommendations?

**Mrs ROSE:** I said before that I had been exposed some time ago to Aboriginal communities. It was about 25 years ago. I worked for the shadow spokesman for Aboriginal Affairs in Townsville, and I spent a good deal of time with him visiting a number of Aboriginal and island communities right throughout north Queensland. I have to say that some of my memories of those visits were that it could sometimes be quite a shocking experience. I think if anybody has looked into the very sad eyes of a three year old child living in a family ruined by alcohol, it is something that you do not forget. I went to many other communities across the north and saw the same sort of soul-crushing depression and a terrible attempt to escape through alcohol. I saw the terrible result of alcohol-induced violence, and I suppose that is why I am so passionate, as I said, in Emergency Services and now in this portfolio, as I believe that we can make a real difference in this portfolio.

The Liquor Licensing Division has done a fantastic job to date, and it is completely supportive of us trying to really do something concrete to address the problems. The Aboriginal and Torres Strait Islander Women's Task Force on Violence report, commissioned by my Cabinet colleague Judy Spence, was a call to arms to try to do more to tackle alcohol abuse. The report raised serious concerns over the availability of sly grog in remote indigenous communities. The task force believed that improved policing of such offences would lead to a reduction in the levels of violence occurring in the communities. I suppose this is one of my frustrations. I can remember that 25 years ago a carton of beer on Palm Island sold for \$25, and that is 25 years ago.

The Liquor Licensing Division of my department, in conjunction with the Police Service, is taking the first steps by tackling sly groggers head-on. As you can appreciate, it is very difficult trying to get information out of people about who the main offenders are in sly grogging. So from 1 July, we began cracking down on those who prey on the weak to make massive profits.

The sly grogging blitz is initially being conducted on four communities, as we have already said—Woorabinda, Palm Island, Doomadgee and Yarrabah—and it is being done with the full cooperation of the Aboriginal Coordinating Council and local community councils. I just mentioned that 25 years ago a carton of beer on Palm Island was worth \$25. Now, it can range up to \$250, and a bottle of rum can also sell for that amount. Some sly groggers, believe it or not, even hold residents' keycards so that they can control the bank accounts.

**The CHAIRMAN:** I refer to the listing of future developments on page 1-12 of the MPS and ask: could the Minister advise details of the budget initiatives to employ indigenous liquor licensing officers to complement the sly grog crackdown, as you just briefly mentioned, and promote responsible alcohol consumption on indigenous communities?

**Mrs ROSE:** What I might do is just continue talking about the sly groggers and why it is so important that we get these liquor licensing officers in place. We can control and restrict the sale of alcohol from licensed canteens on wet communities under the Liquor Act, but we had failed to control the operations of sly groggers outside opening hours or on dry communities. The Liquor Act was amended last year to provide for much stiffer penalties and power for Liquor Licensing Division inspectors and police, and penalties for unlicensed sellers of liquor have been increased from a maximum of \$18,750 to up to \$75,000 and/or 18 months in jail. The amendments also give inspectors—which will include our liquor licensing officers—and police the power to seize vehicles, planes, boats, animals or any other thing that is used to carry liquor. Anyone caught sly grogging can expect to face the full force of the law.

But for this crackdown to be a success, people must go to police and liquor licensing inspectors with information. Without this help from the people who are most directly affected, little can be achieved. While perpetrators are often well known, successfully prosecuting them is extremely difficult, and that is where the local communities, as I said before, can play a vital role in helping to stamp out this despicable behaviour.

Queensland, as I said, has never had liquor licensing officers before. The officers will consult. They will have a wide range of duties. I guess the most important role that they will have initially is to gain the confidence of the local community, to gain the confidence of those who are being ripped off by sly grog or

by other unacceptable practices of acquiring liquor, so that they can get hold of the sort of information that we need so that we are able to prosecute these people. I guess it is a question of catching them in the act and then having the evidence to be able to charge them and also to be able to successfully prosecute them. We believe if we can achieve that, then we will go a long way to solving some of the problems of violence, domestic and otherwise, that we find on our indigenous communities, if we can stamp out some of the irresponsible drug-related practices.

**The CHAIRMAN:** I have often heard of and seen licensed premises using irresponsible liquor servicing practices that promote binge drinking. I am wondering whether you could outline what the Government is doing to deter these types of practices.

**Mrs ROSE:** May I first say that the vast majority of licensees are responsible and do adhere to responsible drinking practices. However, a small minority seem to continually dream up imaginative but irresponsible practices to boost their profits. In the past, practices such as the use of test tubes and shooters for the rapid ingestion of strong liquors were outlawed. The use of flaming drinks, whereby bar attendants stood on a bar and poured a flaming drink into another situated on the bar, was also outlawed. It was also pretty dangerous, by the sound of it. Other novel practices which have come to liquor licensing inspectors' attention include the use of water pistols or booze guns to spray liquor into patrons' mouths to entice them to drink more.

The latest dangerous party trick was a promotion in a Rockhampton hotel where patrons, including a 16 year old boy, were encouraged to skoll rum and coke from buckets. I have here a bucket that they were using for this practice in Rockhampton. The licensee was fined more than \$10,000 for breaches of the Liquor Act, including serving underage persons. I know that the honourable member for Fitzroy, Jim Pearce, will be very pleased to know that we got on to this hotel and we stopped this practice, because it is downright dangerous. It could have had fatal consequences. Anybody skolling alcohol out of a bucket this size puts themselves at serious risk, but to know that there was a 16 year old skolling rum and coke out of this bucket is a disgrace.

Where such practices come to the attention of the Liquor Licensing Division, investigators will take appropriate action. This

behaviour will not be tolerated. Venue members in Townsville were warned just a matter of weeks ago that promotions such as offering discounted drinks to patrons not wearing underwear, such as the "No Undie Bundy Sunday" and "No knickers, no cover charge", would not be tolerated. I do have a poster which actually shows you some of those. Guidelines were provided restricting promotions that encourage excessive drinking and anything that might place patrons in danger. Licensees effectively were read the riot act. I put licensees across the State on notice that binge drinking promotions will not be tolerated. The vast majority of licensees, as I said, are responsible but a small number are willing to overstep the mark with promotions. In doing so, they leave themselves open to heavy fines for serving intoxicated or underage persons, ranging up to \$3,000 for a staff member and more than \$18,000 for licensees. My officers are vigilant in monitoring promotional material to ensure that these blatant attempts to entice people to drink to excess are eradicated.

If members of the Committee would like to have a look later, here is some of the type of material that we have come across. This is what we keep an eye on and we keep an eye on these premises that are promoting binge drinking practices. We are just not going to tolerate it. We are going to be keeping an eye on them. We are putting licensees on notice that we will fine them and we will fine them heavily.

**The CHAIRMAN:** I refer to page 1-11 of the MPS under Review of Output Performance, dot point 6 relating to an events management strategy, and ask: could the Minister provide details of the development of the publication, a very popular one within my electorate, and a planning guide for event managers and advise whether the initiative has been a success.

**Mrs ROSE:** The development of the publication was a joint project conducted between the Liquor Licensing Division and the Queensland Police Service. The planning guide was developed as an innovative tool to assist event managers or committees throughout Queensland in relation to managing alcohol and conducting safe and successful events. Previously, problems encountered at large events range from general issues of drunkenness and minor disorderly behaviour through to serious crimes including rape and assault. The book helps event organisers work through and consider such issues as selection of venue, safety regulations, public liability, ticketing and event

promotion, security and first aid, training and responsible service of alcohol issues, emergency procedures, transport and site layout and management of alcohol sales and service.

The lodgement of an event management plan will be a mandatory requirement for all of those who are applying for permits to sell liquor at large public events. Once the guide is read and an event management plan is completed by the event organiser, it is distributed to key stakeholders such as the local police, council and the Liquor Licensing Division. This process has resulted in better and more extensive communication in relationship to the conduct of major festivities. It has ensured that safer, more enjoyable and often more profitable events take place. The Liquor Licensing Division has been involved in the project since 1997-98, when \$20,000 was allocated. Since the project gained momentum in November 1998 approximately \$15,000 has also been spent in printing and development costs. An evaluation of the project is currently being undertaken. The event management resource represents another best practice initiative developed by my department's Liquor Licensing Division.

It is another initiative which other jurisdictions have been quick to adopt. The Western Australian and Northern Territory Governments have adapted the product for their use. I have seen just how well it works. I went to the Big Day Out on the Gold Coast in January and I was taken around by some of my Liquor Licensing inspectors to have a look at how the consumption of alcohol is managed and how areas are set aside and there is no doubt that it made for a much safer day and more responsible drinking practices by having these new, I guess, management procedures put in place. Young people have to provide identification of their age and they are then given a wristband so that they can go and purchase alcohol. It is a really good idea, and a great day was had by all.

**The CHAIRMAN:** I note that on page 1-11 of the MPS under the Review of Output Performance the Liquor Licensing Division made more than 1,000 visits to licensed premises during the schoolies week period. Could the Minister advise the Committee of the result of those investigations and of arrangements for this year's schoolies?

**Mrs ROSE:** Prior to schoolies celebrations for 1999, all Queensland high schools were circulated with information regarding under-age drinking and accommodation houses and key schoolies destinations were also provided with

fliers for distribution in units. I am very pleased to see all of these steps being taken. I have had two sons go through schoolies week, so not only at a professional level but also as a parent I know how important it is that we do what we can to ensure that our young people have a very enjoyable schoolies week but also that they stay safe.

We had an advertising campaign encompassing the "No more, it's the law" and under-age drinking messages which were aired on Brisbane, Gold and Sunshine Coast radio stations and advertisements were placed in key youth street press carrying information regarding penalties for under-age drinking. We also have on the Gold Coast a bus which has "No more, it's the law" painted right across it. It has also been very effective.

Meetings were convened by officers of the Liquor Licensing Division with licensees, police, council representatives, security personnel and accommodation providers on both the Gold Coast and the Sunshine Coast to discuss problems that had arisen in previous schoolies celebrations. The cooperation of venue operators and security during the 1999 schoolies celebrations was outstanding. As I said, I had one of my sons, my youngest, go through the 1999 celebrations and there is no doubt that the people who are involved in organising the celebrations should be congratulated on their approach.

A Statewide operation involving all Liquor Licensing Division investigational staff was conducted on the first day of schoolies 1999. It is really interesting, because the other operations which were conducted during the schoolies period focused mainly on two key areas, being the Sunshine Coast and the Gold Coast, and I know from experience that all the Gold Coast kids go to the Sunshine Coast for schoolies and all the Sunshine Coast kids go to the Gold Coast. So they just swap coast venues for a week.

The final cost of compliance during schoolies 1999 amounted to \$51,057. In 1998 that was \$50,500. The 1999 operations detected a total of 173 under-age persons—101 males and 72 females. There were 45 from Queensland, 101 from New South Wales—and that is always an issue on the Gold Coast when they come over the border—23 from Victoria and two from WA. There were also two from Brazil. These offences were detected whilst carrying out 1,057 visits to licensed premises Statewide.

**The CHAIRMAN:** I refer the Minister to page 1-11 of the MPS, dot point 13, relating to prosecutions under the Liquor Act and ask if

any of those prosecutions related to the Players Inn in Brisbane.

**Mrs ROSE:** Players Inn is an unlicensed premises which has been operating in the Fortitude Valley area for quite some time. Liquor Licensing Division and Queensland Police Service officers have regularly attended Players Inn in relation to the unlicensed sale of liquor from these premises. As a result, Mr Warren Armstrong has been charged and convicted of offences against the Liquor Act 1992. In his last two court appearances, Mr Armstrong was fined a total of \$40,000, ordered to pay legal fees and court costs and forfeited all money, liquor and equipment seized.

In the five years to October 1999, 39 individual raids were conducted by divisional officers. Seventy-two defendants faced the Brisbane Magistrates Court. Armstrong was defended on 13 of those occasions. A total of \$82,050 in fines was imposed on those found guilty of breaches of the Liquor Act. Liquor licensing officers confiscated more than 18,000 bottles of beer, 2,600 bottles of spirits or wine, and over \$12,000 in cash. Officers also confiscated refrigerator shelving and bar accessories and removed refrigerator doors and cash registers. Since 6 February 1999, 15 visits to the premises have been made by Liquor Licensing Division officers and police. On each occasion, liquor and cash has been seized.

During the period from February 1999 to March 2000, a total of 22 females have appeared in the Brisbane Magistrates Court in respect of charges of selling liquor without a licence, resulting in fines totalling \$15,800. Additionally, all liquor has been forfeited to the Crown.

As a result of these ongoing investigations, amendments to the Liquor Act 1992 were enacted in November 1999 which increased the maximum fines for such offences as well as increasing an investigator's powers for seizing liquor, money, bar fridges and other related items.

Investigations have continued over recent months with officers of the Queensland Police Service attending at the premises in a covert manner to substantiate if liquor was being sold at these premises unlawfully. Officers have reported that the premises appear to have been conducted on a BYO basis on each occasion. Investigations will continue in the future to monitor the practices being utilised at these premises to ensure compliance with the provisions of the Liquor Act 1992.

**The CHAIRMAN:** The time for Government questions has expired. The member for Toowoomba North.

**Mr HEALY:** Mr Chairman, I have one final question in relation to liquor licensing. Minister, I refer to an answer to a question on notice that we put to you in relation to the adult entertainment permit scheme. Out of the 42 applications that have been received, what was the reason that two were refused? Of the 33 approved permit applications, what monitoring process is in place to ensure that the legislative requirements are adhered to?

**Mrs ROSE:** May I say first of all that this Government is the first Government to have truly moved to clean up the sex industry in this State—to get rid of the criminal element and to improve health standards. With the introduction of the prostitution legislation and the complementary introduction of the adult entertainment permit system, we have finally moved out of the Dark Ages. With regard to adult entertainment, we are regulating—in fact, strictly regulating—an existing industry. Adult entertainment has been around for a really long time, but there has never been any regulation of it before now. In fact, prior to the introduction of this legislation, there were some 110 venues operating in Queensland, with countless other one-off strip shows, bucks parties and the like. We now have some 33 approved permits across Queensland. So already we are seeing the industry cleaned up and inappropriate people excluded from running these establishments.

Many venues are opting out of the adult entertainment business because of the stringency of the permit system. As a matter of fact, we expected that we would have got a lot more applications than we did. So obviously they did not want to go through with acquiring a permit because of the stringency of the permit system.

The content of the adult entertainment is regulated through the Adult Entertainment Code. The code clearly separates indecent acts and prostitution from the more generally accepted forms of adult entertainment. The two premises that were denied permits were Sky City—the nominee was found to be not a fit and proper person, and that is at Woolloongabba—and the other one was the Savoy Hotel. There were a large number of objections, including objections from the police and from the council.

Since the introduction of the adult entertainment permits on 1 July and the subsequent issuing of permits for such entertainment across the State, investigators

from the Liquor Licensing Division have commenced a program of compliance inspections. These inspections have focused on the permit holder's compliance with the regulatory requirements under the Liquor Act 1992 and any applicable conditions imposed on the adult entertainment permit issued by the division. The division is adopting an advisory role in the initial stages to ensure that permit holders are aware of the requirements of this newly introduced licensing scheme. However, appropriate enforcement action will be undertaken in circumstances where a permit holder has shown a disregard for the requirements of the law.

**Mr HEALY:** Mr Chairman, they are all the questions I have for liquor licensing.

**The CHAIRMAN:** We will now go on to Tourism questions. The member for Toowoomba North?

**Mr HEALY:** Minister, I refer you to the page 2-4 of the MPS and dot point two, which appears under the heading Future Developments, subheading Policy and Destination Development, which states—

"Develop a cruise shipping strategy for Queensland waters, in conjunction with the Department of State Development."

I refer also to page 2-3 of the 1999-2000 MPS which, under the heading Future Developments, said—

"Develop a cruise demand study for Queensland waters and a cruise shipping strategy."

For two years in a row it is down under Future Developments. When are we going to have a cruise ship strategy, given the fact that I notice that of the 95 tourism policy destination development and environmental projects initiated and/or facilitated, together with the 87 collaborative projects progressed with other Government agencies, a cruise shipping plan for Queensland Government waters is listed?

**Mrs ROSE:** I certainly agree that Queensland should have a cruise shipping strategy to chart a course for the burgeoning industry and completed by the end of the year. Cruise shipping is one of the fastest-growing sectors of international tourism, and Queensland is keen to increase its share of the market. Without question, the cruise shipping plan will benefit Queensland. It aims to provide clarity and direction for proactively pursuing this lucrative growth opportunity.

Cruising is one of the fastest-growing and globalising sectors in the international tourism industry, with an annual world growth of 10% and an estimated worth of \$17 billion a year.

Queensland's unique location and features means that it is well positioned to capitalise on this lucrative growth opportunity. To address this, Tourism Queensland and the Department of State Development have been working on a cruise shipping plan for Queensland. The plan is based on input from a core working group of key industry and Government representatives and consultation on the draft plan is under way.

The plan is intended to be a starting point for discussion and comment in the development of a coordinated framework for policy decisions regarding cruising and cruise port infrastructure in Queensland. It operationalises the role and involvement of key agencies and industry members that are pivotal to the success of the cruise industry. The plan outlines the proposed vision, strategy and actions for optimising the future development of cruising in Queensland and maximising the benefits for Queensland. It aims to provide a common direction for all involved in the industry to work towards. This is extremely important as certainty is fundamental to international cruise line companies who make itinerary decisions usually two or more years in advance.

By developing the cruise shipping plan, Queensland is in a far better position to secure a larger share of the highly lucrative world cruise shipping industry. The draft plan is currently being circulated for public comment and the final is scheduled for completion by November. Work undertaken on cruise shipping in previous years has provided valuable input into this cruise shipping plan for Queensland.

**Mr HEALY:** Minister, could you tell me where in the Budget papers the 2000-01 base funding allocation for Tourism Queensland is listed?

**Mrs ROSE:** I am not quite sure what you mean. It lists the base funding in the operating statement along with the operating revenues for Sunlover and the Government grant.

**Mr HEALY:** In your opening statement, you mentioned that the allocation in this year's Budget has taken Tourism Queensland's base budget to a record \$38.9m—\$1.4m more than last year. You have issued media releases including that figure. How can we believe you when that figure does not appear as a single line item in the budget?

**Mrs ROSE:** Can I make some comments? I am going to get Ian to answer your question. I cannot understand why it is so hard for you to understand that there is an extra \$2m in the base funding.

**Mr HEALY:** Minister, you use this base funding figure for political gain. When I ask you where that figure is in the budget, you cannot tell me.

**Mrs ROSE:** There is an extra \$2m per year to base. It is not special initiative funding. It is funding to base.

**Mr HEALY:** Where is it in the budget?

**Mrs ROSE:** I will ask Ian to try to explain it to you again.

**Mr WARREN:** On page 1-36 of the MPS under the departmental administered item for revenue there is a figure of \$42.9m, which is the funding provided to Tourism Queensland. In addition to that, there is a figure in the Tourism Queensland funding for grants and other contributions—money received from the Government—of \$42.9m. The supporting notes indicate the additional funds provided for various programs.

**Mr HEALY:** There is still no figure of \$38.9m as Tourism Queensland's base funding, is there?

**Mr WARREN:** The money provided by the Queensland Government is provided as a total funding allocation. It is not split between base and special allocations.

**Mrs ROSE:** It is a representation issue. It is the way it is presented.

**Mr HEALY:** Minister, you continue to use that figure for political gain.

**Mrs ROSE:** It is not for political gain.

**Mr HEALY:** It is, because you cannot show me the exact figure. How can we believe that your \$1.4m more than last year is in fact a reality in Tourism Queensland's base budget? I do not think it is a difficult question.

