

ESTIMATES COMMITTEE E

Mrs C. E. Sullivan (Chair)

Mr H. W. T. Hobbs

Hon. V. P. Lester

Ms C. Molloy

Ms A. F. Phillips

Mrs C. M. Scott

Mr J. W. Seeney

NATURAL RESOURCES AND MINES**IN ATTENDANCE**

Hon. S. Robertson, Minister for Natural Resources and Mines

Mr T. Hogan, Director-General

Mr P. Noonan, Chief Executive Officer, SunWater

Mr S. Spencer, Deputy Director-General, Integrated Resource Management

Mr P. Philipson, General Manager, Finance and Asset Management

Mr B. Coulter, Deputy Director-General, Natural Resources Services

Mr C. Robson, Executive Director, Natural Resources Sciences

Mr M. Cremer, Deputy Director-General, Mines (Acting)

Dr G. Dickie, Executive Director, Native Title and Indigenous Land Services

Mr J. McNamara, Executive Director, Native Title and Indigenous Land Services

The committee commenced at 8.38 a.m.

The CHAIR: I declare this meeting of Estimates Committee E open. I am Carryn Sullivan, I am the member for Pumicestone and I am chairing this committee. I will introduce my fellow committee members: Cate Molloy, the member for Noosa; Anita Phillips, the member for Thuringowa; Christine Scott, the member for Charters Towers; Vince Lester, the member for Keppel and deputy chair of this committee; Jeff Seeney, the member for Callide; and Howard Hobbs, the member for Warrego.

The committee will examine the proposed expenditure contained in Appropriation Bill 2003 for the portfolios of Natural Resources and Mines, Environment and Local Government and Planning in that order. I remind members of the committee and the minister that the time limit for questions is one minute and the time limit for answers is three minutes. A warning bell will ring once 15 seconds before the end of these time limits and twice when the time has expired. I will allow more time for answers if the questioner consents.

The sessional orders require that at least half the time for questions at today's hearing be allocated to non-government members. Government members and non-government members of the committee will take turns asking questions in blocks lasting approximately 20 minutes. In relation to media coverage of today's hearing, the committee has resolved that video coverage be allowed only during the opening statements. Please ensure also that mobile phones and pagers are switched off while the committee is in session so as not to disrupt proceedings. I ask departmental witnesses to identify themselves before they answer a question so that *Hansard* can record that information in the transcript.

In the event that those attending today are not aware, I point out that the proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In that regard, I remind members of the public that, in accordance with standing order 195, the public may be admitted to or excluded from the hearing at the pleasure of the committee.

The first area to be examined is the proposed expenditure for the Natural Resources and Mines portfolio. The committee will consider the estimates of the organisational units in the following order: the government owned corporation SunWater, the Department of Mines and the Department of Natural Resources. The time allocated is three hours and 15 minutes with a 15-minute break at 10.00 a.m.

I declare the proposed expenditure for the portfolio of the Minister for Natural Resources and Mines open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

I welcome Minister Robertson and representatives from SunWater who are in attendance today. Minister Robertson, you have the opportunity to make a brief introductory statement or proceed directly to questioning. If you wish to make a statement, the committee asks that you limit it to five minutes.

Mr ROBERTSON: I do have an opening statement. The appropriations being considered by the committee today reflect the commitment of the Beattie government to sustainably managing the precious resources that underpin our economic and social well being.

The budget also reflects the immense breadth of the work done by my department in water, land, vegetation, minerals, petroleum, native title and cultural heritage. Natural resource management in Queensland is at a crossroads. The decisions we make and the actions we take now are critical.

This government is in the process of implementing a comprehensive reform agenda which we hope will leave Queensland a better place for generations to come. This budget is about achieving and maintaining a workable, sustainable balance between economic, social and environmental values. We have hard work ahead of us. Over the course of the next year, we will continue to implement major reform strategies involving water, land and native vegetation, as well as investing in programs to address salinity and cultural heritage issues. We will implement initiatives to promote our mineral, petroleum and gas potential to attract more investment and industry development.

We have a diverse and extensive program of work planned for this financial year, and I would like to draw the committee's attention to some of the highlights of this year's appropriations. We will ensure everyone gets a fair go by investing \$8 million over four years for more effective assessment, monitoring and enforcement activities in the key areas of vegetation, water and land management, to make sure that those who are abiding by the rules are not hurt by those who think the laws do not apply to them. The funding will enable the expansion of metering for unsupplemented water, fill the need for increased scientific monitoring, assessment and data collection to support the water reform process and increase the satellite monitoring of vegetation cover.

We will invest an extra \$1.78 million into the Great Artesian Basin sustainability initiative, which will bring our financial commitment for the coming year to \$6.28 million to give more landholders the chance to profit from a program that safeguards the future of the basin and the future of much of outback Queensland. We will put an extra \$3.2 million into improving the quality and safety of dams and weirs that are administered by my department, shared between capital improvements to existing assets and maintenance work on smaller dams and weirs. We will continue to support our industries with \$28.2 million put aside to stimulate growth in our mineral and petroleum sectors, recognising that their futures depend on robust exploration growth and fair, effective and sustainable development.

Another \$28.3 million will be invested in protecting the safety and health of those involved in the mining, quarrying, explosives and gas industries, and to safeguard public safety associated with the use of gas and explosives, including fireworks. We will improve security and industry and government explosives storage facilities and we will increase safety in the use and handling of explosives through education, training and new licensing requirements. We are committed to delivering improved services, legislation, standards, inspections, scientific research and education to underpin the health and safety of workers in the mining industry. We will also invest \$3.5 million over four years to provide more effective recognition and protection of Aboriginal and Torres Strait Islander cultural heritage, underpinned by Queensland's first legislation devoted to protecting cultural heritage.

On a minor note, I would draw the attention of committee members to my response to question on notice No. 6. There was a minor transcription error in my answer, which I would like to correct. My response shows the budget for integrated natural resource management and use for 2002-2003 as \$295.095 million. That should read \$295.035 million, with an amended total for that year of \$377.395 million. Correspondingly, the same figures for 2003-2004 should read \$250.969 million for integrated natural resource management and use, with a total for that year of \$398.006 million.

Our natural resources—land, water, vegetation, minerals, petroleum and gas—are inextricably linked. The way we use one affects, or depends on, the way we use the others. So it is imperative that we plan wisely, apply the best available knowledge and use the precautionary principle to take a truly integrated approach to managing our natural resources.

The CHAIR: The first round of questions is from non-government members. I call the member for Callide.

Mr SEENEY: I think it is appropriate to make you aware at the beginning of this hearing that the committee has instructed me to ask questions about SunWater until 9.20 a.m. I trust that that is because of the committee's intense interest in SunWater rather than any intent to try to protect you from questioning about more contentious issues.

Mr ROBERTSON: You have started well.

Mr SEENEY: Be that as it may, I hope that you can provide us with some information about a range of issues during the course of this hearing. How much money did SunWater contribute to the state's consolidated revenue last year and how much do you expect it will contribute this year?

Mr ROBERTSON: As you are aware, it had been the policy last year, being the first year that SunWater declared a dividend, that, with the agreement of the Treasurer, that dividend of \$550,000 was reinvested into SunWater. So whilst—

Mr SEENEY: The whole lot of it?

Mr ROBERTSON: Yes, \$550,000 was the declared dividend to government, which the Treasurer and I agreed should be reinvested back into SunWater. I am advised that that dividend was spent on a trial total channel control initiative aimed at improving irrigation channel efficiency. SunWater is working through the details of the proposal with the Nagoa-Mackenzie customer council at Emerald, which is the trial's proposed location. When the scope of the trial is agreed, it is proposed to install this fully automated system as part of the scheme. This will not only provide tighter control of channel flows to increase efficiency but it will also improve the responsiveness of the supply system to the irrigators' need. Flow changes will be enabled on an hour's notice instead of a day's notice.

For the year just ended, we are not in a position to inform the committee of the quantum of the dividend. That has not been declared as yet, because SunWater is still finalising its books for the past financial year. But once again, both myself and the Treasurer have agreed that the dividend that is declared will be invested back into SunWater to improve services for its customers.

Mr SEENEY: Do you have any projects in mind for the use of that dividend?

Mr ROBERTSON: That is dependent on the size of the dividend, which has not been determined as yet. There is always a range of projects that can be looked at. My approach has always been to look at projects that deliver benefits to customers—to irrigators—and there is nothing before me that will change that approach. But as I said, I cannot provide you with details at this point in time as to what projects may be funded, because we do not know at this point in time what the size of the dividend will be.

Mr SEENEY: The five-year price paths for water are due to expire in 2004. Has your department or SunWater constituted a review process?

Mr ROBERTSON: We are commencing a review process and under consideration is, if you like, a road map forward. We are committed to very close consultation with SunWater's customers and others as to what the future may hold and we are mapping out a comprehensive schedule of consultations and information, which will be rolled out in plenty of time for the commencement of the next round of price paths.

Mr SEENEY: Had you established pricing principles at the beginning of that process?

Mr ROBERTSON: We recently released a document called *Talking Water Reform*, which was about indicating the issues that need to be addressed at this point in time with respect to future price paths. One of the things that does exercise our mind, which means that we probably cannot get out and talk to people directly about the future of price paths, is that in September, as you would be aware, the Council of Australian Governments will be meeting to discuss the second stage of the national water reform process. It would be pre-emptive for us to go out at this point in time without knowing what the future holds on a national basis and what principles may have to be included in the second round of price paths. We just do not know. There is still a lot of argy-

bargy going on between Commonwealth and state officials in terms of the papers that will go to COAG in September. So we are just not in a position at this point in time to get out there with finalised documents as to what the future will hold.

But our commitment is through customer councils and broader communications and consultations with irrigators so that there will be plenty of opportunity to discuss and contribute to a wide range of issues that need to be determined for the future with respect to setting price paths. Obviously, cabinet has to be informed before we go out, and we are not going to be able to inform cabinet until we know what the national principles are going to be for the future. So that will be the process that is ahead of us.

Mr SEENEY: Is maximising SunWater's dividend to the government one of those principles?

Mr ROBERTSON: Not that I am aware of, no.

Mr SEENEY: It is definitely not? You do not see SunWater as a GOC that will eventually pay a large dividend to the government—to consolidated revenue?

Mr ROBERTSON: I can only answer you in terms of what our performance has been last year, and that was a reinvested dividend. In respect of our performance in terms of the current financial year with respect to the reinvestment of the dividend, that is something, personally, that I would like to see continue, but that is obviously subject to ongoing consultations with the Treasurer. But my clear intention, as demonstrated last financial year and in this financial year, is to reinvest the dividend. As I said, I would like to see that continue, because there is a lot of work that can be done in terms of making schemes work better. A whole range of initiatives is out there and I would like to see us continue to invest in those initiatives, because they are of real benefit to irrigators and, ultimately, to the state.

Mr SEENEY: With regard to water prices in the Burdekin scheme in particular—and you will be aware of the degree of contention that eventuated in a Queensland Competition Authority report—can you update the committee as to where that issue is at the moment?

Mr ROBERTSON: That report went to the Burdekin irrigators. That was part of an agreement reached at a meeting with the Premier in Mackay early last year, if I recall correctly. Part of that package was to withhold sections of the contributions or the money that came from the Burdekin irrigators to SunWater—that component which reflected the rate of return. As a result of the finalisation of that report, that money was released from Treasury to SunWater.

In fact, last week I met with representatives of the Burdekin irrigators. I think there is general acceptance. They might not be happy, but I think that there is a general acceptance of what the QCA determined. They have put forward a few ideas for how we can perhaps be more flexible during the hard times, which the sugar industry is going through at the moment. I have had some preliminary discussions with Peter as to looking at a number of products with respect to pricing, et cetera, that could be put forward based on the ideas that were put forward by the Burdekin irrigators. It is a bit early to say where that will end up, but we are continuing to listen to them and take on board suggestions. I am hopeful that we might be able to respond to some of their concerns reflecting the health of the sugar industry, being based largely on a fluctuating world price for sugar, and how we can better link in with those fluctuations so that SunWater is not seen to be an impediment to or a drag on the sugar industry during the tough times. We are having a look at that. It is a bit early to say at this point in time what we might come up with but, as I said, it was only last week that I had a chance to speak to Peter Noonan about it. I think Peter is now looking at some of those suggestions put forward by the Burdekin irrigators. Hopefully, in the next few months we will have something one way or the other to report back to the guys in the Burdekin.

Mr SEENEY: So are you looking at that capacity to pay principle that the Queensland Competition Authority referred to? Is that what you are saying?

Mr ROBERTSON: Yes, that is right.

Mr SEENEY: You are looking at mechanisms to build that capacity to pay principle into water pricing in the Burdekin?

Mr ROBERTSON: That is right; initially, in the Burdekin. As to whether it has wider application, you need to consider the differences between irrigation schemes. When we are talking about the Burdekin, it is a scheme that is providing a rate of return. The issue for the Burdekin irrigators is that, during tough times, they see that rate of return as being an additional impost on their operations. So they have put forward a couple of ideas. For example, during the tough years, they may be able to pay part and roll the second part over to the good years. I have

some sympathy with that view on a personal basis. How that would actually work in a way that does not expose SunWater to an increase in bad debts over time obviously needs to be looked at, and that is the sort of discussion that we have been having.

Mr SEENEY: With respect to the additional water that will be created by the infrastructure that is currently being planned and built in the Burnett system, how do you and SunWater envisage that that water will be priced?

Mr ROBERTSON: I might hand over to Peter Noonan on that one. As you are aware, the Burnett project is the responsibility of the Minister for State Development. Whilst Natural Resources and Mines has an advisory role on a number of matters, SunWater, as a commercial entity, has much closer involvement in that project. So I might give Peter the floor on that one.

Mr Noonan: The Jones and Barlil weirs, which I presume you are referring to—

Mr SEENEY: All of the infrastructure in the Burnett. There are the Jones and Barlil weirs, the Eidsvold Weir, the Paradise Dam, the Burnett River dam—

Mr Noonan: With respect, I cannot respond in relation to the Burnett River dam or Eidsvold Weir as SunWater has no direct responsibility for those at all. Burnett Water Pty Ltd is managing that process and, as I think the minister pointed out, that is under the portfolio of State Development.

Mr SEENEY: Do you believe that Burnett Water will price the water?

Mr ROBERTSON: It will, because it is the one that would have to sign up the customers. The number and type of customers that it would be looking to sign up for the additional water made available by the dam will have a direct impact on how prices are structured. As you would be aware, under national competition principles and COAG principles on water reform, that determines to a large extent the underlying principles for pricing for the Paradise or Burnett dam.

Mr SEENEY: I am well aware of that, but what I was not aware of was the fact that you envisage that Burnett Water will be the operator of that infrastructure, not SunWater; is that what you are telling me?

Mr ROBERTSON: No, I would not want you to think that. As I said, I think the problem is that, being the responsibility of the Minister for State Development, we do not have that intricate knowledge of what is going on.

Mr SEENEY: Let us pursue the issue one question at a time. Does SunWater envisage that it will be the operator of the Paradise dam and the Eidsvold weir?

Mr ROBERTSON: That is a commercial issue, which I will let Peter answer.

Mr Noonan: I suppose my commercial desires and the government's decisions may be separate things. It is really up to government and the Minister for State Development to make those decisions as to the way Burnett Water deals with those issues over time. That is really not my decision at this stage.

Mr SEENEY: Will SunWater be seeking to be the operator of that infrastructure?

Mr Noonan: SunWater will always be seeking to take commercial opportunities that it sees as possible. There are certain synergies between SunWater's operation in the Burnett area and the proposed dam. However, as I point out, that is a decision for others as to how that dam itself will be operated, whether it will be operated by SunWater or whether there will be an interface between another operator managed by Burnett Water and SunWater's current operation in the Bundaberg area.

Mr SEENEY: Would you agree that not only would there be synergies between the current operation and the water that is proposed by that infrastructure but also that there would be considerable issues to be dealt with if there were another operator in the system given responsibility for those two pieces of infrastructure?

Mr ROBERTSON: I think you are asking for an opinion that goes a bit beyond where we are at this point in time.

Mr SEENEY: It is a big issue, Minister, with respect.

Mr ROBERTSON: The underlying principle, as I understand it, of the Burnett dam is that we will be maximising opportunities for customers. Whether SunWater cuts the mustard in terms of meeting those priorities or it is another operator is a matter that will be determined, I would expect, through a competitive tendering process, if you like. I am not too sure that it is appropriate

to be asking through this process the CEO of a government owned corporation for an opinion as to their chances of succeeding in their endeavours.

Mr SEENEY: Okay. Has SunWater been involved in making any submissions to date about gaining the operating licence for the Burnett River dam and the Eidsvold weir?

Mr Noonan: There has been no formal process to date.

Mr SEENEY: There has been no formal process between the Department of State Development and SunWater?

Mr Noonan: Not at this stage, no.

Mr SEENEY: I return to the original question I asked, then, about the water that SunWater will be responsible for from the Jones Weir and Barlil weir. How will that be priced?

Mr Noonan: The development for Jones and Barlil weirs is progressing. At this stage Burnett Water is pursuing the planning and environmental approvals and we are looking at the commercial and water marketing elements. We expect that that project will be progressing forward and will be able to be developed next year. Part of that is coming to terms with the question you are asking, which is exactly what pricing structure should be utilised.

SunWater's role is to carry out activities on a commercial basis. However, there is a whole range of different ways in which tariffs could be structured to meet that objective. Really, they are things we will be determining as we go through further price sensitivities and discussions with potential customers, about the way they may prefer to see the pricing structure established. So we are not sitting here with a proposal at this point. That is something we will be working through over the next few months.

Mr SEENEY: Minister, with regard to the reliability of current allocations in those systems, do you envisage that that new infrastructure will improve the reliability of those current allocations or will it be used to generate new allocations to be sold exclusively?

Mr Noonan: The Jones and Barlil weirs are proposed in the water resource planning process as additional developments with new allocations. We are talking about a total of around 10,550 megalitres of new allocations through the construction of the additional works. Those additional works are not designed to deal with or improve the reliability of existing allocations. Those additional works are designed to generate new allocations.

Mr ROBERTSON: I think it is worth while just mentioning that, as you would be aware, we finished the resource operation planning process in the Burnett. Part of the water resource plan and the ROP was identifying an allocation for Paradise in addition to settling the allocations for existing irrigators throughout the remainder of the system. So the purpose of the water resource plan and the ROP was to provide security for Paradise, or the Burnett dam, and that has been done. So that provides new water for new customers and/or—

Mr SEENEY: But you do not envisage that infrastructure, or a portion of that water, will be used to address the obvious problem with reliability of allocations in that system?

Mr ROBERTSON: The reliability improves. In fact, I think they have gone to 100 per cent allocation this year in some parts of the scheme, if I remember rightly. Reliability can also increase as a result of the finalisation of the ROP and, therefore, the new trading environment. In fact, only last month I presented the first tradeable water allocation up in the Burnett—a world first, I might add. In terms of methods to improve reliability, that trading environment is designed to do just that. If I were provided with another question I would actually tell the story about that individual irrigator and what he is prepared to do with it.

The CHAIR: The time allocated for questions by non-government members has expired.

Mrs CHRISTINE SCOTT: Minister, I am aware that the member for Callide has already inquired about what happens to SunWater profits and whether the government reinvested that money last year and you said that, yes, we did do that. Can you confirm that we will put that dividend back into projects that will benefit water users this year? Is there anything else you would like to add to that?

Mr ROBERTSON: There is. I thank you for that question, because it does provide the opportunity to detail not just where last year's dividend was invested but also where the profit that was generated by SunWater ended up in terms of improving services to its clients. SunWater made a solid profit in 2001-02 of some \$15 million net of asset revaluations. This profit is generated primarily from industrial and some urban customers, where SunWater is able to charge full commercial pricing. By and large, the irrigation schemes themselves are not profitable. It is

important to note that the profit that was generated by SunWater is predominantly coming from urban and industrial customers, not necessarily from the irrigators themselves.

The money is used for a variety of important outcomes, firstly some issues to fund those activities that do not fit within regulated pricing for irrigation customers, including such things as recreational facilities at dams; environmental projects such as tilapia screens in the Mareeba channel system; backlog projects to fulfil the commitment at corporatisation that \$26 million would be spent to bring run-down assets back into fair condition; the transition costs of commercialising SunWater; and customer services initiatives, such as SunWater Online.

Profits are also used to fund new capital projects. Last year SunWater announced that it would invest funds in a hydro facility and two weirs in the Burnett region. The mini hydro plant at Tinaroo Falls Dam is under construction and will generate green power from early next year. The weirs in the Burnett were subject to all relevant approvals being procured. Burnett Water Pty Ltd is responsible for obtaining those approvals prior to handing the projects over to SunWater. This has taken longer than originally expected and construction is now anticipated for the next dry season. As you will have noted in the budget papers, SunWater is also working on other capital projects that will utilise the 2002-03 profit to advance water development in Queensland.

As with all GOCs, an appropriate part of the profit is taken as a shareholder dividend by the government. However, there are significant differences between SunWater and other GOCs, and the dividends taken from SunWater are not large in comparison. In 2001-02 the dividend taken, as I mentioned earlier, was \$550,000, but the Treasurer and I as shareholders agreed to reinvest the dividend in SunWater for the benefit of the communities in which the corporation operates. In answer to a question of the member for Callide I detailed where that money went with respect to the total channel control initiative.

I restate for the record that for the year just ended the dividend has not been finalised but once again the Treasurer and I have determined that the funds will be reinvested in projects that we consider worth while. We believe that this is an appropriate use of these funds, which are contributing towards enhanced water resource management in Queensland.

Ms PHILLIPS: Minister, you have just mentioned some development with regard to SunWater, but can you detail what capital expenditure SunWater will commit this financial year to develop new water supply infrastructure and to refurbish some of its \$2.7 billion worth of existing water supply assets?

Mr ROBERTSON: SunWater will invest capital into two broad areas of business over the coming 12 months. The first area is the ongoing refurbishment and renewals of SunWater's existing water supply assets. About \$19 million has been allocated in this year's budget for the refurbishment of SunWater's \$2.7 billion asset base as a part of ongoing asset maintenance. This includes \$3.1 million of backlog work. This program is essential to ensure the continuing availability and readiness of SunWater's assets to deliver available water to irrigators, industry and rural communities over the long term.

The second major area of capital investment is in new assets. SunWater has allocated about \$26 million to the development of new water and related infrastructure projects in the 2003-04 financial year. These projects include the Barlil weir project near Murgon, delivering an additional 4,100 megalitres of water to local industries, the raising of Jones Weir near Mundubbera, delivering an additional 6,100 megalitres of supply in the Upper Burnett region, construction of a 1.6 megawatt mini hydro power station at Tinaroo Falls Dam near Mareeba, and a possible extension of the Awoonga-Callide pipeline near Biloela to generate annual water loss savings of about 4,500 megalitres per year. So we have not forgotten about the Callide.

While the Tinaroo hydro project is currently under construction, the other projects depend on finalisation of commercial and regulatory decisions. In addition to this, SunWater is continuing to investigate a range of other commercial water infrastructure opportunities for the continuing benefit of the Queensland economy. One of these is an important role in provision of water management services for the planned Swanbank paper plant near Ipswich.

Ms MOLLOY: Minister, the government set as a condition of establishing water price paths that the corporatised SunWater would achieve certain cost efficiencies. Can you outline SunWater's progress in meeting these efficiency benchmarks?

Mr ROBERTSON: When SunWater was corporatised there were many discussions through the price setting phase which indicated that SunWater needed to cut its costs of operation. I understand that targets were established. So since corporatisation SunWater has made significant progress towards achieving efficiency benchmarks set by the government's water

reform unit. One of the main areas addressed was to streamline service delivery through improved structural arrangements. A major restructuring exercise was undertaken during 2001-02 to improve overall efficiencies and better align staff resources and skills with business needs.

The first part of this was a significant downsizing of the work force. This commenced with 65 staff exercising their right of reversion to the Public Service. Another 67 staff took advantage of a targeted voluntary early retirement scheme. A further 20 were granted voluntary redundancies. All separations were successfully negotiated with individuals and unions without industrial action. The downsizing process allowed SunWater to redesign its work force. Employees with the requisite skill capabilities were transferred into redesigned multiskilled positions and new people with appropriate skills were appointed to better meet business and customer needs. This was particularly important in the operations and maintenance area, where the proportion of staff with trade qualifications was increased from 16 per cent to 25 per cent. During this process, staff numbers reduced to below plan levels and are now back at numbers needed to carry out the required task and meet SunWater's efficiency targets.

In regional areas, Sunwater collocated a number of its offices and depots to bring about cost savings as well as much improved coordination between managers and operational staff. Business management was brought closer to the schemes, with the creation of six business centres at Mareeba, Ayr, Biloela, Bundaberg, Ipswich and St George to replace the previous three regional offices in Ayr, Rockhampton and Toowoomba and 11 operational centres.

The regional offices are supported by staff in Brisbane and in areas where efficiencies are achieved through centralisation. This includes technical and engineering functions as well as corporate support, areas of finance, information technology, legal, human resources, information management, administration and planning.

In overall terms, at the end of 2001-02 SunWater achieved a 10 per cent improvement in the cost efficiency of its schemes compared to its efficiency prior to corporatisation. This brought it to within a few per cent of the five-year target set in the pricing process. Data for 2002-03 will not be available for several months, but I am informed SunWater is confident that, although escalating insurance costs may have had some impact, the results will be positive in spite of the effects of drought. SunWater's restructuring initiatives represent a key element of these overall savings, and reports from customers indicate that the new arrangements have led to enhanced service delivery in the schemes.

Mrs CHRISTINE SCOTT: Minister, SunWater is investigating the commercial viability of building small hydro-electric power plants at a number of its dams. Can you provide an update of how this initiative is progressing?

Mr ROBERTSON: There is a modest potential, I am informed, to develop hydro power stations at a number of SunWater's dams. SunWater is investigating the commercial viability of building small hydro power plants to produce electricity that will be sold into the power grid as green energy. Construction work has commenced on a 1.6-megawatt hydro station at Tinaroo Falls Dam near Mareeba, as I mentioned, which will generate electricity from releases made for irrigation. The Tinaroo hydro project has a capital value of about \$3.9 million and will produce annual revenues of around \$500,000.

I think it is important to note that this plant will be quite different from the existing Barron Falls hydro station, which requires releases of stored water from the dam to achieve its operational targets. The new Tinaroo hydro will operate only when water is being released for other purposes. This is a stand-alone investment not linked to other financial arrangements associated with the scheme.

SunWater is currently investigating a 30-megawatt power station at Burdekin Falls Dam. The station has an estimated cost of about \$40 million and could be generating power by late 2006. The Burdekin project is being investigated in partnership with Stanwell Corporation. The Burdekin is by far the largest opportunity for hydro power generation of SunWater dams, but a range of other mini-hydro opportunities will be investigated over the next couple of years. Those considered to have the most potential are Borumba, Boondoomba and Teemurra dams. Hydro power generation is an excellent mechanism for SunWater to add value to its storages without impacting on water supply arrangements to its customers.

The CHAIR: The time allotted for the consideration of the estimates of SunWater has now expired. The committee will now consider the estimates for the Department of Mines.

Mr SEENEY: Minister, as the chairman has indicated, the committee has instructed that the next section of questions to be asked are regarding the Department of Mines, but let me assure

you that we will all eventually get to what we want to talk about. In the Ministerial Portfolio Statement on page 27 there is a line item that indicates that capital investment in the Queensland mining industry has fallen dramatically from what your department budgeted last year in regard to the estimated actual and the—

Mr ROBERTSON: Sorry, which line are you referring to?

Mr SEENEY: I am referring to the third dot point on page 27, capital investment in mining and petroleum projects. The targeted investment for 2002-03 was \$465 million, the estimated actual was \$130 million and your targeted estimate for this year is \$615 million. Which projects that you envisaged would become operational last year did not reach that stage to result in that fall from a targeted figure of \$465 million to an estimated actual of only \$130 million?

The CHAIR: Can I remind the member that it is one minute for a question?

Mr SEENEY: Thank you, Madam Chair. I was clarifying the question for the benefit of the minister.

