



ESTIMATES COMMITTEE E - 2002 REPORT

Introduction

1. The sessional orders adopted by the Legislative Assembly on 18 April 2002 established seven estimates committees to consider proposed expenditure under the *Appropriation Bill 2002* and the *Appropriation (Parliament) Bill 2002*.
2. Estimates Committee E was to examine and report on the proposed expenditure for the organisational units within the portfolios of the Minister for Natural Resources and Minister for Mines, the Minister for Environment, and the Minister for Local Government and Planning.
3. A public hearing was held on 16 July 2002 to take evidence from the Minister for Natural Resources and Minister for Mines, the Minister for Environment, and the Minister for Local Government and Planning. A transcript of the committee's hearing can be accessed on the Internet at:
<http://www.parliament.qld.gov.au/hansard/>.
4. For the purpose of examining the proposed expenditure for the organisational units allocated to it, the committee considered information obtained at the public hearing in conjunction with: budget papers and Ministerial Portfolio Statements (MPS) tabled by the Treasurer; written responses to questions on notice submitted to the Ministers by the committee prior to the public hearing; and other information provided by the Ministers.
5. Accompanying this report is a volume of "Additional Information" presented by the committee to the Legislative Assembly. The additional information includes the minutes of the committee's meetings, documents tabled at the hearing and answers to questions on notices before and during the public hearing.

Minister for Natural Resources and Mines

6. The MPS states that the Department of Natural Resources and Mines provides policy and legislative frameworks to support the planning and management of the State's land, water and native vegetation resources and to facilitate the development of the State's mineral and petroleum resources.
7. The total appropriation for the Department of Natural Resources and Mines in 2002-03 is \$341.217 million. The MPS provides the following output summary.

Output	Total Cost \$'000
Integrated Natural Resources	74,773
Integrated Natural Resources Management and Use	239,097
Mining Safety and Health	23,879
Mineral and Petroleum Exploration and Development	35,344
Dispute Resolution	4,364
Total	377,457

Source: State Budget 2002-03 MPS – Minister for Natural Resources and Minister for Mines p.7.

8. Highlights in the budget as proposed by the Department of Natural Resources and Mines for the 2002-03 year include:
 - \$9 million over two years to the joint State/Commonwealth/landowner Great Artesian Basin Sustainability initiative
 - an additional \$9.5 million over four years to water reform initiatives
 - an additional \$9.2 million to support exploration attraction over four years
 - \$6.4 million over four years to continue the satellite monitoring programs that supports the vegetation management framework
 - \$2.4 million over four years for the Explosives Inspectorate, and

- additional funding of \$2.2 million over four years to continue the program of identifying and developing surplus government properties for disposal.
9. During the public hearing the Minister for Natural Resources and Minister for Mines responded to questions from the committee in relation to the budget highlights and a wide range of matters, including:
- operations of SunWater
 - staffing levels
 - National Competition Council payments
 - progression of the water resource planning process, in particular in the Condamine-Balonne region
 - implementation of the National Action Plan for Salinity and Water Quality
 - establishment of water trading in Queensland
 - Moreton Bay Waterways and Catchment Partnership Strategy
 - Rural Water Use Efficiency initiative
 - State Landcover and Tree Study Satellite Monitoring program
 - funding to support community-based groups (eg. Landcare, Bushcare)
 - exporting land registry services expertise
 - progressing the Rural Leasehold strategy
 - Land Court's performance
 - statewide development and implementation of indigenous land use agreements
 - grants of exploration permits and mining tenure
 - transfer of the Native Title Services unit to the Natural Resources and Mines portfolio
 - establishing a coal seam gas regime for Queensland
 - exporting mine safety technology
 - new incentives to attract investment in mining exploration
 - future development of the undeveloped coal deposits in the Surat-Dawson Basin area, and
 - policing the illegal sale of fireworks.

Minister for Environment

10. The MPS states that the Environmental Protection Agency works to maintain a clean environment, protect Queensland's natural and cultural heritage, and promote sustainable use of Queensland's natural capital.
11. The total appropriation for the Environmental Protection Agency in 2002-03 is \$269.018 million. The MPS provides the following output summary.

Output	Total Cost \$'000
Protecting our National and Cultural Heritage	144,412
Promoting Sustainable use of our Natural Capital	113,261
Ensuring a Clean Environment	54,543
Total	312,216

Source: State Budget 2002-03 MPS – Minister for Environment, p.5.