**Mrs ROSE:** Let me try to explain it to you this way. I saw the statement you put out which said there had been a \$4m cut to Tourism. For the life of me, I still cannot see how you came up with a \$4m cut when there is clearly a \$2m increase in funding. I will try to put it in simple terms. The 2000-01 budget clearly reflects exactly what was spelled out last year. There was an additional \$6m over three years, with \$3m last year, \$2m this year and \$1m next year as the final instalment of the Government's \$11m Tourism Rescue Plan. You were out there saying that there had been a \$1m cut to that. How could there be a \$1m cut if there was to be \$6m allocated over a three-year period—\$3m last year, \$2m this year and \$1m next year? You are saying that that represents a cut to the Tourism budget. How can it be a cut if everybody knew last year that that was how the funding was to be

distributed? The only person in the whole of Queensland's tourism industry who seems to be unable to accept the \$3m, \$2m, \$1m split of that \$6m is you. Where is the cut? I just cannot understand this. You talk about my making statements for political purposes. Heavens above! That would have to be the greatest furphy.

**Mr HEALY:** I beg to differ that I am the only one.

**The CHAIRMAN:** Order! The Minister is answering your question. You will allow her to answer it.

**Mrs ROSE:** That rescue plan, which was what the \$6m was for, has been very successful. I wish to prove that to you by putting some of these figures on the record. International visitation from Korea is up by 66%. Remember that this rescue plan was aimed very much at our Asian markets. I am pleased to say that they are recovering or at least stabilising. Hong Kong is up 7%, Singapore is up 8% and Taiwan is up 10%. Just as importantly, India is surging by 16% and China by over 80%. All our indications are that the Japanese market is bottoming out and we can expect to see a return to growth in the medium term. But the point is that there was \$6m allocated for that—\$3m last year, \$2m this year and \$1m next year. Are you going to go out next year and say, "There has been another \$1m cut?" even though there was a \$3m, \$2m and \$1m split for that \$6m?

**Mr HEALY:** As I said before, I was not the only one. The Tourism Council of Australia made some comments immediately after the budget. You will see from Hansard that I have quoted from a media release of Daniel Gschwind, who identifies that there is a decline from last year in the marketing funds available for the State's tourism marketing authority Tourism Queensland. You put out a media release and called me a "dud accountant".

**Mrs ROSE:** I am surprised you wanted that on the record in the Hansard.

**Mr HEALY:** Did you also call Mr Gschwind a dud accountant?

**Mrs ROSE:** No, I do not. I am aware of TCA Queensland's comments. I most certainly want it on record that I have the highest regard and respect for Daniel Gschwind.

**Mr HEALY:** So do I.

**Mrs ROSE:** The TCA is a lobby group for the tourism industry. Of course it would like to see more money to benefit its industry members. That is natural. I respect the job that they do. They do a fantastic job of lobbying me and the Government. That is why there is

another \$2m built into the base for Tourism Queensland. It is simply wrong for anybody to assert that there has been a cut in funding. What Daniel Gschwind was referring to was the \$6m for the Tourism Rescue Plan that I was just referring to. \$6m is split over three years. I repeat again: \$3m last year, \$2m this year and \$1m for next year. I would hope that—and hopefully you and I will still be in the same roles; and I will be on the Government side and you will be on the Opposition side—you do not raise this again next year, because if you do I will remind you of this.

**Mr HEALY:** I am going to keep raising this issue until you can qualify the issues that I have raised during these hearings in relation to the base funding for Tourism Queensland. Has the Tourism Rescue Plan come out of base funding? Is it a case of the Government taking out \$6m and putting \$2m back in over three years?

**Mrs ROSE:** I would like you to actually get a copy of this, but what I will do is get David to run through this for you. As I said, I am more than happy to provide you with a copy of this. But I will ask David Williams, the Director-General, to go through it.

**Mr WILLIAMS:** The Tourism Queensland funding is a consolidated figure of base funding plus special funding that runs over two years or three years that every Government seems to apply. Last year the base budget for TQ was \$37.5m. On top of that there were three other payments: \$2m for marketing funds, \$2m for convention bureaus and \$3m for a domestic and international rescue campaign. This year the \$2m from marketing has been added to TQ's base funding so they will get that money every year. That money has gone up to about \$39m, and the specials that are added to it are another \$2m for the convention bureaus and another year of funding for the domestic and international marketing campaign. One of the special items, which was a three-year funding thing for domestic marketing, transferred to base. So that will not drop off after a three-year period. So the budget base has increased by \$2m. But the budget base is approximately now \$39m.

**Mrs ROSE:** It is \$38.9m, with \$2m for conventions, \$2m for special, which is the \$2m out of the \$6m—the \$3m, \$2m \$1m. That is a total of \$42.9m. Treasury are the ones who actually put together how the budget documents are presented, but they are the figures: \$38.9m to base, \$2m for conventions and \$2m for special out of that \$6m. So that is \$42.9m.

**Mr HEALY:** Will you give me a guarantee that you will make a recommendation to Treasury that you will outline those figures in the breakdown in next year's MPS?

**Mrs ROSE:** I do not actually tell Treasury how to put their Treasury documents.

**Mr HEALY:** A recommendation from the department that those figures be shown in black and white in the Budget papers that are tabled in the Parliament for everybody to see.

**Mrs ROSE:** Ian will put your concerns to Treasury.

**Mr WARREN:** Queensland Treasury provide funding to departmental outputs to a one liner—output funding received. Treasury do not break the numbers down.

**The CHAIRMAN:** The time for non-Government questions has expired. We now have Government questions. I call the member for Mulgrave.

**Mr PITT:** I refer to the Ministerial Portfolio Statements pages 1-3 and 2-3. On both of those pages you refer to the growing tourism project as a mechanism to coordinate whole-of-Government approaches to developing tourism. Also in your opening statement today you detailed substantial current investment in Queensland's tourism infrastructure. Can you outline for the Committee the department's financial commitment to these growing tourism projects?

**Mrs ROSE:** It is increasingly understood that tourism is one of this State's, indeed Australia's, largest industry sectors. In Queensland we have an \$8 billion a year industry. It is our single largest export revenue earner—\$5.3 billion—our largest employer and our second largest contributor to gross State product. Put simply, Queensland tourism is vital to the economy. At the same time, it is a diffuse and splintered industry sector. It is relatively new compared to established industry sectors such as mining and agriculture. Most State Treasuries and the Commonwealth do not even maintain a system of State or national accounts that specifically measure the value of the industry. In Queensland I am pleased to say that we are moving to rectify that situation.

The nature of tourism with its high proportion of small business operators, its many low-capital operations, its intense competition and its historically undervalued career paths has always made it a difficult industry sector to promote in a clearly defined manner, and I want to change that. To that end my department, in cooperation with Tourism Queensland, is developing the



growing tourism initiative designed to boost whole-of-Government responses to the needs of the tourism sector and to foster interagency cooperation. The aim is to more clearly define and articulate the future tourism priorities of the Government. My department has put together a working group from across Government to drive this agenda. We want to maximise opportunities for and minimise constraints on tourism growth.

I believe we are already seeing a greater awareness of the total value of tourism to Queensland. Recently the Premier at the Gracemere Community Cabinet provided a broad overview of the level of public investment in tourism to the tune of over \$250m. These are important figures that highlight the extent to which tourism reaches into so many Queensland communities. My department has established an interdepartmental working group to establish a better focus across Government of the way in which agencies' activities impact on tourism. Key agencies represented on the working group include Tourism Queensland, the Premier's Department, State Development, Treasury, Transport and Main Roads, Natural Resources and the EPA. Under the auspices of the working group, we aim to better evaluate and coordinate development and infrastructure priorities for regions throughout this State. This process will be driven by a renewed strategic policy framework for tourism that is under development as part of growing tourism. If Queensland is to maintain its leading tourism position in Australia, then we must be prepared to continually adapt and refocus on the changing needs and dynamics of the industry and local communities. Growing tourism is part of that evolution.

**Mr PITT:** I refer to page 2-4 of the Ministerial Portfolio Statements and dot point three on that page under the heading of "Policy and Destination Development". Could you please tell the Committee what you are doing to promote air services to Queensland, particularly in regard to international air services?

**Mrs ROSE:** Tourism Queensland and my department are committed to improving air services into Queensland. We recognise that air services are the lifeline of the tourism industry. No matter where I go throughout Queensland in meeting with the regional tourist associations, air services is the fundamental issue to developing the tourism industry in their area. Seat capacity into our destinations is a critical factor in determining the health of the industry. We have the good news of the growth in domestic competition

with Impulse and Virgin, which will play a big part in stimulating domestic tourism, and we will be continuing to push for expansion of their services into regional destinations as soon as practicable.

Your question, however, is focused mainly on international air services. Because of the importance of these services to destinations such as Cairns and south-east Queensland, my first mission overseas was very heavily weighted towards promoting additional air services to Brisbane. Accompanying me on the mission was the CEO of Tourism Queensland and regional tourism organisation representatives from the Gold Coast, Brisbane, the Sunshine Coast and the Whitsundays.

Tourism Queensland's aviation unit prepared six specific route proposals to five major international airlines in Japan, Korea, Hong Kong and Singapore. Our lobbying promoted the underlying and growing demand for seats, the strong growth in long haul traffic from Europe that has the potential to hub through Asian ports and the development of Queensland's destinations to attract increasing market share. That lobbying, of course, did not only involve the airlines. Major presentations to the outbound tourism industry occurred in Tokyo, Seoul, Hong Kong, Singapore and Taipei and the response was overwhelmingly positive. Wholesalers, airline representatives and travel agents were extremely positive about Queensland. They love Queensland and they love Queenslanders. They recognise our strengths and they provided some constructive input on our marketing destinations that was useful for Tourism Queensland and for the RTA managers. The airlines were highly impressed with the detail and professionalism of the route proposals, and I must commend the work of Tourism Queensland's aviation unit in putting those together. It really was an incredibly professional presentation that we were able to make because of those proposals.

I am pleased to inform the Committee that we are already seeing some results. On Tuesday I was happy to announce that Korean Air had reacted immediately to our deputation by beginning to fly twice a week direct from Seoul to Brisbane. Six hundred seats a week, that is 30,000 tourists a year, are designated for the south-east corner of Queensland. That is going to provide a massive boost to tourism from one of our fastest growing markets.

**Mr PITT:** I have a question arising from the answer you have just given. You mentioned both Virgin Airlines and Impulse.

Given that Virgin Airlines was given incentives to come to Queensland, you did say that you were going to encourage them to come to regional centres. Of course, you know I come from Cairns. Do we have any firm expectations from Virgin that they will expand their routes to places such as Cairns?

**Mrs ROSE:** As you know, the fact that we got Virgin to Queensland was just a huge boon for us. I have had some preliminary discussions with some of its executive people. I know that Tourism Queensland has had extensive dialogue with them as well. We are of course encouraging them to consider flying into regional Queensland. As you say, everywhere I have been—Cairns, the Whitsundays, Rockhampton—is very keen to have Virgin fly there. What we need to do, though, is not just rely on Virgin to have affordable flights into regional Queensland. We are continuing to put pressure on Ansett and Qantas. The best way to get people into the regions is to provide low-cost fares so that those people who may not be able to normally fly will be able to do so. That is the opportunity that Virgin is going to be able to provide. I can give you an assurance that we will continue to work with them to try to get them to fly into regional Queensland. Obviously, they have to make commercial decisions about where they fly and we have to put forward strong cases for them to consider flying into the regions.

As you know, Virgin is based in Brisbane. I was very pleased to travel on its first flight. The CEO of Tourism Queensland and I went on a mystery flight with them. However, it was not a very great secret. I think we knew a week before we were going on the mystery flight. I was hoping, of course, it was not just to the Gold Coast, because I had driven up from the Gold Coast to catch the plane. I was hoping that we would not just fly to the Gold Coast and back, because I then had to turn around to drive back to the Gold Coast. As it turned out, we went to the Sunshine Coast. I was very impressed with the enthusiasm of the staff of Virgin Airlines. There were young people at the airport surrounding Richard Branson. They think he is an absolute hero. He has this amazing personality and treats his staff very well. I have also found that the people I have met at Virgin, and I know Tourism Queensland will agree with me, have been very easy to talk to. They are very keen to make an impression in Queensland. I can assure you that we will continue our dialogue with them to increase the number of flights into Queensland and certainly to look at our regional Queensland destinations.

**Mr PITT:** Minister, I note on page 1-4 of the Ministerial Portfolio Statements that \$2m is included in the Tourism Queensland budget for convention and incentive marketing. Can you advise us of the expected benefits of the continuing promotion of this sector of the tourism industry?

**Mrs ROSE:** The Government recognises that convention tourism is one of the highest yielding sectors of the industry. When we came to Government we also recognised the potential of this sector with the special purpose allocation of \$8m, that is, \$2m a year for four years, for marketing. We have six official convention bureaus in Queensland—Brisbane, Gold Coast, Sunshine Coast, Townsville, Cairns and in the tropical north Queensland and Whitsunday regions. They will all share the \$2m. We are getting great results from that investment. The marketing grant is in addition to the Government's provision of convention centres in Brisbane, Townsville and Cairns and the announced investment of more than \$100m to build another centre on the Gold Coast. There is an allocation of \$30m in this year's Budget.

Queensland's convention tourism industry is riding the crest of a wave, with research revealing a 23% increase in delegates and almost double the number of delegate days in the 1998-99 financial year. Compared with benchmark study results for the 1997-98 financial year, the number of delegates to Queensland increased in 1998-99 by around 23% to 383,532. The number of delegate days increased by 93% to 1.83 million. The total number of meetings held in Queensland grew by 3% to 2,830. You can see just what a huge business convention and incentive is to the tourism industry.

These excellent results capped a year which saw Queensland successfully host two prestigious international tourism conventions—the 1999 Association of British Travel Agents Convention and the Annual Travel Academy of one of Germany's largest tour wholesalers, Der Tour. Queensland will also host megaconventions such as the Rotary International Convention, which will attract more than 25,000 delegates when held in Brisbane in 2003. Hosting events of this magnitude highlight the State's appeal and competitiveness in the international conventions marketplace. Of course, there are so many spin-off benefits to our restaurants, to all the hotels and entertainment areas around Brisbane, to the Gold Coast, the Sunshine Coast and right across the State when we have a convention such as Rotary.

It really is a fantastic opportunity having conventions of this size held here. The convention industry is important to Queensland as it provides a means of attracting new visitors. Our research shows us that around three-quarters of delegates would not have visited Australia had their convention not been held here. There is often increased visitation by delegates who return to Queensland as tourists, as well as pre and post touring, which significantly increases their total spending.

**Mr PITT:** Minister, as you indicated in your opening statement, we are all aware that tourism is Queensland's second largest industry employing more than 130,000 people. I understand that it generates more than \$8 billion in revenue for our State. I note that on page 1-2 of the Ministerial Portfolio Statements there are encouraging predictions for the growth of the industry. Could you detail how Brisbane's selection to host the 2001-02 Australian Tourism Exchanges will help promote our product to the world at large?

**Mrs ROSE:** Queensland's standing in world tourism has been considerably enhanced by Brisbane's selection to host the Australian Tourism Exchange for the next two years. It is a major coup for Brisbane, as 2001 is the first time the show will be held outside Sydney or Melbourne. I really had not appreciated the full magnitude of what the ATE meant until I went to Sydney myself. I was absolutely stunned by the sheer size of the Australian Tourism Exchange. It is massive.

It is the pinnacle trade show in Australia and the trigger for \$17 billion worth of foreign exchange earnings for Australia. We want to increase our share of the cake, and hosting the ATE will enable us to do that. It is Australia's largest tourism trade show and the fourth biggest in the world. There were more than 750 international and 550 Australian tourism product buyers and organisations represented at the ATE in Sydney. Of course, we are going to do it even bigger and better in Brisbane. We are expecting that we are going to have a bigger turnout.

The ATE is a specialist travel trade show. Its primary aim is to familiarise international buyers with a vast array of Queensland and Australian in-bound product. It also provides the opportunity to showcase our industry to the world by having existing and new products included in overseas tour programs, so the potential benefits flowing from the exchange are enormous. Each year the value of the ATE escalates, and next year's will be no exception.

We are absolutely determined to ensure that we stage the biggest and best ATE ever. It is no surprise the Australian Tourism Commission chose Queensland to host the ATE. We are, after all, blessed with natural beauty, great weather and a friendly, laid-back style that is the envy of the rest of Australia.

Queensland is one of the world's most desirable holiday destinations. To borrow our marketing slogan: where else but Queensland? Where else but Queensland will you find World Heritage listed rainforests located within easy travelling distance of tropical islands, endless beaches, country retreats and the vast expanse of the outback? Where else are there ancient fossil fuels and a burgeoning wine industry? Where else but the Sunshine Coast, where you get such a warm welcome? The Sydney Olympics offers unprecedented opportunities for tourism in Australia. That is why it is so important for our industry that Brisbane is hosting the ATE in 2001 and 2002. If we are to seize the opportunity, we need the support of the whole industry. I am confident that we will get that support.

**Mr PITT:** After that glowing promotional display, I intend to spend my future holidays in-State. You have convinced me. I refer to page 2-4 of the MPS. Dot point two under "Marketing" makes some comments relating to the GST. Could you very briefly explain to us how you see the GST impacting on the tourism industry? Is our Government doing anything to minimise those impacts?

**Mrs ROSE:** The GST cannot be good for tourism in Queensland. That is a simple fact. The tourism industry is primarily a service industry which prior to the introduction of the GST was not taxed in this way. Holidays and travel will cost more, all the way down to the cost of petrol for the family car on a weekend away. We have already seen an appalling rise in the cost of fuel which has occurred with the increase in excise introduced with the GST. Then there is the terrible tax on tax, with GST being charged on the fuel excise itself. Impacts such as these are unequivocally bad for tourism. Certainly the increase in fuel costs could severely dent the drive tourism market that is so important to many regional centres in Queensland, for instance the area around Townsville.

Of course, it is still early days in the introduction of the tax. Following commencement of the GST, the Tourism Council of Australia initiated a survey to find out key operational effects on the tourism industry. So far the industry seems to be

coping with the implementation phase, but the impact of the tax on small business in the tourism industry is still a huge unanswered question. The enormous compliance demand on small business and the quarterly payments system remain to be tested. But the tax is with us. Therefore, I am ensuring that Tourism Queensland does what it can to assist the industry in any key areas of need or difficulty that arise as industry beds down the horrific administrative workload and burden demanded by this new tax system.

We will be working hard to minimise the impact on domestic tourism, which is a huge issue. We already have alarming signs of an increase in the number of Australians electing to holiday overseas. We were talking about schoolies week earlier. One of the travel agents on the Gold Coast was actually encouraging young people to go to Fiji because it was cheaper to go to Fiji for a holiday than it was to have an Australian holiday as a result of the GST.

A major initiative that Tourism Queensland will undertake, in conjunction with the other States and the Commonwealth and in cooperation with the tourism industry, is the Partnerships Australia domestic tourism initiative. TQ will contribute over \$1m to a campaign to entice Australians to holiday domestically. Timed to commence after the Olympics, its major focus will be getting Australians out into the regions. This can only be good for Queensland and complements the work done by TQ through the State Government's tourism rescue plan.

I know that, like me, you enjoy going out for a meal and having a glass of wine. Certainly wine and food tourism in Queensland is a huge industry. I have had a number of people say to me that, since the introduction of the GST, \$20 has been added to the bill for just an average meal and a bottle of wine. The GST certainly has a number of ways of impacting on tourism in Queensland.