Mr ROBERTSON: The assessment is information that comes from industry. Whether projects put forward by private industry reach fruition or the start-up stage are largely issues for those particular companies. Some of the envisaged projects are 17 major mineral, coal and petroleum projects currently foreseen to be facilitated in the 2003-04 financial year. Some of these projects have been facilitated in conjunction with the Department of State Development.

Firstly, there are nine major mineral projects proposed that will provide excellent job and investment opportunities for Queensland if developed. The Cracow joint venture Klondyke gold-silver project proposed by joint venture partners Newcrest Mining Ltd and Sedimentary Holdings Ltd is an underground mining operation close to Cracow. The estimated capital expenditure for the project is approximately \$89 million. A decision whether to commence construction of the decline into gold bearing veins is awaiting the registration of an indigenous land use agreement by the National Native Title Tribunal and a consequent decision on mining lease application No. 80089.

The Cannington silver-lead mine south-east of Cloncurry is being expanded at a cost of \$153 million during the 2003 to 2005 financial years. A \$15 million underground tin mining project at Collingwood, south of Cooktown, is proposed by Bluestone Nominees. A decision by the company to proceed will depend on it being able to lock in an acceptable tin price and exchange rate. For Monto Minerals, a \$65 million Goondicum Crater ilmenite project has been subject to an independent feasibility study. If it proceeds, the project would employ about 55 people.

Then there is the 400-kilometre long Moranbah-Townsville gas pipeline proposed to transport coal seam gas from the Bowen Basin at Moranbah to the proposed gas-fired power station at Townsville. That project has obtained the relevant approvals now that my department and a delegation from the EPA has issued the environmental authority for the construction of the pipeline. Construction will commence once easement agreements are reached with relevant landholders along the route.

You will appreciate a lot of these matters are out of our control. They are subject to fluctuating currency rates. They are subjected, as we have seen with the takeover of MIM by Xstrata, to decisions of the new owners as to whether to proceed with projects like Rolleston. They are largely out of our hands. They are decisions taken by private companies. The estimates are based on information at the time of preparing these statements that we get from industry.

Mr SEENEY: Does it concern you that so many of those projects that you obviously envisaged would become operational when you prepared those targets for 2002-03 have not proceeded to the extent that you envisaged at that time?

Mr ROBERTSON: I am not overly concerned at this point in time for the reasons that I mentioned in the previous answer. When you have a significantly appreciating currency, when you have major industry consolidation and takeovers, as we have seen with MIM and Xstrata, it is understandable that those numbers will jump around because individual companies will make decisions based on those and other factors. However, if we started to see this as a trend over a few years, then my concern would certainly be heightened. On the basis of one year's figures, no, I think there are understandable reasons as to why that number would jump around the way that it has. As I said, if we begin to see a trend, then that would be a matter of concern to all of us.

Mr SEENEY: Is the facilitation of those projects done in conjunction with your department and the Department of State Development?

Mr ROBERTSON: Principally State Development.

Mr SEENEY: Can you explain what your department's role is in the facilitation of those projects?

Mr ROBERTSON: We are resource allocators. It is our job to ensure that proponents of new mines have the necessary regulatory approval so they can access the resource. Part of that is obviously—and I am sure you are about to ask me—about issues to do with native title. In terms of facilitating the actual capital investment, that is principally a role for State Development, as it has a coordinating role across government to ensure that the necessary infrastructure—for example, getting coal to port—is included as part of the overall package.

Mr SEENEY: Or building the road to Cracow. We pronounce it 'Cracow', by the way. Cracow is the little place in Poland, just by the by.

Mr ROBERTSON: I am refreshed by that.

Mr SEENEY: I thought you would be well informed. It is in the geographic centre of my electorate, so I thought it was only fitting that I made you aware of how it is pronounced.

Mr ROBERTSON: I missed you there last Friday handing over land to the Monto council.

Mr SEENEY: You did not invite me; that was the problem. I did not know you were coming until that day. A tad impolite!

The CHAIR: You have one minute to ask your question. Could you please ask the minister a question?

Mr SEENEY: Minister, can I take it from your answer that you do not believe there is any impediment in what your department does that has contributed to that fall in capital investment?

Mr ROBERTSON: I can confirm that.

Mr SEENEY: You do not believe that is the case?

Mr ROBERTSON: No. In fact, we are doing whatever we can to make sure that the explorers for that new generation of mine get back out and do what they need to do. Changes that we put through with your support earlier this year with respect to legislating for the Commonwealth's right to negotiate process to be the preferred means of addressing native title issues is one example.

I am sure we will get into some statistics a bit later as to the number of permits, but we are doing whatever we can within the province of this department, including getting the QDEX initiative, which is about getting the data which is held by the department and private companies over the last 50 years, from memory, through the web not just to explorers here in Australia but throughout the world. That kind of information that enables them to better target where they might explore or where opportunities may arise is an important part of what this department does as a resource allocator. We do not build mines. We map the resource, we make that information available, and decisions are then taken by private industry as to what they then do with that information.

Mr SEENEY: No doubt, though, Minister, that falling investment figure must be a concern to you, as it would be to everybody who has an interest in the Queensland mining industry. When that falling investment figure is taken in conjunction with the continual problems with exploration that you have referred to already, it certainly does not paint a very good picture for the future of the mining industry. Can you update us about the problem with exploration permits? What is the backlog now that the failed Queensland legislation has been abandoned? Has the backlog been addressed?

Mr ROBERTSON: I am not too sure. First of all, I do not think you should assume the previous alternative state provision was failed legislation. It did perform. We went to the Commonwealth right to negotiate process based on a request by the industry that it would prefer—

Mr SEENEY: Because the Queensland legislation had failed.

Mr ROBERTSON: Well, you are aware of the difficulties that our legislation faced in terms of its endorsement by the federal parliament. It was not a problem of our making. You are aware that the Senate imposed a range of conditions.

Mr SEENEY: I am aware that both you and the Premier—

The CHAIR: I ask the honourable member to cease interjecting. Could he please allow the Minister to finish his question?

Mr SEENEY: The Minister asked me a question, which I was responding to, Madam Chair, with all due respect.

Mr ROBERTSON: Of course, you are aware that the alternative state provisions that were drafted by the Queensland government did not cut it with the Senate, which then imposed significant amendments on the original scheme proposed by the government. It was not an issue of our making. Nevertheless, as a result of consultations with industry, at their request we adopted the Commonwealth right to negotiate process.

In terms of the backlog of exploration permits, I am informed that as at 30 June 2002 there were 1,222 applications for exploration permits on hand, comprising 665 backlog applications—that is your backlog, the Borbidge backlog—received before the commencement of the alternative state provisions and 557 received under the alternative state provisions and at various stages of processing. On 30 June 2003 there were 859 applications for exploration permits on hand, comprising 514 of the Borbidge backlog applications received before the commencement of the ASPs and 340 received under the ASPs or the Commonwealth expedited procedure. However, 116 of the 514 backlog applications are proceeding in the ASP procedures.

In 2002-03, 377 applications were received and 264 permits were granted. Although one of my department's performance measures in 2002-03 was to start 500 backlog applications in native title procedures, only 243 backlog applications were released into the ASPs. Of these 10 were granted, 117 were abandoned and 116 applications are in progress. The transition to the use of Commonwealth native title processes includes the use of the expedited procedure of the right to negotiate process. This will streamline the processing of exploration applications through a single process.

Mr SEENEY: Minister, I can recall you making a statement that you were prepared to have your performance as the Minister judged on the way you dealt with this exploration permit issue. How do you think you have performed based on that measure?

Mr ROBERTSON: I think we are going well.

Mr SEENEY: Do you think that the move back to the Commonwealth provisions will expedite the processing of that backlog?

Mr ROBERTSON: That was certainly the view of the industry. That was the advice that I received. I do not resile from that commitment that I gave to the Queensland Mining Council shortly after I came into the office. You are aware, however, that there were unforeseen issues with respect to a Federal Court decision that caused a pause in the issuing of permits for a significant period of time. I am sure that a fair man, as you are, would recognise that such things are outside my control and I would hope that you would factor in that particular issue in your assessment of my performance.

Mr SEENEY: I also recollect, Minister, both you and the Premier in the parliament waxing lyrical about how wonderful this Queensland legislation was and how it was going to be a world leader. Do you believe that the only reason it failed was the federal government? Is it all the federal government's fault again?

Mr ROBERTSON: I would not blame the federal government, but the Senate—

Mr SEENEY: The federal Senate.

Mr ROBERTSON:—imposed conditions and sought significant amendments that did not give us the legislation that was drafted by the government. That is the simple fact.

Mr SEENEY: Principally in respect to the right to access provisions; is that what you are talking about?

Mr ROBERTSON: There was a whole range of amendments imposed on the government. We are going back a number of years before I became Minister so I do not have first-hand knowledge of exactly what went on with the Senate, but they did cause us to make significant amendments to our preferred course of action. That is widely acknowledged. Even the Queensland Mining Council acknowledges that. You will not get an argument out of them about it. What it demonstrates is that over the life of the Beattie government, over the last five or six years, we have demonstrated a real commitment to the Queensland mining industry. However, there have been issues that have been out of any government's control that have imposed challenges on us—challenges which we have met.

Mr SEENEY: Minister, in the Ministerial Portfolio Statement on page 28, note 1, you suggest that some of the variations there reflect the transfer of certain native title functions. Can you explain what has been the cause for the transfer of those native title functions within the department?

Mr ROBERTSON: Which line?

Mr SEENEY: Note 1, page 28. You say that the variances between the budget and the estimated actual were caused by the transfer of certain native title functions.

Mr ROBERTSON: Simply put, that was about the Native Title Unit coming across from Premier's into my department. Geoff, if you want to provide details on that I am happy for you to go ahead with that.

Dr Dickie: In the previous year the functions of mining and land access were in a different part of the department and there has been a transfer from the mining portfolio output to the integrated resource management output. Staffing activity has moved from the actual mining bureau over to the integrated native title which is now in integrated resource management.

Mr SEENEY: So it has been an internal transfer rather than a transfer from the Premier's Department. The follow-up question I was going to ask was whether or not the department received any extra revenue when they received the responsibility for native title from Premier's, but from what you are saying this does not refer to that. Basically this refers to an accounting function within the department.

Dr Dickie: Yes.

Mr ROBERTSON: I will have the DG provide you details on that if you want.

Mr Hogan: That transfer from Premier's to the department occurred last year. This is simply an internal transfer between outputs.

Mr SEENEY: Has the department received any additional revenue to handle that additional responsibility that it received from Premier's in regard to native title or is the department happy to cope with that role out of its existing budget?

Mr Hogan: There have been minor adjustments about accommodation and costs, but by and large the budget came across as it was from the Premier's Department.

Mr SEENEY: The budget came across?

Mr Hogan: Yes.

Mr SEENEY: So you did actually get extra.

Mr ROBERTSON: So those people that came across came with money.

Mr SEENEY: No doubt that is the important part for the director-general.

Mr Hogan: It is very important.

Mr ROBERTSON: And the minister.

Mr SEENEY: Minister, the other figure in the Ministerial Portfolio Statement relates to royalty revenue, which is down from the \$850 million that you budgeted for to \$695 million. Are you concerned about that fall in mining royalties? I note that you have budgeted this year for \$726 million. Why do you expect the trend will turn around?

Mr ROBERTSON: That is simply a function of two inputs, if you like, into that figure. Firstly, what is impacting on the mining industry currently is the significant appreciation in the Australian dollar vis-a-vis the US dollar. In effect, that impacts on the bottom line. It impacts on the price of products, whether it be coal or other minerals, that are sold in international markets. That correspondingly affects the bottom line of mining companies, depending on where they may have hedged—or, if you are a company like Rio Tinto, you do not hedge at all. So those figures, in terms of the lumpiness, if you like, of the royalties that the state government received, are a reflection of the general state of the industry, the price that companies get for minerals and coal. Currently there are a range of price pressures on different types of coal that is being sold. Again, that all feeds into the quantum of the royalty that the Queensland government gets for the extraction of its mineral resources.

If you were to suggest that I am worried by that, I think the explanation for those changes is satisfactory in the short term. I would be concerned if there was a long-term trend and certainly the Treasurer would be even more concerned, I would imagine. In fact, these are issues that we have had some brief discussions about with the Queensland Mining Council—about their forecasts and where they see prices going. Of course, with a wildly fluctuating Australian dollar at this point in time, it is a bit difficult to get a handle on where long-term trends may be established.

The CHAIR: Order! The time allocated for questions by non-government members has expired. I call the member for Charters Towers.

Mrs CHRISTINE SCOTT: Minister, on page 24 the MPS refers to the government's decision to adopt the Commonwealth right to negotiate process in dealing with mining exploration permits. Can the minister advise when he expects the Borbidge backlog of exploration permit applications to be cleared?

Mr ROBERTSON: Following a review of native title procedures for grants of exploration and mining tenures in consultation with key stakeholders, the Mineral Resources Act was amended in March of this year to allow the state to adopt the Commonwealth right to negotiate process from 1 July 2003. The top priorities have been to reduce the backlog of tenure applications received to up 31 March 2003 via the alternative state provisions before introducing the new process to manage the state's participation in the Land and Resources Tribunal and to prepare for the introduction of the Commonwealth process. I went through with the member for Callide the figures of where we are at currently with respect to how we are proceeding with it.

Can I say just before closing, in reference to the member for Callide's previous question, that I was just reminded about an interesting statistic, Jeff, that you might be interested in. The note confirms what I said about commodity pricing exchange rates having an impact on overall revenue. I think a very interesting point is that for each cent rise in US exchange rates that results in a decrease of approximately \$13 million in royalty revenue. Of course, the industry itself is down as well, but that is the kind of impact an appreciating dollar has.

Ms PHILLIPS: Minister, the MPS says on page 25 that 16 major mining and petroleum projects were facilitated by the government during 2002-03. Will you please provide an overview of how many major mining projects are expected to be facilitated in 2003-04 and how many new jobs these projects will create for Queenslanders?

Mr ROBERTSON: I thank the member for that question. I outlined a number of projects in an earlier answer. Just so we have a complete idea of what we expect to happen in Queensland this year, in addition to those projects with Newcrest, Cannington, Bluestone Nominees and Monto Minerals, we are also looking at the Kendall River kaolin project, 170 kilometres south of Weipa. Kendall Resources Limited is investigating the development of a large, high quality paper-coating kaolin resource. If it proceeds the project would require an investment of approximately \$100 million and would employ about 90 people.

Preston Resources' \$688 million Marlborough nickel project 90 kilometres north-west of Rockhampton is presently on care and maintenance. If the project got up and running the project would provide for about 300 direct jobs. The Roseby copper project near Dugald River north-west of Cloncurry is being investigated by Bolnisi Gold and is at a feasibility stage. The \$30 million project would employ about 135 people, most of whom are expected to reside in Cloncurry.

The Base Metals of Australia Ltd-Mitsubishi Alliance Gold Limited's Twin Hills gold project, about 120 kilometres north-west of Clermont, is at the feasibility stage. The \$15 million to \$20 million project would employ about 75 people. In the Texas area, the Twin Hills silver project proposed by Macmin Silver Ltd was granted a mining lease and commencement of the project depends on a firm silver price. That indicates what I was saying to the member for Callide earlier. There is a project which has actually been approved, but the people who own the project have not made a decision as to when to commence based on the price of silver in this case.

Secondly, there are several proposed coalmining projects. Pacific Coal is planning for the replacement of production from its Blair Athol open-cut thermal coalmine by developing the Clermont open-cut thermal coal project. This will ensure long-term employment for the current work force, mainly housed in the township of Clermont. At Wandoan in the Surat Basin, Xstrata, the new owner of MIM, is assessing the feasibility of open-cut coal development at its deposits. The Wandoan project is contingent upon the construction of a rail line to the port of Gladstone via Theodore and Moura. At Anglo Coal's German Creek group of mines, additional resources are being investigated for the development of the nearby Girrah and Oak Park areas.

In the northern Bowen Basin, Macarthur Coal is at an advanced stage of exploration at the Olive Downs project to the east of the Moorvale mine, which is currently under construction. Of course, I have also mentioned that new gas pipeline from Moranbah to Townsville to take the coal seam methane that is fundamental to that new power station in Townsville. It is \$400 million worth of pipe.

Ms MOLLOY: Minister, what steps is the government taking to facilitate the development of Queensland's hot dry rock resources mentioned on page 26?

Mr ROBERTSON: Over the past 30 years more than \$400 million has been spent globally in research efforts investigating the creation of artificial geothermal systems by accessing, fracturing

and then pumping water into hot dry rocks at depth. These rocks are typically granites that are buried several kilometres below the surface. Heat is trapped in these rocks by the thick layers of overlying sediments and act as an insulating blanket. Queensland contains significant resources of such hot dry rocks under favourable geological conditions, particularly in the state's south-west. Increasing interest and effort are now being shown in the potential development and exploitation of geothermal energy in Queensland and Australia.

Currently, Queensland has no legislative framework under which exploration for or the development of geothermal energy can take place, so enabling the exploration and development of geothermal energy in Queensland presents a number of potential benefits to the state. These include access to a new and potentially vast clean energy source, attracting significant exploration and research investment in Queensland and placing the state at the forefront of a developing new technology. Geothermal technology from hot dry rocks is also virtually emission free and therefore greenhouse friendly. The department is currently developing legislation to allow exploration for geothermal resources. It is anticipated that this legislation will be introduced into parliament later this year. The legislation to allow production of geothermal energy will be developed for introduction into parliament by mid-2004.

As we said, out in the south-west there is a lot of interest in tapping into these hot dry rocks at some depth. There is in fact a small project at Birdsville, as I understand it, that already utilises this resource. The problem will be that, because of where that resource is located, being so far away from established markets, whilst the technology may be there and it may be cost-effective to in fact pump your water down and to produce steam and therefore electricity, the cost of moving or transmitting that electricity to major customers remains a bit of a challenge. But over time that will be determined by proponents of such projects.

The important thing is that we have the regulatory regime in place that allows that exploration and those projects to be considered. The other issue of course, since we are almost getting into those kinds of areas, is the availability of water. That is going to be something that will challenge proponents of these projects as well. But, as I said, the important thing is that we get the regulatory regime in place that allows those investigations to be undertaken.

Mrs CHRISTINE SCOTT: Minister, in light of the fact that it was the Beattie government which last year developed Australia's first comprehensive coal seam gas regime, can you advise the committee of the current state of the coal seam gas industry in Queensland?

Mr ROBERTSON: The future of the gas industry in Queensland, including coal seam gas, is very encouraging with developing gas markets and an expanding pipeline network throughout the state. Under the new gas supply arrangements announced in December 2002, AGL has contracted to take up to 340 petajoules from Origin Energy's interests in Queensland's Surat-Bowen basins and 505 petajoules from the Santos-led Cooper Basin producers. The coal seam gas agreement with Origin Energy and its subsidiary, Oil Company of Australia, is Australia's largest. It will effectively double coal seam gas production in Queensland and confirm coal seam gas as a viable local gas source for Queensland and southern Australian markets. The Cooper Basin producers will supply natural gas over 14 years from 2003, which confirms that the Cooper Basin still has a long-term role to play.

The AGL agreement, together with expenditure by other suppliers, will provide a significant boost for the regional economy, including additional employment and support for regional infrastructure in central Queensland. Petroleum lease 191 was granted to CH4 Pty Ltd in March 2002 covering the Grosvenor coal seam gas area located north of Moranbah in the Bowen Basin. CH4 will supply gas to Enertrade for the proposed conversions of the Townsville power stations. The project includes a 400 kilometre, 250 millimetre diameter gas pipeline from Moranbah to Townsville and on 6 March 2003 pipeline licence No. 89 was granted for the pipeline. Production is expected to commence in 2005.

Victorian based Molopo Australia recently announced a \$10 million development for the Mungi coal bed methane gas field in the Moura area of the Bowen Basin in central Queensland. The development program includes the construction of a 250 millimetre diameter pipeline at 7.7 kilometres in length between Mungi and Oil Company of Australia's processing facilities at Moura. Energex and Moura Sales Ltd have announced the signing of a major long-term coal seam methane gas supply and sales agreement. Gas supplied under the long-term agreement will be sourced from Anglo Coal.

I could talk about Tipperary, Queensland Gas Company or Mosaic Oil, but the important thing is that coal seam methane just over the last couple of years is now supplying around about

25 per cent of Queensland's gas market. That has been significant growth utilising a resource that up until fairly recently has just been flared off into the atmosphere, contributing to significant greenhouse gas emissions. The fact that it is now being trapped and utilised has benefits right across the sector, both economic and ecological.

Ms PHILLIPS: Minister, I would like to move to something a bit different. The MPS refers on page 19 to the need to ensure strict explosives security in Australia. In light of the heightened security awareness since terrorist attacks in New York and Bali, what steps has the state government taken to improve security at explosives storage facilities in Queensland?

Mr ROBERTSON: Explosives security is not a new issue requiring attention because of the heightened security awareness existing in Australia following the events in New York in September 2001 and Bali last year and the more recent conflict in Iraq. It is important to constantly review existing arrangements in light of a changing environment to ensure that community safety is maintained. Indeed, I initiated a national review of the security of explosives transport when I wrote to the Deputy Prime Minister in November 2001 suggesting such a review was appropriate. He agreed, which I thank him for, and increased security measures have now resulted.

An external security review of explosives storage at government explosives reserves was carried out in February 2002 and again in March 2003 to provide guidance to maintain tight security arrangements and plans for adjustments as any perceived threat levels change. In the latter case, the external contractor had been previously involved with both CHOGM security arrangements in Brisbane and with the Sydney Olympic Committee for bomb and other security matters.

A report has been received following the latest review and recommendations are being carefully considered. The report indicates that security is currently being managed at a high level but provides further avenues for improvement. During 2002-03 many improvements to explosives security were implemented at government explosives reserves. While it is not appropriate to detail or provide details of those security measures, improvements included new high-security magazines, electronic alarm systems, manproof fencing and operational improvements. Further improvements have been identified for the 2003-04 year. Security of explosives at private storages in Queensland was a high priority during 2002-03 and will remain so through this financial year. As a result, those storages have been given a heavy emphasis by the Explosives Inspectorate in their inspection and audit program to ensure that security is being maintained at a sufficiently high level.

Ms MOLLOY: Can the minister provide a progress report on the department's program to rehabilitate abandoned mine sites and protect public safety by capping old mine shafts?

Mr ROBERTSON: I am surprised the member for Charters Towers did not take the opportunity to ask me this, given what has happened over the last week or so. It was quite incredible what happened at Charters Towers. As a key component of the department's rehabilitation of abandoned mines program in order to minimise safety risks to the public, extensive work is being undertaken in relation to the capping of historical mine shafts. Key areas where the work is being undertaken, as Christine would know, are the Charters Towers and Gympie areas. The Charters Towers shaft capping project commenced in 1996. There are some 800 identified shafts—it may be 801 now—within the area that have been catalogued on the shaft search program.

During 2002-03 41 shafts were made safe, including 19 that were capped, for a total cost of \$736,000. The shaft repair project carries out risk analysis on each site and considers options to make the shafts safe. The project is bound by its terms of reference, capping specifications to acceptable national standards, provisions of the Workplace Health and Safety Act and the public risk associated with each specific site. The repair work is carried out under a management contract with the Charters Towers City Council.

The Gympie shaft repair project was approved in 1990. Historical records of mining were the initial sources of data used to locate old shafts. However, during the course of the project many unrecorded workings have come to light due to active participation by the local community and the collapse of many shafts due to the effects of natural events such as flooding. During 2002-03 10 shafts were capped, a total of 41 inspections undertaken and 23 investigations carried out, the latter involving follow-up drilling and/or excavation work.

The total cost for Gympie shaft work in this year is \$486,500. The department in Gympie employs five local community members on the project. Accordingly, the project has a flow-on

effect within the Gympie community, with all goods and services being purchased locally and employment created. Pending further investigation and risk assessment in Charters Towers, Gympie and other areas such as Herberton, Mount Isa, Cloncurry, Croydon, Georgetown and various local mining areas in south-western and central Queensland, it is currently estimated that around about \$1.5 million will be committed to shaft repair work this financial year, but this figure may change in response to changing priorities established on the ground.

Mrs CHRISTINE SCOTT: Minister, on page 26 the MPS foreshadows legislative initiatives that the government plans to undertake in 2003-04 to facilitate further growth of exploration and sustainable development of mining in Queensland. Can you provide a brief outline of some of those key initiatives?

Mr ROBERTSON: One of the key functions of my department is to ensure an appropriate legislative and policy framework to facilitate growth of exploration and sustainable development of Queensland's mineral, petroleum and extractive resources. This function is achieved through analysis and development of policy, development of legislation and review of existing legislation. Key activities currently being undertaken by the department include the fact that in November last year cabinet approved a coal seam gas policy framework and gave authority to prepare legislation to effect implementation. The first draft of the legislation was released earlier this month. It is proposed that the legislation will commence, we hope, in early 2004 after the associated regulations, standards, procedures and forms have been developed. The importance of safety is well recognised by only allowing production tenure overlap where there is agreement by explicitly recognising and integrating coal seam gas issues in the relevant safety legislation.

The Petroleum and Gas (Production and Safety) Bill is being developed following the review of the Petroleum Act and Gas Act. The bill creates a legislative framework for the upstream petroleum and pipeline industries as well as safety in the production, transportation and use of petroleum. The second exposure draft of the bill was released in September last year, with a closing date for submissions in October of last year. A substantial number of stakeholders provided comments on a complex range of issues, including water, compensation and native title. Subsequently, there has been a detailed review of many key policies which has resulted in amendment of the second exposure draft.

In light of the number of amendments made to the second exposure draft of the bill, a third exposure draft will be released later this year. We anticipate a minor review of the Mineral Resources Act. Since the introduction of that act in September 1990, various sections of the legislation have been affected by changes to environmental and native title legislative regimes. A minor review of the Mineral Resources Act has commenced to identify inconsistencies or ambiguities that may have been created over time. We are hoping to introduce that amendment bill later this year following consultation with stakeholders.

We are also finalising the re-make of the Mineral Resources Regulation. It has been reviewed and is to be re-made as the Mineral Resources Regulation 2003. The re-make of the regulation, which is over 10 years old, involves no changes to existing policy. The regulation will, however, incorporate a new initiative which provides a price responsive regime incorporating a royalty discount for downstream processing for nickel and cobalt ore mined and processed in Queensland. Similar arrangements already apply to copper, lead and zinc. I have talked about our work with respect to the regulatory regime for geothermal energy or hot dry rocks.

The CHAIR: The committee will now adjourn for morning tea. The hearing will resume at 10.15 a.m. to continue the examination of the portfolio of Natural Resources and Mines.

Sitting suspended from 10.00 a.m. to 10.17 a.m.

The CHAIR: The Estimate Committee E hearing is now resumed. The question before the committee is that the proposed expenditure for the portfolio of the Minister for Natural Resources and Mines be agreed to. I welcome Minister Robertson and representatives from the natural resources section of the department. The first round of questions is from non-government members. I call the member for Callide.

Mr SEENEY: On page 3 of the Ministerial Portfolio Statement you refer to \$75 million for a land clearing reduction package. How much of that money is in this year's budget.

Mr ROBERTSON: It is not a specific line item. It is mentioned in the MPS, as you quite correctly point out. It is difficult to allocate specific allocations out of that \$75 million in this financial year until the negotiations with the Commonwealth are finalised. Indicatively, if as we anticipate it can be finalised, expenditure of up to \$6 million of that \$75 million would be spent this year, we believe. That is subject to the outcome of negotiations.

Mr SEENEY: Where is that \$6 million in the budget documents?

Mr ROBERTSON: The \$6 million is split between the Commonwealth and us. It is actually \$3 million in terms of our budget. Your question is: where is it?

Mr Hogan: It is in a range of areas. There is about a million dollars, for example, set aside separately for updating the SLATS program to make it an annual event rather than a biannual event. It is an extremely expensive program to get the download of the satellite data. So we are using part of that money to upgrade our capacity to do compliance work through the SLATS area. There is other money being put into the training of officers, both at the state and Commonwealth level. Some considerable community consultation work will come out of that spending this year.