12. Highlights in the budget as proposed by the Environmental Protection Agency for the 2002-03 year include:
- \$3.3 million to continue forest regulation initiatives
 - an additional \$1.2 million to continue mining industry environmental auditing
 - \$1.6 million to continue the management of Cape York land acquisitions
 - ongoing Solar Hot Water Rebate scheme
 - an additional \$10 million to continue the Enhanced Park Maintenance initiatives, in particular to fund the recruitment of new rangers, and
 - \$2 million towards the continued development of the six "Great Walks of Queensland" projects.
13. During the public hearing the Minister for Environment responded to questions from the committee in relation to budget highlights and a wide range of matters, including:
- strategies to manage feral animals in national parks
 - Fraser Island dingo management strategy
 - development of a master plan for Queensland's parks system

- a three-year rolling plan to prioritise capital works programs across national parks and forests
- development of sustainable industries, in particular the establishment of an ethanol industry in Queensland
- establishment of the department's Sustainable Industries Division
- management plan for the protection of whales
- implementation of the Solar Cooler Schools program
- measures to minimise waste and pollution
- water quality, in particular the management of outbreaks of lyngbya occurrences and the status of the pfiesteria organism
- implementation of the water recycling strategy
- "quadruple bottom line" financial reporting
- implementation of the anti-litter strategy
- regulating industrial pollution
- partnerships with industry and the community to support the use of renewable energy, greater eco-efficiency and environmental innovation
- involvement by community groups in the South East Queensland Forest Agreement
- damage mitigation permits
- Moreton Bay Healthy Waterways Partnership program, and
- South East Queensland Regional Water Quality Management.

Minister for Local Government and Planning

14. The MPS states that the Department of Local Government and Planning's vision is to achieve well governed, sustainable communities that are a safe and satisfying place to live.
15. The total appropriation for the Department of Local Government and Planning in 2002-03 is \$458.881 million. The MPS provides the following output summary.

Output	Total Cost \$'000
Advice and Services for Good Local Governance	4,818
Funding for Local Government Infrastructure and Facilities	168,058
Planning and Development Services	16,701
Total	189,577

Source: State Budget 2002-03 MPS – Minister for Local Government and Planning, p.6.

16. Highlights in the budget as proposed by the Department of Local Government and Planning for the 2002-03 year include:
 - \$2.6 million to continue the *Integrated Planning Act 1997* (IPA) reform implementation program
 - \$1.3 million to implement the South East Queensland 2021 – A Sustainable Future initiative
 - \$0.6 million to continue the City West Taskforce
 - Queensland Local Government Grants Commission review of grants to Queensland councils, and
 - \$0.5 million for improving fire safety in buildings posing a high risk to life.
17. During the public hearing the Minister for Environment responded to questions from the committee in relation to budget highlights and a wide range of matters, including:
 - departmental activities
 - staffing levels
 - issues surrounding the fire safety legislation
 - review of the pool fencing legislation
 - reference to electoral procedures
 - proposed amendments to the *Local Government Act 1993* in relation to revenue raising powers of local government
 - amendments to the IPA relevant to the Integrated Development Assessment System
 - IPA operational review and related matters
 - implementation of regional planning frameworks in Queensland, in particular in far-north and north Queensland

- reclassification of funds from administered to controlled for the Business Management Assistance program
- Local Government Grants and Subsidies program
- sources of revenue
- IPA planning scheme for local governments
- funding provided specifically to local government, across all state government portfolios and programs
- loan program for local government
- use of funds allocated to the National Action Plan on Salinity and Water Quality
- complaints management guidelines for local governments
- new building and plumbing codes
- a state legislative framework for the regulation of restricted dogs
- building and development tribunals
- Local Government Association of Queensland's review of private certification
- natural disaster relief funding
- assistance to local government for mosquito and midge control
- applications for the Rural Living Infrastructure program
- machinery of government changes
- responsibility for off-alignment roads
- review of the operational arrangements and framework for the Aurukun Alcohol Law Council
- Local Government Reform Committee
- CityWest taskforce
- Security Improvement program
- Queensland Development Code
- availability of planning information and demographic analysis for use by the public and private sector, and
- Regional Centres program.

Recommendation

18. The committee recommends that the proposed expenditures, as stated in the *Appropriation Bill 2002* for the organisational units within the portfolios referred to Estimates Committee E for examination, be agreed to by the Legislative Assembly without amendment.

Acknowledgments

19. The committee thanks the ministers and their departmental officers for their cooperation and assistance throughout the estimates process. The committee also acknowledges the support and assistance of the committee's secretariat and those other officers of the Parliamentary Service who contributed to the conduct of the estimates process.

Mr Chris Cummins MP
Chairman

30 July 2002

Members

Mr Chris Cummins MP, Chairman,
Member for Kawana

Mr Howard Hobbs MP Deputy Chairman,
Member for Warrego

Ms Cate Molloy MP, Member for Noosa

Mr Robert Poole MP, Member for Gaven

Mrs Carryn Sullivan MP,
Member for Pumicestone

Mr Jeff Seeney MP, Member for Callide

Dr John Kingston MP,
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Staff

Ms Rachelle Stacey, Research Director

Ms Carolyn Heffernan, Executive Assistant

ESTIMATES COMMITTEE E

Reservation Statement – Department of Local Government and Planning

Acknowledging it is the Government's responsibility to apportion expenditure to programs within each portfolio, the National Party Opposition nevertheless holds reservations with a number of aspects of the 2002/2003 budget for the Department of Local Government and Planning.