**Mr HEALY:** Minister, what you failed to mention was that, because of tax cuts, there is additional disposable income in the pockets of those people to compensate for the GST. Nevertheless, I refer to page 2-5 of the MPS, under the section "Consolidated sales of Sunlover Holidays and Queensland Travel Centres". The 1999-2000 target/estimate was \$204m, the 1999-2000 estimated actual was \$187m and the 2000-01 target/estimate is \$193m. Note 4, which accompanies that statement, states—

"The Estimated Actual for 1999-2000 reflects the growing competition within the

domestic market and consumer uncertainty prior to the introduction of the Goods and Services Tax."

Given that the only promoter of doom and gloom for the industry is your Government as far as the GST is concerned and that the sky has not fallen in, as indicated by the Queensland Barometer 2000 May issue predictions, what steps are you taking to improve Sunlover sales?

**Mrs ROSE:** The output statement shows a reduction in revenue for Tourism Queensland from other sources of almost \$2m when compared to the estimate for the last financial year. Most of that revenue comes from Sunlover Holidays, Tourism Queensland's commercial arm. It has successfully marketed and sold over 3,800 Queensland tourism products through the travel technology's ATLAS 2000 reservation system for more than 13 years. Sunlover's major competitors are Ansett and Qantas holidays. Both these wholesalers, consistent with their parent airlines' loyalty programs, accept credit card fees as from 1 July 2000.

Sunlover Holidays has the widest distribution network of any wholesaler in Australia and New Zealand. It has forged a reputation as an agent-friendly wholesaler. This additional initiative is designed to help improve market share and provide a platform of continuing enhancement of relationships with all retail travel agents.

Sales and revenue are expected to increase again this year, with some of the predicted increase attributable to the introduction of the credit card facilities I was just talking about. However, variables such as the GST, increased competition in the aviation industry and post-Olympics domestic visitation may inhibit sales. It is important to note that Sunlover is an integral part of Tourism Queensland's marketing and destination development activities. In 1999-2000 approximately \$1.2m was redirected from Sunlover to Tourism Queensland's destination marketing activities.

We also have a number of other initiatives. We have a web interface with the national database development project, the National Tourism Data Warehouse, which Tourism Queensland is project managing; a cooperative marketing program; a brand program designed to change consumer attitudes towards domestic tourism; a public relations campaign designed to develop and implement a public relations program to support the brand campaign program; and a consumer benefits program, which is a tactical

strategy for converting the desire to travel within Australia into sustainable sales growth. That proposed initiative links with this Government's Tourism Rescue Plan, which emphasises the need to continue encouraging Australians to holiday in Queensland. It is anticipated that that initiative will be launched in November.

**Mr HEALY:** I will finish with a quick question relating to the State's 14 regional tourist organisations and funding for those RTOs. Is there likely to be any review of that funding? I note that the figure in the majority of cases is around \$165,000 to all bar three. That has been the case for some time. Is Tourism Queensland looking at reviewing that figure or is that figure likely to remain for some time?

**Mrs ROSE:** I would like to say to the Committee that I totally support the concept of regional tourist organisations. I have had the opportunity to meet with many of them over the last seven months. I find that the people on those authorities are really dedicated and hardworking. They are very passionate about their own regions, which is of course to be expected.

It is a structure that has been around for about 20 years and it has worked. There may, of course, be some friction within the RTOs. That is completely natural given, as I said, the competitive nature of the tourism industry and the parochialism that RTOs feel about their own areas. The RTOs are membership-based organisations that have to juggle a whole range of agendas and priorities. Given those realities, I think it is great just how much the regional structure has helped pull tourism into a relatively cohesive industry. I will continue to strongly support our RTOs. I can only encourage industry players out there to get behind their regional organisations.

Successive Governments have been able to maintain funding at this level since 1996-97. At this time the funding to RTOs was increased by 50% from \$1.735m to \$2.610m. As Minister for Tourism, I am comfortable that that allocation represents a fair and reasonable contribution towards the maintenance of an effective RTO network throughout the State, because it does work.

Each of Queensland's 14 RTOs provides a submission to Tourism Queensland for annual grant funding. This funding is based on the financial viability of each RTO and commitment to the partnership with Tourism Queensland. As agreement, Partnership Queensland provides the basis on which Tourism Queensland and its recognised RTO

partners build a coordinated approach to the development of Queensland's tourism industry. When they put in their submission, it is, of course, followed by an assessment, and Tourism Queensland expects to distribute the allocated funding to the RTOs throughout October and November this year. The RTO network is a key element in the development of marketing and destination development plans and is integral to the facilitation of growth of the Queensland tourism industry. I do have a breakdown of funding for the 14 regional tourist associations if you are interested.

**Mr HEALY:** No, you have supplied that to me in answer to a question on notice. That is all the questions I have on tourism. My next line of questioning is on racing.

**The CHAIRMAN:** That is all the questions we have on tourism, so now on to racing.

**Mrs ROSE:** I am sorry; I should have introduced my tourism and liquor licensing colleagues before. I would like to acknowledge Bob Mason, Executive Director of Racing.

**Mr HEALY:** I refer to MPS page 1-16 under Future Developments, dot point three, where it says that in future there will be a procedure where you will be able to monitor and review the performance of the Queensland racing industry, including the performance of Government-appointed boards and legislatively recognised industry control bodies in relation to economic management and community and Government social justice expectations. This has not been included as an initiative before in previous MPS documents. What criteria will be used to monitor Government-appointed boards under this development, and will there be benchmarking?

**Mrs ROSE:** My department continues to review the performance of the QRI in relation to both economic management and community expectations, primarily through its monitoring of the Government-appointed boards and control bodies. The Government appoints the Queensland Harness Racing Board and the Greyhound Racing Authority, with the membership of the Queensland Principal Club nominated by the industry and recognised by Government as a statutory control body for the thoroughbred code. As statutory bodies under the Racing and Betting Act 1980, all three control bodies are required to provide an annual report to Parliament in accordance with the Financial Administration and Audit Act 1977. Analysis of annual reports by my department and ongoing industry consultation provide starting points for more formal communication that may be required to

take corrective action such as amending legislation. In addition, as units of public administration, these entities are held accountable under other legislation such as the Criminal Justice Act 1989, the Freedom of Information Act 1992, the Judicial Review Act 1991 and the Parliamentary Commissioner Act 1974—the Ombudsman.

The activities of the Government-appointed Racing Appeals Authority and Racing Codes Advisory Board also serve as monitoring mechanisms of the industry. The Racing Appeals Authority provides a cost-effective, independent appeals system for racing participants. My department provides secretarial support to the authority and monitors its activities via the information the authority provides on the conduct and result of its hearings. The Racing Codes Advisory Board acts as a scientific advisory board on the operations of the Queensland racing industry drug control system and reports on a regular basis through my department to Government.

**Mr HEALY:** Could I refer to MPS 1-18, Output Operating Statement. This is probably just a simple "yes" or "no" answer. Under grants and subsidies, is the \$2m under 2000-01 Estimate the training track subsidy?

**Mrs ROSE:** Yes.

**Mr HEALY:** Can I also stick with MPS 1-18 in relation to user charges. Explanatory note No. 3 says—

"The decrease in the 1999-2000 Estimated Actual compared to the 1999-2000 Budget primarily relates to lower than anticipated revenue from Queensland Racing Industry Training Centre student fees"—

and I can understand that—

"offset by the recoupment of Statutory Deduction receipts from the Office of State Revenue for June 1999."

Could you explain what that means and how much that amount was?

**Mrs ROSE:** I will get Ian Warren to answer that for you.

**Mr WARREN:** The funding for statutory deductions was \$1.376m. The reason it is showing as user charges is that it was an administrative error in terms of the posting of the ledgering of the receipts.

**Mr HEALY:** Could I have that figure again?

**Mr WARREN:** \$1.376m.

**Mr HEALY:** Finally, just to refer again to user charges on page 1-18 of the Ministerial Portfolio Statements, the 2000-01 Estimate,

\$2.3m, could you outline what those user charges are now?

**Dr MASON:** The gross bulk of the user charges collected by the department is in relation to the Racing Science Centre, which is now operated on a user-pays basis with the industry. We are collecting a user fee of over \$2m from the industry on that basis. You might recall that before the TAB was privatised, the way the Racing Science Centre was funded was by a deduction of moneys from the profit of the TAB to service the industry. Since the privatisation of the TAB, the department has entered into a service level agreement with the industry to fund the Racing Science Centre.

**Mr HEALY:** So the 2000-01 Estimate of \$2.3m, the majority of that is from Racing Science Centre user charges.

**Dr MASON:** The bulk of that is for the Racing Science Centre, yes.

**Mr HEALY:** What is the rest of it for?

**Dr MASON:** Some minor user charges come in from other services the Racing Science Centre might provide, for instance, to the Royal National Association and a couple of other small organisations which get some drug testing done through the centre, but our main user charge collection is from the industry for the science centre.

**The CHAIRMAN:** It is now time for Government questions. The member for Fitzroy.

**Mr PEARCE:** I think it was a "yes" answer a minute ago with regard to the \$2m training track subsidy. I am just wondering if you would explain to the Committee what this training track subsidy is, and what does it all mean to the Queensland racing industry?

**Mrs ROSE:** I am pleased to get that question from the member for Fitzroy. He shares my passion for racing and has been on occasion known to give me a pretty good tip. I know that he was very keen to see the Government fund the training track subsidy scheme.

**Mr Healy** interjected.

**Mrs ROSE:** I am not that big a punter.

This Government has a proven track record of assisting the Queensland racing industry. Despite a scare campaign run by the Opposition spokesman, the Queensland racing industry will again benefit from a training track subsidy. Last year, over 80 clubs throughout Queensland were beneficiaries of this scheme, which helped to compensate them for providing training facilities. A list of all

the clubs that benefited from last year's scheme was provided in an answer to a question on notice, but I think it is important for members to realise just how widely the money is spread. Small clubs such as McKinlay, Stamford, Prairie and Boulia received funding, as well as major training centres such as Eagle Farm, Toowoomba—and the member for Toowoomba North should be very pleased to hear that—and the Gold Coast. It would be good to hear him come out and say something positive about that.

The provision of training and racing facilities is a very costly item for clubs, which battle to make ends meet with a continuing trend for people not to go to the track. The provision of adequate training facilities is very important if we are to maintain a high quality of racing like we saw during the recent Queensland Winter Racing Carnival. Queensland trained horses have seldom been to the fore at any stage like they are now. Major southern stables such as Hawkes, Freedman, Waterhouse and Cummings have recognised the strength of Queensland racing and set up satellite stables in Brisbane. These stables provide them with an ideal launching pad for their horses and help to bolster the quality of Queensland racing.

**Mr PEARCE:** On page 1-16 under the heading "Review of Output Performance" at dot point five reference is made to the transfer of the Deagon training track and school. What was the purpose of this transfer?

**Mrs ROSE:** Following a commitment provided during Queensland TAB privatisation negotiations, the Deagon racecourse and the Queensland Racing Industry Training Centre were transferred back to the industry. During 1999-2000 a transitional management committee comprising representatives of the three codes and the Department of Tourism and Racing under a service level agreement was established. The committee managed the operation of the QRITC and the Deagon racecourse pending the transfer of ownership on 30 June 2000. During this transitional period, my department and industry representatives conducted widespread consultation with stakeholders and employees and their respective unions. The transfer was conducted so as not to disadvantage any staff and was strongly supported by them. This new arrangement will also ensure that Deagon racecourse continues its long history as a public training facility.

Industry ownership balances the commercial flexibility required by the Queensland racing industry in the new post-

privatisation environment. The industry will also be able to continue the high quality industry education that has been provided by the Queensland Racing Industry Training Centre.

While there has been a disproportionately high focus on the international courses offered by the QRITC, it is the domestic programs that will provide the long-term benefit for Queensland racing. Jockeys of the calibre of George Moore, Mick Dittman, Chris Munce and Glen Boss have gone on to become legends of the Australian turf following apprenticeships in Queensland. The Queensland Racing Industry Training Centre is an important part of ensuring that this proud tradition continues into the future.

**Mr PEARCE:** In the MPS there is reference to the National Competition Policy review of the Racing and Betting Act. What, if any, are the implications of this review for the racing industry in Queensland?

**Mrs ROSE:** As part of the National Competition Policy, the Racing and Betting Act 1980 is required to be reviewed and, if necessary, reformed to address restrictions on competition by 31 December this year. An NCP paper was released for public comment in April this year and a total of 363 submissions were received. The restrictions on competition identified in the NCP issues paper were: restrictions caused by the legislative establishment of a regulatory regime, direct prohibition of any new codes of racing, direct prohibition on proprietary racing and restrictions on the operations of bookmakers.

The issues paper followed on from a survey of bookmakers conducted last year and helped form the basis of the Racing Amendment Bill 2000 that dealt with a number of NCP issues. As part of the review process, it is intended to conduct further consultation with Queensland racing industry control bodies, peak industry associations and interested parties wanting to expand on submissions already received.

**Mr PEARCE:** I did have a couple more questions on racing, but I will let those go. There is just one that I wanted to finish off with. This is on the Olympic Games. Time is going to beat us. Only a couple more minutes and we will be declaring correct weight. On page 1-20 it discusses the opportunities for Queensland from the 2000 Olympics. Could you advise the Committee what benefits can Queensland expect from the Olympic Games?

**Mrs ROSE:** I thank the member again for his question. As members will be well aware, the 2000 Olympics in Sydney will be one of Australia's largest peacetime activities. The

Queensland Olympic 2000 Task Force has initiated strategies that will provide a multi-million dollar long-term bonanza for this State. The Olympics have already pumped millions of dollars into the Queensland economy with the benefits to flow for years to come. The task force focused on strategies in five main areas: business, sports, arts, tourism and major events.

The key outcomes achieved to date for Queensland include securing approximately \$240m worth of Games-related business. This includes \$105m for small to medium sized business and \$134m secured by international companies with headquarters in Queensland. By marketing Queensland's international standard sporting facilities, Queensland will host 151 teams from 31 countries for pre-Games preparations, hosting six preliminary matches and one quarterfinal of the Olympic soccer tournament. This includes hosting FIFA's No. 1 and No. 2 ranked teams, Brazil and the Czech Republic and celebrating the arrival of the Olympic torch in 174 Queensland towns and stopping for 36 community celebrations.

I was delighted to be in Mount Isa, which was the first Queensland city to welcome the Olympic torch, and also in Coolangatta. We are also maximising involvement in the four-year Olympic arts festival for Queensland's visual and performing artists and, most importantly in the long term, marketing Queensland's tourist attractions and destinations within an Olympic framework to an unprecedented number of domestic and international media and travellers. The planning, perpetration and delivery of these outcomes has been underpinned by substantial contributions from the Queensland Police Service and the Departments of Health, Transport, Main Roads and Emergency Services.

The leverage benefits for Queensland will continue well beyond Games time. This is particularly true in terms of national and international business opportunities flowing from the provision of goods and services to Games organisers. The Games has been a catalyst for new networks, export opportunities and improved business practices. In addition, the dedicated Olympic media strategy being implemented by Tourism Queensland is certain to yield long-term benefits for the State's tourism industry with an extra 800,000 overseas tourists tipped to come here by 2004.

**The CHAIRMAN:** The time allotted for consideration of the Estimates for Tourism and

Racing has 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 Committee will now break for afternoon tea.

Sitting suspended from 3.28 p.m. to 3.45 p.m.



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

Hon. R. J. Welford, Minister for Environment and Heritage and Minister for Natural Resources  
 Environmental Protection Agency—  
 Mr B. Carbon, Director-General  
 Mr H. McLoughlin, Manager, Financial Services, Corporate Development  
 Dr I. McPhail, Executive Director, Queensland Parks and Wildlife Service  
 Natural Resources—  
 Mr T. Hogan, Director-General  
 Mr R. Freeman, Deputy Director-General  
 Mr P. Noonan, Executive Director, State Water Projects  
 Mr L. Leader, Executive Director, Land Services  
 Mr S. Spencer, Executive Director, Resource Management  
 Ms J. Williams, Director, Finance and Business Improvement

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

I declare the proposed expenditure for the Minister for Environment and Heritage and Minister for Natural Resources to be open for examination. As indicated in the hearing program, the Committee will begin examining the proposed expenditure in the area of Environment and Heritage. The Committee will break at 5.15 p.m. and resume at 5.30 p.m. to examine the Estimates for Natural Resources. The question before the Chair is—

"That the proposed expenditure be agreed to."

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

**Mr WELFORD:** Thank you, Mr Chairman. I am pleased to appear before the Estimates committee to present the Estimates for the Environmental Protection Agency and the Queensland Parks and Wildlife Service for the year 2000-01. I believe that the Budget demonstrates the Government's commitment to protecting our natural assets and creating jobs. We see in this Budget an increase in the budget for Environment by \$13.2m, taking the total operating budget for the EPA and the QPWS to a record \$238.5m. The Budget is further evidence of our Government's commitment to environmental reform and sustainable economic development.

Over the past two years, we have initiated a range of significant environmental reforms to protect our natural heritage, improve quality of life and create long-term sustainable jobs. These reforms have been complemented by a sea change in natural resource management, building a platform for sustainable economic development and the prosperity of rural and regional communities.

The momentum continues in this Budget, with commitments to protect our national park estate and our magnificent coastline, support for urban and rural industry and funding for programs that support sustainable resource management. I am particularly pleased that our green jobs initiative will again see 100 new green jobs created through our Better Parks Program and up to 70 new jobs through our plan to create Queensland's own plastics recycling industry. The Better Parks Program is a four-year, \$37.7m commitment to upgrade visitor facilities in national parks across Queensland and carry out maintenance in existing facilities. Part of this program draws on the Government's Breaking the Unemployment Cycle initiative in that we are providing valuable training and employment opportunities for 100 Queenslanders to carry out upgrades and maintenance. A further 80 project-related jobs will be created in capital works projects in protected areas, including the Lamington, Great Sandy, Girraween, Bunya Mountains, Blackdown Tableland, Eungella, Barren Gorge, Daintree and Lawn Hill National Parks. This scheme will be an important catalyst for increased nature-based tourism in Queensland.

Apart from the 180 jobs created there—giving our national park facilities a facelift and new facilities—it will also stimulate other indirect employment opportunities in the tourism sector, which will also benefit regional

communities. Our national parks represent Queensland's largest tourist attractions, hosting more than 12 and a half million visitors a year. They generate 6,000 jobs and inject more than \$1.2 billion a year into our State's economy.

The commitment to our national parks will also be highlighted in the master planning process, which we have now had under progress for some time. We will finalise that this year and it will provide a blueprint for the management of our protected areas for the next decade. The Budget reflects this commitment.

Another highlight in this coming Budget is a five-year \$9m industry Eco-Smart Program to make Queensland business and industry more profitable through eco-efficiency improvements. The initiative is part of our commitment to sustainable economic development. There is enormous potential for business to improve its profitability and create jobs by saving energy and water and reducing waste. This scheme will help business to identify those efficiencies, reduce the impact on the environment, and manage development in a sustainable and profitable way. The aim is to create widespread industry transformation through strategies including energy audits, energy efficiency training courses, and education and renewable energy initiatives. Industries such as tourism; agribusiness, including food processing; transport and manufacturing will all benefit from adopting these green business practices.

Other significant initiatives in this Budget include \$5m to acquire sensitive coastal lands; \$1.5m for acquiring properties of high biodiversity value in the Brigalow Belt and desert uplands; \$1.5m to implement the south-east Queensland forest agreement, as part of a \$17.6m commitment on that front over four years; and \$1m to accelerate detailed vegetation mapping and determine areas of high conservation value as part of a \$3.7m initiative towards the vegetation management planning framework for Queensland. There is also ongoing support for EPA's work in waste management, water quality and air pollution.