Mr SEENEY: So that \$75 million that is being talked about as adjustment funding or compensation funding is not really that at all, it is departmental funding to upgrade SLATS activities?

Mr Hogan: No, some part of that money is set aside for setting up the systems, including Commonwealth and state systems, to run the process. The great majority will be set aside for adjustment. Of the \$150 million, there is \$130 million in actual financial adjustment. There is also \$12 million and \$8 million for other purposes, including training.

Mr ROBERTSON: In reality, what would happen once the agreement is in place is that you would then necessarily have to go out and work with landholders and groups such as Agforce. Depending on how those discussions go and the imperatives that need to be met with respect to landholders, that would determine when that money would need to be expended. We have processes in place, as you know, such as mid-year budget reviews. Depending on how the program rolls out determines when you appropriate money out of the total of \$150 million agreed to between the Commonwealth and the state. There is no issue.

Mr SEENEY: The short answer is that there is no money in the budget for adjustment or compensation? Call it what you like, there is none of that \$75 million in the budget?

Mr ROBERTSON: In this year's budget?

Mr Spencer: There is a \$3 million allocation this year. Over the four-year forward estimates there is the full \$75 million. There is an additional \$2 million this year and \$8 million over four years for things like the SLATS upgrade.

Mr SEENEY: But there is no money for payments to landholders for whatever term you want to use—whether it is adjustment or something else? There is none of that \$130 million in the budget this year?

Mr Spencer: Yes, there is. There is the \$3 million special allocation.

Mr SEENEY: Where does that appear in the budget documents?

Mr Spencer: I do not have the budget documents in front of me.

Mr Hogan: The point is, as the minister has said, that the expenditure will be lumpy over the next five years. So we cannot allocate exact amounts of money over the budget. But the government clearly announced on page 18 of the MPS that the funding would be rolled out over the next five years.

Mr SEENEY: Which line item is it on page 18?

Mr Hogan: The top one 'Output revenue'. If you look at the 2003-04 estimate it states \$203.589 million.

Mr SEENEY: So \$3 million has been budgeted for payments this year?

Mr Hogan: Not payments. That is money for getting the systems right and laying the groundwork. There is no money in there for payments as yet for incentives to landholders. That will come later once the systems are in place and once the negotiations are completed.

Mr ROBERTSON: Which is what I was trying to say earlier. That is no different to any joint Commonwealth-state program such as NAP or NHT. Money is set aside for when the programs are actually up and running. Whilst there is not a figure in there per se for compensation or incentives, whatever you want to call it, the government has nevertheless committed to providing \$75 million over the next four years. As to when that actually gets appropriated from Treasury depends on when the schemes or programs are in place. That is subject to ongoing negotiations not just with the Commonwealth but with AgForce et cetera. There is nothing strange about that.

As I said, you operate the same way under NHT; you operate the same way under NAP. When we committed to \$162 million in expenditure under NAP in the first year there was no

money set aside for NAP for specific programs because, once you make the announcement and you commit yourself to it, the work then starts on constructing the various schemes that allow the money to flow through into, eventually, incentive payments. It is obviously going to take some time for people's individual circumstances to be established once the agreement has been finalised. The government has committed to \$75 million. No, there is no specific line item there, but that does not allow you to then go out and say that there is no money this year. Those matters are under constant review depending on the outcome.

Mr SEENEY: Despite all the rhetoric there is not any money.

The CHAIR: I think the minister has answered the question. Could the member move on.

Mr SEENEY: How did you arrive at the figure of \$75 million?

Mr ROBERTSON: You know quite well how the \$75 million figure was arrived at. It was arrived at as part of an overall package of \$150 million arising out of a report of the Commonwealth by, in particular, ABARE. I get back to your earlier comment. It would grossly irresponsible and a gross exaggeration for you to go out of this place and say there is no money available for compensation or incentives. You know, in terms of what I have just outlined and indicating the precedent for that through schemes such as NHT and NAP, that there is nothing unusual about that. We are committed in the budget papers to \$75 million. When that money is rolled out is dependent on the finalisation of negotiations with the Commonwealth and ongoing consultations with industry groups such as Agforce as to the actual structure or the practicalities of how you roll out those programs. If you go out of here suggesting that there is no money then that, I would argue, would be dishonest. You know exactly how these things have to work.

Mr SEENEY: I think the budget documents will speak for themselves, minister. Can you tell us whether you support the Premier's denigration of the government's departmental officers in regard to the report that the DPI and NRM officers prepared as to the relevancy and accuracy of that \$75 million figure?

Mr ROBERTSON: I cannot believe that you would have the temerity to ask such a question when you, as shadow minister for natural resources, have made a career of denigrating—

Mr SEENEY: Do you support the Premier's position?

Mr ROBERTSON: You have asked your question, you are getting the answer. You have made a career, during the time that you have been in the shadow portfolio, of denigrating every officer of this department, whether they work in water, veg, mines. You are a past master at it. I do not think there has been anything that the Premier has said that has denigrated individuals. What the Premier has always said is that the report prepared by the DPI in 1999 did not cut it in terms of a satisfactory report to the government upon which decisions should be made. That has been proven quite comprehensively by the independent ABARE review. For you to then continue this nonsense campaign about alleged denigration is an absolute nonsense. If anyone in this room or listening to this committee wants to go back to *Hansard* and see your contributions to the denigration of public servants, I invite them to do so.

Mr SEENEY: So do I.

Mr ROBERTSON: You have made an absolute career out of it. You are an absolute specialist at that.

Mr SEENEY: I will debate these issues in any forum.

Mr ROBERTSON: There has been nothing that the Premier has said—

The CHAIR: I ask the member for Callide to cease interjecting. I ask that the minister continue.

Mr SEENEY: The minister has finished his answer, I take it. Were you aware that there were three DNR officers involved in the preparation of that report even though the Premier has made a number of statements to the effect that it was the work of one man?

Mr ROBERTSON: It principally was the work of one individual. However, as departments consider these kinds of matters obviously there is consultation across department and between public servants. The reality is, at the end of the day, that that report did not cut the mustard as demonstrated quite conclusively by ABARE in their independent review of that report.

I do not know why you don't just finally admit that that report is not a suitable report to make decisions on. Any report that suggests that over 50 per cent of clearing is for broad scale agriculture when the facts year in year out indicate that only two per cent of land is cleared for those activities clearly has problems. I do not know why you have such difficulty in admitting that.

You do know that the economic impact of clearing for broad scale agriculture is quite different to clearing for grazing.

You know that only two per cent between 1999-2001, if I have my dates right, was for broadscale agriculture. After you take in other types of clearing, over 95 per cent was for grazing. The economics of that are quite different from clearing for broadscale agriculture. That is quite clear in that DPI report. They got it wrong and that was made perfectly clear, not just by ABARE but by any reasonable assessment of clearing rates that have occurred over the last 10 years in this state.

Mr SEENEY: If the report was so lacking in integrity, why was it necessary to use the cabinet provisions for freedom of information to hide it from public scrutiny? Why hide it?

Mr ROBERTSON: I cannot help you with that, because I was not in cabinet at the time.

Mr SEENEY: So you were not aware that it was going to be hidden at the time?

Mr ROBERTSON: No. You know—no, you do not know how cabinet operates, I am sorry—that I was not in cabinet at that point in time, so I cannot make any comment, even if I was of a mind to, to inform you as to what the reasons were for that decision.

Mr SEENEY: So since you have been minister, then, has your department conducted any further work that might add integrity to such a report?

Mr ROBERTSON: To that particular report?

Mr SEENEY: To that type of work in evaluating the impacts.

Mr ROBERTSON: You will have to be a bit more specific than that.

Mr SEENEY: Has any further work been done by your department in regard to evaluating the impacts of the legislation?

Mr ROBERTSON: We provided information to ABARE that ended up in ABARE's report, which the \$150 million package is based on.

Mr SEENEY: ABARE's report, which arrived at the \$150 million package, evaluates impacts over and above the existing Queensland legislation.

Mr ROBERTSON: That is right.

Mr SEENEY: Why did you believe that it was appropriate to pay adjustment payments or compensation payments for impacts over and above the existing Queensland legislation and not for the existing Queensland legislation?

Mr ROBERTSON: Because that was based on the commitments given by the Premier following the rallies at Roma and Winton a couple of years ago where he committed himself that any further extension of controls on tree clearing beyond those that were put in place in the Vegetation Management Act 1999 would be implemented with a package of compensations/incentives. At that point in time, it was the Premier's belief that that should be a Commonwealth responsibility. The Commonwealth have resisted that responsibility to date until we were prepared to come up with the \$75 million to leverage \$75 million from the Commonwealth.

Mr SEENEY: I was at both of those rallies and my recollection would be slightly different from that as to what the Premier's commitment was. But we will not argue about that.

Mr ROBERTSON: No, I will take that question, because you must be the only person who did not hear that. If you would care to go back into media reports—

Mr SEENEY: No, I think your interpretation that you have put on it this morning—

Mr ROBERTSON: If you go back in *Hansard* and see what the Premier is talking about—

Mr SEENEY: Your interpretation of it this morning is somewhat different.

Mr ROBERTSON: Everyone understands that—everyone, clearly, except you.

Mr SEENEY: Why then is it not appropriate for people who have been impacted since the gazettal of the Vegetation Management Act 1999 to similarly be compensated or receive adjustment assistance, to use your term?

Mr ROBERTSON: Again, you are going back into decisions that I did not participate in. I do not think that I was a member of cabinet at that stage. I certainly was not in this portfolio, and I would argue that it is beyond the province of these estimates to be going back that far and asking for opinions of me such as you are.

Mr SEENEY: So there is no provision in that \$75 million? There is no consideration being given to compensating—

The CHAIR: Order! The member for Callide has asked that question. I believe the minister has answered it. Could you please move on to your next question.

Mr SEENEY: You do not know what question I am going to ask yet.

The CHAIR: I call you to order and ask that you ask your next question.

Mr SEENEY: I am asking a question about the \$75 million that is mentioned on page 3 of the Ministerial Portfolio Statements and I want to clarify whether or not any of that \$75 million is for the impacts that have been imposed on land-holders by the existing Vegetation Management Act.

The CHAIR: Order! I will say again that I believe you have asked that question. The minister has answered it. Could you please move on.

Mr ROBERTSON: I am happy to answer it, though, again. I am happy to do so. The \$75 million, which is our contribution to the \$150 million package, is based on an agreement reached with the Commonwealth to phase out clearing of remnant vegetation on principally freehold land as well as for the other adjustments that are contained in the package. This is a new package. We are not going back into history.

Mr SEENEY: How do you envisage that that \$75 million will be spent? Has any work been done on what the qualifications for the scheme will be?

Mr ROBERTSON: There have been general principles worked on by my department and the Commonwealth. Those are principles that we are seeking engagement on with major stakeholders such as Agforce and the Queensland Farmers Federation. We are seeking their input, as we always have.

Mr SEENEY: What are those principles?

Mr ROBERTSON: I am not in a position to outline them here today. As I said, they are principles that have gone to those major stakeholders for discussions on how they should be applied.

Mr SEENEY: There is another amount in the budget of an extra \$8 million for enforcement activities.

Mr ROBERTSON: For?

Mr SEENEY: For enforcement activities. Could you outline what that \$8 million is expected to be spent on?

Mr ROBERTSON: To achieve a greater focus on the identification of alleged breaches of legislation and increase the department's existing capacity to deal with compliance activities across the state, we committed \$8 million over four years. As part of this commitment, an annual allocation of \$990,000 has been used to establish a compliance coordination unit with the department's regional service directorate and provide an additional four investigators across the department's regions. The compliance coordination unit will play a key role in coordinating and focusing the department's compliance related resources on the investigation and, where necessary, prosecution of alleged breaches of vegetation, water and—

The CHAIR: Finish your question.

Mr ROBERTSON: That was not three minutes.

The CHAIR: That was the end of the 20-minute block.

Mr ROBERTSON: We might get back to that, then.

Mr SEENEY: I do not think so.

Mr ROBERTSON: You do not think so? Part of that, of course—

Mr SEENEY: I am happy, if you table the briefing note, for it to be included in *Hansard*.

The CHAIR: Is the committee so agreed?

Mr SEENEY: Yes.

The CHAIR: Minister?

Mr ROBERTSON: I do not think so.

Mr SEENEY: What is wrong with that?

Mr ROBERTSON: Nice try.

Mr SEENEY: You might as well.

Mr ROBERTSON: Very briefly, part of that is obviously moving to an annual monitoring for SLATS. That is in everyone's interests, because it provides a more accurate assessment for both land-holders and the department. That is part of that particular initiative.

Mr SEENEY: Maybe if government members could ask you the question, you could get a chance to read the briefing note.

The CHAIR: Order! I call the member for Callide to order. The time allocated for questions by non-government members has expired. I call the member for Charters Towers.

Mrs CHRISTINE SCOTT: The discussion this morning has revolved almost exclusively around the proposed \$150 million Commonwealth-state tree clearing reduction package, which is mentioned on page 3. Can you advise the committee of the current progress of negotiations? Just where are we with the negotiations between the Commonwealth and stakeholders such as Agforce and the National Farmers Federation?

Mr ROBERTSON: With respect to the package under discussion, the Queensland government and the Commonwealth have articulated the conditions under which it would provide financial assistance to Queensland's vegetation management framework. These conditions include protecting of concern vegetation on freehold land and saving 20 to 25 megatons of greenhouse emissions a year for the Kyoto Protocol reporting period commencing in 2008. To meet those conditions, the Queensland and Commonwealth governments have developed broad parameters of the proposal, which consist of protection given to of concern vegetation on freehold land and the phased reduction in broadacre clearing of remnant vegetation to zero by 2006 under a transitional cap of \$500,000 hectares; the ability to continue to clear regrowth vegetation; the continuation of the regional vegetation management planning process; the continuation of some exceptions, including woody weed control, infrastructure development, firebreaks, legitimate forest practices and fodder harvesting under permit; and the joint Commonwealth and Queensland adjustment package of \$150 million.

As I have already mentioned, the decision to provide that \$150 million assistance package is supported by a socioeconomic study undertaken by ABARE and the Bureau of Rural Sciences. Senior officials from both the Queensland and Commonwealth governments have met with representatives of the agricultural, development and finance industries as well as representatives from conservation groups. These meetings have been used to outline the proposal and seek feedback and comment from the stakeholders.

I thought it was unfortunate that Agforce chose not to attend these meetings, although I have had some good discussions with Larry Acton, particularly last Sunday at the Agforce conference in Roma. I think that there is a desire to move on by all parties and I look forward to those difficulties resolving themselves in the not-too-distant future. Of course, we saw the Prime Minister and the Deputy Prime Minister travel to Mitchell and Roma in south-west Queensland in early July to discuss the proposal with key agricultural industry stakeholders. As a result of those discussions, the Commonwealth, as we understand, has met further with Agforce and the Queensland Farmers Federation. It is important to state that we stand ready to restart the joint consultations with key stakeholders and welcome the ongoing involvement by both the Queensland Farmers Federation and Agforce to resolve these particular issues.

Ms PHILLIPS: Continuing with reference to the \$150 million Commonwealth-state package, the National Party claims that the package was based on flawed data. Is this view in any way supported by ABARE's independent review of the so-called 1999 DPI report?

Mr ROBERTSON: I thank the member for Thuringowa for the question. The Queensland government has been provided with a copy of the ABARE assessment of the DPI report and that, of course, is now publicly available. That assessment confirms the government's long-held view that the report contains serious flaws. The ABARE assessment concludes that certain assumptions in the DPI report are wrong. In particular, as I have already mentioned, the DPI analysis assumed that 51 per cent of the land available for clearing would be used for cropping, the DPI analysis assumed that all available vegetation would have been cleared within 12 months, and the DPI analysis assumed that only six per cent of land was not economic to clear.

The ABARE assessment concludes that these DPI assumptions are incorrect. Current data from SLATS supports this conclusion. By contrast, the ABARE BRS review of the Commonwealth-state \$150 million package used the more realistic assumptions that clearing would occur over a

25-year period, about 33 per cent of land is uneconomic to clear and therefore would not be and, based on the finding of the Queensland SLATS report, only two per cent of land would be used for cropping. Given that the Commonwealth-state package amount of \$150 million has been endorsed by both ABARE and the Bureau of Rural Sciences, which derived their assessment from the most up-to-date data, including SLATS, the Queensland government is confident that the proposed package is fair and adequate.

What we have seen over the last week or so is continuing hysteria by the National Party and its continuing policy in natural resources of deny, deny, deny. Whenever facts are handed up to them, they go out of their way to try to denigrate those facts. Yet they get caught out time and time again. The most recent report by ABARE should have put to rest a lot of the nonsense we hear around the place about the 1999 DPI study. But what we have seen, of course, is a continuing campaign of misinformation, particularly with their own constituents, to now rubbish the ABARE report. They will stop at nothing to continue their policy of deny, deny, deny or, as I like to put it, 'If it moves, shoot it. If it doesn't, cut it down. When faced with the facts, deny them.'

Ms MOLLOY: Minister, what do you say to those same National Party doomsayers who also claim that the government has abandoned the regional vegetation management planning process because of the Commonwealth-state tree clearing package?

Mr ROBERTSON: Following on from my previous answer, this is just typical of the National Party. Twenty of the 24 regional vegetation management plans have been completed to draft stage and are available for public comment. The regional vegetation management committees have done an excellent job in developing plans which include regionally relevant information that has not been available at the broader state level. The Commonwealth and Queensland governments are agreed, as evidenced in the media release of 22 May of the Commonwealth Minister for the Environment and Heritage, Dr Kemp, that outcomes of the regional vegetation management plans will be used in any new vegetation management framework.

Regional vegetation management plans will also be integrated into other regional planning processes currently undertaken by my department. Linkages are being established between these vegetation management plans and other plans such as water resource plans and those under the National Action Plan for Salinity and Water Quality.

Examples of how the outcomes from regional vegetation management plans will be used in either the current or any future vegetation management framework in Queensland include: regional codes for clearing will be used to assess future broadscale clearing applications; guidelines for thinning of thickened vegetation will provide important policy direction and content for the ecologically sustainable management of remnant vegetation; and guidelines for sustainable fodder harvesting will provide certainty for land-holders relying on this resource in drought conditions.

Recommendations for other regionally relevant land management activities, such as weed and fire management, will provide key information for operational policies. Recommendations for areas to be declared as having high nature conservation values or being vulnerable to land degradation will provide the basis for further consultation on proposed declarations. Priority areas for investment identified in the plans will inform any existing or future funding programs for priority actions for good management of vegetation within each regional landscape. The National Action Plan for Salinity and Water Quality will particularly benefit from this information in the plans.

One of the concerns that has been expressed by members of regional vegetation management committees is that, in terms of the package agreed to between the Commonwealth and the state, they feel that those plans have been abandoned by the state. That is simply not true, for the reasons I have outlined. The difficulty is that, in terms of the package, the Commonwealth is seeking an outcome with respect to greenhouse gas emissions by reducing land clearing. That was an issue that the regional vegetation management committees did not consider, nor were they asked to. That is the complexity in this particular issue. By no stretch of the imagination have we abandoned that process, but it does now need to be enveloped in terms of the overall package to meet both biodiversity and greenhouse gas outcomes that are features of the state-Commonwealth package.

Mrs CHRISTINE SCOTT: Minister, can you update the committee on progress being made in Queensland to fund the implementation of the National Action Plan for Salinity and Water Quality?

Mr ROBERTSON: The bilateral agreement formalising arrangements between Queensland and the Commonwealth on the National Action Plan for Salinity and Water Quality in Queensland

was signed in March 2002. The agreement provides for \$81 million over six years to be made available to Queensland from the Commonwealth and for Queensland to provide matching funds of \$81 million.

The NAP is being delivered within the new natural resource planning and management framework for Queensland involving a partnership approach between the Commonwealth and state governments and regional bodies established in each targeted area. The majority of government funding available under the NAP will be by way of funding directly to regional bodies on the basis of regional natural resource management plans accredited by both the Commonwealth and state governments. Queensland has six regional bodies, merging four of the 20 targeted catchments throughout the nation: Burdekin-Fitzroy, the Burnett-Mary-Lockyer, the Border Rivers and the Condamine-Balonne-Maranoa catchments.

Agreements with the regional bodies for approved foundation funding totalling \$3.642 million, to be funded 50 per cent each way by both the state and Commonwealth governments, have been finalised, with funds now flowing to all NAP priority investment regions to assist establishment and regional natural resource management plan preparation. It is anticipated that \$800,000 of state funds will be spent in 2003-04 in finalising the state's commitment under these arrangements.

Separate agreements with regional bodies for approved priority action and project funding totalling \$12.7 million, to be funded 50 per cent each by both state and Commonwealth governments, are currently under negotiation to allow funds to flow to all NAP priority investment regions for on-ground regional action on a no-regrets basis to commence prior to accreditation of the integrated regional natural resource management plans. It is anticipated that the full state commitment of \$6.383 million will be spent in 2003-04 under these agreements.

Statewide projects identified as part of a whole-of-state strategic investment plan are currently under negotiation to fund activities that accelerate or refine planning processes for water and vegetation that either provide security to the Commonwealth's and state's investment or contribute to the development of natural resource management plans. The total funds involved for these projects is some \$24.5 million. It is anticipated that approximately \$6 million of the balance of available allocated state funds in 2003-04 will be spent on approved salinity, water quality, capacity building and social and economic statewide projects. The NAP is an important initiative of the government and will not only help reduce the risk of salinity occurring or of water quality declining in Queensland but will also be a major step forward in partnering between all levels of government and the community to achieve good natural resource management outcomes.

Ms PHILLIPS: Minister, salinity hazard mapping is an integral part of planning for projects to combat this emerging threat. What is the current status of salinity hazard mapping for Queensland done by the department?

Mr ROBERTSON: Under the NAP for Salinity and Water Quality, the Commonwealth and Queensland are jointly funding various statewide scientific and technical activities for regional bodies and stakeholders to achieve objectives of the national action plan in priority investment regions. The salinity work plan includes seven major project activities totalling \$11.5 million over the life of the NAP. Salinity hazard mapping is one of the seven major activities included in the work plan.

Salinity hazard maps include an assessment of the inherent characteristics of the landscape that indicate a susceptibility to or potential for salinity problems. Independent scientists have nationally reviewed the salinity hazard mapping methodology used in Queensland. The methods have been verified as a sound indication of those parts of the landscape which are most sensitive to land use change and with the greatest potential to develop salinity. The maps show vulnerability to salinity based on regional scale assessments of the inherent characteristics of the landscape. They are not intended to replace on-the-ground and site specific assessments and are not suitable for property-level judgments. However, they are an important resource to support the prioritisation of regional actions for improved natural resource management.

Salinity hazard maps for all of Queensland's priority catchments under the national action plan have now been completed and released in conjunction with the relevant regional natural resource management board. Maps for the Queensland part of the Murray-Darling Basin were released in August last year, for the Fitzroy Basin in November last year, for the Burnett-Mary and western catchments to south-east Queensland catchments in February 2003 and for the Burdekin

in May. A total of \$80,000 has been provided through the NAP for this project—\$30,000 in 2002-03, with an additional \$114,000 in state funds, \$64,000 of that in 2002-03.

Feedback is being sought from the regional bodies on how the maps are being used to better inform regional natural resource management planning decisions. A panel of expert scientists will also review outcomes of the salinity mapping process to guide actions for the next stage of the program. Technical reports will be finalised outlining the methodology used and the results for each of the NAP priority catchments.

The next major activity is to incorporate a set of information representing the salinity risk associated with particular land uses. Salinity risk assessment is an evaluation of the probability that certain actions, such as land use change, will lead to an expression of salinity in the landscape at some time in the future. That is, it provides quantitative information on the likely extent of salinity problems and the time frame over which these might occur, particularly focusing on those identified in the salinity hazard maps as having higher inherent potential for salinity to occur. This scientific and technical work is estimated to cost a total of \$4.2 million in 2003-04 and will enable the Queensland NAP priority regions to rapidly progress from salinity hazard and risk maps through to quantitative predictions of land area affected and stream salt loads to support the preparation and implementation of natural resource management plans by regional communities.

Ms MOLLOY: Minister, what scientific support is being provided by the Beattie government to assist regional communities prepare and implement natural resource management plans accredited under the national action plan?

Mr ROBERTSON: A major priority will be the implementation of the NAP for Salinity and Water Quality. The state has developed a package of projects approved jointly by the Commonwealth and the state under the national action plan. This package includes work plans for salinity, water quality, capacity building, and social and economic studies. The work plan for sustainable agricultural production is still being developed in collaboration with regional bodies and industry. The package will provide information, data and science necessary to assess the impacts of land management and use practices on salinity and water quality. It will also build the capacity of regional bodies to quantify the impacts of land, water and vegetation management on catchment salt, sediment and nutrient loads, set targets and prepare and implement natural resource management plans in the priority regions.

Achievements to date for the salinity work plan include, as I mentioned previously, completion of the salinity hazard mapping for all priority NAP catchments, implementation of a comprehensive drilling program to monitor ground water levels and improve our understanding of characteristics and behaviour of ground water systems, and land use mapping for the coastal catchments north to Mackay and nearing completion for the Burdekin catchment. Key soil and landscape attributes and digital elevation models will be completed for each NAP catchment by the end of June 2003. A salinity modelling framework has been developed to quantify the current and future risk in predicting the impact of land use and management change on salinisation.

Over 130 data sets have been loaded into the spatial information resource for distribution to and access by the regional bodies. A salinity work plan implementation board has been formed to oversee implementation of the salinity work plan. A science review panel is being formed to advise on methodology. A pilot airborne geophysics study in the Lower Balonne region is nearing completion. The total cost of the salinity work plan was \$2.92 million in 2002-03. Further work is estimated to cost \$4.18 million in 2003-04 and a total of \$11.485 million over the life of the NAP.

That gets back to what I was saying earlier about the \$150 million initiative in vegetation. You see there that the expenditure ramps up over time as capacity and details of various programs are put in place. The \$150 million package between the Commonwealth and the state is no different from the kinds of programs I have just outlined.

The CHAIR: The time allocated for questions by government members has expired.

Mr SEENEY: Minister, when did your department first become aware of the Brisbane River Flood Study, and how did you conclude it was a draft? Were you simply suffering from the denial you so readily accuse everyone else of?

Mr ROBERTSON: Sorry, what was that last bit?

Mr SEENEY: Were you simply suffering from the denial that you so readily accuse everybody else of—

Mr ROBERTSON: Not everyone else; just you.

Mr SEENEY:—in your reaction to the Brisbane River Flood Study? There have been so many contradictory statements. Now is an opportunity for you to put the record straight.

The CHAIR: Order! Would the member please allow the minister to answer the question.

Mr ROBERTSON: In recent times there has been extensive coverage in the media of the Brisbane River Flood Study by the Brisbane City Council. Council engaged consultants SKM to undertake hydrologic and hydraulic modelling. This work, with a peer review by Professor Russell Mein, was used by council officers in preparing a draft June 1999 Brisbane River Flood Study report. This report was not accepted by the council at that time.

Separately, my department has been involved since 1997 in a number of national studies aimed at improving the methodology for estimating large and extreme floods. The department primarily conducted these studies to provide information to deal with dam spillway adequacy issues, but the methods and information developed are relevant for flood studies conducted in Queensland. The application of the new national methodologies is being trialled in a number of river systems in Queensland, including the Brisbane River, and the work in the Brisbane River is being undertaken in coordination with the South East Queensland Water Corporation.

The city council decided to await the results of the Brisbane work before determining whether to undertake further hydrologic and hydraulic analysis for the flood study. The council did not have access to the new methods at the time and was concerned the national studies would make its study analysis outdated. The council's decision to await the results of these national studies was its own decision and not the result of any direction or collusion from my department. The department has kept council officers informed of progress on the national studies.

The department has been seeking to progress the Queensland trialling of the new national methodologies as quickly as practical. However, progress has been dependent on the delivery of a number of national trials not only in Queensland but also in New South Wales and WA, as well as ensuring appropriate international review of the new methodologies. This has significantly affected progress.