Introduction

The objective of the Estimates process is to allow Members of Parliament the opportunity to scrutinise the actions of Executive Government and the Public Service. I am of the opinion that the Minister for Local Government and Planning and the Department conducted this process in an unprofessional manner that did not allow the Opposition to fully scrutinise the Government's budgetary process.

Very legitimate Questions on Notice relating to financial expenditure that were submitted prior to the Hearings were incompletely answered. On three occasions the Minister and her departmental staff were unable to provide full and comprehensive answers to my questions, of which one was a standard question and had been specifically answered by several other Ministers in response to their portfolio. Given the resources available to the Minister and the set time given to the estimates process each year, I do not believe this should place an unreasonably onerous requirement on the Department.

It is also of concern that the response to one of the Questions on Notice contained errors and the correct version was forwarded at 8:22 am on Monday 15 July to the Estimates Secretariat. Subsequently this corrected question did not arrive to the member until 9:32 am, late in terms of the Committees recommended response time. The Estimates Committee process occurs every year, and Departments have no excuse for being unprepared in terms of process or personnel. It is recognised that last minute changes will occur at some stage; however, I would not like to see this become common practice as it places unnecessary onerous requirements on the Committee Secretariat.

If the estimates process is to work effectively and the public interest served, the relevant Minister and Department need to be prepared to respond to questions that relate to different areas of the portfolio, rather than flaunting the Standing Orders.

As Deputy Chairperson of the Estimates Committee E, I was also concerned about the late decision made to structure the order of questions for the Hearing for the Department of Natural Resources and Mines. This resulted in questions for the portfolio of Mines being allocated between SunWater and the Department of Natural Resources, preventing a more coordinated approach to questions and scrutiny of the Minister and his department.

I would recommend that for future Estimates Hearings there is no firm structure set on the order of questions in examining a portfolio area.

Budgetary Position

The real (accounting for inflation) per capita expenditure for the Department of Local Government and Planning for 2002/2003 experienced a reduction of 9.8%. The most significant change was in relation to infrastructure and facility funding with a reduction from \$48 to \$42 per capita, and is a continuing trend over successive budgets. A reduction in total departmental expenditure of \$24 million and reductions in the Local Government grants and subsidies program of \$8 million does not assist in being able to develop essential infrastructure and services for local communities in Queensland.

Public Liability Costs

The Minister continues to ignore the evidence that has been presented on the impact the State Government's Fire Safety Legislation is having on local council's public liability insurance profile, that has unfairly shifted the public liability risk burden from the State Government to Queensland Local Governments. In the Estimates Hearings I revealed that the fire safety legislation alone is estimated to cost local government \$20 million over the next ten years. Further evidence from the Queensland Local Government Mutual Liability Pool has indicated that the range of increases in public liability to apply in 2002-2003 would be between 60% to 100% with an average increase of approximately 80%.

The Ministerial Portfolio Statements (MPS) reveal that \$0.5 million has been allocated in the Budget to identify cost effective ways of improving the safety of other high risk buildings. During the Estimates Hearings the Minister was unable to rule out placing further responsibilities of this nature on local councils. This is a clear indication that the Minister as well as the government in general has a lack of understanding on the impact this legislation will have on the insurance premiums of Queensland's local councils.

IPA Compliant Planning Schemes

It was revealed in the Estimates Hearing that the Minister does not have a contingency plan in place for those councils who may not be able to meet the March 2003 deadline for the implementation of IPA compliant planning schemes in Queensland. According to the MPS there are only six council planning schemes that have been lodged to be signed off on, with a further 117 expected to be lodged formally in 2002-2003.

In the event that some councils may not be able to obtain the necessary approvals from State Departments and agencies by the March 2003 timeframe, it is disappointing that the State Government does not have a contingency plan in place to ensure these councils will maintain legal planning schemes.

Conclusion

The Minister's refusal to answer in full, questions on notice prior to the hearing was a reflection of the unprofessional approach adopted for the Hearings by the Minister and the Department of Local Government and Planning. The Budget for 2002-2003 does not take into consideration the estimated population growth in Queensland, which has been estimated by the Minister's Forecasting Unit to increase to more than six million people over the next fifty years. The budget delivered by the Beattie Government has reduced

expenditure for the provision of these essential services and given its failure to consider the expected growth in our local communities, I can not support the budget put forward for the Department.

Howard Hobbs MLA
Shadow Minister for Local Government and Planning
Shadow Minister for Regional and Rural Communities
Shadow Minister for Racing
Member for Warrego

25 July 2002