The draft State Coastal Management Plan will be finalised this year and provide a framework for future development of sensitive coastal zones. A new Waste Wise initiative will assist local governments develop waste management strategies. The transferring of environmental regulations from the Department of Mines and Energy to the EPA will also be finalised this year. We expect to

register 500 new land-holders to the expanded Land for Wildlife program.

On the whole, I am very proud of this Budget and I am looking forward to the challenge of implementing some exciting new initiatives through the EPA and the QPWS.

**The CHAIRMAN:** Thank you, Minister. Time for non-Government questions. I call the member for Keppel.

**Mr LESTER:** Good afternoon, Minister. Good afternoon everybody. I refer to the appointment of sacked Public Service Commissioner, Dr Brian Head, to the inaugural position of Executive Director of the EPA. Was the position advertised? Were any selection criteria applied? Or was the position exclusively created for Dr Head? Will Dr Head be eligible for any form of performance bonus as part of his contract? Can you confirm for the Committee exactly what his contract is worth?

**Mr WELFORD:** I will ask the Director-General to give you some of the details. It has happened fairly recently. This was an appointment arranged through the Premier's Department.

**Mr CARBON:** Mr Lester, Dr Head's appointment to the EPA was made under section 88 of the Public Service Act, which was an amendment that you will recall, because it was an amendment made recently during the term of Government which you occupied. Under that section, the Premier has the capacity under disciplinary procedures to make a direct appointment which did not require the characteristics which you indicated. So Dr Head's was a direct appointment under section 88 of the Public Service Act, as amended by your Government.

The appointment was for the three-year balance of his existing contract—so it was originally a five-year contract. There have been public statements made about the reduction in his salary compared to the previous one but there has been, as with other public servants, not a public statement on the actual sum of the new contract.

**Mr LESTER:** Page 1-1 refers to the Queensland Parks and Wildlife Service's role in managing the conservation of nature and overseeing our valuable protected area estate. With that in mind, I refer to the illegal clearing of part of Cedar Bay National Park in far-north Queensland, which was reported to your office over a month ago, where trees were felled and replaced with a tent and associated rubbish, empty beer bottles and some shoes. What action, if any, has been taken against the perpetrators of this vandalism? Did your department bill the offenders for the costs

incurred in investigating this offence just as it billed private land-holders charged for unlawful tree clearing, and has the fact that the Queensland Parks and Wildlife Service office in Cooktown been closed and the local park ranger position been left vacant for the past 12 months hampered this investigation?

**Mr WELFORD:** Firstly, let me assure you that the Queensland Parks and Wildlife Service offices in Cairns and in Cooktown are perfectly able to manage these issues. There are adequate staff to ensure that any issues relevant to the QPWS are responded to promptly and effectively. I am very pleased with the work my staff have done in those offices over the past 12 months. As to the issue at Cedar Bay, I am aware of some damage that has been done. The area is relatively insignificant, but that is not the point. The point is that the occupation of that area is not, as I understand it, a legitimate occupation. I view that matter seriously. The issue of clearing may in fact be a Department of Natural Resources matter rather than a Queensland Parks and Wildlife matter. But in any event, the situation to which you refer and about which I understand Mr Entsch, the Federal member for the area, has been doing a song and dance for no particular purpose other than to give himself some publicity, is something to which we are responding. I do not regard it as acceptable and I have communicated that to the people involved. We are negotiating with various stakeholders to try to address that problem in a way that is in the interests of the community, in the interests of the proper management of State land and to the mutual satisfaction of other stakeholders.

**Mr LESTER:** In Mr Hamill's first Budget he talked about an amount of \$7m for enhanced protection of biodiversity and endangered species. Then Mr Beattie last year, when he was acting for Mr Hamill, said the same thing. I notice again it is in this Budget. Are we going to get that money spent this time?

**Mr WELFORD:** The money you refer to was allocated as a project over a number of years and the new amount this year is another \$2m as part of that \$7m program. That money is used for, as you point out, threatened species work that looks at recovery plans, conservation plans and the WildNet database that was established under the previous Government.

**Mr LESTER:** But have we spent any of it?

**Mr WELFORD:** We have indeed.

**Mr LESTER:** It keeps getting repeated?

**Mr WELFORD:** It gets repeated because it is the same amount added in each year. It is

part of a \$7m program—\$2m last year, \$2m this year and there will be another \$2m next year. Eventually you get to \$7m.

**Mr LESTER:** I hope so. The output statement for the QPWS shows the average cost per hectare for the management of terrestrial protected areas was underspent last year. Contrary to your claims of a maintenance budget increase, it will remain at \$5.50 per hectare this year. Even taking into account that underspend, how can we have confidence in the figures provided? How is it possible that \$5.46 per hectare was spent on maintenance in 1999-2000 after a \$28.4m budget cut and after the QPWS submitted to the local government inquiry that just \$4.72 per hectare was spent in 1998-99, which itself contradicts last year's Budget papers, which claimed that \$4.64 per hectare was spent. In the same table, visitor use is projected to increase this year from 13.5 million person visits to 14.9 million person visit days. Why has maintenance expenditure not been increased commensurate with the increases in visitor numbers?

**Mr WELFORD:** I could not quite understand that. Could you put it another way?

**Mr LESTER:** Your figures are all different. It is as simple as that. You can take it on notice, if you like. Do you want to do that?

**Mr WELFORD:** You will note that that measure in the output statement is in fact a new measure. The \$5.50 is an estimate based on the money spent last year compared with the money we will aim to spend, or the estimate of what will be spent, in the coming year. The reference you are making to the fact that we do not spend as much as we perhaps should was something that was raised by the local government review as well as by our own internal reviews looking at comparisons between Queensland and other States. But the level of spending is a feature of historical levels of spending in Queensland. We have a new program this year with at least \$10.1m—or \$37.7m over four years. The Better Parks Program will significantly boost funding for the management of our parks and the facilities in them.

**Mr LESTER:** \$3m over three years has apparently been allocated to enable additional maintenance on national park facilities. This is on page 1-2 of the MPS. Earlier this year the local government national parks inquiry heard a submission from the Queensland Rangers Association that the maintenance budget was only \$72,000 per annum and that the capital works budget had been raided to prop up day-

to-day operations and maintenance. You disputed these figures, but conceded later that funding had definitely fallen behind. What was last year's maintenance budget? Was it fully expended? What is this year's maintenance budget? What is the percentage of that expenditure to the value of total assets held? How does this compare with the other States? What are the department's estimates of the funding required to bring all parks up to a satisfactory standard and do you have any financial plan to achieve this goal?

**Mr WELFORD:** Thank you for keeping the question simple, Mr Lester!

**Mr LESTER:** It is all relevant.

**Mr WELFORD:** I will start with the last part of your multipart question first, that is, the issue of a financial plan. Yes, over the next 12 months the QPWS will be doing work with Queensland Treasury to identify a future funding plan for our parks. I think our ultimate aim is to ensure that we identify that when parks are added—you have made this point yourself in public comments previously—to our national park estate we need to not just cover the capital cost of acquisition but the ongoing maintenance cost of those parks. We need at a whole-of-Government level to have an agreed formula for providing ongoing funding for the management of parks that are acquired. That has never been the case. It was not the case under your previous Government. It has never been the case in the history of the Queensland Parks and Wildlife Service, to the best of my knowledge.

The operational funding for parks in the last year was not the \$70,000 that was referred to—and I understand the Rangers Association acknowledge that that figure was not the official association's view, although it was a comment made in the hearings before the Local Government Association's hearings. The operational funding allocated to parks last year was \$66.7m and this year it will be \$67.2m.

**Mr LESTER:** I will just give you a shorter question seeing as we need a break from the long ones. Can the Minister explain why the EPA has reduced the number of parks directors and yet it has the ridiculous situation of now having three directors handling Corporate Services functions: Brian Carroll, Director of Corporate Development, SES 2; John Gilmour, Director of Corporate Performance and Risk, SES 2; and Dr Brian Head, Executive Director of Executive Services, SES 3. Does this not reek of very hefty administration build-up while there is a

crying need for more park rangers on the ground?

**Mr WELFORD:** The latter two of the people you mentioned do not work in administration; they work directly as directors, just as in any other Government department, in overseeing the functional duties of the divisions of the agencies that they direct. Mr Carroll is the only person in Corporate Services. I do not regard it as top heavy. I am not sure what you are talking about when you talk about the reduction in directors.

**Mr LESTER:** You have gone down one in the national parks area.

**Mr WELFORD:** I can invite Dr McPhail to explain that.

**Dr McPHAIL:** To help the honourable member—we have made a decision to reduce the number of central office directors from three to two in terms of divisional responsibilities, but we will still have three directors available in the central office of the Queensland Parks and Wildlife Service. One of the directors has suffered a very severe bout of ill health and we are reorganising to ensure that his duties are reasonable for his recuperation.

The intention of creating the two central office directorates is purely to provide a better division of work and more logical and rational division of work between the elements of central office and also to reinforce that the parks service is field based and that our emphasis is in the regions, in the districts and on the parks.

**Mr LESTER:** There is a crying need for more national parks people on the ground, that is for sure. Turning now to the Environmental Protection Agency's role in the promotion of sustainable industry and the protection of the air, water and soil quality, mention of which was made on page 1-3, I refer to the sale of the Queensland Abattoir Corporation's ageing Ipswich and Cannon Hill meatworks as going concerns by the Beattie Government. Are both these meatworks compliant with all environmental standards and requirements? When did the EPA last audit these premises and what were the results?

**Mr WELFORD:** The EPA regulates these meatworks in the same way that the EPA regulates all other industrial operations. A licence is applied for, conditions are set and audits are undertaken to ensure compliance with appropriate environmental standards. Abattoirs are without question one of the more difficult industrial activities to manage in terms of effluent disposal, odour and noise. In recent months we have had complaints from the local

community, both in respect of the Australian Meat Holdings private abattoir at Ipswich and the Churchill abattoir also in the Ipswich area. The EPA is proactively addressing those concerns and has made very clear to the operators of those industrial activities that they will be required to come up to standards that the community regards as acceptable.

I do not think the arrangements for the disposal of any of the Government owned operations have any effect one way or the other on their environmental performance. Whether they are a Government owned operation or whether they are transferred to private owners, the EPA will regulate them and ensure standards are maintained to the same level.

**Mr LESTER:** Again in regard to the environmental condition of QAC's meatworks and especially that of the Ipswich plant, can you also indicate the soil condition on site and whether the current effluent disposal practices on site are environmentally compliant? Is the EPA aware of any problems with the flow of effluent or nutrients into the Bremer River?

**Mr WELFORD:** I assume that you are talking about the Churchill abattoir?

**Mr LESTER:** Yes.

**Mr WELFORD:** The EPA has, in fact, been in attendance at that abattoir this morning. One of the concerns of the local community—

**Mr LESTER:** Did somebody tell you I was going to ask a question about it?

**Mr WELFORD:** No, we are just on the ball every day of the week—seven days a week, 24 hours a day; that is us. The EPA is performing 100%. They attended this morning. One of the issues of concern to the community was spray drift from the irrigation of effluent onto this land. Further work needs to be done to ensure the land area on which irrigation is undertaken is adequate. At this stage we have no reason to believe otherwise. Previously the company was irrigating through spraying up into the air with normal irrigation equipment. This clearly allowed fine spray droplets to drift some distance.

In view of the community's concern about this, we have ensured that the irrigation of effluent is changed to a different arrangement whereby flood irrigation will be used on the same land. At this stage we are satisfied that that will make a significant improvement in terms of the potential risk from irrigation, and we have no evidence at this stage to indicate that flood irrigation on the same area of land will pose difficulties, but it is something that will

be continue to be monitored. I will certainly be talking with the EPA officers to ensure that monitoring is maintained.

**The CHAIRMAN:** The time for non-Government questions has expired. It is now time for Government questions. I call the member for Mulgrave.

**Mr PITT:** I am sure we all agree that the protection of our waterways is a vital component of looking after the environment in this State. Earlier this year there was a serious outbreak of algal bloom known as lyngbya that caused some concern in Moreton Bay. In light of the budgetary allocations for 2000-01, what is the EPA going to do by coordinating efforts to actually manage this issue for now and the future?

**Mr WELFORD:** The issue of lyngbya, a form of blue-green algae, has been a major issue in Moreton Bay and affecting one of south-east Queensland's most outstanding environmental recreation and tourism assets. No-one in south-east Queensland does not believe that Moreton Bay is important to our community, and the health of Moreton Bay is a top priority of our Government and the EPA. We are pleased to say that the Government will be working in partnership with local governments to undertake a major research program into the lyngbya which has threatened the health of parts of Moreton Bay.

I am pleased to announce that \$370,000 will be provided for a coordinated attack on this algal bloom which is in season and has been worse this year than for a long time. The partnership will involve the State Government, the Brisbane City Council and other south-east Queensland local governments, including Caboolture, to underwrite a concerted campaign to understand and manage this threat to our waterways.

A considerable amount of work has already been conducted as part of an Australian Research Council project into the causes of the bloom. The funding that I am announcing today will take this collaborative project a step further. The project will also develop a lyngbya management strategy by early next year to hopefully limit the outbreaks that can occur during the late summer months. As you may have heard, the major outbreak of lyngbya earlier this year not only clogged waterways and washed onto beaches in the Deception Bay and Sandstone Point area but involved a very costly clean up for State agencies and the Caboolture Shire Council in particular. Following that incident, I arranged for the EPA to chair a forum involving both State Government agencies and the relevant

local governments. Community and scientific organisations were also represented. The outcome of that was that we now have this partnership project which the South East Queensland Regional Organisation of Councils will contribute a total of \$100,000 towards on a pro rata basis.

**Mr PITT:** People from both Queensland and New South Wales enjoy the wonderful beaches of the Gold Coast, but loss of sand over the years has been a major problem. I notice on page 1-8 of the Ministerial Portfolio Statements for the EPA that a future development will be the completion of the Tweed River entrance bypassing system. What benefits will this have for this important region?

**Mr WELFORD:** The sand bypassing project is a great example of cross-border cooperation. It will improve public infrastructure and facilities for people of the Tweed and southern Gold Coast beaches. The Queensland and New South Wales Governments have been working together to restore the southern Gold Coast beaches now for some time. This Tweed River entrance bypass system is a major engineering exercise that we estimate will have direct benefits to Gold Coast beaches and the tourism industry on the southern Gold Coast to the value of almost \$115m a year.

The project will bring several benefits to the Gold Coast/Tweed area. It will provide a buffer against storm erosion and improve swimming conditions and beach safety. In particular, at Rainbow Beach and Greenmount we expect swimming and surfing to be safer due to the better protection from the near-shore shoals. The potential for conflict between board riders and general beach users at these beaches will be reduced because the shoals will tend to separate these activities. It will, of course, allow the effects of climate change such as shoreline recession and beach realignment to be more readily dealt with by State and local government at minimum cost and disruption to beach amenity.

Of course, safe access to the Tweed River will be a significant benefit for the local fishing industry and will encourage the development of other local business in tourism and associated industries. Improvements in entrance navigability will also act as a catalyst for charter operations for activities such as scuba diving. It will also assist with tidal flushing of the estuary. That will help maintain good water quality and water clarity. All in all, we still have some residual issues which we are discussing with the local community there,

but it has the very strong support of local representatives and local State members on both sides of the border. We believe it will help in the long run to overcome the longstanding problems of beach erosion and lack of sand for the southern beaches on the Gold Coast.

**Mr PITT:** Page 1-1 of the Ministerial Portfolio Statements for the Environmental Protection Agency and Queensland Parks and Wildlife Service states that there will be promotion of the revitalised community-based NatureSearch initiative. Could you please provide details of this program and the plans you have in this respect for the next 12 months?

**Mr WELFORD:** NatureSearch was an initiative originally established by the Goss Government's Environment Minister, Pat Comben. It was allowed to fall into disuse. In fact, the whole program ceased under the coalition Government because it saw no benefit in involving the community in identifying and recording the magnificent natural biodiversity of our State. I have re-established NatureSearch in all its former glory and more. It now involves volunteers right across Queensland carrying out plant and animal surveys in their local areas.

We have already signed up almost 1,000 volunteers and 140 community groups. We have conducted 58 training workshops for group leaders so that they can go out into the community and attract more families, schoolchildren and other community organisations to be involved in this wonderful program. It has received \$300,000 to continue its work in training volunteers to collect information on plants and animals. More than 12,000 records, including more than 200 observations of rare and threatened species, have already been received in the time the program has been operating. In the next 12 months, our aim is to extend it more effectively into regional areas. This year, the major aim is to survey plants and animals on properties waiting to be assessed for their conservation values. An information sharing exercise with Birds Australia and the WildNet storage system will be expanded to include other conservation groups to make sure NatureSearch maximises its records.

Regional coordinators have now been appointed. They are working to have the TAFE Nature Skills course offered at their local TAFE colleges to improve survey skills in the community. This is the first time a tertiary course targeted at the community will be delivered across a State the size of Queensland. It will be delivered specifically for

people who are interested in being involved in the NatureSearch initiative. We have also entered into an agreement with the Brisbane City Council to support a NatureSearch coordinator in the Brisbane City area working five days a week. The Pine Rivers Shire Council is also working with us to train local volunteers and assist in surveying recently acquired areas in that council area.

**Mr PEARCE:** Minister, I have a question about the mining industry. Can you tell the Committee what measures are in place for the transfer of environmental regulation of mining to the Environmental Protection Agency?

**Mr WELFORD:** Thank you, Mr Pearce. I appreciate your very keen interest in the sound management of the mining industry, not just for its proper environmental regulation but regulation which also protects the health and safety of workers in that industry. The Government made an announcement before the election that we would transfer environmental regulation of the mining industry to the EPA. This announcement was welcomed by both the industry itself as well as the conservation movement. It recognises the importance of good environmental management to the economic security of the industry and to our State. It will provide an effective regulatory system to ensure that Queensland is attractive for mineral exploration and development but will also give greater protection to the environment and greater certainty for companies investing in the mining industry.

Legislation will be brought to the House later this year to implement the transfer arrangements. It will repeal certain environmental requirements under the current Mineral Resources Act and introduce a new impact assessment and environmental conditioning arrangements for mining under the Environmental Protection Act. Under the new arrangements for mining projects, the EPA will set levels of environmental assessment for new applications, set conditions, monitor performance, conduct inspections and audits, ensure adequate rehabilitation and enforce compliance with environmental controls.

The amendments we propose will, in broad terms, require the preparation of environmental impact statements, not unlike the EMOS statements that are prepared currently, which will apply to the most environmentally significant mining projects. It will also allow more public input by ensuring public notification and objection rights when significant changes are proposed to mining

lease projects. New codes of environmental compliance will be developed to provide a simpler system for regulating smaller mining projects. Small mining projects which agree to comply with the standard codes of environmental compliance will not be obliged to undertake environmental impact assessment processes to the same extent.

Until the new legislation takes effect, environmental regulation will continue to be administered under both Acts—that is, the Mineral Resources Act and the Environmental Protection Act—and in 18 months we will conduct a review of the new arrangements and make any further adjustments necessary to streamline and improve the process at that time.

**The CHAIRMAN:** Could you provide details of the employment opportunities that will be created through the Better Parks Program for Queensland's national parks?

**Mr WELFORD:** Thank you for this question. Certainly, as you would appreciate, the Better Parks Program is a major new initiative for the Government in the coming year. This program will inject \$37.7m over the next four years into upgrading our State's national parks. Among other things, the program will create 100 new traineeships as part of the Government's Breaking the Unemployment Cycle program, giving unemployed Queenslanders valuable training opportunities.

A further 80 project related jobs will be created for capital works projects in protected areas including Lamington, Great Sandy, Girraween, Bunya Mountains, Blackdown Tableland, Eungella, Barron Gorge, Daintree and Lawn Hill National Parks. This scheme will be an important catalyst to increase nature based tourism across the State.