The trial of the new hydrology methodologies on the Brisbane River is coming to completion and is due for finalisation probably later this year. In recognition of the recent public interest in council's Brisbane River Flood Study, it was agreed that my department would provide council with hydrology information for the 1 in 100 year flow event for the Brisbane River from its trial of the new national hydrology methodologies. That information was provided on 27 June this year.

My department's information shows that the estimated 1 in 100 year flow at the Brisbane River Port Office gauge is in the range of 6,000 to 7,000 cubic metres per second. This is generally consistent with the estimated 1 in 100 year flow contained in the joint 1984 study between the then Water Resources Commission and the Brisbane City Council. With your permission, I am prepared to go on.

Mr SEENEY: You have not answered the question, though, Minister. When did you first become aware of the report?

Mr ROBERTSON: Of which report?

Mr SEENEY: Of the Brisbane River Flood Study report; the one you said was a draft.

Mr ROBERTSON: I was never formally made aware of that report. That report was dated 1999, before the time that I became Minister for Natural Resources. There was no mechanism there for me to be made aware of that report at the time.

Mr SEENEY: How did you conclude it was a draft when you made the media comment a couple of weeks ago?

Mr ROBERTSON: On the advice that I received.

Mr SEENEY: I have a press release here. I can find it for you if you want it.

Mr ROBERTSON: It would have been based on the advice that I received.

Mr SEENEY: Do you still believe it was a draft?

Mr ROBERTSON: We—that is, my office—never received that report, for the reasons outlined. There has been a misinterpretation of what was said in that press release. It was interpreted that my office received that draft report when we had not. The department, however, as I understand it, received that draft report. Have I got that correct? The reason I am a bit hazy on this is that I was actually on leave at the time. I was getting a lot of this second hand, but Bryan might be able to help out.

Mr Coulter: I think there is an issue of interpretation. Officers of the department went to a meeting with the Brisbane City Council and others on 6 October 2000. At that meeting a number of papers was presented. One of the papers was titled 'A draft of the Brisbane River Flood Study'. It was a very small document of about 14 pages.

On 18 December 2002 a full document, which was about seven centimetres thick and which was the full Brisbane River Flood Study, was formally sent to the department—not to the minister, to the department—indicating that this was the study. I think there has been some misinterpretation of what was the full study. Our scientists believe that the latter document was the full study because it had all the appendices. It could not be interpreted without that information. So formally we did not receive that document until 18 December 2002.

Mr SEENEY: Thank you. Minister, has your department been made aware of the flood passing capacity upgrade considerations for Wivenhoe Dam, given that study which indicates Wivenhoe Dam does not meet international standards in terms of its flood passing capacity? Is your department involved in any negotiations to rectify that?

Mr ROBERTSON: Yes, we are aware of it and, yes, that report is under consideration in concert with other relevant government departments to determine a whole-of-government view on how we should respond to that issue. But that has not been finalised at this point in time.

Mr SEENEY: Minister, are you also aware of a report by the Department of Natural Resources and Mines' water monitoring group which is titled *Water quality report for catchments containing sugarcane in Queensland: Reporting period 1 May 1995 to 30 April 2000*? Are you aware of that report and what it contains?

Mr ROBERTSON: Not off the top of my head.

Mr SEENEY: The report basically describes the surface water quality conditions for a number of catchments in the north Queensland area and measures turbidity levels at sites, and it concludes that at most sites water quality was pretty good. Minister, was that report part of the information that you referred to on page 9 of the Ministerial Portfolio Statements under 'recent achievements', where you said you provided significant input into the draft Commonwealth-state government Great Barrier Reef water quality protection plan? Was that report part of the information you provided?

Mr ROBERTSON: I cannot provide you with that information today. If you are prepared to put it on notice, we can get an answer to you.

Mr SEENEY: I am happy to put it on notice, but would you not have thought if you were going to provide significant input into such an important study—a study which you referred to as one of the achievements in the Ministerial Portfolio Statements—that reports such as that would be a significant part of that input? Or is this the same as so many other reports that do not suit the government's political agenda and get ignored or hidden?

Mr ROBERTSON: Give it a break.

Mr SEENEY: You are not even aware of the report and yet this is a major political issue that you have pursued.

The CHAIR: Order! The member has asked his question.

Mr ROBERTSON: I cannot even read the title of the document from here. I have said I am happy to take that on notice. In terms of material that is fed through departments, you cannot expect a minister to know every document that passes through such a system. That is a ridiculous suggestion. In order to provide you—

Mr SEENEY: Okay. What was the significant input that you provided?

Mr ROBERTSON: I am sorry, I have three minutes here.

The CHAIR: Order! I ask that the member for Callide cease interjecting.

Mr ROBERTSON: It is just wasting your time.

Mr SEENEY: You have been doing that all day.

Mr ROBERTSON: As I said, I do not have personal knowledge of every document that goes between departments or between the state and Commonwealth on every particular issue. In order to provide you with that information, I have indicated that I am prepared to take it on notice and we will get back to you. But to wave around a document from where you are sitting that I cannot even see and ask me to comment on it here I think is pushing the envelope a bit far, Jeff, quite frankly. Do not try to make the suggestions that you are making. I am trying to help you by

suggesting that the question be put on notice. We will get that information to you and you can make whatever political capital out of that that you so wish. But to suggest here today that I should know exactly where that document has gone or whether it has not all gone, frankly, is a bit beyond the pale.

Mr SEENEY: Okay. Minister, what was the significant input that you provided that is referred to on page 9 of the Ministerial Portfolio Statements? Would you like to take that on notice and provide the committee with a list of documents that were provided as part of that significant input? If you cannot provide the committee with the information about what that significant input was, would you provide us with all of the detail that made up that significant input?

Mr ROBERTSON: I am prepared to have Scott Spencer, director deputy-general, provide you with some assistance.

Mr Spencer: The department's contribution involved participation in the steering committee, participation in the working group which prepared the plan, and we provided a senior scientist to the eminent group of scientists on the panel which the Premier established to look at the reef water quality science. He was able to access all our databases and all the information that was available, as were the other scientists. So we had a range of input across the whole spectrum, both scientific and policy.

Mr SEENEY: I take it, then, that reports such as that or material such as that would not have been provided?

Mr Spencer: It could have, Mr Seeney. He may in fact have been the author of that report. I am not quite sure.

Mr ROBERTSON: We will get that information to you, being the helpful people that we are.

Mr SEENEY: I look forward to that. Minister, in regard to question on notice No. 3 that I asked as part of the estimates process regarding departmental advertising, I note from the break-up you gave me that policy promotion advertising came to the amount of \$413,413. How do you justify that amount of money being spent on policy promotion?

Mr ROBERTSON: Very easily. It is our responsibility in terms of ensuring our stakeholders—that is, those who use land or water—are properly informed about a range of initiatives and a range of issues that are current. It is as simple as that. I have given up long ago relying on accurate reporting by some media outlets to get appropriate messages across. So it is necessary for the department to publish its own material.

Mr SEENEY: Its own propaganda.

Mr ROBERTSON: Dear oh dear. No, it is not propaganda whatsoever. That is just an absolute nonsense. There has been quite detailed information published by the department on a range of natural resource management issues that are important for individuals to understand. It is as simple as that.

Mr SEENEY: Minister, most of that advertising—

Mr ROBERTSON: None of its features me, for example. You do not see my face on any of that material.

Mr SEENEY: I thank the Lord for that.

Mr ROBERTSON: The Lord had nothing to do with it; it was my determination that it not be seen as propaganda and just good, decent information provided by a department doing its job.

Mr SEENEY: Minister, most of that advertising would have been the infamous salinity advertisements that were on television and I presume the colourful salinity inserts that were in the newspapers. I looked at the budget papers for expenditure on the National Action Plan for Salinity and Water Quality and I found it was a budgeted expenditure figure of \$9.7 million, of which only \$4.8 million was spent. When I got a breakdown of that from question on notice No. 8, I found that nearly \$3 million of that \$4.8 million went back to your department. That leaves only \$1.8 million to be spent on regional bodies. So you spent only \$1.8 million on doing something about salinity but you spent almost half a million dollars on promoting your policies—or promoting your propaganda on salinity. How on earth can you justify that type of approach to what is a very important issue that you have turned into a political football?

Mr ROBERTSON: You really do not understand the bilateral arrangements—that is, the agreement that exists between the Commonwealth and the state—for programs such as the National Action Plan on Salinity and Water Quality or Natural Heritage Trust. If you did, you would

understand that expenditure is reliant on the completion of work by the community regional based committees or boards that are put in place through either the NHT or the NAP.

This is part of a new framework that exists and will be a feature of natural resource management across our state for many years to come. The fact that you fail to understand the arrangements that are put in place and, therefore, the need for capacity building of these groups and the planning that these groups need to undertake before they get on the ground and do the work just demonstrates your ignorance of this portfolio.

There is nothing unusual about that simply because the bilateral arrangements that exist between the Commonwealth and the state need to be worked through. Those regionally based committees need to get up and running. That has been a very intensive and time consuming task for those bodies. Unfortunately, the ongoing uncertainty that has existed as a result of decisions taken by the Commonwealth with respect to NHT2 has fed into that process as well. To try and link those two issues together—I am getting that dizzy from the amount of spin which you are putting on these questions that it is becoming a bit of a problem for me.

Mr SEENEY: It is pretty straightforward, Minister. Some \$1.8 million has actually reached the regional groups. That is your government's real commitment to this salinity issue.

Mr ROBERTSON: Hang on, this is joint Commonwealth-state. You criticise me—

Mr SEENEY: No, this is state funding. Question on notice No. 8 relates to state funding.

Mr ROBERTSON: These are joint initiatives.

Mr SEENEY: So it is the Commonwealth's fault that you have not been able to meet your budget expenditure—

Mr ROBERTSON: No, I am just saying—

The CHAIR: Order!

Mr SEENEY: Can I ask the question?

The CHAIR: Order! The question has already been asked. I call the Minister.

Mr SEENEY: No, it has not.

Mr ROBERTSON: Thank you. As I have said, expenditure is based on the level of activity and accredited activities by both the Commonwealth and state of projects put up to us by these regional groups. It is upon receipt and endorsement of those projects—not by the department and not by the Commonwealth department—by supposedly independent assessment committees that determine how those funds flow out through the system. It is not a matter for my department in terms of any lack of commitment to the process that that figure is as you suggest. It does reflect the complexity of the new arrangements that we are putting in place right throughout the state and the level of capacity that currently exists in those committees.

I again get back to the earlier statement I have made. For example, under the answer to the question that we provided to you, you will see a significant ramping up over the life of NAP in our years. That reflects the nature of rolling out these programs and the significant reform agenda being pursued by the Commonwealth and the states in natural resource management. You may not like it, and sometimes it makes me feel uncomfortable too, but that is the way natural resource management projects are being rolled out now and into the future. That figure simply reflects the change in arrangements that are put in place largely as a result of the agreement and arrangements that the Commonwealth impose through these agreements on the states. This is why you have seen some states feeling very uncomfortable in signing up to programs like the NAP. Western Australia have held out because it is these kinds of issues that do concern them. Over the long term I have a confidence about them, but in the short term you get this lumpiness because we are very much at the beginning of the reform process of NAP in particular and soon NHT, too. That does not justify criticism of the performance of my department as a result.

Mr SEENEY: Minister, you spent nearly half a million dollars hyping up the salinity issue. How much did you spend ground truthing the salinity hazard maps?

Mr ROBERTSON: First of all, can I correct you? We did not spend half a million dollars on—

Mr SEENEY: \$413,413. That is close enough.

Mr ROBERTSON: Yes, but it was not on that particular initiative that you referred to. It was a range of initiatives right across the portfolio that contributed to that figure.

Mr SEENEY: Most of the advertising—

Mr ROBERTSON: Do not try and mislead that we spent \$400,000 odd on the salinity insert. That is a nonsense. Nevertheless, Chris, you might be able to help—

Mr SEENEY: What else did you spend the \$413,000 on?

Mr Robson: The salinity hazard mapping work itself, as it comes under the NAP salinity investment program, was funded approximately \$80,000 under the SIP itself. That is just the mapping. In terms of ground truthing you do not ground truth salinity hazard maps because they are an assessment of the potential risk/vulnerability of landscape to salinity. As you appreciate, this is not the salinity that is on the ground. That is another and separate question. If you want to know about the actual salinity that exists on the ground, there has been work done by the department in the early 1990s and in 1999-2000 where we did some field surveys to get an assessment of existing salinity, which at that time was about 50,000 hectares. There has been some recent work done by ABS which came up with a figure of about 104,000 or 106,000 hectares.

Mr SEENEY: But there has been no recent work done by the department?

Mr Robson: Not since that time.

The CHAIR: Order! The time allocated for questions by non-government members has expired. I call the member for Charters Towers.

Mrs CHRISTINE SCOTT: Minister, I see from the MPS that the Beattie government is making good progress in implementing water reform throughout this state. However, what is Queensland's position on the Deputy Prime Minister's push for a national agreement on water reform and for water trading to be conducted on a national basis rather than a regional basis?

Mr ROBERTSON: As part of the COAG process there has been ongoing discussions about the progress of water reform across the nation. It has culminated in senior officials considering a report from the chief executives of water agencies, including my director-general, about the various issues that need to be addressed to ensure the benefit from the reforms are maximised. There have been many media statements from a variety of commentators on what states are or, more particularly, are not doing about reforming the management of water across Australia. Many have called for a national approach and still others, including the Deputy Prime Minister, have made many claims about the current process that simply do not reflect the real situation in Queensland.

Unfortunately these commentators based most of their conclusions on what is happening in southern Australia and especially around the river Murray. While the Beattie government is happy to be part of the Murray-Darling family, it is vital that Queensland not be judged on southern-centric issues. The fact is that we are in quite a different situation and we are dealing with the issues that we confront in a planned and methodical way. In this context calls by the Deputy Prime Minister and others for a new national agreement on water reform can only go forward if there is due recognition of a number of key issues. These include recognition that water resource management is the province of the states and territories, not only according to the constitution but for the very good reason that there are huge biophysical and land use differences not only between states but, in our case, also between our vast catchments. We need to implement local solutions within a broader state and national framework.

All objective assessments of Queensland's efforts in water reform show that we are doing as well as, if not better, than other jurisdictions. We have separated our service provider and regulator—that is between the creation of SunWater and the department—provided for tradeable water entitlements separate from land, have a world-class secure entitlements register, have completed or are undertaking comprehensive planning processes to allow secure resource sharing arrangements across 90 per cent of the state, and are working on progressively introducing a sensible pricing arrangement.

The call for a national approach is simplistic in that it runs a great danger that it may take no account of regional differences. I cannot emphasise this too much. For instance, water will only trade interstate in systems that actually physically allow it to happen such as the Murray-Darling. It is vitally important not to shackle us with national policy that has no real relevance to the majority of our state. The question then might be asked whether the calls for a national approach are more about the inability of others to fix the problems of the southern Murray-Darling river system and particularly the river Murray in the Namoi than it is about any truly national agenda.

It needs to be understood, and it is a message that I will be hammering home to the federal government and others, that whilst the Murray is important and it is in a bad state—there are no

two ways about that—the second and third largest river basins in this nation are here in Queensland, the Fitzroy and the Burdekin, which are in good nick by any assessment. To have national water policy determined solely on the condition of the Murray serves none of us any good whatsoever, particularly here in Queensland.

Ms MOLLOY: Minister, what steps has the Beattie government taken to establish property rights and water for land-holders? How does this approach contrast with that of the National Party at state and national level?

Mr ROBERTSON: The COAG water resource policy requires jurisdictions to balance two competing objectives—resource security for end users and adaptive environmental management for the resource. It states that water property rights shall be established separate from land and providing clear identification in terms of ownership, volume, reliability and transferability. It also states that there should be five yearly reviews of environmental allocations. In discussing water property rights it is important to consider where we have come from. Before the Water Act people's entitlements were granted for between three and seven years. It could be amended, varied or cancelled at any time without compensation. It could be undermined by the grant of further entitlements—something that some members opposite would be familiar with—and it came with no estimate of performance and were registered on an administrative database in the department.

Following completion of a resource operations plan the new water allocations are permanent and guaranteed for a period of ten years with a review of the terms and conditions being done in a public way through annual reporting of the resource operation plan's performance. If changed during the 10-year life of the plan this could lead to compensation. As to provisions of the Water Act, they are protected through my department being prohibited from doing anything that will affect their reliability, that is other licences cannot be granted, and come with estimates of performance and are registered on a system equivalent to that used for land title.

The Queensland government has created a comprehensive legislative framework for establishing property rights that provide security of supply whilst responsibly managing the resource. In contrast to this the coalition have recently released a charter of property rights. The intention of the charter is to enshrine in law compensation for rural land-holders whose land has been impacted by vegetation management laws or water allocation policies. Many of the principles outlined in the draft charter would defy any proper means of evaluation. For example, being able to determine the monetary value on special knowledge of land would seem problematic in the extreme.

The claim for the draft charter has the flavour of a broad ranging obligation upon the state to pay compensation whenever regulatory restrictions reduce the perceived market value of a property. There is no general precedent for such payments which would amount to paying property holders to obey the law. The Deputy Prime Minister's recent politicking about property rights is shameless in an area that is clearly a state jurisdictional matter.

The problem is that some politicians, including the Deputy Prime Minister, only talk about rights and never about responsibilities. Like all his predecessors in the National Party, they want to capitalise the gains but never their fair share of the costs. While water property rights are clearly escalating in value, this apparently is not sufficient for Mr Anderson, who expects the states to direct money from hospitals and schools to pay for changes in entitlements which have never been compensatable since the start of the last century. All of this is against a background of objecting to pay the fair costs of supply and managing the resource.

Ms PHILLIPS: Minister, there has been a lot of misinformation circulated about interim water charges being applied in Queensland. I know this particularly from discussions with constituents in my own electorate. Will you please explain why water users are being asked to pay an annual charge for their water licence and how this \$50 fee or charge compares with similar annual fees paid by water license holders in other states?

Mr ROBERTSON: I note that this has already been the subject of a disallowance motion in parliament and subject to some robust debate. A detailed explanation of the interim charges has also been given to the Scrutiny of Legislation Committee. Water has historically been regarded as free and on the driest inhabited continent on Earth this is unsustainable. Irrigators who pump straight out of rivers and from underground reservoirs pay little or no charge for that water.

Whilst irrigators supplied by SunWater pay a charge for their water based on the cost of the maintenance operation of the infrastructure, SunWater does not pay for the water it collects. Similarly, local governments and others who take water also do not pay for that water. In those

few cases where management charges were applied the charges for water did not reflect the true value of the resource nor did they encourage efficiency of use.

The interim charges that I announced include a \$50 annual licence fee that will apply to the 52,300 licence holders in the state. This is less than \$1 per week per irrigator. The annual \$50 fee brings Queensland into line with most other states. The \$3 per megalitre flat rate charge applies to about 1,200 licence holders, or less than 3 per cent of the state's irrigators. It does not apply to farmers who are not currently being charged. It will mean water harvesters will pay for all water used, not just the first 500 megalitres.

Most water harvesters will not pay more for their water as they use less than 500 megalitres. Indeed, many will be paying less. However, those who take more than 500 megalitres—and there are about 120 of these licence holders throughout the state—will no longer be taking this water at no cost. The annual water licence fee and water harvesting charges will apply for an interim period. During this period a review will be conducted with the aim of developing a longer term policy on water charges. There will be public consultation before long-term charges are set.

The cost to the state of providing water resource management activities was estimated at some \$30 million in an assessment carried out a number of years ago. Water management activities include measuring and assessing existing water availability, including 350 stream gauging stations and 5,000 monitoring bores; collecting and recording available data and using it to develop hydrology models; developing catchmentwide plans to determine how much water is available for consumptive use; monitoring the operation of large dam operators both in terms of water release and dam safety issues; monitoring the state's 53,000 water licences, including changing details, property sales, amalgamations and renewals; compliance and complaints—dealing with complaints from neighbours and ensuring people are only taking what they are entitled to; and, finally, ecological monitoring of freshwater quality.

A paper titled *The value of water* was released at the time the interim charges were announced and scopes the range of issues to be dealt with in the stage 2 review. The key issues are an assessment of the state's water management costs and who should pay for those costs and an assessment of whether a scarcity value should be put on water. In addition, the COAG water resources policy provides for water resource management charges. An externality pricing of Queensland's progress will be considered by the National Competition Council in 2003 and assessed in 2004.

Mrs CHRISTINE SCOTT: Minister, the MPS states on page 13 that the Beattie government's \$41 million rural water use efficiency initiative has proved an outstanding success with irrigators. Could you advise whether the government plans to continue this four-year program beyond its December completion date?

Mr ROBERTSON: As I have said on many occasions, the rural water use efficiency initiative is a runaway success and one of the great successes of the Beattie government. This program is on track to achieve its key goal of providing the equivalent of 180,000 megalitres of irrigation water per year and increasing the value of agricultural production by some \$280 million per year by December 2003. Providing the same volume of water by regional irrigation schemes is estimated to cost between \$150 million and \$270 million, excluding distribution works. This benefit would not be distributed throughout the state as occurs under the rural water use efficiency initiative. To date there have been over 4,600 approved applications under the financial incentives scheme accessing \$10.5 million in funds. Irrigators have invested a further \$31.5 million to date under that scheme. A comprehensive statement of progress of the rural water use efficiency initiative will not be available until industry milestone reports and final evaluation are completed later this year. However, estimated current gains in water use efficiency as a result of the financial incentives scheme alone are estimated at 10 per cent of those growers or 130,000 megalitres in total, which is well on track to achieving the 180,000 final target.

Not only has this initiative delivered remarkable on-the-ground outcomes, the initiative has forged the robust relationship between government, peak industries and growers. This relationship and the shared and common understandings that have developed potentially provide the foundation for expanding the initial focus on water use efficiency to the broader activities of improved management practice. However, it is timely for me to acknowledge the substantial programs run by various rural intensive industries. COMPASS for the canegrowers, EMS models for the horticultural industry, the land and water best management practice module for the cotton and grains industries, and the dairy industry's Better and Better program are all helping growers deliver good economic and environmental outcomes on farms, which is fundamental to achieving sustainability of the landscape and catchment levels.

Furthermore, I am delighted to be continuing to work with these rural industries to deliver good natural resource management outcomes. To this end, I am pleased to say that \$7.5 million is available over the next two years to continue achieving rural water use efficiency and to use this as a stepping stone to deal with broader natural resource management issues. Specifically, the ongoing rural water use efficiency program will consist of similar components as the original initiative. Partners will include the QDO, Queensland Fruit and Vegetable Growers, Cotton Australia and the cotton CRC, and Canegrowers and the Bureau of Sugar Experiment Stations. The main features are an adoptions program, an incentives program, a research and development program, special projects and a policy support component. The rural water use efficiency program is to focus on regional water use efficiency priority issues that will deliver outcomes for the Great Barrier Reef, the NAP regions and Queensland's commitment to the Murray-Darling Basin. Each of the industry partners is developing a program tailored to suit the needs of that industry and related natural resource management issues.

Ms PHILLIPS: I move on from water reform and ask: what is your response to media claims by the member for Callide that Queensland's new land protection laws do nothing to ensure state agencies meet the same responsibilities as private land-holders to control pests and weeds on land under their management?

Mr ROBERTSON: State agencies—

Mr SEENEY: What about the funding?

Mr ROBERTSON: State agencies—

Mr SEENEY: Why did you cut the funding for strategic weed control?

The CHAIR: Order! I call the member for Callide to order.

Mr ROBERTSON: You were never taught manners as a child, were you?

The CHAIR: The member will cease interjecting.

Mr SEENEY: I have to get it in somehow. I was not allowed to ask it earlier, so I had to get it in somehow.

The CHAIR: Minister, you still have your three minutes.

Mr ROBERTSON: Thank you. State agencies are required under the new Land Protection (Pest and Stock Route Management) Act 2002 to control declared pests on lands they directly manage, as they were under previous legislation. However, under the new state act, specific additional requirements have been placed on four key state agencies with direct land management responsibility. Although state agencies cannot be issued with a pest control notice by local governments, the new act commits my department and the departments of my ministerial colleagues in Primary Industries, Environment and Main Roads to the development of pest management plans for the lands under their direct management. All four state agencies and Queensland Rail will soon finalise their state level plans. State agency pest management plans will provide the basis for the development of locally or regionally relevant state agency implementation plans that will provide vital input to the development of local government area pest management plans in accordance with the new legislation.

The new act also commits all four agencies, including my department, to actively participate in the development of local government area pest management plans when invited by respective local governments. The new act requires the formation of a State Land Pest Management Committee. This committee has already met and includes representatives from my department, DPI, Main Roads and Environment. To assist consultation and the improvement of partnerships, the committee also includes representatives from the Local Government Association, the Commonwealth Department of Defence and Queensland Rail and will include a representative of the soon to be established Land Protection Council. The committee has developed and agreed upon terms of reference for its operation and a list of priority actions. The key objective of the committee is to improve the management of pests on state controlled land through the enhancement of communication, coordination and collaboration between key stakeholders such as government agencies, local governments, industry groups and other important partners. It will coordinate and initiate the development of consistent multiagency pest management activities for state controlled land through the effective utilisation of existing resources.

The committee will oversee the implementation of state agency pest management plans in accordance with the new act and the Queensland government policy for managing declared pests on state controlled land. It will have a role in facilitating the integration of plans for managing declared and other priority pests on state controlled lands with broader natural resource

management strategies and planning processes. These processes include those of local governments who are significant partners in the delivery of pest management across Queensland. Finally, the committee will review the effectiveness and implementation of plans for managing declared and other priority pests on state controlled land. It will keep major stakeholders informed on state land pest management activities. The committee is developing a communications plan that includes an annual report to the Land Protection Council. The Land Protection Council includes representatives from the community, agricultural production industries, local government, my department, DPI and the EPA.

Last year I joined with my ministerial colleagues for Primary Industries and Environment to endorse a project framework for a wild dog baiting program to be undertaken on state lands during spring 2002 and autumn 2003. To ensure the community gained maximum benefit, coordinated programs were strategically targeted at priority areas and included adjoining landholders for local coordination and delivery.

The CHAIR: Order! The time allocated for questions by government members has expired. I call the member for Callide.

Mr SEENEY: Minister, last year at these estimates committee hearings you assured the committee that your department's budget was sufficient to address the tasks for the coming year, but when I look at the output performance measures you have once again failed to meet a range of them, especially with regard to water resource planning, and of the river operation plans you have completed just one. I had intended to ask you a series of questions about those and the water resource plans, but specifically the Condamine-Balonne water resource plan. I think this would be the fourth year in a row that the Ministerial Portfolio Statements talk about progressing the Condamine-Balonne water resource plan. When will we see it finalised?

Mr ROBERTSON: Just by way of information, on occasions the reason that we do not meet targeted dates for the completion of these plans is that there are often calls for longer consultation with communities that blow out particular dates.

Mr SEENEY: I noted you blamed the late submissions.

Mr ROBERTSON: I note, for example, Vince on behalf of his constituents asked me to extend the consultation period on the Fitzroy resource operations plan. As a result of acceding to quite reasonable requests such as that to deal with particular issues, we of course agree but I hope that that is not going to result in some criticism as a result of responding to National Party member requests, such as the member for Keppel and the member for Gregory, for extended consultation, that we do not meet those time lines.

Mr SEENEY: As long as you get it right.

Mr ROBERTSON: I think that would be terribly unfair. But in relation to the Condamine-Balonne, I must say that I am very happy about how things are proceeding. In fact, I think later this week I might be meeting with them. I understand that that process is coming to some finality—final finality. But I have to say this: the spirit from which the Lower Balonne community entered into this most recent round of discussions with my department is appreciated. There is of course keenness in terms of the Upper Condamine and mid-Condamine communities for them to be re-engaged, and that is happening. One of the beneficial outcomes that we might see out of finalising the Lower Balonne section is engagement between the Lower Balonne guys and the St George irrigators. I understand that there is now much better consultation—and of course the involvement of SunWater, I should say—that we might actually get some outcomes that might resolve some pretty longstanding issues. But we are on track, as I understand it, for the end of the year and nothing before me yet indicates otherwise. But I would be interested to get the feedback that I need from the Lower Balonne community later this week when I meet with them.

Mr SEENEY: Minister, on page 42 of the Ministerial Portfolio Statements note 18 deals with a number of reductions in funding. Consequently, there are two there that you mentioned in your reply to questions from government members. I refer specifically to the rural water use efficiency program, which the note says has been cut by \$4 million. It states that 'the above increases are offset by reductions in funding', et cetera. One of them is rural water use efficiencies, with a reduction of \$4 million, and the other one that is relevant to the questions that were asked by government members is strategic weed control, which has been reduced by \$1.2 million. How do you reconcile those cuts in funding with the answers you just gave to government members?

Mr ROBERTSON: In relation to the rural water use efficiency scheme, there is not a cut in funding. It is a carryover of expenditure. If you had listened to my previous answer to the member for Thuringowa, who asked me a question about the rural water use efficiency scheme, you would

see that there has been a carryover of unexpended funds. We were committed to \$41 million over five years. Now, a lot of that money was basically given to those four industry groups that we talked about. They managed those funds. In terms of the uptake of various financial incentive schemes that are available over that five-year period, there are some unexpended funds which have been carried over beyond the five-year period, which ended at the end of this financial year, if I recall correctly, into next year along with some top-up funding to keep that program going. So that is not a cut in funding whatsoever, and I am sure you would be pleased to—

Mr SEENEY: It is a reduction in total available funds, but we will not argue about that. What about the strategic weed control?

Mr ROBERTSON: No.

Mr SEENEY: What about the strategic weed control?

Mr ROBERTSON: No. We are committed to extending those funds.

Mr SEENEY: What about the strategic weed control?

Mr ROBERTSON: The way you twist and turn is just incredible. You clearly do not understand how the rural water use efficiency scheme works, because if you did you would not have said that; a major feature of the rural water use efficiency scheme is that the four industries—cotton, dairy, canegrowers and fruit and vegetable—own the scheme. They own the money and they hand out the money according to the uptake of various initiatives by their membership.

Mr SEENEY: So it is all their fault that it has not been spent?

Mr ROBERTSON: I am not blaming them. The reality is that there are unexpended funds. Your allegation is that there has been a cut. There has not been a cut. There are unexpended funds that have been carried over beyond the five-year life of the program into the sixth and seventh years so that we can spend the \$41 million that we committed to. If we did not do that then quite legitimately you could accuse us of the cut. It is a carryover beyond the five-year life of the scheme.

The CHAIR: The time allocated for the consideration of the estimates for the Minister for Natural Resources and Minister for Mines has expired. Thank you, Mr Robertson, and your advisers for your attendance this morning. The transcript of this part of the hearing will be available on the *Hansard* Internet web site in two hours from now. The next portfolio to be examined relates to the Minister for the Environment.

Mr ROBERTSON: Thank you, Madam Chair, members and Hansard.

Sitting suspended from 11.46 a.m. to 11.54 a.m.

ENVIRONMENT**IN ATTENDANCE**

Hon. D. M. Wells, Minister for Environment
Mr J. Purtill, Director-General
Dr J. Cole, Executive Director, Sustainable Industries
Ms O. Crimp, Executive Director, Planning
Mr A. Feely, Executive Director, Parks
Mr G. Clare, Executive Director, Forestry and Wildlife
Mr C. Patearson, Executive Director, Environmental Sciences
Mr M. Williamson, Executive Director, Environmental Operations
Ms K. Davis, Director, Financial Services Unit (Acting)

The CHAIR: I declare open this part of the hearings. On behalf of the committee I welcome the minister, public officials and members of the public who are in attendance today. I am Carryn Sullivan, the member for Pumicestone and chair of this committee. I will introduce other committee members to you: Cate Molloy, the member Noosa; Anita Phillips, the member for Thuringowa; Christine Scott, the member for Charters Towers; Vince Lester, the member for Keppel and the deputy chair of this committee; Jeff Seeney, the member for Callide; Howard Hobbs, the member for Warrego; and visiting member to this committee Lawrence Springborg, the member for Southern Downs, Leader of the opposition and opposition spokesperson for the environment.

The next portfolio to be examined relates to the Minister for the Environment. I remind members of the committee and the minister that the time limit for questions is one minute and the time limit for answers is three minutes. A warning bell will ring once 15 seconds before the end of these time limits and twice when the time has expired. I will allow more time for answers if the questioner consents. The sessional orders require that at least half of the time for questions at today's hearing be allocated to non-government members. Government members and non-government members of the committee will take turns asking questions in blocks lasting approximately 20 minutes.

In relation to media coverage of today's hearing, the committee has resolved that video coverage is allowed only during the opening statements. I ask departmental witnesses to identify themselves before they answer a question so that Hansard can record the information in the transcript. Please also ensure that mobile phones and pagers are switched off while the committee is in session so as not to disrupt the proceedings.

In the event that those attending today are not aware, I should point out that the proceedings are similar to parliament to the extent that the public cannot participate in these proceedings. In that regard, I remind members of the public that, in accordance with standing order 195, the public may be admitted to or excluded from the hearing at the pleasure of this committee.

The time allotted for the portfolio is four hours, with a one-hour break at 12.50 p.m. I declare the proposed expenditure for the Minister for Environment open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister Wells, you have the opportunity to make a brief introductory statement or you may wish to proceed directly to questions. If you choose to make a statement, the committee asks that you limit it to five minutes.

Mr WELLS: I would like to make a brief opening statement. The Environment budget represents a step forward in spite of a step down in overall expenditure. The step down in expenditure comes to \$11 million. Almost the entirety of that, \$9.6 million, is accounted for by a step down in Commonwealth payments to the state. This is not Canberra bashing. Many of those programs are programs which were completed at the end of last financial year. Queensland has had the benefit of those programs and indeed we are grateful to the Commonwealth for those

programs which, in some parts, have left us with additional and sustainable infrastructure, the benefits of which, in some cases, will continue.

The last year has seen significant achievements in terms of major programs of our department, including achievements in respect of the protected area estate, achievements in respect of enforcement and pollution minimisation and achievements in respect of sustainability. During 2002-03, 95,000 hectares was added to our national parks and other protected estates. Two significant properties in Cape York—Lilyvale and the Archer Point-Green Hills aggregation—have been added. These additions include a new conservation park and extending the existing state forest at Curtis Island off Gladstone, extending a state forest south west of Gladstone, setting aside a new conservation park near Gatton and a small addition to Lark Quarry Conservation Park near Longreach. As well, we have added nearly 600 hectares extending Noosa, Mount Coolum and Triunia National Parks.

This year we have also completed the implementation of the dingo management strategy on Fraser Island. An independent research company has labelled the dingo awareness campaign as world's best practice. I am advised that other countries, such as Canada and the United States, will be implementing similar strategies. Out of the irreparable tragedy of the death of Clinton Gage this positive has at least emerged.

The government's election commitment to employ an additional 140 rangers over this term of government is now complete. This brings the total number of rangers looking after our protected estate in Queensland to 613. In terms of enforcement and pollution minimisation, this year we commenced catchment inspection programs throughout Queensland, including the Gold Coast and Sunshine Coast, Caboolture shire, Gladstone and Wide Bay. We issued 102 infringement notices, and many of the companies have now complied with those infringement notices.

Our sustainability division has had significant achievements this year. Earlier this year I launched the Caltex E10 trial in Cairns. We provided \$30,000 to Caltex to perform a consumer acceptance survey of ethanol blended fuels during its trial of E10 in Cairns. Over the past two months almost a quarter of its fuel sales have been E10. Indeed, at those particular service stations it fluctuated between 24 and 25 per cent of people choosing E10.

The response from the community has been overwhelming. The ethanol is made from Queensland sugar by-products and is being trialled at five service stations around Cairns. I now table a technical report, which has been peer reviewed by the CSIRO as commissioned by my department. It confirms that E10 is a cleaner and greener fuel, reducing greenhouse gas emissions by about four per cent compared with normal unleaded petrol. This is a better outcome in the Australian context than the American studies that were previously relied upon to support ethanol use.

In another of my sustainability division's achievements, Queensland is now leading the country with examples of eco-efficient housing to show how simple changes to building design and consumer choice of household appliances can save both money and the environment.

In the forthcoming year we will build on the achievements of this last year. We will continue to implement the Queensland coastal plan. Queensland is the only state that has a coastal plan—a plan to guarantee that the beaches and beauty spots of our coastline remain the property of the people of this state for generations. We will in this forthcoming year deliver a koala conservation plan that will protect this icon species in a way that will be the envy of other states. We will continue with the implementation of the Great Walks of Queensland project—a project which maximises the tourist potential of our stunning natural assets. I would tell you more, but time does not permit. I might manage to work the additional material into other remarks that I make.

The CHAIR: Thank you. The first round of questions is from the non-government members. I call the visiting member of this committee, the member for Southern Downs.

Mr SPRINGBORG: My question relates to responsibility in the departmental overview for your department in promoting the management of key nature conservation areas. I refer you to a quote in the *Bayside Bulletin* of 11 March this year in relation to certain alleged illegal activities of quarries expanding into the Koala Coast area that you were going to have an immediate audit of all quarries in the Redland shire. Minister, have you the results of that audit yet and, if so, can you indicate what it has actually shown with regard to illegal quarrying?

Mr WELLS: No, we do not have all the results of that audit. However, we do have some results in. The relevant departmental officer who has the results to date is Olwyn Crimp.

Ms Crimp: We do not have the actual results of the overall looking at quarries in Redland shire, but we do have information based on the Karreman quarry, which has been an issue of concern in that shire. That quarry is also located in an area where there is a koala conservation plan. There is a conflict between the koala conservation plan and the quarry as to allow both for the protection of koalas and also for quarries. We are well aware that the area of that quarry contains significant extractive resources—one of only two locations in the Redland shire, and I think that there is something in excess of 100 million tonnes of resource.

So as to the issue of actually identifying that resource and allocating it, we are aware that Karreman quarries themselves illegally cleared land. They went off their actual permitted area and cleared land. They are being investigated by the agency and by the Redland Shire Council in relation to that activity. They have since, as I understand it, lodged an application under the local government Integrated Planning Act for an approval to site a quarry there. The Environmental Protection Agency and the Department of Natural Resources and Mines is working very closely to look at that, because the Department of Natural Resources and Mines are also preparing an extractive industry state planning policy to cover key extractive industry resources around the state. So we are working very closely to look at, particularly in relation to the resource and the interests of koalas, exactly how we manage that to ensure that we can have a good koala outcome as well as a good as possible outcome for maintaining those resources, which we are aware are in relatively short supply in south-east Queensland.

Mr WELLS: This is being treated as an operational matter by the department and the standing rules and regulations are going to be applied.

Mr SPRINGBORG: Thank you very much. Just further on that, with regard to the indication that Karremans have put in an application for expansion of the quarry, what is the size of that proposed expansion? Do you have those details there? Also while you are getting that information, I understand that it goes into the Koala Coast protection area.

Ms Crimp: I understand that the expansion area is approximately 80 hectares.

Mr SPRINGBORG: So 80 hectares and basically it is proposed that that will expand into what is the Koala Coast protection—

Ms Crimp: The 80 hectares would be currently within the Koala Coast planning area.

Mr SPRINGBORG: I also note that you indicated that there has been developed across government an extractive industries policy. I am just not sure here, because we are dealing with policy issues—it might be best for the minister—

Mr WELLS: That will have to articulate with the koala conservation plan, which is being worked on at the moment. I have instructed my department to prepare a koala conservation plan that would be a statutory plan which would be required to be implemented by local councils under the Integrated Planning Act. The purpose of that would be to protect the habitat of koalas.

Obviously, it is a matter in these circumstances of achieving a balance between resource extraction and the preservation of koalas without the mortality of the koalas. There are ways in which this can be achieved. The koala conservation plan would need to go into a whole range of things, including the preservation of habitat and including what you do with respect to areas where there are koalas known in an area where there was proposed to be development.

A great deal can be achieved not only with respect to this kind of area if you have a koala conservation plan but also with respect to areas where residential development is going to be undertaken. For example, you can have suburbs under such a plan—as there are in some parts of Australia—where people move into the area on the understanding that they are not going to have any dogs or cats, which constitute one of the very major sources of koala mortality. Another one would be traffic calming devices which slowed the traffic to the extent that there was no road kill as far as koalas were concerned. Another would be quite detailed regulations which could be put in place such that if somebody was mining in an area where there were going to be koalas, then there would have to be appropriate inspections to ensure that there was no koala mortality in the course of the development of that land.

At the moment, under most regulations there already exists a requirement that the existence of koalas in an area that is going to be developed should be taken into account. But what is lacking and what would be put into a koala conservation plan would be appropriate inspections to ensure that that was going to be the case. So as I say, it is a matter of articulating two different thrusts. Clearly, when you are talking about an extractive resource of 100 million tonnes, which is what is anticipated in this particular site, then that is something that the community would

want—whether it is from that particular place or somewhere else. It is certain that the community needs 100 million tonnes of that particular extractive resource, but it does not have to be extracted at the expense of koalas.

Mr SPRINGBORG: Further on this issue, I note that there is some preliminary advice coming back with regard to potential breaches and you mentioned Karremans. I understand that they have admitted going into four hectares of the Koala Coast area. As you said, it is an operational issue. What would be the scenario from the EPA when this is actually proven or goes through to completion? The other issue is: when do you expect that this audit will be completed? It has been going since March. Do you have a time frame? Is it one month or two? There must be some time frames so people can get a bit of an idea.

Mr WELLS: It is an operational matter so, of course, we would treat it as such. But you asked what the consequences might be. Let me answer generally what the consequences generally speaking are for a breach of the Nature Conservation Act such as the kind that you are anticipating might have occurred. If somebody encroaches on national parks land in any place, then that is a breach of the Nature Conservation Act and that could lead to an infringement notice. An infringement notice might lead to the issuing of a permit under an ERA, it might lead to a fine or it might lead to more severe penalty in default of the fine. It might be something that would resound in a prosecution. If it resounded in a prosecution, then the effects would be quite significant. I do not want to speculate in respect to this particular case, if there was a finding that there was a breach, as to what the penalty might be, because that would be inappropriate for you or I to do, as I am sure you know. But those are the options that are available in these circumstances.

Mr SPRINGBORG: And also just the other part of that question: when do you expect that the audit will be completed?

Mr WELLS: Within three months.

Mr SPRINGBORG: Okay. Further to this matter, I understand that the state government agencies such as the Main Roads Department and QR have contracts with Karremans.

Mr WELLS: That would not be the business of my department and my department would not approach it on that basis at all. It would approach it simply on the basis of the enforcement of the Nature Conservation Act.

Mr SPRINGBORG: Have you ever expressed any concern across government that the government may, in actual fact, have contracts for that extractive resource with a quarry operator that is actually in breach of their obligations?

Mr WELLS: If it was established that somebody was in breach of a particular statute, then that would become information available to all of government.

Mr SPRINGBORG: I take it that there is nothing insofar as the government is concerned that would bar somebody who has violated the conditions of an extractive industry licence from continuing to sell to the government by way of contract?

Mr WELLS: If the hypothetical situation that you referred to established that there was a breach of the Nature Conservation Act or any other act, then it would be a matter for the whole of government to take an appropriate response.

Mr SPRINGBORG: So basically, you would not be able to rule out that the material that had been extracted from the area which had been illegally quarried is being used by government by way of contract?

Mr WELLS: There is a consequence for a breach of a statute. That consequence, as far as my agency is concerned, involves the range of penalties that are available under the Nature Conservation Act or the Environmental Protection Act. There are other consequences beyond that which may be taken from a whole-of-government perspective. What that might be in a hypothetical situation is not my business to speculate on. It is not my business to get into the presumption of guilt, either.

Mr SPRINGBORG: If the contracts which are with government departments have a clause or a condition that indicates that the extraction of this material must be legal, would it be appropriate that they lose those contracts? As Minister for Environment concerned about these issues and potential encroachment of the Koala Coast protection area, is that something you would support?

Mr WELLS: In those circumstances, at a whole-of-government level one takes legal advice from the Crown Solicitor and one acts in accordance with the Crown Solicitor's advice. There is in

most contracts an understanding that the contracts are going to be performed legally. That is an implied term of all contracts. So it would not be necessary for there to be a specific term of the contract for a presumption that legality is going to be observed. That is an implied term of every contract. If a hypothetical situation such as the one that you envisage arose, legal advice would be taken and government would act in cognisance of that legal advice.

Mr SPRINGBORG: It does appear to be established, though, Minister, that the quarry operator in question has himself admitted that they have encroached upon areas of the Koala Coast protection area—some four hectares, I understand.

Mr WELLS: After the admission they stopped. After the encroachment was identified, they stopped.

Mr SPRINGBORG: It may very well be that a state government department has taken delivery of material which was extracted from that area which was illegally quarried and contracts may still be being filled by that contractor?

Mr WELLS: The presumption of guilt is something that I cannot get into and that you cannot get into.

Mr SPRINGBORG: There is an element of hypothetical here, Minister, but there have been certain admissions.

The CHAIR: I call you to order. I think the minister has actually answered that question. I ask you to move on.

Mr SPRINGBORG: Further to the Koala Coast Protection Plan, I note that there is an application for some 80 hectares of expansion for this quarry. There is an application depending upon the outcome of this extractive industries plan. I refer to what you said a moment ago about people being able to live in these areas without dogs and cats. There are greenways that go along streets where koalas can actually walk and so on. A quarry is significant; it covers 200 acres. Do you believe that it is compatible? What percentage is this 80-odd hectares of the overall amount which is within that Koala Coast protection area?

Mr WELLS: With respect to compatibility, the interesting thing about koalas and humans is that they are two species that can live together. There is nothing endemic in the nature of either species which makes it difficult. It has been demonstrated in a number of areas that koalas live very comfortably with human beings. They operate in a different ecosphere from us. They live in the trees; we live on the ground. They get on perfectly well with us. There are people who are employed in this place who have koalas in their backyards. They have koala management plans on their own little blocks which involve ensuring the koalas are able to live happily with human beings. So there is nothing intrinsic that prevents these two species from living together. That is why a koala conservation plan is likely to be very effective.

Mr SPRINGBORG: Except there are not many trees in a quarry.

Mr WELLS: No. Quite clearly, in respect of a situation where it is necessary to extract resources from somewhere, it will be necessary to have specific elements of the plan that address that situation. That is what we do not have at the moment. You are referring to a problem which the government is in the process of solving. This is the first time the government has set out to solve the problem. Thankyou for highlighting the endeavour we are undertaking.

Mr SPRINGBORG: I ask again about the 80 hectares. What proportion of the protected area would that be? Also, what water quality testing has been done with regard to the catchment of the Leslie Harrison Dam?

Mr WELLS: Can we do these one part at a time?

Mr SPRINGBORG: Okay. First of all, what percentage is this 80 hectares of the overall area in that Koala Coast protection area?

Mr WELLS: Olwyn, do you have the answer to that?

Ms Crimp: I do not have the exact amount, but I could find it very quickly.

Mr SPRINGBORG: I am happy for you to take it on notice.

Mr WELLS: We will come back to you later with the answer to that. Is it the percentage of the Koala Coast that you want? Is that the bit of arithmetic you want?

Mr SPRINGBORG: That is it—the area that is considered in that protected area.

Ms Crimp: We can definitely get it for you.

Mr WELLS: We will get somebody to do that piece of arithmetic for you and come back.

Mr SPRINGBORG: No worries. What water quality testing has been done on the catchment of the Leslie Harrison Dam? Is there any information available on that?

Mr WELLS: I indicated earlier the areas in which an audit has been done. That has been done by the branch of the department of which Mark Williamson is the director. I will ask Mark if he would come forward and speak to us about that.

Mr Williamson: With respect to the audit and water quality testing, we did not do particular water quality testing. What was looked for was evidence of any release of sediment from any of the quarries to waterways. In the case of Karreman quarries there was a very significant release of sediments from illegal quarrying activities. That has been one of the focuses of our investigation. It was more a physical look for sediment release into the creek system leading to that dam.

The CHAIR: The time allocated for questions by non-government members has expired.

Mrs CHRISTINE SCOTT: Minister, I refer to the alarming figures on page 4 of the MPS, which show a reduction of \$9.6 million of own source revenue. Can you give the committee details of that reduction and how it will affect the operation of the EPA?

Mr WELLS: As I indicated in my opening remarks, the bulk of that is a step down in Commonwealth expenditure. The \$9.6 million includes Natural Heritage Trust and Fraser Island World Heritage money, the Wet Tropics Management Authority, photovoltaic rebate, working properties rebate and ChemCollect. A number of those represent programs which have made significant achievements. Rather than be mealy-mouthed about this, I would rather say thanks to the Commonwealth for those kinds of programs.

ChemCollect has enabled a great many pollutants—pesticides, herbicides and the like—that were lying around, particularly on farms, to be collected. A very large part of that job has been done. Some of these chemicals are chemicals that would be prohibited now but were previously used and remained there. They have been collected and they have been neutralised, so the world is that much cleaner as a result of that and as a result of that particular partnership with the Commonwealth government.

There has been a step down in expenditure and Commonwealth participation. In a number of respects we have argued the point with the Commonwealth and insisted that it should make some accommodation. In some respects it has accommodated us; in others it has not. Nevertheless, much has been achieved with those levels of Commonwealth expenditure which were of a time duration.

There are other programs in this department that were also of a time duration—funding for the regional forest agreement; for the information and management upgrade, which is the improvement of computer and information technology systems in the department and which has now been completed and no longer appears as a recurrent figure on the books; for natural disaster relief, which has been expended; for accelerated vegetation mapping, which has been largely achieved; and for the western hardwood project, that part of which has been done. There were additional expenditures incurred by the department—the Tweed River Entrance Sand Bypassing Project, and an additional \$500,000 for forest estate tenure change had to be expended.

Ms MOLLOY: Minister, page 7 of the MPS refers to the development of an area management plan for the Gold Coast hinterland. In view of the high level of interest in the community concerning open space and population pressure, can you inform the committee of any other initiatives that are being taken to ensure open space and recreational opportunities are provided in our fast-growing areas?

Mr WELLS: Yes. The Gold Coast hinterland is an area of unparalleled biodiversity in the southern part of Queensland. It is pipped at the post by the tropical rainforest of far-north Queensland in terms of its biodiversity, but only just. The richest area is the area around the Gold Coast. That is why I entered into an arrangement with the Gold Coast City Council, in order to establish a plan which is going to preserve the open spaces of that area.

Other areas have also been targeted. One is a result of the behest of the honourable member for Keppel, who drew to my attention the need for the preservation of open space at Coconut Point, and another is at Deception Bay. I have been keen to ensure that areas like this are preserved as open space. In order that it should be clear to the committee that my department is well across these initiatives, I will call on Olwyn Crimp to speak of those particular three areas.

Ms Crimp: There are a range of areas we are looking at particularly in the protection of open space for a whole range of values. The values can be biodiversity. They can be for livability. They can be for water catchment. They can be for a whole range of things. In particular, in the Coconut Point instance, in the Livingstone shire, more than 50 per cent of that site has been allocated for open space. Nine hectares of this is specifically destined to become parkland and recreation, with the balance to remain completely natural. This is a 220-lot village style development and it now has support across all interest groups. I believe that it shows that open space is deliverable when all parties work together for a livability and sustainable development outcome.

There is also an issue regarding Newport Waterways, where we are approaching agreement to have 140 hectares of freehold coastal land transferred to public ownership. It will form part of a quite significant wetland as part of Burpengary Creek, which supports habitat and vegetation of regional significance. It is also an area of importance to migratory shore birds. It will allow for public open space in an area that is highly developed, and it will allow for nature based recreational opportunities for the local community.

Mr WELLS: Madam Chair, with the indulgence of the committee, I might just convey my thanks to the member for Keppel, in whose electorate Coconut Point is, for drawing my attention to the necessity of taking some action there. With the cooperation of the developer, that has been achieved. The headland, in particular, is stunning. As Vince knows, you can see it from kilometres away, and it would have been a tragedy if that headland were developed as intended. We have now put an end to that.

Ms PHILLIPS: Minister, on page 16 of the MPS you refer to a trial of ethanol in Cairns. In your opening statement this morning you also mentioned this trial. Can you inform the committee in more detail how such trials in regional areas could benefit north Queensland communities?

Mr WELLS: Clearly, the benefits of ethanol to the Queensland economy in general are enormous. The reduction in greenhouse gasses, which is attested to by this document which I tabled just now—an experiment which advances the science with respect to ethanol in a way that is quite significant and which shows the appropriateness of this technology in a way that has not been demonstrated before—is also of great benefit to the Queensland economy.

The product that is being used is made from Queensland cane sugar. It provides a market for Queensland sugar by-products and an internal market. In not every year do we produce enough oil to supply Australia's needs. In some years we have to import. So, to the extent that we use 10 per cent ethanol, then we reduce our reliance on imports. The benefits to the whole of the Queensland economy are enormous. In particular, the benefits to canegrowers who substitute a volatile international market for a stable internal market are very great.

In addition, we are using a renewable fuel rather than one that has a beginning and an end. It is a sustainable fuel; one that will go on forever. The wisdom of the people of far-north Queensland in taking on board so decisively the experiment which has been undertaken I think shows their loyalty to their own home grown industry as well as a willingness to understand very clearly that it is worth while doing something good for the environment. I would congratulate the honourable member, who was always a proponent of ethanol, but I would also congratulate the people of far-north Queensland who have embraced this experiment so decisively and so intelligently.

The CHAIR: Minister, given the decentralised nature of our state and the multiple functions of the EPA from national park management to pollution monitoring and licensing functions, could you outline to this committee what steps are taken to ensure that good communication and understanding of management priorities occur, particularly for regional staff?

Mr WELLS: My director-general, though it is time consuming, undertakes as far as possible face-to-face contact with a very regionalised staff. Naturally, by virtue of the fact that we are an environment agency and we administer parks and far-flung climes, these spread far and wide. Nevertheless, the DG seeks as far as possible to have face-to-face contact with all departmental staff and when that is impossible to communicate with them by means of multimedia. He has recently undertaken such a tour, and I would invite him to refer to some of the places that he has been to and indicate some of the information that he made available.

Mr Purtill: I am currently midway through a series of presentations reporting on the achievements of the Environmental Protection Agency to staff in 11 centres across Queensland and via CD to all staff on the outcomes achieved by the agency in 2002-03. Such a report, although it is a fairly time-consuming effort, ensures that all 2,254 staff of the EPA are

acknowledged for their efforts and that the government's priorities and agency's directions are clearly articulated to staff.

It ensures that the chief executive remains accessible and aware of issues across the entire organisation. I think effective leadership demands such a commitment from CEOs. In a particularly decentralised organisation such as the EPA, we have found over a number of years of these reports to staff having occurred—it started with my predecessor—that a combination of face-to-face opportunities for as many staff as possible backed up by electronic means, in this case by a CD presentation provided to each and every staff member, allows as many people as possible to get the same message, understand the directions, be aligned and then be committed and focused on excellent service delivery into the future.

The attendance and size obviously varies with the centres. Brisbane events have had 800 registrations. Tomorrow I will be driving to Maryborough, where around 35 staff will be in attendance. As I said, it is important for our staff but also for our clients to know that their CEO does not sit in an ivory tower, that he gets out and understands what the issues are and makes sure that he is also accessible for staff to ensure that there is quality feedback coming through to the organisation.

Mrs CHRISTINE SCOTT: Minister, you refer to the Solar Schools Goes Bush initiative on page 12 of the MPS. Can you advise the committee how this will benefit regional communities?

Mr WELLS: The Solar Schools Goes Bush initiative is a continuation of the Solar Schools program. The point of the Solar Schools program and the Solar Schools Goes Bush program is dual. Firstly, it demonstrates to the world but also to the rising generation the potentialities of 21st century appropriate technology. The children in solar schools go to school in the morning and the first thing they are confronted with is a 21st century solar array on the roof of the building. They are aware that they are using green power.