There are four major components of the program for this year: a \$7m construction program for visitor facilities and park resource management, employing 80 people for project related capital works; \$2.1m as part of the Breaking the Unemployment Cycle initiative to create 100 new traineeships for 16 capital works projects in national parks; \$1m for maintenance and upgrades to existing parks infrastructure; and another \$1m to improve management information systems.

Each component will generate employment opportunities, including jobs for the Queensland commercial sector and jobs within the Queensland Parks and Wildlife Service. This improvement in park facilities will result in flow-on employment outcomes for regional communities throughout the State.

The development of these visitor facilities in parks will further support the State's ecotourism industry, which provides significant employment opportunities across the State.

**The CHAIRMAN:** What measures has the Government put in place for nature conservation in Queensland?

**Mr WELFORD:** The Government has increased funding for new nature conservation measures by more than \$3m this year, including \$1.5m for work associated with the South East Queensland Forest Agreement process and \$1.67m for biodiversity planning and vegetation management initiatives. The QPWS has received an extra \$1.5m to set up land management systems for properties acquired through the South East Queensland Forest Agreement process. It is the first instalment in a four-year \$17.6m program to protect the forests of the great south-east and the timber industry, whilst providing continuing access and facilities for recreational users.

To support the conservation and recovery of rare and threatened species, QPWS will be provided with \$350,000 to work with the community to complete recovery plans for a range of species. These include threatened frogs, the Proserpine rock wallaby, the northern bettong, the bridled nail-tail wallaby and the eastern bristle bird.

The EPA will receive an extra \$1.67m for its biodiversity program. Part of this funding will provide three extra extension officers to promote biodiversity protection through property management, planning and education. The 2000-01 budget also provides an increased emphasis on the registration of nature refuges and Land for Wildlife properties across the State. Fifty-five properties are declared or due for declaration as nature refuges, with funding of \$140,000 available for this work.

Land for Wildlife is a voluntary program, but many land-holders have been very keen to participate in protecting habitat for native plants and animals. It will be extended to the Gladstone and Rockhampton areas this year, complementing the work already being done in partnership with local government in Cairns, Townsville, Airlie Beach, Mackay, Sarina, Hervey Bay and Toowoomba. Plans are also under way to establish Land for Wildlife in Emerald and Roma. We expect that Queensland will register at least 500 more properties in the coming years, bringing the total to 1,200 since the program began two years ago.

The NatureSearch program has also received \$300,000 this year to continue its

work in training volunteers and collecting information on plants and animals in the respective regions. As I have already mentioned, we have nearly 1,000 NatureSearch volunteers already. We will continue to work with some 4,000 volunteers across the State who provide a valuable client interface in park information centres, planting trees, caring for wildlife and complementing the activities of rangers in parks.

**The CHAIRMAN:** Minister, could you provide details to the Committee of the Government's initiatives in relation to the management of Queensland's coastline, with particular reference to marine parks and sustainable development along the coast?

**Mr WELFORD:** The programs to protect Queensland's precious coastline and waterways received more than \$18m in this year's budget. The budget illustrates our Government's commitment to protecting and maintaining Queensland's natural assets, especially our magnificent coastline and waterways. We have set aside \$5m to acquire sensitive coastal lands, allowing us to secure areas of high conservation value and further protect our extensive coastline. A further \$2m will go to coastal planning, and \$4m has been provided for the acquisition of 1,000 hectares of land at Trinity Inlet near Cairns. This acquisition was recently announced at a Community Cabinet meeting.

Other EPA and QPWS initiatives to benefit our coast and waterways include \$1.2m for the Brisbane River Management Group and Healthy Waterways campaigns; \$1.5m for the Tweed River Entrance Sand Bypassing Project; and \$4.4m for the operational management of the Great Barrier Reef World Heritage area.

In June I released a discussion paper entitled "Marine Protected Areas in Queensland: A Draft Planning Framework". This discussion paper is designed to encourage discussion in the community about our Government's plan to establish a continuous system of marine parks along Queensland's coastline, from the Gulf of Carpentaria to Moreton Bay in south-east Queensland. It is a visionary plan which will ensure Queensland's unique and important marine environment is protected well into the future. By creating a continuous system of marine parks there will be a more comprehensive policy and planning framework for conservation, tourism and recreation along our coastline. I also announced recently the declaration of the new Trinity Inlet and Marlin Coast Marine Parks. The zoning plan for these



marine parks will come into force on 1 October this year.

The draft State coastal management plan is being finalised for submission to Cabinet, to be followed by extensive public consultation. The State plan will provide the principles and policies needed to protect and manage our coastline resources in a sustainable manner. It will also lead the way for other regional coastal management plans, which will be drafted and implemented along Queensland's coastal zone.

The draft Cardwell/Hinchinbrook Regional Coastal Management Plan, which the coalition Environment Minister struggled with for some time, will also be released for public review in this coming financial year. The EPA is currently developing four other regional coastal management plans for south-east Queensland, Wide Bay, Curtis Coast and the Wet Tropics coast. Drafts of these plans are expected to be released for public review over the next 12 to 18 months. Other programs which contribute to the management of our coastline include research with the Cooperative Research Centre for coastal zone estuaries and waterways.

**Mr LESTER:** Page 1-8 makes reference to your department's intentions to implement an integrated and more efficient and effective system for environmental decisions. One such decision which, according to the Premier, you are close to making is whether or not the Naturelink proposal should proceed. What discussions have you held with the Tourism Minister regarding the proposed project? What is your view and that of your department on the environmental feasibility of this project?

**Mr WELFORD:** It is probably premature to form a conclusive view on the desirability of the project. As you know, this project has been declared a potential project of State significance. That means that the environmental impact assessment process is being administered under the State Development and Public Works Organisation Act, administered by my colleague the Minister for State Development and Deputy Premier, Jim Elder.

The Environmental Protection Agency will certainly be reviewing the environmental impact statement, as are the broader community. You may be aware in recent days of an assessment undertaken by the Gold Coast City Council that has extensively reviewed the environmental impact statement. A number of Government agencies across all of the State Government will review that draft statement for issues relevant to various

agencies, and then there will need to be prepared an assessment report or review report for submission to Government once all the submissions are in, and the Government will be in a position to make a decision.

Certainly, I and the Tourism Minister keep in touch on progress on the review of this, as we do with the Minister for State Development, and we are confident that once all the issues are properly considered the Government will make a prompt and responsible decision.

**Mr LESTER:** Page 1-1 refers to the finalisation of a planning framework for the continuous system of marine parks from the Gulf of Carpentaria to Moreton Bay. I ask: what is the Queensland Parks and Wildlife Service's operational budget for marine parks this year and the actual expenditure last year? What is the QPWS's budgeted operational expenditure for Moreton Bay, and how many hours have been budgeted for active patrol? How does this compare with last year's spending?

**Mr WELFORD:** The allocation of funding is not specifically itemised as between marine parks and the rest of the Queensland Parks and Wildlife Service. The funding is provided at a regional level to the activities within each region of both national park and marine park management. As you know, the Queensland Government provides the day-to-day management in terms of resources and surveillance/island national park management for those areas that are in the Great Barrier Reef Marine Park, in what is supposed to be a partnership between our State and the Federal Government to administer that Great Barrier Reef Marine Park.

In recent months, you may have heard, Mr Lester, the announcement by the Great Barrier Reef Marine Park Authority that it had granted a permit for a commercial dugong-watching operation. I think it is a matter of some regret that your Federal colleagues would authorise the Great Barrier Reef Marine Park Authority to issue this permit in the marine park without concurrence from our own Queensland Parks and Wildlife Service. We, after all, have responsibility for day-to-day management, for protecting the marine wildlife and resources of the Great Barrier Reef, and dugong are, after all, supposed to be one of the endangered or at least vulnerable species in our marine environment, and yet here we have permits being issued for boats to chase them around the Great Barrier Reef.

I can assure you we will not be issuing a permit for that operation within waters under State control, and we will continue to do our

functions as part of the day-to-day management to the full extent of our responsibility under the Commonwealth/State agreement. We have allocated \$4.4m or \$4.5m for that this year. So at least so far as the Great Barrier Reef Marine Park is concerned, you can be assured that solid funding is available for that this year. That \$4.4m is part of a total budget of \$6m this year, which is the same as last year, part of which is in-kind contribution.

**Mr LESTER:** The local government's public inquiry into national parks found it was very difficult to obtain an accurate picture of the funding for national parks. Much of the information submitted by the Queensland Parks and Wildlife Service was inconsistent. For instance, data provided on national parks expenditure did not reconcile with data provided on recurrent expenditure over the same period. What action, if any, has been taken to upgrade the department's internal accounting processes and public reporting processes?

**Mr WELFORD:** You are absolutely right. What the Local Government Association review picked up was a number of things which I was certainly aware of when I came to Government. One of the consequences of regionalising the operations of the previous department was that information systems were very fragmented and disconnected. In fact, I almost feel sorry for Mr Littleproud in trying to manage the department he was running, because I suspect that at no time in the year was he ever able to know whether he was within budget or not within budget, and every time someone came before him to seek a commitment, he could only ever make that commitment as if he was blindfolded, because he could never know whether he could make that commitment without having to delay or withdraw some other existing function that the department was operating. So information systems were an absolute pakapoo ticket when I came to Government. It was like horse-and-buggy days. But that is not surprising, given that coalition Governments have no particular interest in environmental issues and only see the environment as an impediment to other more disgraceful activities that damage the environment.

**Mr HOBBS:** Ten years of Goss.

**Mr LESTER:** Yes. There had been a little more of Mr Goss as well. You can't blame it all on us. Come on!

**Mr WELFORD:** It took you a long time to take that bait!

We have allocated, as I mentioned before while you were asleep, \$1m a year over three years towards improving the management information systems. That is part of that \$37.7m Better Parks Program, which includes, specifically arising out of the local government report and the internal review which we undertook, a recognition that we need to improve our management information systems so that we can better target our resources, better manage the resources we already have and attract new resources by demonstrating the performance that we achieve.

**Mr LESTER:** Page 1-3 lists one of your Government's environmental goals as optimising natural resource productivity in the economy and across society, which perhaps explains your push to investigate opportunities for the commercialisation of national parks. Will you categorically rule out charging entrance fees to national parks, and what other user charges and commercialisation opportunities are being considered?

**Mr WELFORD:** Thank you for that question. Yes, I will categorically rule out anything like the coalition tried to introduce in the nature of a park pass. We will not have a standard mandatory entrance fee for all our national parks across the State. However, we also recognise that it is important that we adopt a more businesslike approach in managing nature-based tourism operations within our parks.

I came across an example recently where a tour operator, without adding any particular interpretive or educational value to the tour operation, conducts a tour operation charging hapless Japanese tourists \$150 a head for a \$14 meal and a bus trip to the front door of one of our park displays. Our officers provide the interpretive and educational experience in the park, and then the people leave. For that exercise, most of which value is added by our parks service, we get the princely sum of \$1.50 out of the \$150 that is charged for each of those Japanese tourists.

I think it is time that we recognised that our national parks ought to be assets on the balance sheet of our tourism industry. It is a \$5 billion industry a year, of which more than \$1 billion is contributed by our national park network. Good tourism operators want to improve the quality of the experience and the service that is provided to people who visit our national parks. It is in the interests of the Queensland Parks and Wildlife Service to also lift the profile and professional recognition that it gets from visiting tourists from around the world.

Already people from other States in Australia and internationally regard our parks as among the best to visit and the best managed that they have ever experienced in all their travels. We aim to do that even better. Part of doing that is to ensure that we manage commercial activities in national parks—that is, commercial activities conducted by the private sector—in a more professional way. I think there are opportunities for our own parks service also to start to conduct semi-commercial activities, if you like, in the nature of guided tours, interpretation or educational tours and services within the parks for which people would be happy to contribute. This happens in a small way already in some of our facilities. For example, at the Mon Repos turtle roosting interpretive centre people contribute voluntarily donations to enjoy the educational experience they get there. I think we can expand that to other parts of our service and our national parks across the State.

**Mr LESTER:** Page 1-12 refers to the Queensland Parks and Wildlife Service role in the management of protected areas and wildlife. With that in mind, I refer the Minister to the increasing problems of pests and weeds in many of our national parks and reserves. Specifically, I refer you to the condition of the Townsville Town Common, which is currently the subject of a slanging match between your Mike Reynolds and Tony Mooney over whether it is the council or the State that is responsible for the underfunding of its management. Just who is right and who is wrong and what action are you taking to clean up that common?

**Mr WELFORD:** We certainly are interested in a partnership with the Townsville City Council to look at the Town Common. It has fallen into disrepair over a number of years. Certainly it is a concern to me. It ought to be an asset for the people of Townsville and the Townsville region. We are prepared to play our part but it also requires the Townsville City Council to be prepared to pay attention to the issue as well.

I am aware of the recent media reports of the difference of opinion expressed by various public representatives in the area and I certainly hope to be able to have appropriate discussions with the Townsville City Council to move forward in a constructive and positive way in the near future. We have an action plan ready to run and I think we need to consult with the Townsville City Council over that. I would not let yourself be too concerned about the debate between local representatives. I am sure that both the mayor, Mr Mooney, and our own local member, Mike Reynolds, have

the interests of Townsville and its Town Common at heart and I am sure that we will work towards a resolution of that issue in the near future.

**Mr LESTER:** It will be a good little test for your mediation skills. With reference to the transfer of environmental regulations of mining to the EPA on page 1-1 of the Ministerial Portfolio Statements, firstly, what has been the cause of the delay in this transfer and, secondly, what is the budget for the role and what was the net increase of funds for the role, if any?

**Mr WELFORD:** The truth is there is no delay in this transfer. It has been a fairly complex process because you need to understand that the staff who were employed in the Department of Mines and Energy were employed for regulatory functions that, in fact, straddled both environmental regulation and other matters. For that reason, teasing out the proportions of their functions and work and which staff were involved so as to transfer them to the EPA was not a straightforward matter. But that matter has now been resolved and I am pleased to say that just under \$3m is the budget allocated for environmental regulation of the mining industry in the EPA in the coming year. Last year it was about \$2.4m, taking into account the funds transferred with the staff from DME. So, as you can see, we are giving an increasing priority to the responsible environmental management of the mining operations in our State. It is something the community expects. I am sure it is something you expect, Mr Lester, and we will give it appropriate priority in the year ahead.

**Mr LESTER:** Page 1-13 states that \$17.6m is being spent over the next four years on the establishment of an estate management system for your Government's proposed South East Queensland Regional Forest Agreement. How much is being spent in each of the four years, how much of this funding has been carried over from the previous year or years, how much of the funding is for actual management of the additional 425,000 hectare reserve area and exactly what provision has been made to fund land acquisitions by the Department of State Development?

**Mr WELFORD:** I am not aware of funding allocated to the Department of State Development. You would appreciate that any funding allocated to that department for any acquisitions of land for new plantation work would be within the Estimates of that department. So I cannot give you that

information, but I can assure you that significant funding is being made available to the Queensland Parks and Wildlife Service and the EPA to ensure planning for the South East Queensland RFA. The \$17.6m that you referred to is broken up as \$1.5m this coming year followed by \$2.5m the following year, followed by \$6.8m in the subsequent two years up to the end of 30 June 2004. So if you add that up—\$1.5m plus \$2.5m plus two lots of \$6.8m—that comes to \$17.6m.

**Mr LESTER:** The Eco-Smart Program—page 1-2 of the MPS—has been projected to deliver savings of more than \$100m to Queensland business through eco-efficiency improvements. How was this figure arrived at, how will these savings be made and over what period, how much of the \$9m budget for this program will be provided this year and over its remaining four years?

**Mr WELFORD:** The Eco-Smart Program that we are initiating is an extension of a bundle of projects that we have been undertaking in the last few years. The \$9m over five years will be a significant boost to that work. The sort of work we are looking at is encouraging industry to use resources more efficiently. This is good for business, good for the financial bottom line and good for the environment both because it reduces the impact of waste disposal on air quality and on our environment generally and it also reduces the inputs—in other words, the natural resources drawn from the environment—needed for industry to develop and grow. The initiative, as you mention, provides for \$9m over five years, including \$1.5m this year, \$1.5m next year—that is, 2001-02—and \$2m for the three subsequent years.

That program, I envisage, will be a program that will be a showcase nationally of how Government can partner industry in achieving resource efficiency. This is the next generation of profit generation for industries which, over the last two decades, have focused primarily on labour productivity. The next generation of productivity achievable by industry is resource productivity. The EPA will be conducting programs of international significance in terms of the innovation that we apply to eco-efficiency on that front.

The Sustainable Industries Division, which will conduct the Eco-Smart Programs, has already had programs like WaterWise, water efficiency in schools, the Gladstone sustainability project, the cleaner production partnership program, and the Queensland environmental management industry partnership program. On a number of fronts

we are already working with industry and this \$9m boost over the next five years will see some, I think, quite significant gains in an area which has been neglected in the past.

**The CHAIRMAN:** The time for non-Government questions on Environment and Heritage has concluded. It is now Government questions. Minister, could you provide details of the efforts to create a plastic recycling industry in Queensland and detail what benefits this industry will have with reference to jobs and the environment?

**Mr WELFORD:** The State Government has recently awarded market development grants totalling \$100,000 to two companies to establish new manufacturing plants in Queensland over the next couple of years. The two companies are Visy Recycling, or Visy Plastics, which was awarded \$40,000 to establish a facility that turns old milk bottles into resin—they will establish this facility by July 2002—and the other company, RPT, known as Recycled Plastics Technology, also received a grant of \$50,000 to take the resin from Visy and manufacture a range of usable products, such as pipe suitable for stormwater, irrigation or land management applications. Both companies will between them invest \$12m in plastics recycling infrastructure and generate 80 new jobs in Queensland.

We see these sorts of job generation initiatives as the kind of sustainable jobs that Queensland needs in the future—jobs that are created by drawing on resources in the current cycle of the economy, jobs which do not rely on running down further our natural capital. They are jobs that will be created in regional areas of the State. The economic flow-ons from these initiatives will be felt across Queensland, because local governments will also be provided with new opportunities and reduced costs from their kerb side collection programs.

The aim of the facilities that are being developed by the two companies is to turn some 4,000 tonnes of old milk bottles and ice-cream tubs into a range of marketable products—and that is 4,000 tonnes every year. We believe that this is again an example of the kind of showcase initiative which the Sustainable Industries Division has developed and which we intend to duplicate in other sectors that create new jobs out of more environmentally sensitive industries.

**The CHAIRMAN:** Minister, can you tell the Committee what measures have been put in place to encourage industry, Government and small businesses to become green, with particular reference to strategies funded in the

2000-01 MPS, including the Eco-Smart Program?

**Mr WELFORD:** As you heard, Mr Lester was right on the ball in identifying the Eco-Smart Program as a major new initiative of our Government in the coming years. This \$9m program will encourage business and industry to save energy and water and other material inputs and thereby reduce the cost of managing waste disposal.

I think that there is enormous potential for business to improve its profitability and create jobs through environmental efficiencies. It will help businesses to identify efficiencies of their own, reduce the impact on the environment and manage development in a more sustainable manner. Our first instalment this year, as I mentioned, will be \$1.5m in a five-year program. We hope to supplement that with half a million dollars from the Department of Mines and Energy, who had previously committed half a million dollars out of the Office of Sustainable Energy for energy-related initiatives with business and industry. So all up this year we are looking to invest \$2m in Eco-Smart Programs.