Children can go into the computer room and call up on the computer information as to the amount of electricity that is flowing out of the grid and the amount of electricity that is flowing back into the grid. Because sometimes on a sunny day when little power is being used in the school electricity can actually flow out of the school back into the grid. So it educates them in terms of their information technology skills and in terms of an understanding of how power is generated in our community. There is an economic benefit, of course. At the end of it, the savings per school have been estimated at about \$450 per year per school—a significant benefit but not earth shattering. The point of the program, however, is to indicate the appropriateness of the technology.

Nowhere is solar technology so appropriate as beyond the grid. When you are inside the grid it is currently still cheaper to produce electricity by means of turning on the switch and drawing the power out of the grid. But outside of the grid it is cheaper to install solar than it is to extend the grid. Consequently, Solar Schools Goes Bush carries with it a moral that is even more telling than that of Solar Schools, because it says that this is the way of the future. This is the effective way to use these alternative energy sources. There will be 24 schools involved.

Ms MOLLOY: Minister, on page 2 of the MPS you refer to the mapping of the state's ecosystems and vegetation to enhance regional planning. Can you inform the committee as to what else the EPA is doing to ensure regional planning protects and enhances open space, and appropriate buffers exist between urban development and industry?

Mr WELLS: Yes. There is a provision which has not yet commenced called ERA 38—environmentally relevant activity 38—and what it does is to give the Environmental Protection Agency the power to declare a certain amount of bushland to be preserved. That goes against the trend of the Integrated Planning Act. Instead of at the end of a process after a developer has bought the land the EPA stepping in and stopping it, it would be better if at the beginning when the council was doing its planing the council were able to say, 'No, this is remnant bushland. You are not allowed to do that.' It would also be highly desirable if the government could in advance of any developments taking place identify point sources of pollution or areas of noise or odour and have a belt around them until technology was capable of preventing that pollution without the loss of jobs.

Consequently, it will be necessary to ensure that that can be done, and the best way of doing that is to put it into the Integrated Planning Act by means of a state policy. That would be better than the simple, heavy, blunt instrument of ERA 38. Consequently, my department has been in discussion with other departments with a view to drafting something appropriate in these

circumstances. I would ask Olwyn Crimp if she would indicate to the committee the steps that the department is taking in those respects.

Ms Crimp: We are implementing a range of initiatives in relation to open space because it is one of those things that you need to consider with a range of planning tools. Some of our particular planning tools include looking at codes under the Integrated Planning Act for biodiversity and also for other issues that relate to buffers to separate conflicting uses. We are doing that because that will assist local government in its planning and development assessment to apply that code and to achieve those sorts of outcomes directly.

The other option that we are considering is a state planning policy to look at open space, and we are also heavily involved in the open space component of the SEQ 2021. There is a range of other initiatives going on at the moment. For example, we have just completed the regional nature conservation strategy which was released, I believe, last month. I might be incorrect on the exact date. That strategy, in particular, was developed in consultation with the regional coordinating council responsible for the SEQ 2021, and it particularly assists local governments to use the information base that is there to better apply to their planning schemes and also to their development assessment. It provides them with a great deal of information on their status of open space and biodiversity within their areas.

The CHAIR: The time allotted for questions by government members has expired.

Mr WELLS: Madam Chair, with the indulgence of the Leader of the Opposition, may I say that the member for Noosa has often drawn open space issues to my attention because there are many in her electorate. She has been passionately supportive of the preservation of open space, and I thank her for that.

Mr SPRINGBORG: Minister, with regard to the responsibility of your department to promote management of key nature conservation areas, et cetera, on how many proposed developments has the EPA been sidelined and the Department of State Development taken over the development approval process?

Mr WELLS: I do not know that 'sidelined' is an appropriate term in any circumstances. There are certain statutory provisions which give the coordinator-general the power to call in certain developments. One of these is Sun Aqua. When that happens, a certain statutory process proceeds. The statutory process was agreed to by the parliament. It is not a question of any department being sidelined, it is a question of the statutory process being implemented. When such a statutory process is implemented then, depending on the circumstances, the Environmental Protection Agency is either an agency which has to be consulted or it can be a decisional agency. In respect of Sun Aqua—forgive me for pre-empting but it may be that you have that deep in the recesses of your mind—

Mr SPRINGBORG: Very deep.

Mr WELLS: And maybe you might even mention the name Sun Aqua at some stage. I do not know why you have not mentioned it yet. I do not know if you have read Harry Potter.

Mr SPRINGBORG: We are slowly working towards it.

Mr WELLS: I suppose your children read Harry Potter as mine do.

Mr SPRINGBORG: My daughter has read the latest one twice.

Mr WELLS: My daughter is just starting on it, but they could never say Voldemort. I would suggest, Lawrence, we should just say Voldemort.

Mr SPRINGBORG: Which was reversed around for something else, was it not? Voldemort meant something else.

Sun Aqua. Before we get into Sun Aqua—

Mr WELLS: Voldemort is German for 'dead wood'.

The CHAIR: Order!

Mr SPRINGBORG: Voldemort would not have been very happy about that.

Minister, on how many development applications has the recommendation of the EPA been overturned or changed by the state government, including those that are prepared to be changed by way of legislation? These are decisions where the EPA has had a significant involvement. By that I cite Bluewater in Cairns.

Mr WELLS: Bluewater was a specific situation. In respect of Bluewater, 99 per cent—or some extremely large amount—of the approvals were in at the time that the area became a marine park.

When it came to the issue of the statutory decision being made there was no option for the department other than to make the statutory decision that was required of them in the circumstances. I was careful not to influence that statutory decision. The decision that they made was based on the provision of the statute which says that in something which is zoned, as this particular area was zoned, then minor works only are going to be allowed. You could not really have seen the development as just minor works. Consequently, that statutory decision was made. That was not a policy decision, that was a decision made under a statute.

When that occurs, if the statutory decision does not cohere with the needs of the community then it is possible to amend it by means of a policy decision. The appropriate body to make the policy decision is not the statutory decision maker but the cabinet. That is what happened in respect of the Bluewater decision. What has been decided now by the government is that the development can go ahead and it will go ahead. It is desirable, even from an environmental point of view, that it should go ahead. The reason is that the area—

Mr SPRINGBORG: You have always felt it was desirable that Bluewater should go ahead? That has always been your opinion—that Bluewater was desirable notwithstanding the EPA's reservation?

Mr WELLS: Yes. I share the view that you expressed in a recent speech—that you have always supported Bluewater.

Mr SPRINGBORG: No problems.

Mr WELLS: The reason is because if an area is actually degraded, as the area that was covered by the Bluewater decision was degraded, that is exactly the kind of area that you would like to direct this kind of development into. You do not want to have developers wandering around far-north Queensland looking at areas of pristine rainforest that might make a good development when they have a perfectly good area where they can have this kind of development and concentrate on that.

Mr SPRINGBORG: So the process of the EPA was irrelevant in that they expressed reservations that it was going to be overturned, anyway.

Mr WELLS: No, it was a process of observing the letter of the law.

Mr SPRINGBORG: Basically, that is a bit of, 'Okay, this is the process but if the end objective is this it doesn't matter what the process is.' I am talking about the EPA's process. The Premier talked a bit about a process the other day—due process with Sun Aqua's fish farm—and he did not want to go to the old pre-Fitzgerald days in terms of making sure the process was followed. On the other hand, when a process was followed and went through with regard to Bluewater and it did not fit the government's objective for development, then the EPA's views and concerns were irrelevant.

Mr WELLS: I am sorry, can I just clarify this? Are you saying we should go back to the pre-Fitzgerald process of dictating who decision makers—

Mr SPRINGBORG: No, I am just stating the Premier's views the other day that there has to be due process and we have to follow due process and abide by recommendations. I am talking about Sun Aqua. Then we have Bluewater, on the other hand, where there have been some reservations put forward by the EPA. In actual fact, they did not recommend the development go ahead but the government's objective was that it should.

Mr WELLS: I am misunderstanding you perhaps. I am thinking that you are saying we should go back to the pre-Fitzgerald days.

Mr SPRINGBORG: No, I am not.

Mr WELLS: It was in the pre-Fitzgerald days that the government stood over statutory decision makers and told them what decision they were going to make. I do not think you are saying that we should do that, are you?

Mr SPRINGBORG: No, certainly I am not. What I am saying is that in the modern new era you are saying, 'Let them go through the decision making-process, the proper process, and if we do not like the outcome then we will legislate a different one.'

Mr WELLS: I think that is the mandate theory of government, is it not? You set up the statutory process. You do not stand over the decision maker. You let the decision be made on

the merits. You make the decision on the basis of the statute and the science, if you are a scientific department like this. Then when that decision is made every decision can always be reviewed on policy grounds. I happen to have the same view as a matter of policy as you do, so I find myself in the uncomfortable position that I agree with you but you do not agree with me.

The CHAIR: Order! The committee will now adjourn for lunch. The hearing will resume at 1.50 p.m. to continue the examination of the portfolio of Environment.

Sitting suspended from 12.52 p.m. to 1.56 p.m.

The CHAIR: Good afternoon. The Estimates Committee E hearing is now resumed. The question before the committee is that the proposed expenditure for the portfolio of the Minister for Environment be agreed to. The first round of questions is from non-government members. I call the member for Southern Downs.

Mr SPRINGBORG: Thank you very much, Madam Chair. Before lunch we were talking with the minister about the issue of due process in so far as planning approval is concerned. The minister was drawing some comparisons between the open, transparent process that we have now compared to the bad old days and indicated that decisions today are made on the basis of merit—meritorious objections or concerns. Minister, would it be right to assume that if the EPA has some meritorious concerns and objections in so far as the likes of Bluewater is concerned, environmental destruction et cetera, it is quite okay then for the government to ignore that and overturn it?

Mr WELLS: I said on the basis of the statute—the merits as assessed by the statute. In the case of Bluewater what the statutory environment said was minor works. A development like this could not possibly be conceived as involving only minor works. The fact is that the approvals were all in bar this one prior to the declaration of the particular kind of protection that was put in place. The statutory decision had to be made on the basis of the statutory environment. It was a statute based one, not a merit based one, in the broad sense of what is the preferable course of action.

The merit question—what is the preferable course of action—is in fact a policy question. That is a question not for the administrative officers of the government to determine, who must make their decisions according to the statute, but rather for those who have a mandate from the people to make those determinations. Consequently, it had to become a matter for the cabinet and a matter for the legislature. I do not resile from the process that I adopted in that case in saying to the statutory decision makers, 'Make the decision according to the statute'.

With respect to Sun Aqua, which I notice you still have not mentioned the name of—

Mr SPRINGBORG: We have a few minutes. I am working round to it. We were distracted by this enthusiastic exchange on Bluewater.

Mr WELLS: The evil magician in Harry Potter was so evil that they would not even mention his name, and this is supposed to be such a hot topic I would be terrified if you took the same attitude to Sun Aqua as I thought that you might be taking to Voldemort. Anyway, that goblet of fire aside, let us go back to the question of Bluewater and Sun Aqua.

I take exactly the same view with respect to Sun Aqua. The other day I spoke to the decision makers and I said, 'I want you to make this decision coldly and on the basis of the science and the statute. Do not have any regard to what the government might wish or what you might think the government might wish. Make it coldly on the basis of the science and the statute', because that is the post-Fitzgerald way. The post-Fitzgerald way is that, where there is a statute in place, you allow the statutory decision maker to make that decision. It is always possible for the policy organs of the government to take a different policy position. The statute was enacted for a reason and the decision needs to be made on the basis of the statutory environment. If it takes longer, well, that is Westminster democracy; too bad.

Mr SPRINGBORG: What we are basically saying is that the pre-Fitzgerald and the post-Fitzgerald objective might be the same but the process might be slightly different. So under this you say to the government agency, 'You go through the process, make your finding, statutory, science, whatever the case may be', and if the government's policy is to do something, it will come through in the end and push that aside and make the decision.

Mr WELLS: No, the pre-Fitzgerald attitude was quite different. The pre-Fitzgerald attitude was to get the convenient outcome for the purposes of the government and sometimes for the pecuniary purposes of the government, whatever the case may be. The post-Fitzgerald outcome is that there is a process which is in place. You go through that process and then you make an assessment of what the country needs at the end of that process.

Mr SPRINGBORG: But surely what we are dealing with here is the objective of the government or the objective of the member up there in that particular seat, and that is the Bluewater development. That is what it is. Bluewater is the objective of the government and the process was just a transitional thing that was somewhere in between.

Mr WELLS: The objective of the government is to administer the law.

Mr SPRINGBORG: If the government's objective is to develop Bluewater and if the process says that the EPA must do this, this, this and this and if it does this, this, this and this and has some strong concerns and opposition then that gets pushed aside and ignored because the government's objective is to develop Bluewater.

Mr WELLS: I am sure you understand that the government works in a statutory environment. Where there is a statutory process enacted by a parliament, including honourable members from your side of the House, then that statutory process ought to be not only observed but seen to be observed. If that statutory process leads to a result in a particular case which is suboptimal—and which, in this case, you and I agree is suboptimal—then steps can be taken to alter it. In this particular case, equity and an optimal outcome and the best result for the community required some amendment. But it is better that the statute should be seen to be implemented and that decision makers in government should be allowed to make their decisions without having to second-guess what the government might want in the circumstances.

Mr SPRINGBORG: So the concerns of the likes of the EPA, which is full of independent officers, with regard to Bluewater really become subjugated or irrelevant in this process, don't they?

Mr WELLS: No.

Mr SPRINGBORG: They do not?

Mr WELLS: No.

Mr SPRINGBORG: So they are always very happy if they have made a decision—

Mr WELLS: So little is that the case that, as I have said, I have indicated exactly the same thing is going to happen with Sun Aqua—that is, that the statutory decision maker, when it comes to that statutory decision maker, will make that decision, to use the phrase that I gave to them, coldly and in the light of the statute and the science, and that is how it should be. Transparency and openness of government require that.

Mr SPRINGBORG: Even if the process becomes a tad farcical and the objective is to meet the government's policy?

Mr WELLS: I would suggest that you should watch some more serious films, because if this is your idea of farce you are very easily pleased. Almost anything would be a box office hit with you if you think that that reduces to farce. If you think that the post-Fitzgerald process, if you think that Westminster democracy, if you think that our democratic heritage and if you think that being a stickler for propriety reduces to farce, then I think that you probably need some more education in the aesthetics of drama, comedy and other performing arts.

Mr SPRINGBORG: Well, there you go. We are talking about films. I suppose we have been bogged down on Harry Potter. Wasn't it Fluffy who was about protecting the philosopher's stone? I am a bit like Fluffy in this and the philosopher's stone is going to be the Moreton Bay Marine Park. Minister, what is the government's policy objective with regards to Sun Aqua and a fish farm in the Moreton Bay Marine Park? You are going through a process. What you have basically said this morning is that regardless of the process, whatever the government's objective—political salvation or whatever the case may be—will that influence any of the approvals, considerations, deliberations and recommendations? Do you support it or do you not support this fish farm in Moreton Bay?

Mr WELLS: The question that you are asking me is this: would I be in favour of a fish farm if the proposal for a fish farm was given the green light by the departmental decision maker. That question is hypothetical and I would answer that when we got there. If I was to answer it now it might be taken as a signal to the departmental decision maker, and I will not do that. That is not what propriety requires in these circumstances. Propriety requires that I should say to the departmental decision maker what I did say: make the decision coldly in the light of the science and the statute.

Mr SPRINGBORG: Minister, you know that government sets particular policy objectives. We have talked about the Koala Coast and those sorts of areas and issues of preservation. We

already know that there are certain issues of contention between your department and that of State Development on this matter. I said earlier on that that I believe you have been sidelined on some of these issues. How is it so that some years ago there was a proposal for a fish farm not far from there which was much smaller and it was basically ruled out by your department and yet a much greater proposal has been put forward and that would appear to be able to step into the process? If you have a marine park, surely you would be able to set some parameters about what should or should not go on in a marine park. What is the position of the government on it?

Mr WELLS: Let me, first of all, reject some of the presumptions on which your question is based. Your proposition about being sidelined is just the wrong frame of reference entirely. In certain circumstances, a statutory process—which the honourable member who asked the question voted for—comes into play and the consequence of that is that my department becomes a referral agency rather than a decisional agency. In other circumstances it is a decisional agency. In respect of the Sun Aqua application, it would be, if it were given the green light by the Coordinator-General's process, a decisional agency. So it depends on the statutory environment. To say that somebody is sidelined by a statutory environment is a bit like saying that the shadow minister for environment was sidelined at a particular press conference by virtue of the fact that the press conference was on some other subject. It is a misapplication of terms to say that my department was sidelined in respect of that matter. What was the rest of your question?

The CHAIR: The time for non-government questions has expired.

Mr SPRINGBORG: I suppose we will come back to it.

Mr WELLS: Madam Chair, I would ask for your indulgence that he should be able to ask the question again.

Mr SPRINGBORG: That is up to government members.

The CHAIR: Granted.

Mr SPRINGBORG: Okay. The basic fundamental part of what I am trying to drive home, Minister, is that there is a marine park fish farm. An earlier application had been rejected for a much smaller one by your department. It has come back in a modern manifestation. Surely you can take from that that that sort of intensive aquaculture proposal is incompatible, and we are going through this process of assessment at the moment. Regardless of the outcome, if the government has a view, it is going to happen or it is not going to happen.

Mr WELLS: I think you are referring there to a precedent, which is sometimes a good guide to what might occur. I am sure you are also aware of the statutory environment and I am sure you are also across the scientific consequences. I think you are putting those things together and making a judgment as to what the statutory decision maker might decide. It is not my place to comment on the judgment that you are making, but I have always regarded you to be a shrewd observer of some things. I would make the point, however, that there is no application before me or before my department and it would be inappropriate for me to make decisions about hypothetical matters.

Mr SPRINGBORG: So basically you have been sidelined then? So it is somewhere else?

Mr WELLS: In terms of this concept of sidelined that you have, you are suffering from serious conceptual confusion with respect to what constitutes being sidelined and what constitutes appropriate post-Fitzgerald behaviour.

Mr SPRINGBORG: So there is an application before government but nothing to do with your department?

Mr WELLS: Yes. I am not making a decision about the application that is before government for the same reason that I am not making a decision about any of the matters that fall to the discretion of the Attorney-General at the moment and the same reason I am not making any decisions about any of the matters that fall to the Minister for Tourism. It is not my role within the statutory environment to do it. When you were a minister you performed within your statutory environment, within the role of your portfolio—I remember; I had dealings with you—and you would expect me to do the same. If at a public chat like this that we are having I insist on that position and you insist on another, let everybody understand what we are doing is not actually seriously talking about me doing something different. We are just talking about—

Mr SPRINGBORG: But you are the Environment Minister and this affects the environment and you would usually have a role, or your department would.

Mr WELLS: Yes, that is true. When it comes to my job to determine it, I will determine it.

The CHAIR: Order! The time allocated for questions by non-government members has expired.

Mr WELLS: By means of my delegate, of course.

Ms PHILLIPS: Page 2 of the MPS under the 2003-04 highlights states—

... establish three new EPA extension programs under the 'EnergyWise', 'WaterWise' and 'WasteWise' labels to promote greater resource efficiency and productivity by Queensland industry.

Minister, could you explain what benefits may flow on to Queenslanders as a result of cost savings to business from these efficiency programs?

Mr WELLS: Enormous benefits are likely to occur, because very often it is the case that the ecologically sound thing is also the economically sound thing. These programs—EnergyWise, WaterWise and WasteWise—have the potential to save a tremendous amount economically as well as do an enormous amount of good. One of my favourite projects was the launch of the WasteWise program last year. What we are doing with respect to that is trying to replicate the savings that we make in terms of recycling in public places from those that we make in private. As private recyclers we are extremely good by world standards. We recycle something like 75 per cent of our newspapers and something like 70 per cent of our milk cartons but we recycle a much lower proportion of those things that you would use later in the day.

The reason for that is that they get used in places that are public rather than people's homes where there is the recycling bin out the front. What we have started to do is to implement a program of public place recycling. Public place recycling began at the Doomben racecourse where we started a program of recycling everything that you could recycle like the betting slips and the containers. I do not know if you have had a look at the Brisbane Botanical Gardens recently and noticed how fresh and green they smell. Well, you can thank the horses at Doomben for that particular additive. It has worked really well there and so we have extended it to other places as well.

The other day with the Lord Mayor, Tim Quinn, I had the pleasure of launching public place recycling in the Queen Street Mall. In that place there were a large number of recycling bins which people are now using because people will do the right thing if you give them the opportunity. There are half a dozen other sites throughout inner Brisbane where recycling is going to go ahead. I notice here—I have the notes—that 70 per cent of newspapers, 40 per cent of milk bottles, 30 per cent of soft drink cans and much smaller proportions of beer and wine bottles are recycled.

Wouldn't it be good if we could harness all the recycling that could be done in shopping centres, for example. If we could get all of those places doing the recycling we would maximise the amount of recycling that is done. The government needs to get its own house in order first. That is what we are doing. We have done Doomben, the mall and other places in Brisbane city, and we are going to do the Gabba and the Suncorp Stadium.

Mrs CHRISTINE SCOTT: Minister, as you and I would know better than most, the presence of flying foxes in Charters Towers has been subject to considerable political grandstanding and public interest. You refer to the management of problem wildlife on page 7 of the MPS. Can you advise the committee what action the state government is taking to manage flying foxes in Queensland in general and in Charters Towers in particular?

Mr WELLS: As the honourable member is aware, I visited Charters Towers with her and, by a process of very gentle persuasion, got the mayor to sign a memorandum of understanding that placed certain responsibilities on the local council and provided certain advantages to the local council in terms of state input in terms of expenditure, hours of labour and assistance and advice. The end result of that was the end of the problem for the time being.

The local council needs to simply implement that memorandum of understanding. The things that they needed to do always were pretty clear, for example, it was necessary for them to prune the trees. I know that there was a bit of reluctance to do that because they were heritage trees. That is why we sent an arborist or somebody with those qualifications to have a look to ensure that they could be effectively pruned. Once the trees were pruned, of course the flying foxes had nowhere to go.

Let us be very clear about it. The reason for flying foxes inhabiting urban areas is that other areas of habitation have been knocked down. Extensive land clearing has led to the result that flying foxes are now choosing to live in towns by virtue of the fact that that is where the trees are.

They found a suitable site in Charters Towers and became unsustainable for the human population. So we moved them out as a result of the local council working with us.

I know that the honourable member still has a certain amount of sound and fury going on from certain people who would actually like a seat in parliament. Their political noises are about as dissonant as the sounds that flying foxes make in the middle of the night and about as irrelevant to the ongoing course of discussion. The fact is that if the local council simply implements the memorandum of understanding then they will have their problem solved. However, as the honourable member knows, my department is always willing to assist the good people of her constituency, however badly represented they may be by certain elements of the elected body of the local council. She has only to ask in order to access that assistance.

Ms MOLLOY: Minister, given the high public interest in the management of dingoes on Fraser Island and your reference on page 7 of the MPS to the implementation of a dingo management plan for Fraser Island, can you inform the committee how effective the Dingo Management Plan has been?

Mr WELLS: As I indicated in my opening remarks, we were voted world best practice by an independent observer. The fact that the irreparable, irremediable tragedy of Clinton Gage had at least this positive consequence is of little consolation. But we had to do it well because we had to do all that. We could not leave any stone unturned in order to ensure that there was no repetition of the tragedy that occurred.

I think I might ask Alan Feely to come and tell us a little bit more about it. As I have said to the parliament previously, we have increased signage and improved the distribution of leaflets to Fraser Island. I know a lot of people use your electorate as a jumping off point for going to Fraser Island.

Mr Feely: The Dingo Management Strategy was released in November 2001. The major elements of the strategy focused on public education, managing interactions between humans and dingoes, and research. Educational material has been distributed by the Queensland Parks and Wildlife Service since the early 1990s and includes brochures, signs, posters and displays. There is also a high level of face-to-face contact and interpretive activities conducted by the rangers which complements this material.

The educational program has been significantly increased since 1998 and has been the principal management strategy to discourage inappropriate visitor behaviour. Envirometrics were the consultants engaged by QPWS. They recently completed a major study of the education program used by QPWS to raise public awareness about safety around Fraser Island's dingo campaign.

The consultants' 250-page report, entitled the 'Evaluation of Dingo Education Strategy and Programs for Fraser Island', has assessed the education program as world best practice. The consultants surveyed people's attitudes, assessed the program's effectiveness and recommended improvements. The program was compared with interstate and overseas efforts to educate people about wildlife hazards and there are reports that other organisations both here and overseas are copying elements of the dingo education campaign program now. Experts on species such as cougars and bears in the US and Canada have said that they wish they had such an integrated and comprehensive program.

The report notes that the intensive QPWS campaign to educate backpackers has worked very well through direct liaison with hostels and four-wheel-drive hire companies and by supporting this with an informative video and other materials. Backpackers are now better informed and are complying. In particular, the face-to-face contact that rangers have with island visitors was identified as the essential and most successful element in modifying people's behaviour towards dingoes. The consultants identified that more needs to be done to encourage people to read the dingo safety brochures and signs, and we are addressing that issue to deliver the message at barge landing points and communicating better with residents.

Ms PHILLIPS: On page 11 of the MPS under 'Recent Achievements' you say 'Launched the EcoAccess statewide help desk number'. Can you inform the committee how this facility has been received, how it improves accessibility to regional communities and what red tape reduction impact has this had for those making inquiries?

Mr WELLS: As you implied in your question, this is basically a red tape reduction exercise. It puts one person in charge of all the various permits that an applicant will have to obtain in order to undertake an activity, including an environmentally relevant activity. I will ask the director who is in charge of this very significant initiative, Mark Williamson, if he would come up. We have saved

business a considerable amount of money by reducing the amount of running around that they have to do. They can just have one person who will project manage the whole of the applications that they have to go through.

Mr Williamson: As well as what the minister has mentioned about a one-stop shop and a project management approach, there was a single permit help line, which is 1300 368 326. So for the cost of a local call from anywhere in Queensland people can access information about everything to do with EPA permits. If necessary, that help line can also transfer them to one of our district offices. Again it still only costs the caller a local phone call.

Clients are still able to continue visiting district and regional offices and receiving face-to-face service if they so desire. This help desk number will arrange pre-lodgment consultations, and we try to encourage a pre-lodgment approach so that people know up front all the hurdles they may have to get over for different types of permits and to make sure they provide all the information up front. During the Christmas and New Year period, this 1300 number handled more than 3,500 calls about licensing and permit matters.

EcoAccess provides streamlined application kits on the EcoAccess web site. As the minister mentioned, clients are assigned a project manager who will be the single point for all EPA permits. This reduces the amount of red tape a client experiences when applying for a licence, given that they are communicating with only one EPA officer.

The project management approach provides an integrated approach to assessment and improved environmental outcomes because all agency and environmental interests are considered at once. The project manager communicates a number of key points with clients to ensure faster turnaround time for applications and integrated assessment. The efficiency of the application process is increased by reducing additional information requests. There have also been a range of IT systems, including the statewide permit system and a web-based geographical information system that helps clients get effective service.

Mrs CHRISTINE SCOTT: With reference to the protection of our heritage, referred to on page 3 of the MPS, could you inform the committee of any recent developments in this policy area and how the protection of Queensland's built and cultural heritage will benefit, particularly to places such as Charters Towers with its outstanding heritage values?

Mr WELLS: I thank the honourable member for the question and for her many thoughts that she has conveyed to me about heritage values, particularly as they appear in her heritage-rich electorate. Recently we amended the Heritage Act in order to make it very clear that streetscapes were capable of being protected. It is very unfortunate if you have a situation, as occurred under the act before it was amended, where a number of houses have a certain character and represent the flavour of a particular era and one of those is marked for development. Say you have three houses in a row and they are all similar; they represent a streetscape, you get an ambience as you walk through. That ambience is going to be destroyed if you have a sixpack or a 12-pack of modern flats put in between these character buildings. Consequently, it is necessary that streetscapes should be appropriately represented so that they are preserved.

That is what we did with the amendments to the heritage legislation. That, I think, is a very significant advance in terms of protection of our heritage. A very large part of our heritage is contained not in the intrinsic nature of one particular building but, rather, in the feeling that you get as you walk down a particular street. We fixed that problem and the Heritage Act now will work much better in that respect.

Ms MOLLOY: Page 6 of the MPS refers to the employment of 140 new rangers. Can you advise the committee on the progress of employing those rangers and how that will improve national park management in areas such as the Sunshine Coast?

Mr WELLS: The Sunshine Coast is a great beneficiary of this. You have an enormous number of them and that is because of the enormous quality of our national parks. We have employed the whole 140 new rangers. One of the benefits of that is that, while we have brought new areas into the protected estate, we have new people to manage them. I will ask Alan Feely if he will speak to you about the specific consequences with respect to the Sunshine Coast.

Mr Feely: The government commitment to employ 140 new rangers across the state over a two-year period resulted in the appointment of 19 new permanent ranger staff in the Sunshine Coast district. The 19 new ranger staff comprise 11 former timber industry workers with a further eight permanent positions appointed in recent times.

This has resulted in an additional five staff based at the Noosa National Park and five staff based out of the Pomona park base. The other nine positions have been appointed to other bases right across the district. As part of the QPWS commitment to staff development, the staff have been provided with training opportunities, such as firefighting and first aid, to enable them to perform the duties required of a ranger. The ex-timber industry workers have also completed a conservation traineeship as part of their employment.

The increase in ranger numbers has enhanced the capacity of QPWS to undertake work such as ongoing infrastructure development and maintenance and the delivery of natural resource management duties, including fire management, flora and fauna monitoring and weed control. In addition to their involvement in general park duties, the rangers have been involved in capital works projects, including the development of new toilet facilities at Tea Tree Bay; some walking track development and the upgrade of the Tea Tree Bay to the Dolphin Point route; a walking track development from north Sunshine Beach to Alexandra Bay; interpretative and visitor safety signage in the Noosa headlands section of the park; general park signage and fencing at Emu Mountain; and firebreak development at the north Weyba, west Weyba, east Weyba and Coolum sections of the Noosa National Park.

The CHAIR: The time allocated for questions by government members has expired. I call the member for Southern Downs.

Mr SPRINGBORG: My question to the minister relates to complementary areas to the Great Barrier Reef Marine Park. As I understand it, these are areas that are under state control that abut the marine park. I understand that on 22 May last year and until 7 August last year, there was an advertisement for submissions for people to put forward what they thought should happen in those areas—whether there should be closures or complementary use, or whatever the case may be. Could you indicate to the committee how many submissions were actually received through that advertisement process and how many of those submissions were supportive or non-supportive of what was being put forward?

Mr WELLS: I do not know and it would not be appropriate to consider those submissions until such time as we knew what the Commonwealth representative areas program threw up as the final position as to what they were going to put there. We have a commitment to complementarity with respect to our zoning, but you cannot be complementary to something until you know what that something is. So we will give it some consideration then. At that stage, submissions will be considered. In fact, I think that we would probably go out to a new process of submission on the basis of the advance in knowledge that people would have.

Mr SPRINGBORG: What are the number of submissions? Do you actually have—

Mr WELLS: I do not have that information. It is not state information. The submissions were made with respect to the Great Barrier Reef Marine Park Authority's consultation and I do not have that information.

Mr SPRINGBORG: So there were no submissions that your department called for for how to manage the areas that are state controlled?

Mr WELLS: I am advised that we have not called for the submissions at this stage. At the time that the Great Barrier Reef Marine Park Authority was undertaking its consultation, there were state observers who went along to some of their meetings, but I did not call for submissions and I have received no submissions. People may have written to my department about it, but I have not called for any submissions with respect to that matter. It would be premature for me to do so in any case, because we do not yet know what the final form of the representative areas program will be. But I would like to say that we have a commitment to complementarity. That is a commitment that I hope that we would be able to deliver consistent with ensuring that people have their traditional access and are able to continue to conduct their fishing.

Mr SPRINGBORG: This is the document that I have, *Marine Protected Areas in Queensland—a draft planning framework*. As I understand, there was a submission process that was supposed to close on 24 August. In actual fact it, goes back a bit earlier—to 2000. So this must be an earlier version. It is not anything that is current? Anyway, I am happy for us to discuss those matters at some other time if you wish.

Mr WELLS: I think that I can say something helpful here. I think that that is probably a document relating to the proposal for border-to-border marine parks. That was a program embarked upon by my predecessor and which I hope to be able to take credit for before the end of this term.

Mr SPRINGBORG: Going on to another issue, I note that you made some comments this morning with regard to regional vegetation mapping and the fact that 12 million hectares of that had been completed last year. Can you indicate to the committee how many million hectares you plan to do this year, considering that 12 million hectares was 6.9 per cent of Queensland's overall 173 million?

Mr WELLS: Yes, my department is aiming for about 10 million this year.

Mr SPRINGBORG: That would bring it up overall to in the vicinity of what? Thirteen per cent of the state?

Mr WELLS: We hoped that we would get to 60 per cent of the state.

Mr SPRINGBORG: So there are earlier processes that have actually gone on as well?

Mr WELLS: I am advised that 60 per cent of the state had been surveyed and mapped for tree clearing in 1999.

Mr SPRINGBORG: Right through?

Mr WELLS: 1999 remnant vegetation.

Mr SPRINGBORG: The reason that I asked that is that as a mistake of fact is no longer an excuse for a primary producer clearing a piece of land under recent amendments through parliament and that a lot of people are working on existing mapping that has been done by way of SLATS or some earlier work, I am just concerned that there has been a reduction, or that the 12 million is going to be 10 million hectares, when there are people out there who have been prosecuted based on earlier information from the government. I am wondering if you have actually heard those concerns?

Mr WELLS: Yes, I have and the closer you advance to the completion of it, we get to a point of where the utility of additional mapping diminishes. We have a large amount of it done already and I am told that the vegetation mapping that we have got has an accuracy rate of 90 per cent or greater. There are set procedures in place to amend the maps if land-holders, agencies or the general public detect errors. I know that land-holders can inform my department, because this has occurred and amendments can be made to the mapping.

Mr SPRINGBORG: What is the actual expenditure amount for assessing that 10 million hectares for this financial year vis-a-vis the 12 million hectares for the last financial year?

Mr WELLS: \$1.7 million compared to \$1.9 million.

Mr SPRINGBORG: So \$1.7 million this year compared to \$1.9 million. What is your forward estimate as to how long it will take to accurately map the remaining remnant areas in Queensland? Is it two years? Three years? Five years? Has your department done any work in that area? The reason I raise this is that it is an important issue to many people who I speak to.

Mr WELLS: Three years for completion, but bear in mind that key areas are being done first. The last bit that is done is going to be the bit that you would think would be least likely to come into the kind of equation that you are talking about.

Mr SPRINGBORG: So the likes of the Wet Tropics area and all of that, a lot of that area has been done? Are you working on the basis that the areas that are going to be mapped first are the areas that are likely to be open for potential clearing under the statute that is in place so that people have accuracy?

Mr WELLS: Chris Pattearson is the director in the area. He will give you an idea of the criteria that the department uses in terms of the vegetation mapping.

Mr Pattearson: The mapping program has been designed to cover the areas where there is most likely to be land clearing. So we have been concentrating on areas this year in the Einasleigh uplands and in that general area. The areas that are still waiting to be mapped are the more remote areas that have far less vegetation. So the criteria that we have been using is to look at areas of highest usage.

Mr SPRINGBORG: Thanks.

Mr WELLS: That is the point that I made about diminishing marginal utility. If you start out with the areas that have the highest usage and the thickest vegetation, then the further you go into the years, while you might regret that it is not complete yet or while you might aspire to get it completed as soon as possible, the completion is going to add less value than the year before.

Mr SPRINGBORG: Right. My next question is relevant to another area and it is to do with the regional landscape strategy, which has been talked about a lot lately in the media. I know that

you were at a forum that I was at recently. I also note that you were talking about putting out a green levy to deal with this sort of stuff. I take you back to the levy that was put in place by the previous government on conveyance of lands to purchase south-east Queensland open space. Of the money that was raised in that process, how much was it and how much has actually been expended to purchase open space lands?

Mr WELLS: There was no pamphlet put out by me which talked about a levy.

Mr SPRINGBORG: Okay. I saw something the other day where there was a proposition that it may be something that the government was looking at. I accept what you are saying because I do not want to labour the point.

Mr WELLS: No, there was a pamphlet put out by an advisory committee.

Mr SPRINGBORG: An advisory committee. Right.

Mr WELLS: But that does not represent government policy and it was not put out by me.

Mr SPRINGBORG: So the advisory committee does not have any tentacles touching government, I suppose?

Mr WELLS: Pardon?

Mr SPRINGBORG: The advisory committee does not have any tentacles touching government; it is totally at arm's length, given your propensity for due process and separation.

Mr WELLS: Yes. There are statutory processes and there are advisory committees and advisory committees provide useful advice and one takes that on board and gives it consideration. When they talk about levies, then one simply rules them out.

Mr SPRINGBORG: So they came up with that idea all on their little lonesome.

Mr WELLS: Absolutely.

Mr SPRINGBORG: Talking about movies, so it is not like *Terminator 3*, or anything?

Mr WELLS: I have not seen that one yet.

Mr SPRINGBORG: Neither have I. I might see it this week.

Mr WELLS: Can I answer the other 15 parts of your question?

Mr SPRINGBORG: Yes.

Mr WELLS: With respect to the levy or the amount of money that was said to be raised in 1995—that was the year that you mentioned, was it not? 1995?

Mr SPRINGBORG: I think that is when it was to come in. I think that it was in place for about five years.

Mr WELLS: Geoff Smith was then the minister and he was setting aside a certain amount of money out of conveyancing for that particular year for land acquisition that was under a scheme called the ROSS scheme. The sad fact is that your lot got into government in 1996 and cancelled the ROSS scheme. So that was the end of that. So going into that history is no longer relevant. We simply have to accept the fact that the mandate of the people went to the other side of politics and the other side of politics cancelled that scheme. When we were elected in 1998, we came up with a different proposal and that was a proposal for the program which we have put into place and which has now become the core business of the department.

A little while ago I was pleased to announce a couple of open space acquisitions. I mentioned the one in the electorate of the member for Keppel and I mentioned the one at Deception Bay, which is one that is less close to completion than the one in Keppel. We have a number of initiatives that we will be taking in this respect. I might say that in the South-East Queensland Forest Agreement process, which involves something like 7,000 hectares, about 1,000 hectares of that is not going to be suitable for national park. Nevertheless, it will be part of the protected area estate. Consequently, it will be suitable for conservation park. Therefore, it will be public open space that will be capable of being employed for multiple uses.

Significant steps are being taken in this area. The important thing is to coordinate the activities of local councils with state government activities. I think probably the best way of doing that, as I said when I referred to what we were doing subsequent to ERA38, is to have as part of the criteria that local councils consider when they are making their planning decisions the need to protect open space and remnant vegetation. If councils are compelled to address those criteria then it is likely that we will have more of that public open space preserved.

Mr SPRINGBORG: Minister, I am not wishing to play any blame game, but do you have any idea how much money was actually collected by that special levy in the time that it operated, when it ceased being collected and how much money was actually spent? I am not aware that there were too many properties that were purchased. I would just like to know. It is one of these mystical things that is just hanging out there and it would clear the air if we all knew.

Mr WELLS: Geoff Smith said in 1994 that \$7 million had been allocated for the planning and development of this program, including \$4 million for the first year of an acquisition program. That was a remark he made as to where the money was coming from for one year of the program. Then his ministry ended and subsequently a government of another persuasion took over. Economic plans that were made then went out, because the mandate of the people passed to somebody else. Delving into ancient history is of particularly great value when that history is continuous, but when history is discontinuous delving into the ancient history is not terribly relevant.

There was an election. It was not part of the undertakings of the incoming government to have a scheme like this and the scheme was cancelled. The people did not vote for a scheme like this on that occasion and the scheme was cancelled. No blame games: the scheme was cancelled. When a new government came in, this scheme was not promised again and was not undertaken again.

Mr SPRINGBORG: So under the government which came in—the first Beattie government, or this government—there was no collection of any moneys with that special conveyancing levy for the purposes of regional open space?

Mr WELLS: There was \$2.5 million for a particular program that was allocated over a period of I think three years. The undertaking was that there would be a reallocation of \$2.5 million and that reallocation was done. It was undertaken and the money was spent.

Mr SPRINGBORG: I note that there has been a sell-off of surplus government lands, a disposal of heritage property. We have the issue of Currumbin Wildlife Sanctuary, which was tied up in there—selling off about 10 blocks. There are government lands being sold off in areas where there could be a regional open space implication. Have you expressed any concern across government that this is something which is actually devaluing open space and that these pieces of land could in fact have an open space use?

Mr WELLS: Yes, indeed. You are referring to the sale of Claremont by the National Trust?

Mr SPRINGBORG: Yes.

Mr WELLS: That is an historic property. I take the view that historic properties are better off in public ownership than in private ownership, unless there is an indication that in private ownership they are going to be better preserved. In Claremont—it was a decision of the National Trust to sell that property—it became clear that the property was going to be better preserved in private hands, so it was sold. As a result of that sale, the National Trust is in a healthier financial situation than it previously was.

The Coolamin property, which is part of the lands associated with the Currumbin sanctuary, though at some distance from it, is of a different kind. That particular property is property which cannot be sold without reference to Governor in Council. There are some properties which the National Trust can sell at its discretion and there are others which are subject to a trust. Properties that are subject to a trust have to go through Governor in Council.

No suggestion has been made to me that that property should be sold. I visited the property a little while ago and I met with the people who are concerned to maintain that property. They are willing to do a considerable amount of work there. I think the public open space value of that land could be quite considerable. It is a matter of coordinating with Gecko, which is the environmental group that is relevant there, and with other interested parties as to what is the best possible use for it. Lest I should speculate too much on that, I should really mention that it is a National Trust property and it will be a matter for the National Trust to play a significant role in the determination of that. Having said that, I accept your point that places like that have significant potential in terms of public open space.

The CHAIR: The time allocated for questions by non-government members has expired.

Ms PHILLIPS: Encouraging industry to regional areas is important, as is ensuring they are efficient to reduce costs. Minister, we talked about this earlier, but can you inform the committee how the EnergyWise, WaterWise and WasteWise initiatives will in fact assist industry?

Mr WELLS: I referred to this earlier and I only got around to talking about WasteWise. In order that I should not do the same thing again, I will call Dr John Cole and invite him to speak to us about EnergyWise and WaterWise. Both of these programs are run by my Sustainable Industries Division. The function of these programs is to preserve our resources and encourage effective use.

Dr Cole: There are three programs—WasteWise, EnergyWise and WaterWise Queensland. The minister mentioned earlier his launch of the WasteWise program last year. The EnergyWise and WaterWise programs are really reconstructions of existing previous initiatives that have emphasised sustainable energy in the case of EnergyWise. The old WaterWise program goes back nearly 10 years and, indeed, was a Queensland initiative that has become quite famous, particularly for its work in schools.

With both programs we are extending the embrace of the voluntary partnerships that we have with industry and local governments. With EnergyWise we are moving beyond the rebates that the state government has jointly administered with the federal government over the past few years which have done much to provide renewable energy in different parts of Queensland. With the WaterWise program we are moving beyond simply water efficiency to the full water cycle to emphasise new approaches like least cost planning, water supply management, leakage control management, for example, in local government—in all, a smarter way to address our consumption of energy and water.

This is having impacts in regional Queensland that are positive, in places such as Charters Towers, where we have done a leakage control study recently, and Windy Hill, where the wind farm there provides much of the energy that the government buys. The government purchase of five per cent of its total electricity from renewable energy sources, including in this place 100 per cent of the energy, is in fact a significant part of the consumption of green energy in Queensland.

The Solar Schools project and its extension into the bush means that partnership with industry sponsors such as Ergon and Energex will see further solar power systems installed in Queensland schools to not only demonstrate and educate the benefits of renewable energy but also achieve something like \$1,000 in savings for community service obligations, for example, with each school. We are building on the past and making a more relevant, more expansive scheme of programs with Queensland industry to prove the point that good environmental performance is good for industry and the community.

Mrs CHRISTINE SCOTT: Minister, on page 12 of the MPS you refer to reviewing and finalising the conservation plan for macropods. Given that the need to manage macropods is a major issue for people on the land in regional and rural areas, can you advise the committee on progress in finalising this plan and how it will affect people on the land, particularly in times of drought?

Mr WELLS: Yes. As the honourable member noted, we are working on a management plan for macropods. I will ask Geoff Clare, who is the executive director in charge, if he would come forward. With your indulgence, the Leader of the Opposition asked me a question a little while ago about the percentage of the Koala Coast that was involved in the alleged illegal clearing undertaken by a particular firm. The answer is 0.1 per cent of the total Koala Coast.

Mr SPRINGBORG: That is not the amount which was infringed?

Mr WELLS: That is the arithmetic I have just been given. You asked me what percentage of the total Koala Coast was that infringement and the answer is 0.1 per cent. It is just an arithmetic question you were asking me. The alleged illegal clearing is four hectares. That is five per cent, did you say—

Mr Purtill: Five per cent of the area, which is 0.1 per cent of the total Koala Coast. So a very small fraction has been cleared.

Mr WELLS: 0.1 per cent. Is that right?

Mr Purtill: 0.02 per cent.

Mr WELLS: Five per cent of one per cent. Is that right?

Mr Purtill: Of 0.1 per cent. So it is a minute area. Could I explain that again for you? It is not very clear. I would like to make it clear for you.

Mr SPRINGBORG: Rather than eat into government members' time, you can bring it up—

The CHAIR: I was just going to suggest that we leave it to non-government time. Mr Clare?

Mr Clare: Drafting of the macropod plan is under way following an initial period of public consultation. Once drafted, it will be released for public comment. This will allow stakeholders an additional opportunity to input to it. The plan will be finalised at the end of this calendar year. It will come into effect on 1 January 2004. The new plan will replace the existing Nature Conservation (Macropod Harvesting) Conservation Plan 1994. In general terms, both the existing and new plans provide for the ecologically sustainable use of certain species of kangaroos and other macropods as a renewable resource. The conservation plan will provide the legislative framework for the operation of the commercial harvest of these species as well as their recreational harvest.

Like the existing plan, the new conservation plan will ensure that a balance is struck between the need to ensure that harvesting is not having negative effects on the species and the provision of benefits to land-holders through a reduction in macropod grazing pressure, which can compete with domestic stock. At the same time, the macropod harvest in Queensland provides a livelihood for some 1,000 people—harvesters, dealers and processors.

The most recent change to macropod harvesting management in Queensland is the regionalisation of the harvest. This has been a positive step in the sustainable management of Queensland's macropod populations. By segregating the harvest into regional quotas, the risk of localised overexploitation of the population is minimised, thus rendering the Queensland harvest more sustainable.

In the drafting process for the new conservation plan a number of other initiatives are being considered for better management of the harvest. These are industry-led initiatives that will lead other states in best practice management. They include the provision of barcoded macropod tags that will improve harvest collection and greatly reduce the administrative burden on agency and clients, mechanisms to prevent major compliance breaches and mechanisms to manage minor compliance breaches.

Land-holders faced with grazing pressure from macropods have other mechanisms available to them beyond the commercial harvest. Land-holders can and will continue to be able to apply for damage mitigation permits under the Nature Conservation Act to reduce grazing pressures where macropods are having a significant impact. During the recent drought, the EPA provided the same day turnaround on DMP applications as a means of service delivery to the community.

Ms MOLLOY: Minister, given the importance of maintaining an A rating in terms of water quality for the Noosa River to my constituents, can you advise the committee of the success of the catchment site inspections carried out in south-east Queensland, as mentioned on page 16 of the MPS?

Mr WELLS: I know that the honourable member is extremely proud of the A rating that the Noosa River has. The fact that it has that rating is a commendation to her and to the local council. We keep a scorecard of the quality of our rivers, and the Noosa River does well. Through our monitoring process and our enforcement, we will ensure that high quality remains. I will ask the executive director responsible for that, who is Mark Williamson, if he could come forward and speak to us about the inspection program.

Mr Williamson: During the last three years the EPA, in conjunction with a number of local councils, has carried out a range of catchment programs. These programs mainly focus on industrial estates, and over 2,000 premises have been inspected. The aim of these programs is to determine the actual and potential impact of industry activities on local waterways and to educate individual businesses on the impact of their operations and what they can do to look after the environment.

In relation to the Noosa River, EPA and Noosa Shire Council officers visited the southern section of the Noosaville industrial estate in September and October 2002. Sixty-three industries were inspected, and all except one were operating in a satisfactory manner. The remedial action required for that one site was to install fuel and washdown water containment systems. The company has commenced installation of the system and is working cooperatively with the Noosa Shire Council.

The engagement of business in a door-to-door approach has yielded a number of benefits in terms of the relationship between EPA and councils and a range of industries. In respect of the Noosa area, all businesses should be significantly congratulated as well as the council on taking their local environmental responsibilities very seriously.

The good environmental performance of businesses in the Noosa River is a credit to the work of a range of people. What we have generally found in these inspection programs is that a lot of the recommendations only cost about \$100 to implement. It has been received very favourably

by businesses as well because it has not been a high cost, and they have generally appreciated the advice provided to them.

Ms PHILLIPS: Minister, on page 12 of the MPS you refer to the commencement of construction of the Whitsunday and Wet Tropics Great Walks. Can you advise the committee what benefits Great Walks will bring to the communities in north Queensland?

Mr WELLS: Ecotourism is the fastest growing sector of the tourism market. So the benefit that it will bring in economic terms is that these Great Walks will be seen for what they are—among the most fantastic nature based experiences that you can have anywhere in the globe. Having said that, the benefit also is to the locals of the area, who are going to have an unparalleled experience right on their doorstep. The Great Walks are a tremendous initiative and they have been taken on enthusiastically by all of the communities that have been the beneficiaries of a great walk having been put in place. I will invite Alan Feely to speak further about the Great Walks.

Mr Feely: The Great Walks of Queensland will benefit all visitors to our national park estate and forest reserves as well as providing a welcome boost for Queensland's ecotourism industry. Each great walk includes challenges and rewards for walkers from some very spectacular scenery in a historical and cultural heritage context as well as the opportunity for isolation for those who want to get away from the hustle and bustle of modern living.

The Great Walks project is another example of how we are demonstrating our commitment to sustainability. The project balances conservation with the opportunity for visitors, whether they be independent or assisted by a commercial operator, to enjoy Queensland's special places. The Whitsunday great walk is located in Conway State Forest behind Airlie Beach within the magnificent Whitsunday Coast region. The Whitsunday great walk offers a range of walking experiences from half days to extended overnight adventures. The track will span about 36 kilometres and take the average walker about three days to complete.

With the location of the track being so close to the tourism attractions of the Whitsundays, the great walk will add to the diversity of activities that can be undertaken in the area already. Not only will the great walk increase the attractiveness of the area to tourists and allow businesses to develop products that support the great walk; it will also provide a place for people in the local community to get away from the daily grind and relax in the forest.

The Wet Tropics great walk will be located in the Lumholtz National Park between Townsville and Cairns. It is approximately 130 kilometres long and will traverse the Wet Tropics world heritage area. This great walk is designed to suit the increasing proportion of visitors wishing to access the environment in relative comfort but also cater for significant numbers of backpackers and other independent travellers searching for adventure in wilderness tourism experiences.

Ecotourism is a new opportunity for the smaller regional communities between Townsville and Cairns, and the great walk will showcase the outstanding natural and cultural values in a sustainable way and may provide communities with new business opportunities and potential to expand and revitalise existing businesses.

Mrs CHRISTINE SCOTT: Minister, on page 16 of the MPS under 'Recent Achievements' it states that your department 'completed the safe collection and disposal of disused farm chemicals as part of the ChemCollect program'. Can you inform the committee as to how the farming sector received this initiative and advise us on what volume of chemicals was removed?

Mr WELLS: Yes, ChemCollect, as I indicated before, was one of the programs that was jointly funded by the Commonwealth government. It has ceased that program, but it is no critique of the Commonwealth government to say that it ceased the program because its purpose has been very largely achieved. The purpose was to remove from the farming sector accumulated chemicals of a whole range of different varieties that had previously been used and which are sitting around on farms and which needed to be removed and neutralised, and that has been done. It has been an extremely successful program. To give you more details on that, I will ask Dr John Cole if he will come forward and speak to us about some of the 3,290 primary producers who brought chemicals to 247 collection sites.

Dr Cole: Some of the chemicals that were collected from the farms dated back 60 years. The program itself was an overwhelming success, greatly appreciated by the farmers that participated. While the total expenditure on the program in Queensland was supposed to be \$5.8 million, through some good contract management and selection we were able to achieve this for \$5 million. It is a good example of Commonwealth-state collaboration with the industry, and the good news is that the agricultural chemicals industry understands that the taxpayer will not

necessarily be there the next time to help the process. It has now developed a voluntary scheme called ChemClear, which will implement product stewardship principles for agricultural and veterinary chemicals, and it will supplement the successful DrumMuster program, which collects and recycles used chemical containers and other industry waste reduction initiatives such as the use of refillable containers and bulk bags. It is a good example of the concept of extended producer responsibility beginning to take place on Queensland farms.

Ms MOLLOY: Minister, with reference to capital works on national parks on page 9 of the MPS, and noting the abundance of national parks and their importance to the Noosa region, can you inform the committee of examples of how these works have enhanced visitor facilities?

Mr WELLS: You will be very pleased to hear—not that you did not know already—that we have done a fair bit of this on the Sunshine Coast. That is because it is an area of very significant biodiversity and an area where we have a number of very, very significant national parks. I will ask Alan Feely if he would provide the committee with the details.

Mr Feely: For the 2002-03 financial year, the QPWS Sunshine Coast district has undertaken five capital projects within the Noosa area at a total cost of \$256,000. The enhancement of visitor experience through improved facilities and conservation management has been a primary focus of the development. In addition to the capital works development, QPWS continues to provide significant ongoing resources to upgrade and maintain park infrastructure on the Sunshine Coast, including maintaining visitor facilities at a world-class standard.

Completed projects since 2001 include replacement of the Tea Tree Bay toilets in Noosa National Park with new environmentally friendly nil discharge toilets. Designed and developed for a coastal setting, toilets cater for disability access with the provision of ramps, and they cost approximately \$80,000. There has been a major upgrade of the Tea Tree Bay coastal walking track to provide all-weather access from the main car park to Dolphin Point. The upgrade of this track has allowed improved access for the elderly and infirm, parents with strollers and people being assisted in wheelchairs, and that cost around \$78,000.

Stage 1 of a three-stage walking track development project from north Sunshine Beach to Alexandria Bay has been completed. The cost of stage 1 is \$42,000 with a total cost of \$130,000 over three years. Since 2000, a total of \$91,000 has been spent on the development of firebreaks around the newer sections of Noosa National Park, including Lake Weyba and the Coolum sections. There has been an upgrade of interpretive and visitor safety signage in the headlands section of Noosa National Park, including information located at major entrances of the park. Information on Noosa National Park, including local conservation values, walking trails and maps, has also been provided as has safety signage in three languages, and that cost approximately \$40,000.

The CHAIR: The time allocated for questions by government members has expired.

Mr SPRINGBORG: I will let the minister further enlighten the committee on what he had before.

Mr WELLS: I have the arithmetic which you asked me for before. The area of the alleged illegal extraction is four hectares. The total Koala Coast core habitat area is 21,031 hectares. So that four hectares comes to 0.02 per cent of the total Koala Coast area, which is what the director-general said to the committee a little while ago.

Mr SPRINGBORG: Madam Chair, I asked a further question earlier this morning which I subsequently placed on notice. It concerned the overall proportional percentage of the Koala Coast which would be affected by the expansion application which had been put in by Karreman.

Mr WELLS: The answer to that is 0.4 per cent of the total Koala Coast area. The expansion proposed in the application is 80 hectares. The total Koala Coast area is 21,031 hectares, and my departmental officer's calculator says that is 0.4 per cent of the total Koala Coast area.

Mr SPRINGBORG: Once again, I do not expect you will have this answer there, but I understand it is just short of 1,200 hectares of remnant bushland in the Redland shire and Logan City area that is caught up in this. Do you have any figures for the Koala Coast plan in those local government areas?