We already have a number of major industry groups on board with these sorts of initiatives. Agribusiness, tourism, transport and manufacturing are all looking to partner the EPA in adopting green business practices. These initiatives, I believe, will mean more jobs for people in Queensland and more jobs which are in a healthier environment. What we need is not just more jobs; we need more sustainable jobs, and the most sustainable jobs are jobs in industries that reduce our environmental impacts rather than increase them.

A recent eco-efficiency pilot program conducted by the EPA, for example, in rural industry, identified seven farms—dairy farms—which could save up to \$15,000 a year with small changes in the way they manage their fuel, their water, and waste on their properties. If you multiply that across 1,600 dairy farms in Queensland, it represents potential savings of between \$18m and \$25m a year, which to the dairy industry is a significant potential buffer against the changing structure of the industry with deregulation coming into play. Similarly, as part of our cleaner production partnership program, the EPA undertook an audit with Tyco Water. This identified \$1.3m in savings. It enabled the company to employ an additional 26 people in the last six months. So the EPA's innovative programs in cleaner production, energy efficiency, Waterwise, and innovations

in waste are all generating jobs with better environmental outcomes.

**The CHAIRMAN:** Minister, I refer to the Brisbane landfill situated at Rochedale in the Mansfield electorate and I ask whether you can inform the Committee where the EPA is at with the present negotiations with the BCC and the landfill operators? Also, you may like to outline some of the controls and negotiated settlements that the EPA had with the BCC and the landfill operators that have been of benefit for the community of Rochedale.

**Mr WELFORD:** Yes. Thank you, Mr Chairman. I am aware that you as the local member out there have been working hard with your local community to address the issues of the Rochedale tip site for quite some time. A year or two ago, some differences arose in the management of that tip site in terms of compliance with the licence conditions and the impact that lack of compliance was having on neighbouring residents.

I was able to assist you by receiving deputations from yourself and those residents to address the issues involved. Of course, we had been working very closely with the Brisbane City Council to try to resolve these issues as well. There was an appeal against licence conditions, I understand, that was pending and this issue has been also resolved as part of the negotiations we have had with the Brisbane City Council.

The management of waste is always a contentious issue. Again, it was a Liberal conservative city council which not only let the contracts for that dump site but allowed urban development to be affected by it. It is a classic example of where conservative Governments, whether they are Federal, State or local, go headlong into development projects without considering the impacts on ordinary citizens in the community. As contentious as the issue of the Rochedale site has been, we have now gradually worked towards achieving a more satisfactory outcome. We have shown that it is possible to achieve this by cooperation with the council and we have avoided the legalistic process that might otherwise have ensued. The community has been fully consulted and involved in this exercise right along the way. Part of the reason that the initial difference of opinion between the EPA and the Brisbane City Council occurred was inadequate community involvement and consultation. We are now arranging, through upgraded technology to be used at the landfill site, for landfill methane gas to be collected and to be put to positive use as an energy source for the adjacent brickworks.

**Mr PITT:** I refer you to page 1-1 of the Ministerial Portfolio Statements and the subheading Strategic Priority Areas. The first dot point indicates that the agency will finalise Queensland's first comprehensive coastal management plan to create a framework for future development sensitive coastal zones. I congratulate you on this wonderful initiative. What is the total cost of the program, the time frame for its completion and, in particular in light of what we heard this morning from the Minister for Local Government and Planning, how will it fit in with other regional plans across Queensland?

**Mr WELFORD:** The Coastal Protection and Management Act is potentially one of the most significant pieces of legislation to improve the quality of life of the people of Queensland of all the legislation that we have. The State coastal plan will be a State planning policy that will not only set the parameters for sustainable development within the coastal zone but also ensure that local governments in their assessment of projects protect the coastal values that are important to the communities along our coastline—whether it be issues of the setback of buildings to protect the beaches or whether it be issues of access for the public to beaches—to ensure that never again we allow private ownership of our beaches and to ensure that the amenity of coastal development is protected and the environmental values of coastal zones, whether it be wetlands or other natural values of the coastal zone, are protected. The State coastal plan will provide for regional plans. As I mentioned before, a number of those regional plans—four of them—are being developed currently, and a fifth, the Cardwell/Hinchinbrook coastal plan, is nearing finalisation. It will be finalised very soon after the State plan is finalised.

I have been especially committed to ensuring that the State plan is put in place first so that it sets the Statewide framework from which the regional plans will then operate to provide more detail in terms of mapping information at a local level for guidance to local government to incorporate in their local planning schemes. We are allocating about \$2m this year for that program to continue to work to implement those. That will ensure that not only those coastal values are protected but that it will be linked in to the Integrated Planning Act process administered by Minister Mackenroth. It will also provide for the EPA to be a concurrence agency on certain issues and incorporate the existing authorities that the agency exercises under the Harbours Act, the Beach Protection Act and the Canals Act.

**Mr PEARCE:** On page 1-7, under the heading Review of Output Performances, I note that the department has conducted water audits in industry and local government that have resulted in significant savings in water usage in the State. If you can, could you tell the Committee the cost of these audits and also inform the Committee as to the types of initiatives that have resulted in the saving of water?

**Mr WELFORD:** This initiative is part of the WaterWise program that we conduct in the EPA. It was a program that was originally in the Department of Natural Resources. I transferred it to the EPA to be part of the broader Sustainable Industries Division that looks at achieving efficiencies across the State in water, energy and other inputs into industry, and reducing the cost of managing waste outputs. The WaterWise program has a budget of about \$1.2m this coming year—much the same as last year. The aim of the program is to build closer ties not just with industry but with local government, as you have mentioned. Many local governments have fully implemented the WaterWise program in their area, promoting it to their community. Some local governments have even provided subsidies for water saving measures in homes.

On the Gold Coast, for example, they have successfully reduced consumption by about 14% per capita per annum. The Hervey Bay City Council has not only conducted a WaterWise program but is about to lead in an initiative to plug the leaks in the distribution system—a system which costs them many millions of dollars a year in lost treated water—expensive treated water—that leaks throughout the distribution system. They have already reduced the daily consumption of consumers in their area by more than a third—600 litres a day to less than 400 litres per person per day. We are looking at a number of projects in the coming year. Some 20 local governments are going to be offering cash incentives to encourage local residents to replace inefficient plumbing equipment with water efficient alternatives. We are developing education material, resources and training for local governments to address water loss and leakage issues, such as the project being spearheaded in Hervey Bay, and 65 other water efficiency strategies with other local governments will be undertaken throughout the year. That is directly with local government. Of course, associated with that is the Water Efficiency in Schools program, where we aim to get 80,000 students involved in water audits

in more than 500 schools in partnership with Queensland Education and Q-Build.

**Mr PITT:** On page 1-13 of the Ministerial Portfolio Statements under the outputs for Parks and Wildlife Management Services I note that the agency is interested in implementing a simplified and standardised permit system in the Cairns and Whitsunday sections of the Great Barrier Marine Park and adjacent State marine parks with associated legislative amendments. What form will that take? What benefits will that have for the public of Queensland?

**Mr WELFORD:** It is very important that we streamline and maximise the efficiency of processes for permitting in our marine parks. One of the issues that has been vexing industry, whether it be tourism or the development industry, for a number of years has been the duplication of permitting systems between the Queensland Parks and Wildlife Service, marine parks and the Great Barrier Reef Marine Park Authority. The Government, regardless of whether it is State or Federal, is not seen by members of the community or, for that matter by industry, to be separate agencies. It is all just Government. They expect not to have to be mucked around in obtaining permits. So we do need a streamlined and consistent permitting system for activities in these areas, particularly the Great Barrier Reef Marine Park—an area that you would be familiar with in your area. Tourism has great potential in these areas, but we can only manage that potential and maximise the economic benefits if we do not burden it with bureaucratic costs. In partnership with the Great Barrier Reef Marine Park Authority, we are working on a simplified system to ensure that a combined permit can be granted when an application is made for a commercial activity in those areas.

**The CHAIRMAN:** The time allotted for the consideration of the Estimates for Environment and Heritage has expired.

Sitting suspended from 5.15 p.m. to 5.28 p.m.

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

information in their transcript. Minister, would you like to make a brief introductory statement?

**Mr WELFORD:** I am pleased to present the Estimates for the Department of Natural Resources for 2000-01. The Department of Natural Resources was a department created by the previous coalition Government out of the DPI and the former Lands Department. It was a very good division of responsibilities, I believe, to create a Department of Natural Resources to focus on managing those vital resources that underpin our rural and regional communities and industries.

The allocation of funding in this year's Budget for the department reaffirms and strengthens our Government's commitment to sustainable economic development. Overall, funding for the department increased by \$13m to \$434m for the coming year. This takes an approach that will create jobs, improve quality of life and manage our natural resources in a way that will sustain rural industry and regional communities in future generations. We are particularly keen to place an increasing emphasis on supporting community driven initiatives and regional industry.

To further support this approach, we are commencing a major reorganisation of the Department of Natural Resources to bring it into line with contemporary trends in natural resource management. These changes will assist rural communities to develop more sustainable approaches to property and resource management and to underpin the economic security of those communities and land-holders in future generations. I want the department to engage communities and individuals more effectively. I want to equip our department and the community with the information skills needed to avoid land degradation from a diminishing resource base.

We need to take a preventive approach to resource management rather than wait until we suffer the same levels of resource degradation being experienced in southern States and then incur the enormous costs of remediating it. I believe the State Budget supports this change in direction, and these structural changes we are about to embark upon will strengthen the intention, I believe, of the previous Government but take it further to ensure that natural resource management builds in sustainability at every turn. It will also ensure that the services that the department provides in regional Queensland will help empower communities to make better decisions to determine their own long-term social and economic security.

The budget provides considerable assistance to these communities such as the \$19m in funding to programs such as Landcare, Rivercare, Waterwatch and catchment management initiatives across the State. Funding will support efforts of hundreds of volunteers around Queensland who are working to improve the condition of their local environment. We want to strengthen the partnership between community, industry and Government and in the process address the serious problems of salinity, acid sulfate soils and water quality that potentially plague our rural landscapes.

Sustainable land management is a key focus of the work we will be doing. Thirty-five new extension officers will be employed with a \$6m allocation in this budget to provide advice and guidance to land-holders on sustainable land practices. It is part of our \$111m commitment to vegetation management over the next four years. Vegetation management planning and water resource planning are the two key planning initiatives that I and the Department of Natural Resources are introducing to ensure more sustainable management of our landscapes. An additional \$1m has also been allocated to the EPA, as you heard earlier, to ensure vegetation mapping is accelerated, both to support land-holders in their management of endangered and vulnerable ecosystems and to support the department in its planning and management of vegetation as well.

\$600,000 will be spent in the coming year to implement important programs dealing with dryland salinity, including mapping of the Queensland section of the Murray-Darling Basin. We are developing a State salinity hazard map in collaboration with CSIRO and the University of Queensland looking not just at the Murray-Darling Basin but also at other parts of the State, such as the Burdekin. \$250,000 will support research and extension work in acid sulfate soils and \$1.7m is being allocated to the Queensland Centre for Climate Applications to help primary industries manage natural resources in the context of climate fluctuations. Other priorities include \$11.5m for our rural water use efficiency initiative and the water reform program, which requires ongoing efforts to finalise water resource plans in various catchments.

**The CHAIRMAN:** It is now time for non-Government questions. I call the member for Toowoomba North.

**Mr HEALY:** Minister, before the member for Keppel begins his questioning, I have one question for you. I refer to page 2-2 of the

MPS. In the final paragraph of the section "Emerging Issues", reference is made to the output review being conducted by the department and the implementation of new organisational arrangements to enable it to better address current and emerging priorities. Do these new arrangements include a greater push towards user pays for departmental services and, specifically, can you confirm that research and analytical staff at your department's analytical chemistry laboratories in Toowoomba, Biloela and Mareeba will no longer be funded through a budget allocation but will instead be funded through fees and charges from services offered to the public? Does this mean fees and charges will have to be increased?

**Mr WELFORD:** The short answer is that I do not expect fees and charges will increase at all. Some fees are already charged for some services. I do not expect that the realignment of the department's business will affect the way in which those services are offered or delivered. The realignment is really about redefining the functions of the department to focus on natural resource management. The department was, I guess, a bit schizophrenic in a way in being divided off DPI and the Department of Lands allocated to it. You had a combination of regulatory functions and infrastructure development functions. Although the concept of a Natural Resources Department I think in principle is good, it never really managed to get gelled in the short time that the previous Government was in office. Even in the course of the first part of my ministerial oversight of the department, it continued to have in some respects silos of functions with Chinese walls between them and not as effective integration across all of the activities of the department that we need to have.

So the plan is to shift slightly from regulatory and development roles more to planning and resource management roles. I guess that is what you have seen over the past couple of years with the big push to implement water resource planning, WAMPs in all the catchments and the Vegetation Management Act. While I know that that Act has been controversial politically—certainly the coalition parties have sought to make as much political capital out of the vegetation management initiative as they can—the reality is that most members of the National Party at least and most of the good performers on rural land know that we need some sort of planning system to manage our land resources and a planning system to manage our water resources in the future. We need to gear the



department up to provide the support for rural communities, rural land-holders and irrigators to be part of that planning process.

I think part of the teething problems in implementing the WAMP programs and other planning programs have been because we have not as a department been fully geared to effectively roll that out in the way that we might have been. That is what is going to happen. In the months and years ahead, we will have a department specifically geared to empower and inform and to engage communities in better resource planning and more sustainable natural resource management.

**Mr LESTER:** I am not too sure that question was answered as specifically as we would have liked. I refer to the Premier's statements in relation to the payment of performance bonuses to Public Service senior executives and his statement that specific dollar amounts of bonuses were calculated within each department and paid from departmental funding. Which executives in your department received performance bonuses in 1999-2000, how much did they receive and what provision has been made in this year's departmental budget for these bonuses?

**Mr WELFORD:** As I understand it, the only senior executive officer who was entitled to a performance bonus is the Director-General in common with, as I understand it, all directors-general. Because Mr Hogan was only recently appointed, of course he did not get any bonus in the last financial year and he will only get it in the next financial year if he lives up to the task. As the Premier indicated, that bonus amounts to about 15% of their salary package. I will leave you to work out the dollar figure. You are a better mathematician than I am.

**Mr LESTER:** Are you going to be a hard taskmaster?

**Mr WELFORD:** Absolutely. He will get it easy if you ever get a run in.

**Mr LESTER:** Well, there you go. You have given us the indication now that we might get a run in. I am very heartened by that.

**Mr WELFORD:** I said if you ever do. You are already a senior member of the Parliament. They will probably put you out to pasture soon.

**Mr LESTER:** There is no point in trying to cover your tracks. You have made a mess of it and that is it. Under Recent Achievements for the Natural Resources Management Services Output on page 2-13 it is stated that the Water Bill was completed and tabled in June 2000. I

understand that a Mr Steve Edwell was seconded from Treasury to complete this task. What was Mr Edwell's position in Treasury? What was his contract to develop the Water Bill worth? Did Mr Edwell receive a performance bonus to complete the Bill in time for the June introduction to Parliament? If so, what was the bonus worth?

**Mr WELFORD:** The implementation of the water reform agenda has required an enormous amount of work in reforming our water laws. To achieve the timetable that was set by COAG and overseen by the National Competition Council, we coordinated a project team approach between DNR, Treasury and the Department of Communication and Information, Local Government and Planning. With the support of Treasury, we engaged as contractors a consulting firm called Green Edwell Consulting. They were engaged from 1 September 1998 to 30 June this year to oversee and coordinate the policy and legislative development and implementation of the COAG water reform policy, including pricing. As I mentioned, the Water Reform Unit was established in September 1998. It included specialist staff seconded from DNR, as well as Steve Edwell from Green Edwell Consulting Pty Ltd. Steve Edwell headed the unit as the water reform coordinator.

The contractors were set as part of their contract the requirement to achieve certain outcomes in relation to legislation reform, rural water pricing reform and institutional separation. Some of the outcomes included rural water price paths to be developed, the Water Bill, which you mentioned, the corporatisation of State water projects, negotiations with the National Competition Council and commercialisation and legal structural matters associated with the urban water boards. There were performance bonuses attached to the contract for the successful completion of these deliverables. These performance bonuses were assessed and only approved after being signed off by both the Under Treasurer from the Treasurer's Department and the Director-General of DNR. The total contract was capped at \$2.7m. That contract was concluded within that cap by 30 June this year.

**Mr LESTER:** I refer to your department's operating expenses as listed in the Operating Statement on page 2-35 and to reports that your department spent \$9m on motor vehicles last year. For those officers provided with a motor vehicle, can you outline what checks and balances are in place to ensure private mileage is not recorded as official business? Is your department aware of any problems with

officers falsely claiming private mileage as work mileage? If so, what action has been taken to redress the problem?

**Mr WELFORD:** Like all departments, the department operates a vehicle fleet both centrally and in the regions through the Q-Fleet process. I would imagine that a large portion of the dollar figure you mention would be for the turnover of vehicles, particularly in the regions. We do have two non-standard SES vehicles—a four-wheel drive, which is allocated to the regional service director of the northern region, and a Tarago van, which is used by the Director-General.

You should be reminded of the fact that the vehicle fleet of the department serves the department which, much like DPI, operates right across Queensland. It is a large fleet of some 964 vehicles. Only 42 of those are allocated to Senior Executive Service officers. The rest are part of the operational service delivery of the department throughout the State. 363 of them are two-wheel drive; 601 are four-wheel drive. They are supplied through Q-Fleet. 814 of that 964 are used as part of service delivery out in the regions. The cost of operating the vehicle fleet last year was \$11.4m. We expect that the total operational and maintenance costs this year will be in the order of \$12m.

We do ensure that fuel records are kept and mileage is recorded with each fuel top-up. A review of vehicles across the department is currently in train. A policy on the use of Government vehicles, whether it be in terms of requirement for their use for work purposes and the extent to which they are allowed to be garaged at private residences overnight, is currently managed in accordance with the Administrative Services Standard, ASS 9.001. The extent of home garaging of the department's vehicles varies between locations, of course. At locations where there is no secure overnight parking, the vehicles are allowed to be home garaged predominantly for vehicle security.

**Mr LESTER:** Minister, last year you stated in your reply to one of my questions regarding financial assistance for land-holders impacted by your Government's tree-clearing policy that—

"... as I have done in my discussions with rural industry in relation to water resource issues and the outcome of the catchment planning and water allocation management planning process, we intend to put together a substantial industry package in consultation with industry to ensure that any adjustments under any

changed guidelines that impact on the business viability of rural primary producers will be addressed. We acknowledge that a decent incentives package is required and our State will play its part."

Here we are 12 months later and no such substantial incentive package has been provided or even foreshadowed for tree clearing or water in the Budget. Why have you rescinded on the commitment you gave to this Committee?

**Mr WELFORD:** It is simply not true that I have withdrawn from any commitment I gave to this Committee. The commitment I gave to this Committee last year was valid and honestly given at that time. Our Government remains committed to see that no land-holder whose business viability is put at risk suffers from the transition to the better planning arrangements for vegetation management across the State that we have been seeking to put in place for some time. We have always said that this requires a joint approach by both State and Federal Governments. As you are aware from the Budget itself, we are putting up \$8.1m this year as part of a total committed expenditure of \$111m over four years to implement the vegetation management planning system. To complement that \$111m, we have put a proposal to the Federal Government for a financial package of incentives to the tune of about \$103m.

I am aware that members of your party at both State and Federal levels have actively lobbied the Federal Government in order to see that package not delivered. If responsibility is to be borne for rural land-holders not being provided with an adequate incentive package when the planning system is introduced, then that responsibility can be borne by the National Party and its coalition partners. If that is the attitude the National Party wants to take, then let the National Party put its hand up and accept that responsibility.

There is \$30m in terms of Commonwealth contribution to the RFA. It is not a big figure—less than what was delivered to New South Wales and Tasmania but similar to what was originally offered to Western Australia. The Federal coalition Government will deprive communities in the south-east Queensland region, many of them rural communities in National Party heartland, because six petty politicking National Party politicians oppose the RFA. You are going down a similar path in relation to vegetation management.

National Party members should remember this: out in many of these areas the

Labor Party is very unlikely to win seats. We will put in place a foundation of sustainable land management that will secure these people into the future, rather than lead them up the garden path the way the National Party does and then seek to have the Federal Government pull the rug out from under them by not contributing to an incentive package.

**Mr LESTER:** Under the Water Resource Development Output, under "Future Developments" on page 2-8 reference is made to the preparation of resource operation plans as water allocation and management plans and their production in priority catchments. One such WAMP that is causing massive uncertainty is the Condamine/Balonne. Already there has been the cancellation of a new cotton gin development and a threat to a billion-dollar irrigation development. Why did you not release a socioeconomic report in conjunction with the Condamine/Balonne draft WAMP, in accordance with the COAG principles? How could you have possibly released, by your own admission in a series of media releases since, such a flawed document?

**Mr WELFORD:** Of all the catchments in Queensland, the Condamine/Balonne is probably one of the most difficult catchments to prepare a water resource plan for. It is a complex catchment with a network of river systems and, in flood times, overland flows. It has the most highly variable flow regime of any river system in Queensland. A lot of work has been done, both when you were in Government and since we have been in Government, to model and get a better understanding of the hydrology in the Condamine/Balonne system.

The process for preparing a WAMP was first established by Mr Hobbs in the coalition Government. Until late last year we were following the planning path for preparation of those WAMP plans that was previously established. There was, however, concern throughout a number of catchments, not least of all this one, at delays in providing information to the community. For that reason we refined the WAMP process so as to get information out formally to the community at an earlier stage in the process.

If we had continued down the path that the previous Government had established for the delivery of these WAMPs, we would still be at least 12 months away from finalising the WAMP under the old formula, because the old formula saw both the environmental flow component and the subsequent river

operation component being completed before a final document was delivered.

What I proposed, in order to get information out at an earlier stage and put people in a position to understand the state of the catchment at an earlier stage, was to separate the overall WAMP process into two. Stage 1 would be delivery of a document which looked at environmental flows and the state of the hydrology of the catchment. That is what we have delivered.

The document reflects what many people in that catchment have acknowledged for some time—not so much the irrigators, because they never acknowledge that they are taking too much water. If you were ever to talk to any of the downstream graziers, they would tell you that they have known for some time that the impacts—

**Mr HOBBS:** You have to balance it up, though.

**Mr WELFORD:** We will talk about how you balance it up in a moment. The impacts on downstream users have been substantial. We have issued a stage 1 WAMP, if you like. Stage 2 would have incorporated a more extensive social and environmental impact assessment. The fact is that you cannot have it both ways. You cannot have all the information now if you want to get an early document. If you wanted all the information, we would be waiting for another year.

**Mr HOBBS:** The document was flawed.

**Mr WELFORD:** The way in which the allocation of resource across the catchment has been presented by the model certainly indicates greater impacts on some people than we had expected. That is the purpose of a draft document: it can be refined. One can argue that every document Government ever puts out is flawed in one respect or another. The point of having a draft document is that it enables us to make refinements. I have already acknowledged that some of the impacts the model has thrown up are unacceptable.

**The CHAIRMAN:** The time for questions from non-Government members has expired.

**Mr PEARCE:** Minister, while you are talking about the WAMP process, I think I should give you the opportunity to expand a little on what you have already said. I guess what you have been trying to do over the last few months is streamline the water allocation and management plan process so as to deliver certainty about catchment planning to communities much more quickly. I would appreciate it if you could tell the Committee

what commitment the Government is making to water resource planning over the next 12 months.

**Mr WELFORD:** In the coming year the Government is allocating \$8m to measures for managing Queensland's water resources to support industry and protect the environment and the health of our river systems. Funding will be used to implement the remaining WAMPs in a number of catchments and to implement the Water Bill once it is enacted later this year.

One of our key priorities is providing for the long-term sustainability and efficient use of Queensland's valuable water resources. This spending will support the implementation of a modern and transparent water management framework—the first overhaul of our water laws in more than 90 years. It will also provide long-term security for water users.

For the first time in our State's history, we will not be handing out water allocations like confetti or handing them out to our mates or giving privilege to one section of the community over another, which is what has happened under National Party stewardship in the past in the Condamine and which is why there is such a damned mess down there now. We will have a rational, responsible, accountable and transparent system for allocating water resources between users and to maintain the health of river catchments.

The water resource plans are in the form of either a WAMP or a water management plan, depending on the scale of development in the respective catchments. For example, in the Herbert and the Boyne we will have a water management plan. In the other catchments that are more heavily developed, such as the Fitzroy, Barron, Pioneer, Brisbane and Logan Rivers, we will have water allocation management plans. Public consultation will be an important part of that. Of course, the Water Bill underpins the planning framework for all this work. That Bill has been developed with the support of a water industry peak consultative committee that has included the Queensland Farmers Federation, the Queensland Irrigators Council, Canegrowers, Cotton Australia, Queensland Fruit and Vegetable Growers, Agforce, the Environmental Defender's Office, the Queensland Conservation Council, the Local Government Association of Queensland and the Brisbane City Council. The Bill will result in the eventual repeal of the Water Resources Act and the Gladstone Area Water Board, and I am hopeful that, with the support of the

Opposition spokesperson, we will debate that Bill in the August session of Parliament.

**Mr PEARCE:** It is well recognised that the long-term ecology of the Dawson and Lower Fitzroy river systems would benefit significantly if native fish were able to migrate upstream past the Neville Hewitt and the Moura weirs on the Dawson River. This has been a big issue up our way, and I would just like to know: what is the Government doing to improve the movement of fish along these river systems?

**Mr WELFORD:** Thank you, Mr Pearce, and I appreciate your commitment to the health of the catchments of the Fitzroy and Dawson Rivers in the Fitzroy catchment. The issue of fish migration in those rivers is an issue of concern to those communities. Over many years, weirs and dams and tidal barrages which have been constructed on our rivers, not just in that catchment but in others, have proved to be a significant barrier to fish migration. International and local research on fish movement has led to development in technologies and more effective designs, such as vertical slot fishways and fish locks. More recent structures such as the ones installed at Dumbleton Weir, Eden Bann and Walla Weir have incorporated more effective mechanisms for fish passage. Unfortunately, some of the older structures either have fish ladders that are only partially effective or, indeed, no fishway at all.

The department proposes a program to progressively retrofit effective fishways to these older structures, which are, of course, currently obstructing fish migration. We have adopted a multipronged approach in order to achieve this, budgeting \$4m in this coming financial year in the Capital Works Budget for retrofit projects, collaborating with DPI to develop a methodology for prioritising existing dams, weirs and barrages throughout the State in terms of which projects get undertaken, and also we are working with the University of Queensland to seek Commonwealth research funding that optimises the effectiveness of vertical slot fishways for Queensland conditions. The current budget has enabled the commencement of construction of fishways at the Neville Hewitt and Moura weirs on the Dawson River and should also enable upgrading of the Tinana barrage fishway.

**Mr PEARCE:** There has been considerable debate in the community, particularly in the southern States recently, about the cost of land degradation and the steps needed to ensure sustainability. What is the Government doing to help Queensland

avoid the repair bills now faced by other States from land degradation?

**Mr WELFORD:** I think Queensland has an opportunity to put in place good planning policies and practices which avoid the problems that have been experienced in other States and help sustain our valuable land and water resources. If we can do that, then we have a foundation of resource management that will ensure economic security and longer-term investment certainty for rural industry. We alone in many respects, of all the States, still have the opportunity to take a preventive approach, and implementing that approach will be much, much more cost effective in the long run than doing it in the old-style way of the National Party and handing out patronage whenever you wanted to without planning for what the impacts might be. That is why we are implementing these planning systems for all our catchments, to provide frameworks for both vegetation management and water resource planning.

In terms of land degradation, an accelerated mapping program is an important first step in implementing our comprehensive vegetation management framework. As I mentioned before, we are committing \$111m over four years to work with rural communities to achieve sustainable land management and ensure the biodiversity of our landscapes is maintained and, thereby, the productivity of those very same landscapes. A further \$8.1m has been specifically identified in the State Budget for a number of vegetation management related projects. These include 35 new DNR extension staff for planning and extension work, with an investment of about \$6m for them; \$2.1m for the EPA to accelerate its mapping and botanical services and provide assessment support for the regional vegetation management planning process; \$1.7m for the Queensland Centre for Climate Applications to assist in management of natural resources for primary industry; and a range of other initiatives that will support the regional vegetation management committees we are establishing to implement a regional-based planning approach to vegetation management, salinity and degradation prevention. I mentioned in my opening remarks the \$600,000 research program for dryland salinity in Queensland and the partnership we have with CSIRO and the University of Queensland on that front.

Preliminary research indicates that although salinity in the Murray-Darling at this stage is not a major problem, potential increases in river salinity in the Condamine/Balonne, the border rivers and the

Warrego catchments is something we cannot afford to ignore. We are developing a risk map for the entire State which will help us deal with these issues and work with land-holders in addressing these issues, especially in the Murray-Darling.

**Mr PITT:** The future of Trinity Inlet in Cairns has been of concern to the community of far-north Queensland for many, many years now. I was pleased to note in the Budget papers that \$4m had been set aside for the purchase of 1,000 hectares of land previously held by NatWest, who were the mortgagees in possession. You would know that in my role as chair of the Trinity Inlet Management Plan Policy Committee, I have approached you on a number of occasions expressing my concern about the potential for acid sulfate discharge in the inlet from that land. Could you just explain to the Committee what the Government is doing to resolve the future of this environmentally sensitive area?

**Mr WELFORD:** Thank you, Mr Pitt. The Government's initiative in purchasing the environmentally sensitive area of East Trinity is a real coup for the environment and the long-term amenity of Cairns, providing us with a green backdrop on the eastern and southern side of Cairns and also providing us with the opportunity to remediate this land, or parts of it, to look at future ecotourism-type activities that present the very best of Cairns and its region to the world. The site is, as you say, about 1,000 hectares—somewhere between 950 and 1,000 hectares—bounded by Trinity Inlet and Trinity Bay on its western frontage and up the slopes of the Nesbitt Range. Part of the property east of Yarrabah Road is bounded by bushland that forms part of the Wet Tropics World Heritage area, so there is potential for some of this area to be added to the World Heritage area because it is still in pristine condition. The northern section of the site, north of Hills Creek, is largely bushland and could essentially be preserved in its current state, and has potential, for that reason, for consideration for future ecotourism activities.

About a half to two-thirds of the site, however, is disused cane land, and has, as you mentioned, an array of problems associated with its former use. These include areas of acid sulfate soil, infestation of rubber vine, decaying cane stools and a high population of rats and feral pigs, we understand. The acid sulfate soil problem in particular is a major challenge and will need a longer-term strategy to address it. We have established between my Department of Natural Resources, the EPA and the

Departments of State Development, Tourism and Premier a working group to develop a future use strategy for the site. We will want to involve key local stakeholders in discussions about that possible future use so that we can develop a future management plan for consideration by Cabinet. We have allocated \$350,000 this year in our acid sulfate soils strategy within the department and part of that will be our department's contribution to the future management planning for that site.

**Mr PITT:** I am heartened to hear that you are considering recommending the inclusion of the hill slope area into the wet tropics portfolio. I know you are aware of the Mareeba wetlands project; perhaps something similar to that would be of great benefit on that site as well. I refer to page 2-14 of the Ministerial Portfolio Statements for the Department of Natural Resources. The development of a Queensland Rivers Policy is suggested there. Much of my electorate work in the area which I represent is taken up with river improvement trust work and also considerations regarding integrated catchment management programs, of which I am a great supporter. Can you explain to the Committee the purpose of the Queensland Rivers Policy?

**Mr WELFORD:** You may have noticed in the Courier-Mail in the last few days the release of work done by the national land and water audit on the state of rivers throughout the country. Throughout the 1990s some work was done by the Federal Government on what it called wild rivers of Australia, looking at those rivers that had had relatively little or no impact on their natural state. Queensland also has a number of stream systems that have not been significantly modified by land use development or flow extraction, regulation or impoundment. Most of them, of course, are concentrated in the gulf and Cape York area but there are a few along the east coast and in the far west of the State.

With increasing development pressure, it is important for us to take stock and identify which of our natural rivers are assets in their own right. A clear understanding of the significance of the natural values of these river systems will help in making future decisions about planning development in a way that maximises the efficiency of development on existing river systems that are already developed and minimising, so far as possible, the impacts on rivers that remain undeveloped.

We intend to develop a policy in the coming year to facilitate this improved understanding and set some broad Statewide

objectives for natural river values. The policy will establish a framework by which key natural rivers can be identified and assessed for river systems across the State. The natural values in any particular catchment could be used to guide future river management decisions and balance existing and preferred natural functions and values with community expectations about future activity in that area. It will be a whole-of-Government policy which will be developed in stages and integrated with other resource management tools such as our State's wetlands policy, integrated catchment management, local government planning schemes and water resource plans.

As I mentioned, there was a wild rivers project undertaken nationally in the mid 1990s. It was based on a small number of indicators of catchment and flow disturbance. We have further developed the indicators or methods for measuring stream condition in terms of geomorphology and ecosystem function since that time and we are looking at reassessing the values of certain identified streams to develop strategies for development and management in the future.

**Mr PITT:** Page 2-18 of the Ministerial Portfolio Statements of the Department of Natural Resources refers to the further automation of the delivery of land registry services. Could you explain what is planned in this area and what benefits it will deliver to Queenslanders?

**Mr WELFORD:** Automation is at the heart of managing our land registry services. We probably have one of the most sophisticated registry services in Australia and it is important to our State and our economy because it does, after all, secure ownership and other interests in land resources through that registry for many thousands of property owners throughout the State. It is a significant undertaking that not only protects individual owner's property titles but also the security that underpins our State's financial and economic system. It is a large-scale activity, too, administering the transactions that go through this system. For example, in the last 12 months my department has registered over 710,000 titles documents and provided over 1.5 million searches of registry information. The titles documents can be lodged at any of 15 of the department's offices across the State and since the implementation of the system the department is undertaking an ongoing business automation program to improve the delivery of land registry services to clients. The purpose of the program is to automate as many of the land registry work flows as possible, relieving staff of more mundane or

routine work and improve the efficiency with which registry functions are processed. It also allows us to provide greater flexibility in matching our resources with Statewide demand from registry users.

During the last year, the final stage of the work flow automation was achieved by introducing optical character recognition technology into the automated title system. This enhancement further improved processing efficiency through automating the data entry function of the registry and it has provided a platform for further service delivery improvements. In the coming year, we will be moving to implement facilities for the electronic lodgment of land registry documents remotely from offices of selected clients. This will include necessary technical changes to the system's architecture to allow it to be operated in a Windows environment that is familiar to most computer users. It will also allow accredited financial institutions and solicitors acting on behalf of their clients to lodge title documents from their own offices rather than having to come to one of my department's lodgment centres. The availability of electronic lodgment facilities will also allow my department to increase the number of centres at which land registry documents can be lodged. To facilitate this increase in service outlets, I am currently developing necessary amendments to the land title legislation.

We have the benefit of what I believe is the best land titling system in Australia. We have got reason to be proud of it and the improvements we will be implementing will provide an even more equitable access to land registry services across the State in the year ahead.

**The CHAIRMAN:** The time for Government questions has ceased for the time being. We now have non-Government questions. I call the member for Keppel.

**Mr LESTER:** You made comment before about us issuing licences on the Condamine/Balonne. I just remind you that the last licence was issued by former Goss Labor Government Minister Ed Casey.

Page 2-3 lists the St George Irrigation Area Allocation Buyback in the 2000-01 Budget as a highlight. How did your Government draw the conclusion that it could purchase sufficient water allocation with \$6m to obviate the need to construct additional storage? Why did you announce your apparent intention to construct a \$15m storage facility in 1998 if you believed you could generate a similar outcome by spending \$6m buying back water entitlements?

**Mr WELFORD:** Thank you, Mr Lester. One of the things that we have learned in the last two years is that there are many ways to skin a cat. There are many ways to provide water services and provide more water for users. One is to build new infrastructure. That is the traditional supply side approach to providing water and that approach is becoming increasingly difficult as our catchments become more developed and it becomes increasingly difficult as the cost of providing or installing that infrastructure escalates significantly.

We have learned already through the implementation of our Rural Water Use Efficiency initiative that in many cases it is cheaper to save water than it is to create new water with infrastructure. Infrastructure is a very expensive way to supply a new water resource. That is why it does not necessarily follow that if it costs \$15m to build a storage that it needed to cost that much necessarily to save the same amount of water. We have allocated \$3m this year for potential purchases of water.

As Mr Hobbs would appreciate, and Mr Springborg and probably Ministers before them, the problem of ensuring the security of the water resource that the St George irrigation scheme users had access to has been a vexed problem for a long, long time. They believe, of course, that they were put in this position by people like Mr Hobbs—but perhaps not Mr Hobbs himself—who back in the 1980s allocated water to other people on the system in a way that depleted their access to the resource. Ever since, Governments of both political persuasions have been trying to resolve the conflict.

I believed that one way to try to ensure or recover the security of those water users was to create that storage. As it turned out, there were some environmental risks in doing so but, more importantly, the provision of that storage was simply outside the COAG water reform requirements and neither our Government nor yours, if you had been in Government when this decision needed to be made, would have been able to overcome that hurdle. That is a simple fact. In fact, until we decided not to proceed with it, the Federal Government—your political colleagues—had threatened to withhold, I think it was, \$30m or \$60m from our Government in national competition payments if we proceeded with it. So it simply was not an option to spend \$15m and forgo another \$30m when, for less than that \$15m, we might be able to solve the problem in another way.

**Mr LESTER:** Again with regard to the St George irrigation area water allocation

buyback, which appears on pages 2-3 and 2-9 of the MPS, I refer to the study commissioned by your Government and conducted by Mr Chris Joy from the consulting firm Waterstudies in late 1998 into the administration of the St George irrigation development. I understand that one of your staffers and Mr Joy visited the area in 1999 and that Mr Joy subsequently submitted a draft report. However, I also understand that you informed the farming community that the study was discontinued and that no report was presented. Why did you discontinue this study at such a late stage? Will you now release that draft copy of the report?

**Mr WELFORD:** I did not inform the community that the study was discontinued in that sense—in the sense that there was no outcome to it. What happened was that a draft report was prepared and it gave us sufficient information to move forward on new allocation arrangements for the Beardmore storage. In that context, and given the cost of the consultancy up until that time, I was not prepared to spend any further money to finalise the report. We did have a draft, but I was not prepared to spend further money to finalise the report which had already given us, I think, as much information as we were ever going to get in terms of possible alternative arrangements.

In the event, we have instituted new capacity-sharing arrangements for St George from 1 July this year. The system has been introduced—obviously, in response to the irrigation community's concern and conflict with these water issues over a number of years—and I believe that what we have instituted, certainly, is better than what we had. It is not a final or ultimate solution. That can only be achieved when, hopefully, there will be a fairer and more equitable allocation of water resource across the catchment so that everyone gets a fairer shake.

The capacity-sharing operating rules and a computerised water accounting system have now been finalised in the last financial year so that we can implement this new system. It is a system that has not been put in place elsewhere on any large scale in the past. The new operating rules allow for individual irrigators to choose either to remain with the old system—similar to the old announced allocation rule system—or to have an individual capacity share within the storage. As I said, they were implemented on 1 July. We understand that they are operating smoothly so far, but it is early days and I have not discounted the possibility of further refinement after this water year once we see how it goes.

We have also allocated \$4m to refurbish the St George irrigation project this year. The aim of the project is to upgrade the capacity of the channels so that the system can deliver 10 millimetres of water per hectare per day to farms throughout the area. It is the continuation of a program commenced in 1997, with a further \$1m for a new pump station at the Beardmore Dam this year.

**Mr LESTER:** The fourth dot point on page 2-9 makes reference to the completion of catchment and regional planning studies in a number of regions, including the Burnett. Minister, as you would be well aware, consultation is currently under way on the draft Burnett WAMP and local stakeholders are intending to provide meaningful submissions to your department. Why have you withheld the findings of the report commissioned by your department and compiled by the Centre for Agricultural Research Economics into the economic and social impacts of water availability in the Burnett? Will you now stop making excuses and release this report to the public?

**Mr WELFORD:** Yes, this fallacious and mischievous allegation was made by someone up in the Burnett area the other day. I made it very clear that the proposition that I was withholding any report is absolutely rubbish. Work has been done by the University of New England on potential economic spin-offs from future development in the catchment. They have prepared a draft report, which the department is putting through the usual review and compliance processes. That may require that we go back to them with further information and require further clarification of some of the outcomes in the report.

I will be more than happy to release that report in due course, but as I made clear the other day in responding to the previous time that that allegation was made, all the social and economic analysis in the world does not give you an answer if you have not got any water. The question that is the primary question for the Burnett and for the WAMP, as it is in every other catchment, is: what water have we already harvested from that system and how much is available to be harvested in the future? That is what the WAMP document is about—looking at what the potential is for future water extraction from the system.

Obviously, in terms of social impact assessment, what we are really looking at there, as part of the WAMP process, is how we ensure the fairest allocation of water once we determine what water is available to be allocated across the catchment. That is what



the social impact and economic impact assessment is about—identifying what the most economically efficient way is to allocate water among users within the catchment.

You do not use economic or social impact assessments to try to drum up an argument for taking more water than what is sustainably able to be taken. The first threshold question is to decide what water can sustainably be taken and then you use social and economic impact assessment to ensure that the water we take is used for maximum economic effectiveness and efficiency.

**Mr LESTER:** The first dot point under Future Developments for the Natural Resource Management Services output on page 2-13 states that implementation of the new arrangements and standards for vegetation management on both leasehold and freehold land will continue. At the Winton and Roma Community Cabinet meetings earlier this year the Premier promised land-holders that the laws would not be proclaimed for freehold land until compensation was provided and that they would be amended to remove the so-called of concern category. Reports indicate that the laws will now be proclaimed by 20 August. When will the laws be amended and why has there not been any allocation for State-based compensation in this Budget? Is your Government about to break the Premier's promises given earlier?

**Mr WELFORD:** Our Government does not break its promises. What the Premier said you need to understand and not misrepresent. I know that you and some of your colleagues would be very anxious to misrepresent what the Premier said.

**Mr LESTER:** Come on.

**Mr WELFORD:** And you do it with much glee. But the reality is that what the Premier said at Winton—and I am not sure whether he actually first said it at Winton; I think he said—

**Mr LESTER:** Now you are not sure what he said.

**Mr WELFORD:** I think he said it at Roma. That is for sure.

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

**Mr WELFORD:** I think you mentioned that he said something at Winton, but no commitment was given at Winton. At Roma the Premier made very clear that the law in the form that it was passed would not be proclaimed without Commonwealth funding support. That is what he said. He has since made clear that in the absence of Commonwealth funding support he will only proclaim amended legislation or proclaim

legislation that does not include the mandatory protection of vulnerable or of concern regional ecosystems.

Nothing that the Premier has said is inconsistent with what the Government is doing. We have always said that we would implement a planning system. That planning system is needed. That is why the legislation was passed. You do not pass legislation not to have it implemented. The core elements of that legislation and the thing that will in the long run be the most important legacy for rural Queensland is that, regardless of what you protect in terms of endangered, of concern or not of concern regional ecosystems, the most significant benefit of that legislation is that it just puts in place a planning system that will ensure that all land-holders turn their mind to the question of how to plan their property within the region and the catchment as a whole rather than simply doing their own thing and allowing our landscapes to suffer the death of a thousand cuts.

Most land-holders want to do the right thing. There is a significant minority who either do not know what is the right thing or do not care. But those who do the right thing deserve to have everyone else live up to the same standards and that is what this vegetation management legislation does—simply put in place a planning system. It is not a regulatory system that I am aiming at, it is a planning system that ensures the community sets planning parameters for what it wants to achieve in a region or in a catchment as a whole. It is entirely consistent with catchment-based planning that has been respected and accepted by regional communities for some years. I know—and I meet them all the time—that Landcare groups and catchment management and catchment care groups want a good planning system in place, and that is what we are going to give them.

**Mr LESTER:** You did not plan the legislation too well; you put the gag on heaps of amendments. Page 2-8 refers to the review of the irrigation water prices conducted by your department during the year and the development of five-year pricing paths. What adjustment measures will be made, if any, for those irrigation schemes where very high price rises—anywhere, I am told, between 1,800% and 156%—are proposed? What targets have been set, if any, for reducing the operating costs of the State Water Projects central office which, for example, in the Bundaberg and Burdekin schemes comprise 26% of the total running costs?

**Mr WELFORD:** As I mentioned before, the water reform unit, among the other issues such as the Water Bill, has been working on a water price path over the next five years. There are a number of ways the Government could have approached the issue of water pricing in the context of the COAG water reform agenda. One was to simply each year assess what the operational cost was and move towards it in some sort of arbitrary way and not tell water users or irrigators from one year to the next what their likely price would be after 1 July. After consulting rural industry, I decided that we should try to establish a five-year price path so that from the start of this year for the next five years they would get some planning certainty about the cost of their water. I think there has been strong support from rural industry groups for that process.

It is true that in some schemes, particularly the older and less efficient ones, the operation and maintenance costs which are required to be covered by the pricing of the scheme are likely to be pretty high. But in accordance with our negotiations with the National Competition Council and the Commonwealth Government we have achieved two things. Firstly, I have managed to negotiate an extension of the time for achieving the cost reflective pricing regime—an extension of time from 2001 out to 2004. That gives us more time to put in place the transition. Secondly, I have established a number of categories of schemes reflecting the fact that some schemes are more difficult to achieve cost recovery than others. The schemes that have already achieved 100% cost recovery—for example, the Burdekin—together with those which are able to reach it by 2001 are referred to as Category 1 schemes. Category 2 schemes will have the full five years to achieve 100% cost recovery and need a price path of manageable annual increases. The remaining schemes are what we call Category 3. They are mainly, as I said, the small, high-cost irrigation schemes which may well need some form of ongoing Government assistance if they are to continue to operate. COAG does not ban subsidies, but it does require subsidies to be clearly identified. Category 3 schemes will also include some schemes where water shortages are an issue or where the schemes are awaiting finalisation of a WAMP.

**Mr LESTER:** On page 2-14 reference is made to the pest prevention strategies to be undertaken by your department in the year ahead. I really cannot emphasise how important all of this is. I refer specifically to the Alan Fletcher Research Station and the

important work being done there to develop biological control agents for various weeds that are threatening large areas of the Queensland landscape. What funding has been provided this year to maintain and increase that critically important work?

**Mr WELFORD:** The prevention of pest weeds and animals, as you point out, is a major challenge for our State Government. It is something which Governments at State and local level in partnership with land-holders have to work at consistently. Over the last few years, both the previous Government—the coalition Government—and our Government have had a number of programs in place to address these issues, including the Strategic Weed Eradication and Education Program—SWEEP. It has been very effective. We are allocating a number of different amounts of money, depending on which bucket you draw it from, to these issues over the next year.

**Mr LESTER:** You better get some big buckets or I will give you a big one.

**Mr WELFORD:** For the SWEEP program in particular we are allocating \$60,000 this year. To deal with the new pest animal strategy we are allocating another \$20,000 in the coming year on top of the work that was done as part of the Queensland weed strategy under the national weed strategy last year. In terms of funding for the weed research component of the weed strategy, we have not actually broken down between the various research stations their particular annual allocations at this stage. But if you take into account both the new initiatives that we have embarked upon this year—about \$2.2m in new initiatives—and the stock route program, the overall budget for pest and stock route management services, which is the whole program, this year will be in excess of \$11.5m. When you add to that about \$3.3m in local government precepts and a quarter of a million dollars in other Government revenue, you can see we have a major program across the State continuing to deal with this issue.

**Mr LESTER:** We are going to need it. This problem is awfully serious.

**Mr WELFORD:** It is serious and at times, to be perfectly frank with you, I despair at whether we are ever going to get on top of it. It requires more than just Government money. It requires not just a good partnership between local and State Government—which I think we have largely got in most areas. I think local government have been very good. But we do have a small number of land-holders who are less vigilant than others. Most land-holders, of course, are very good and are working as part

of the strategic planning teams in various regions. We have put in wash-down facilities in a couple of regions now, but I think it is going to require a collective effort of Government to impress upon land-holders the urgency of this issue.

I think there is still a lack of awareness of the extent of the risk that weeds—pest weeds especially—pose to our rural landscape. We really need to get the message out there. I do at every opportunity I can and I would encourage you to also, rather than just calling for Government to solve the problem, assist me in impressing upon the broader community that they must remain vigilant. Once a weed, whether it be the Giant Rats Tail Grass in your area or whether it be other weeds in other areas—Siam weed is an emerging problem that we are doing more research on, rubber vine in north Queensland, prickly acacia in the north-west—

**Mr LESTER:** Parthenium.

**Mr WELFORD:** Parthenium would have to be one of the worst as well. It depends on how you look at it. Some land-holders seem to think it is less of a problem and do less about it because it is a little seasonal. Some seasons it is worst than others.

**Mr LESTER:** I think Giant Rats Tail Grass is just about the worst at the moment. It is dreadful. We did a seminar in Rockhampton this week and the feeling there was just incredible.

**Mr WELFORD:** These field days are part of our work, of course, to get the message out there. Really that is what we have to do. I agree with you; I think Giant Rats Tail Grass is a very serious problem because once it is in, it is so entrenched; it is so hardy. Of course, the national registration authority does not, as I understand it, have a chemical authorised to specifically apply to it. Prevention is better than cure, and the way to prevent it, of course, is to manage land well and maintain good pasture coverage so that these weeds cannot get a hold.

**The CHAIRMAN:** The time for non-Government questions has well and truly finished. It is now—

**Mr WELFORD:** I gave you a bit of extra time.

**Mr LESTER:** It is an important cause.

**Mr WELFORD:** Cross-party cooperation.

**The CHAIRMAN:** It is now time for Government questions. I call the member for Fitzroy.

**Mr PEARCE:** In the ongoing spirit of cooperation and my relationship with the Minister for Keppel in central Queensland—

**Mr WELFORD:** Member for Keppel. He is not the Minister.

**Mr PEARCE:** Sorry, the member for Keppel—he was a Minister once. I am sure he will not mind me asking this question.

**Mr WELFORD:** I think he was a Minister before I was born.

**Mr LESTER:** That is all right. What is wrong with that? You are discriminating against us oldies.

**Mr WELFORD:** No. Endurance is an endearing quality.

**Mr PEARCE:** I might just give up. I am sure that the member will not mind if I ask a question about his electorate. As you know, one of the best kept secrets is the beautiful coastal centre of Yeppoon in central Queensland. Unfortunately, the town's sewage treatment plant has created a bit of an odour problem down there for local residents and business. I am just wondering if you could tell the Committee what action the department has taken to redress this problem?

**Mr WELFORD:** I am glad you have raised this issue, because the member for Keppel seems to ignore Yeppoon most of the time.

**Mr LESTER:** I rise to a point of order. Goodness gracious me, I suggest you take that back.

**Mr WELFORD:** The poor citizens of Yeppoon have been putting up with this for ages and I have not had a single letter from the local member raising it with me. It is a disgrace, really.

**Mr PEARCE:** As a matter of fact, it is probably on the nose.

**Mr WELFORD:** He probably is, along with the sewage plant! I know that it is out of character for him.

**Mr LESTER:** I have written to the Government to ask it to give us more funds to assist in that area—not your department—and you probably did not know about it. I wrote to the Local Government Department.

**Mr WELFORD:** I think that is fair enough, too.

**Mr LESTER:** So take back what I said.

**Mr WELFORD:** Take back what you said?

**Mr LESTER:** No, take back what you said.

**The CHAIRMAN:** Considering the time of the day, it would be really good if the Minister could finish his answer.

**Mr WELFORD:** For a number of years Yeppoon's sewage treatment plant has had an odour problem affecting local residents and businesses and, of course, there is pressure on the council to resite the plant. As I understand it, the council's engineers are in the final stages of constructing odour control units at a number of points in the treatment process. Of course, we will assist the council in monitoring the success of that work in the coming months. They have also recently submitted a planning report that identifies a number of sites which might be irrigated with Yeppoon's waste water. The Department of Natural Resources has raised concerns with the Livingstone Shire about the sustainability of irrigating these sites. So we are looking at resubmitting their effluent reuse project as part of a six-stage program.

Stage 1 of the program would be the construction of a supply main to a forestry plot at Emu Plains and has been recommended for a subsidy under the local government body's capital works subsidy scheme for water reuse. That provides a 50% subsidy on what is probably a \$500,000 project. Stages 2 to 6 will require soil and site suitability assessments before the DNR can recommend payment of the subsidy on the remaining \$2.9m project. Stage 5 of the project specifically involves the construction of a rising main from the Yeppoon sewage treatment plant to the Emu Plains site. It has been planned that, when the Yeppoon sewage treatment plant reaches the end of its design life, a new treatment plant will be constructed on the Emu Plains site. Under the existing local government capital works subsidy scheme, there is no subsidy on a rising main unless it is part of an effluent reuse project. We are looking at trying to incorporate that component as part of an overall reuse project to attract that subsidy.

**The CHAIRMAN:** I refer to MPS, page 2–17. Last year the Government handed over a deed of grant in trust over the southern end of Musgrave Park in Brisbane to the Brisbane City Council. This decision effectively returned one of the most significant Aboriginal meeting places in not only Brisbane or Queensland but in Australia to its traditional owners. How is this matter progressing?

**Mr WELFORD:** Yes, as you mentioned, I handed over a deed of grant in trust over the southern end of Musgrave Park in South Brisbane to the Brisbane City Council to manage that 9,000 square metre area for Aboriginal purposes. For many years the Musgrave Park Cultural Centre committee has sought the State Government's agreement to

use the tennis court site in Musgrave Park for an Aboriginal cultural centre.

The council's support for the deed of grant in trust was on the understanding that community access would be maintained. The council would continue operating a number of facilities on the site, including a maintenance shed, the Randall Studio, the former bowls green area and Jagera Arts Centre. In addition, public access off Cordelia Street is to be maintained through the park to Brisbane State High and the Musgrave Park swimming pool.

The Brisbane City Council has submitted to the Department of Natural Resources draft terms and conditions for a trustee lease over the tennis court site. However, the Cultural Centre has not yet agreed to the draft and is still in negotiations with the Brisbane City Council. A notification under the Commonwealth Native Title Act has been drafted and is presently being considered by officers of the Department of Premier and Cabinet's Native Title Unit. When finalised, the notification will be delivered to the native claimants and the representative body, the Foundation for Aboriginal and Islander Research Action. When approval to proceed is given, the Department of Public Works will arrange for the design and construction of the proposed Cultural Centre, with funding being provided by Arts Queensland.

**Mr PITT:** In the Ministerial Portfolio Statements on page 2-24 it is stated that work has commenced to develop policy and legal frameworks to support Government and client needs for access, security, reliable information and protection of intellectual property. What specifically has been done? What will this eventually mean for Queensland?

**Mr WELFORD:** This is part of the preparation of our department in moving into a central role that it plays in Government as a whole as part of the information economy. There are increasing demands upon our staff to give client access to digitally held information so that they can integrate it and use it to make better informed planning decisions, whether it be land use planning, economic planning and the like. There are risks for the department in opening up access to Government information, as you would well and truly appreciate. Naturally, we need to ensure, firstly, the security of our departmental computer systems. We have to protect people's privacy and we have to obtain an appropriate return to the Queensland taxpayer for the use of information that is appropriately made available.

The department has taken a number of steps to minimise these risks. An access authorisation standard has been implemented to manage the way staff and clients access departmental systems and to ensure unauthorised access to information does not occur. This will assist the department to limit access by departmental staff to only that information relevant to the particular job. Work has commenced on a standard to manage the licensing of departmental information to outside users as well. This standard will ensure appropriate safeguards are included in future licence agreements to minimise risks both for the department and for the community and ensure appropriate mechanisms to licence the use of information.

The world wide web also provides exciting avenues for enhancing service delivery to the citizens of Queensland. The department continues to utilise and enhance its web site while ensuring appropriate security of departmental information. E-commerce is also a potential opportunity for the department, which manages a lot of natural resource registry data and, as I mentioned earlier today, manages over 700,000 transactions a year. We are developing an e-business strategy to guide the department's entry into online e-commerce over the coming months. We are also looking at continuing to work at improving the quality and completeness of the data that we in fact manage. This will allow us to, in effect, be a wholesale provider of that data so that it can be provided by private sector retailers in a packaged format that is useful to the marketplace.

**The CHAIRMAN:** I have a final question. Page 2-18 of the MPS refers to the release of the first braille directory of Brisbane suburbs to assist the mobility of blind or vision-impaired people. Can you describe the contents of this directory to the Committee and the extent of its coverage over Brisbane? Is the Department of Natural Resources contemplating production of other such map products?

**Mr WELFORD:** Since the 1980s, the Department of Natural Resources has been involved in the production of tactual maps for blind or vision-impaired people. This mapping activity has been undertaken through programs developed by the Queensland Tactual Mapping Committee. The committee comprises braille users, the Queensland Braille Writing Association, Guide Dogs for the Blind, the Department of Education, as well as my department. Under the programs, the first braille directory of Brisbane suburbs was released in August last year. I was very pleased to be able to issue this directory

covering 180 of Brisbane's suburbs, depicting names and locations, the rail network and stations and details of the city's central business district. The directory contains maps printed in tactual form to assist blind people in meeting their special mobility needs. It also provides large type format to assist vision-impaired people.

The directory was produced by DNR's Mapping Products and Services Unit in conjunction with the Queensland Tactual Mapping Committee with a financial contribution from the Brisbane City Council. It used innovative printing methods to create braille by multiple passes of screen printing to build up the height of the braille dots and special thick coat ultraviolet varnish with special ultraviolet curing. These methods have been widely acclaimed within the print industry for their innovation in developing printing processes to produce raised images. The directory won gold medal awards at the Queensland Printing Industry Craftsman Awards in December last year and the Australian National Print Awards in Melbourne in March this year. Both of these awards were in the special printing category. Its national recognition has qualified it for consideration at the World Premier Printing Awards in the US later this year.

The Department of Natural Resources continues to produce tactual maps to meet the special needs of blind and vision-impaired people. In the last year, the department prepared a tactual map for the Queensland Guide Dogs Centre and is presently working on a tactual map for the Queen Street Mall. We intend to do more work on this front to assist people with disabilities and vision impairment to enjoy the same mobility around our city and our State as able-bodied people. We certainly will continue to build on the expertise we have developed here.

**The CHAIRMAN:** The time allotted for the consideration of the Estimates for the Minister for Environment and Heritage and Minister for Natural Resources has 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. That concludes the Committee's consideration of the matters referred to it by Parliament on 22 June 2000. I declare this public hearing closed.

The Committee adjourned at 6.57 p.m.