Mr WELLS: The core conservation area of the Koala Coast is, as I say, 21,031 hectares. That is the core.

Mr SPRINGBORG: So most of it would be in those areas, would it not?

Mr WELLS: Mainly in the Redland shire, yes.

Mr LESTER: Minister, I refer you to the second dot point on page 7 of the MPS regarding the conservation and management plan for crocodiles. The problem with crocodiles in the Fitzroy River has recently been highlighted through the media as a result of several sightings. Can you provide information as to who is responsible for capturing and removing crocodiles from the Fitzroy River? If the department engages private contractors to undertake this work, who are they, how are they selected and what are they paid?

Mr WELLS: There is a unit in my department which administers the Nature Conservation (Problem Crocodile) Plan. Basically what that unit does is to get rid of troublesome crocodiles. If they appear in the Fitzroy River then you should let the department know. There used to be a policy whereby the crocodiles were removed from a river when they were manifesting as problem crocodiles and taken to a national park, from whence they would then go wandering again, usually back to the same beach or the same river that they were in previously. I changed that policy. The policy now is that crocodiles do not get relocated back to the national park but they get relocated to a crocodile farm. Their life expectancy then ceases to be a matter for the Nature Conservation Act.

This was a reasonably controversial decision when I took it but it was necessary, in my view, because the reason that crocodiles go wandering in the first place is usually because the alpha male turfs them out. Crocodiles are not the brightest of the world's creatures, even if they are the most dangerous. It takes the alpha male a while to realise that he is being cuckolded and when he finally realises it he chases the offending male out, who then goes wandering. When he gets taken back to the national park he is kicked out again for the same reason so it was always a self-defeating process to return them to national parks. They are better off now with what destiny offers them in the crocodile farm.

Mr LESTER: I think what I did ask, too, was who are these contractors and how are they selected and what are they paid?

Mr WELLS: There is a unit in my department that is responsible for the handling of crocodiles and the removal of crocodiles. It may be that in some circumstances contractors are employed. That would be a matter for the discretion of the department in the particular area at a particular time. It may be that you are driving at something here.

Mr LESTER: Is there any way that we can find that out? I understand the unit but I understand also there is a suggestion that private people, contractors, be employed to do this.

Mr WELLS: Geoff, have you got the answer to hand?

Mr Clare: The removal of crocodiles in both central and northern Queensland is coordinated by the group that the minister refers to in Cairns. It is conducted by those staff and also staff from the QPWS based in Rockhampton.

Mr LESTER: I refer the minister to MPS 7-2 regarding—

Mr WELLS: Excuse me, supplementary to that for absolute completion, recently I signed a memorandum of understanding with Steve Irwin which authorised him to take certain creatures from the wild in certain circumstances.

Mr LESTER: This is what the—

Mr WELLS: I am not sure whether you are driving at that.

Mr LESTER: That is the reason for the question. We are just wondering on what basis was he selected?

Mr WELLS: Because it was appropriate.

Mr LESTER: There are local contractors who believe they can do the job fairly well.

Mr WELLS: But what he was given to do under the memorandum of understanding was not to duplicate government activity because our rangers are trained to remove problem crocodiles.

Mr LESTER: They are still about. Anyway, we will move on.

Mr WELLS: Let me know if you come across one and I will have it shifted for you.

Mr LESTER: I hope I am alive to tell the tale. I refer you, minister, to—

Mr WELLS: I went bushwalking with him once with a whole lot of bats at Mount Etna and we both survived that, Vince. I think we would probably—

Mr LESTER: We beat the rest by a country mile, including those much younger than us.

Regarding the conservation management plan for crocodiles, can you provide information as to the process by which captured crocodiles are rehabilitated to the environment and what controls and safeguards are in place to ensure that they are accustomed properly to minimise the impacts of relocation? I know you partly referred to that before.

Mr WELLS: Problem crocodiles are no longer—

The CHAIR: Is the minister happy to repeat the answer to the previous question? It was covered.

Mr WELLS: I might say something in addition. Problem crocodiles are no longer rehabilitated—they are sent to crocodile farms. Very often as a result of that they end up as carpetbags or handbags of some kind. That is as it should be because there is no other way to preserve human safety in my view. I do not consider that this species is as vulnerable as it previously was. I think the numbers of them are coming on significantly. The growth in the numbers of crocodiles is currently only in the area of juveniles. I think you will probably find that most experts in the area are more conservative than me, but my view is that we have a conservation plan which has conserved the species. The species is not in any localised danger at the moment. We do not need to have a kid gloves approach to this particular species. If a crocodile shows any signs whatsoever of being a threat to human beings it ought to be destroyed.

Mr SPRINGBORG: My question to the minister relates to dingo management. Minister, I am not coming from any sort of dingo relocation conspiracy when I ask this question because we have been around and I cannot find much evidence. But I am concerned, and I know this to be a fact, that on Monday, 24 February at about 1.30 p.m. this year a Toyota dual cab vehicle, registration 897 CGU, was seen pulling a trailer with the registration—and I don't expect you to take this down—AL7 026 on the Ipswich Motorway near Redbank Plaza Shopping Centre. On the back of the trailer and the ute were a number of cages partially covered by tarpaulins. These cages contained red dogs or dingoes.

It has since been established by us and confirmed that DNR owns the trailer but the EPA and DNR do not own or lease the utility. Could you confirm to us any relocation policy that your department has for the relocation or transportation of dingoes? What I am saying is—none of these dogs were going for research purposes; I have the Robert Wicks Research Station in my electorate—that we have established that these dogs were there. I am asking is, is there any interaction between you and other departments on these issues?

Mr WELLS: We do not relocate dingoes. My department has never relocated dingoes. It would be futile to relocate dingoes because dingoes are very territorial creatures and if you were to relocate a dingo into some other dingo's territory then the dingo that was relocated would be killed. Apart from putting them in zoos, my department has never relocated dingoes and especially we have never relocated Fraser Island dingoes.

Mr SPRINGBORG: I accept that. I tell people that all the time. I accept that based on your assurances and our FOI information.

Mr WELLS: There is nothing in the conspiracy theory except that there was once a Fraser Island bunyip that we relocated out to Toowoomba.

Mr SPRINGBORG: How is it doing? All right? You can make a movie about it. But seriously, a fellow wrote to me about it. We have actually established by way of an answer to a question on notice that the trailer is in fact owned by DNR. Is there any transportation of dingoes for research purposes or anything like that that you are aware of?

Mr WELLS: The Environment Department is the department for dingoes that are in national parks. We are not the department for all wild canines. I expect you probably asked the same question of Stephen Robertson when you had the opportunity to have a chat with him this morning. I do not know. If it was a DNR vehicle I would not know, but we do not relocate dingoes in our department for the very good reason that if you relocate them then they are not natural any more.

Mr SPRINGBORG: Minister, moving along to issues surrounding the regional forestry agreement process and what is going to happen with those lands. I understand that there are several hundred thousand hectares in that area. How much of that is intended to go to a higher conservation tenure in the forthcoming year as any sort of transition over to national park or higher conservation value? Have you set aside any money to do that? What sort of access agreements or access arrangements do you see for those lands?

Mr WELLS: As you correctly say, the total amount of territory covered by the South-East Queensland Forest Agreement is approximately 700,000 hectares. A very rough estimate of how much of that would be unsuitable for national park would be about 100,000 hectares. That would be 100,000 hectares that would go to a conservation park or public open space. We would see that land as suitable for multiple use—for horse riding, for four-wheel drives as well as for bush walks, picnic areas, recreation of various other kinds and also for grazing, much as is the case at Glenrock, which is a conservation park of very great beauty and very great value to a large number of people. Glenrock would be just the first of a number of conservation parks as a result of the South-East Queensland Forest Agreement being implemented.

Mr SPRINGBORG: I note that you have certain intentions this year to acquire additional areas for national parks and marine parks. I think you have set aside money for national parks. With regards to additional marine park conservation areas, what do you have envisaged there in so far as areas to square kilometres? What cost would be involved in the administration of those? Obviously there is not an acquisition cost like you have with land or anything like that, but what do you actually have planned in so far as additional marine park areas are concerned?

Mr WELLS: We have a commitment of border to border marine parks. I would hope that we would either achieve, or come close to achieving, that by the end of this parliament. The additional cost for administering additional marine parks is actually less than the additional cost for administering terrestrial parks. The reason for that is that the major cost is the patrolling. That is the major thing that you have to do in a marine park. The problems of weeds and feral animals and things like that do not occur to the same extent as a result of the different nature of them. I would not expect as significant an increase in the budget for maintenance with respect to the additional acquisitions of marine parks.

Mr SPRINGBORG: What is actually being set aside for the maintenance of new marine parks for this forthcoming year? Amounts for any sort of patrolling work that they —

Mr WELLS: What money has been set aside?

Mr SPRINGBORG: Earmarked in this year's MPS.

Mr WELLS: There is an amount in the recurrent budget and in the capital works budget which is not specifically earmarked for a particular part of a marine park but is earmarked for the administration of marine parks. The administration of the additional would come out of that budget and that budget which has been drawn up already is drawn up on the assumption that we will be slightly expanding the area and therefore will have to have an increase in patrol.

Mr SPRINGBORG: Madam Chair, can I just turn to a slightly different issue? The minister and I have spoken on this before and I acknowledge his assistance in trying to sort out some of the administrative issues that come with the change. That is to do with the matter of damage mitigation permits which primary producers apply for for macropods and other native animals or birds which cause crop damage. The new system has been in place now for a couple of years. Can you give an indication of the average time which it is taking, for example, from the time that a person lodges an application for a damage mitigation permit for a macropod to the time that it is actually effectively issued to the person and how that is comparing to last year and maybe the year before. I acknowledge that it has settled down a bit. I know that there was a bit of a hiccup to start with.

Mr WELLS: There was a degree of slowness in the process at one stage and, if I remember correctly, it was you who spoke to me about it. I raised the matter with the department and new systems were put in place in order to enable the process to go a little bit faster, particularly in your area, but we used the benefits of the representation you made elsewhere in the state. I will check whether my officers have the answer.

Mr SPRINGBORG: I am happy to put it on notice, Minister, if you wish.

Mr WELLS: If it requires urgency, I know that you can get it the same day. But by the end of this block of questions we will have a before and after answer for you.

Mr SPRINGBORG: I want to ask an additional question along those lines. I acknowledge your assistance in sorting out the issue with respect to damage and mitigation permits in terms of macropods. The same day aspect impresses me, because that used to be in place and I am pleased that it is in place again now. With respect to birds that attack crops, I know that people have been saying to me that there was a period of turgidity with regard to going through that process. I want to get some sort of indication of those average time frames as well. It might be

cockatoos and those birds that attack crops from time to time. I am happy to write it out on notice if you so wish.

Mr Purtill: Would you be happy with all damage mitigation permits? They are very timely—

Mr SPRINGBORG: If you are comfortable with that, I am happy with that.

Mr Purtill: Dividing them up might take a bit longer, but we should be able to get that delivered for you.

The CHAIR: Order! The time allocated for questions by non-government members has expired.

Ms PHILLIPS: Minister, you refer to asset management in national parks on page 6 of the MPS. Can you inform the committee how this initiative will benefit visitors to Queensland's national parks?

Mr WELLS: Certainly. Asset management in our national parks has been improved and this will be of enormous benefit to visitors to our national parks. I will ask Alan Feely to give us the details.

Mr Feely: QPWS has established new arrangements to improve the management of built assets on parks in Queensland, including recreational facilities such as camping and day-use areas. In responding to the government's strategic asset management initiatives, we have implemented a program to evaluate the condition of infrastructure on parks and to prioritise the maintenance of these facilities. Supporting the improved management of assets on parks, the QPWS has developed a powerful web enabled information system that is accessible to rangers throughout the state. This information system is called the Strategic Asset Management System, or SAMS, and it provides details of maintenance requirements for park infrastructure, improving the capacity of rangers to effectively manage these assets on a priority basis and improve their quality and functionality for visitors. Strategic decisions made on asset management will be better focused as a result of the program, ensuring that the Queensland government gains value for money in providing services to visitors to national parks. This will result in better standards for facilities and improved access, enhancing visitors' enjoyment of the state's protected areas.

The initiative has also led to increased resources for the maintenance of visitor facilities. Key visitor facilities that will be targeted in 2003-04 include improved maintenance of walking tracks, increased servicing of camping and day-use areas and better grading of roads on parks and forests. Managing the potential risk to visitors is another important consideration for national parks. This initiative will also result in safer parks with new systems for identifying, recording and managing facilities that present a risk to visitors so that we can ameliorate that. The system will also improve the management of threatened processes to parks by enabling rangers to deal with potential environmental risks that could stem from poorly performing visitor facilities. For example, the program provides for the systematic inspection of toilet facilities for compliance with environmental regulations. The arrangements provide QPWS with more comprehensive and more timely information on the assets the Queensland government owns on parks and forests and it also identifies strategies for how this investment can be better directed towards improving the recreational outcomes being sought by visitors across Queensland.

Mrs CHRISTINE SCOTT: Minister, I refer to the sustainable parks initiative mentioned on page 12 of the MPS. Could you inform the committee how this will be implemented, how visitor facilities will be enhanced and what educative role it will play with national park visitors?

Mr WELLS: Yes. Before the last election or maybe the 1998 election we promised to establish a sustainability commission. We went one better and established a sustainability division and you have heard a bit about the Division of Sustainability in my department from Dr John Cole, who heads that. I am the only Environment Minister in Australia who has a sustainability division and the tremendous advantage of that is that if you put that together with the national parks division you can see a very interesting synthesis. We have national parks, but these national parks are not necessarily showcases for how you should live sustainably in the 21st century. We have decided to put those two things together and, thus, the sustainable parks initiative was born.

In the sustainable parks that we have we are going to have modern, 21st century, appropriate and sustainable technology. Instead of having to cart diesel in to run power generators, we are going to be using solar. Instead of reticulating water into the national park or having it shipped in by fume-generating trucks, we are going to be gathering it from the roofs of the buildings that are established there. The roofs of the buildings are not going to be the only sustainable parts of the buildings in the sustainable parks. What we will be doing is building

sustainable buildings that manifest all the best ecological features and energy saving features. So we will have energy minimising infrastructure and resource minimising infrastructure in our parks.

People will be able to come and have a meal cooked on a solar barbecue. They will be able to come and have a shower with water that has been heated by solar panels and collected from the roofs of their houses rather than having been reticulated. They will see the beauties of the nature conservation park that they visit. When they come back from the experience of observing the majesty of nature, they will also have the experience of being able to live sustainably in the 21st century. That is what the sustainable parks initiative is about. In the end, every park in Queensland will be a sustainable park. We have nominated a number of these parks as the lead parks—that is, the ones that will get that sustainability first—and the honourable member for Keppel will be pleased to know that Carnarvon Gorge is one of them.

Ms MOLLOY: Minister, fishing is a major pastime for residents and visitors alike in Noosa. On page 12 of the MPS you refer to the trial of biodegradable bait bags to minimise the problems of discarded bags littering our waterways and causing problems for marine species. Can you advise the committee whether the trials have been successful and whether there are plans to widen their distribution?

Mr WELLS: The trials of the biodegradable bait bags have been successful. I launched these biodegradable bait bags at Sea World. They actually biodegrade—they disintegrate—over a period of seven weeks; at least I saw one that had been disintegrating for several weeks and it was a horrible and ghastly sight to see but it was something that was not going to kill turtles or dugong or other marine life. We in south-east Queensland live in proximity to rare species—a proximity that is not duplicated anywhere else. Biodegradable bait bags are going to make a significant difference to the number of turtle and dugong mortalities that occur in Moreton Bay and elsewhere.

The product is successful. It is actually made of by-products of sugar and it can be made of by-products of wheat. Again, it is another boost to Queensland's agriculture. Often being smart and ecologically sound has a good spin-off for the Queensland agricultural sector, and that is what the biodegradable bait bags do. Of course, the potential for the use of these products is very significant. It could be extended to all sorts of things. Would it not be nice if our shopping bags were made of biodegradable material? Instead of billions of these things going into landfill every year, we would have material that was going to biodegrade and that was going to do no harm to the environment. I will ask the executive director to add to this. There is a bit of a fight over it, because it falls into more than one area. I will ask Dr John Cole to add to what I have said about the biodegradable bait bags and the potential for their extrapolation into other areas.

Dr Cole: Thank you, Minister. I will extrapolate. This is a good example of a new product that will not only make a difference to the local fishing industry; it is also a product that can be commercialised and of course applied in more general markets. Some 1.2 billion shopping bags, for example, each year are consumed by Australians and this two million plastic bait bags is just a drop in the ocean. Seven billion tonnes of this type of material are created internationally each year and end up in landfills, and the opportunity for a smart waste management technology is apparent.

Ms PHILLIPS: Minister, I refer to the Smart Service Queensland initiative on page 11 of the MPS. Can you inform the committee how this initiative will benefit people in regional Queensland?

Mr WELLS: Yes. This is an achievement of the parks area and I will ask Alan Feely to answer it.

Mr Feely: The Smart Service Queensland online camping booking system has been operating since 28 February 2002. The system provides for Internet access to information on 275 camping areas and 124 national parks and state forests. People intending to camp can now check availability and also make bookings for any of the 108 camping areas and 41 parks that presently accept online bookings. These options can be accessed via the Internet through a whole-of-government call centre or at various government offices. The new system is replacing one that often relied on people phoning or writing to individual park officers to get information, check availability or make bookings. It is now significantly easier for regionally based Queenslanders to access information and services at a level previously available only to those in metropolitan areas. The regional staff are experiencing significant savings in administration time due to the reduction in camping related mail and phone calls, and that leads to better management of parks on the ground.

International visitors including Swiss, Canadian and British are also using the system to book sites prior to even arriving in Australia. Currently, 18,800 camping and vehicle service permits are recorded in the system with a value of \$650,000. Commercial tourist information web sites are linking to content on the camping web site, further extending its reach into the community. The ease with which information and the availability status of regional and isolated parks can be obtained makes these parks more attractive as holiday destinations. The system has also been used successfully to advise intending campers of park closures in emergency situations such as in the December 2002 bushfires at Girraween National Park. The online booking system is the successful forerunner of a wide range of other government services to be delivered through the Smart Service initiative.

Mrs CHRISTINE SCOTT: Minister, regional Queenslanders often have difficulty in accessing government agencies face to face because of the distances involved. I refer to the Ecoaccess service on page 11 of the MPS and ask: can you advise the committee how this may improve accessibility for those people?

Mr WELLS: This is a streamlining of the process of obtaining appropriate permits. I will ask Mark Williamson to come forward and speak to us. This makes it easier for people making applications involving multiple permits to achieve the outcomes that they want.

Mr Williamson: In terms of accessibility for people in regional Queensland, there are a number of advantages. We have a number of district offices across the state. In environmental operations it is about 11, but obviously those cannot be close to every part of regional Queensland. So the Ecoaccess service provides a single 1300 phone number for the cost of a local call and it provides that project management approach that the minister mentioned earlier so that there is one person coordinating all contact. That single 1300 number is 1300 368 326 and that help desk answers all client inquiries about licensing matters. The single point of contact has been very well received with the help desk calls doubling in the past seven months, and during the Christmas/New Year period about 3,500 calls were handled.

The Ecoaccess web site is providing a range of information that people can access online, which again helps people in regional Queensland. Very shortly that information will be extended to people being able to track online where applications are in the system and get some basic idea of how their application is progressing in the processing list. People will be able to very soon see some basic information online as well as being able to check through that 1300 hotline.

That single 1300 hotline can, in fact, be used to make appointments for prelodgment consultations for people. If someone needs to speak to someone in a regional location, the call can be transferred, again, at no cost to the caller. There is a range of IT systems associated with this new initiative which include standard operating procedures online for our staff so they will provide consistent assistance to people. A new initiative will be coming shortly which will enable people to email details of coordinates and get information on endangered regional ecosystems—basically a map email back to them at no cost.

Ms MOLLOY: Minister, as you may know, Noosa is a major departure point for visitors to Cooloola and Fraser Island. Can you advise the committee of the benefits that will be derived through the Fraser Island visitors management initiatives mentioned on page 12 of the MPS?

Mr WELLS: These are the initiatives. The site capacity study and the transport study are designed to assist forward planning in terms of what infrastructure needs to be put into Fraser Island. I know that there is a view which is expressed by some people that there should be a cap on the number of people going to Fraser Island. Let me scaffold this by saying clearly that the idea of putting a cap on the number of visitors to Fraser island or to a place as big as Fraser Island does not make any sense out of its context.

The appropriate context for that question is: what is the infrastructure available? The sustainability of numbers of people on Fraser Island is determined by the infrastructure that is there, not by sheer numbers. If you are talking about the glow-worm caves in the Gold Coast hinterland, then you can say, 'Yes, the site will take that many people going through each day, each week, each month or each year and no more.' But when you are dealing with a place as large and as varied as Fraser Island, the question becomes: what is the infrastructure and what are they doing? Could you have a million people visiting Fraser Island? You have 365,000 visiting Fraser Island now. Sure, if they were all walking and if they were all staying at places where we had existing camping infrastructure and they stuck to particular pathways. Could you have a million people if they were all driving four-wheel drives? Not a chance on earth. So it is a question

of what they are doing, where they are going and how they are doing it. That is a question which is conditioned by the kind of infrastructure you put in place.

That is the purpose of the study. As I say, it is not designed to put an upper limit on the number of people visiting this world-renowned icon; it is, rather, designed in order to condition the way in which they visit those places. The end result of it will be that we will have information that will enable us to make the decisions which will actually channel people into the correct parts of Fraser Island so that they will have a terrific wilderness experience at the same time as not damaging the ecosystem.

The CHAIR: The time allocated for questions by government members has expired.

Mr SPRINGBORG: I note that the minister today talked a bit about ethanol and the government supporting a regional trial of the uptake of ethanol in Cairns. Also, the minister indicated that it is something that we should do around the rest of Queensland. Given that the Cairns trial seems to be such a success and given your enthusiasm for it to happen elsewhere around Queensland, do you support a legislative intervention by the state government to mandate the uptake of ethanol—and I am talking here about mandating 10 per cent usage—or do you believe the government has a greater responsibility to do more than just support trials?

Mr WELLS: I think we have a responsibility to do more than support trials. For that reason, I met with the people from Caltex the other day and I said everything encouraging that I could. I think they were greatly fortified by knowing that the state government was behind them in respect of this. When BP did their trial in south-east Queensland we did more than simply support their trial; we actually delivered the government motor garage over to E10 and of course it all ran very well. The government of Queensland is the only government that has supported ethanol in that particular way.

The cars in south-east Queensland no longer run on E10 by virtue of the fact that the BP experiment came to an end and it is a matter of extremely great regret that it did so. It did so because it was blown out of the water by negative publicity from the media down south about substances that had absolutely nothing to do with the E10 that was being produced in south-east Queensland.

Under regulations that already exist in Queensland—regulations relating to what is called the Reid vapour pressure, which is a measurement of the volatility of the material while it is being produced—it is prohibited and impossible to manufacture anything other than E10. You cannot manufacture E20 or E30 in south-east Queensland where the petrol stations have their manufacturers. The consequence is that it was only ever E10 that was in Queensland. But we got all this negative publicity from New South Wales that was based on E20 and E30. It had nothing to do with Queensland.

I was forever ringing up the people who were putting around this material and saying to them, 'We do not have E20 and we do not have E30 in Queensland. E10 has been shown to be good for vehicles.' But I could never get that out because that was not the story. At the time the story was this disaster that was happening in New South Wales, and the TV stations were never saying that it was happening in Queensland. They just were not saying that it was not. I could not get them to say that it was and so I was not able to assist BP in that way. But we did assist BP with delivering the government garage.

As for mandating, there are constitutional difficulties for a state government in doing that alone. That would be a matter for national action. If you would like to add your voice to mine in the pleas that we make to the federal government, maybe we could do that if you seriously thought it was a good idea; I seriously do.

The CHAIR: The time allotted for the consideration of the estimates of the Minister for Environment has expired.

Mr WELLS: May I have the indulgence of the committee to answer the question that was on notice?

The CHAIR: Yes.

Mr WELLS: Our macropod damage mitigation permit performance from August to November this past financial year has gone from an average processing time of 14 days to one day. I thank the Leader of the Opposition for drawing the matter to my attention.

Mr SPRINGBORG: I did add the other species in there, including birds as well. That will come back at some future time.

Mr Purtil: We will have to take that on notice. I cannot get that for you now.

Mr SPRINGBORG: Thank you very much for your intervention, Minister, in addressing that macropod issue. It ran off the rails, but you got it back on track. Thank you.

The CHAIR: I would like to thank you, Minister, and your advisers for your attendance this afternoon. The transcript of this part of the hearing will be available on the Hansard Internet web site within two hours from now. The committee will now adjourn for afternoon tea. The hearing will resume at 4 o'clock to examine the proposed expenditure for the portfolio of the Minister for Local Government and Planning.

Mr WELLS: I thank honourable members for their contributions. I thank the Parliament House staff for the work they have done and I thank my departmental officers for the hard work that they have done.

Proceedings suspended from 3.55 p.m. to 4.06 p.m.

LOCAL GOVERNMENT AND PLANNING**IN ATTENDANCE**

Hon. N. I. Cunningham, Minister for Local Government and Planning

Dr T. Campbell, Director-General

Ms L. O'Neill, Manager, Finance and Administration Unit, Corporate and Executive Services

The CHAIR: I now declare the hearing open. On behalf of the committee, I welcome Minister Cunningham, public officials and members of the public who are in attendance today. My name is Carryn Sullivan. I am the member for Pumicestone and chair of this committee. I would like to introduce my fellow committee members to you: Cate Molloy, the member for Noosa; Anita Phillips, the member for Thuringowa; Christine Scott, the member for Charters Towers; Vince Lester, the member for Keppel and deputy chair of this committee; Jeff Seeney, the member for Callide; and Howard Hobbs, the member for Warrego.

The next portfolio to be examined relates to the Minister for Local Government and Planning. I remind members of the committee and the minister that the time limit for questions is one minute and three minutes for the answer. A warning bell will ring once 15 seconds before the end of these time limits and twice when the time has expired. I will allow more time for answers if the questioner consents.

The sessional orders require that at least half the time for questions at today's hearing is allocated to non-government members. Government members and non-government members of this committee will take turns at asking questions in blocks lasting approximately 20 minutes. In relation to media coverage of today's hearing, the committee has resolved that video coverage is allowed only during the opening statement.

I ask that departmental witnesses identify themselves before they answer a question so that Hansard can record that information in the transcript. Please also ensure that mobile phones and pagers are switched off while in the chamber so as not to disrupt the proceedings. In the event that those attending today are not aware, I should point out that the proceedings are similar to parliament to the extent that the public cannot participate in the proceedings. In that regard, I remind members of the public that in accordance with standing order 195 the public may be admitted to or excluded from the hearing at the pleasure of this committee.

The time allotted to the portfolio of Local Government and Planning is three hours and 15 minutes with a 15-minute break at 5.30 p.m. I now declare the proposed expenditure for the Minister for Local Government and Planning open for examination. The question before the committee is—

That the proposed expenditure be agreed to.

Minister Cunningham, you have the opportunity to make a brief introductory statement or you may choose to proceed directly to questioning. If you choose to make a statement, the committee asks that you limit it to five minutes.

Mrs NITA CUNNINGHAM: Thank you and committee members. Last financial year was another busy and productive year for my department. Much was achieved and much continues to be achieved with new legislation, funding programs and initiatives to service councils and the community.

The implementation of our restricted dogs legislation gave councils stricter controls over certain imported breeds of dogs to make their communities safer. Amendments to the Building Act made higher standards of fire safety in budget accommodation buildings mandatory from 1 July this year. Our new Plumbing and Drainage Act replaced the 54-year-old Sewerage and Water Supply Act 1949, providing a modern framework to licensed plumbers and drainers and to improve their work. We also tightened swimming pool fencing legislation to make it compulsory for fences constructed around new pools to be inspected and certified before pools are filled. We are currently consulting stakeholders about further proposed amendments to toughen pool fencing laws. I am pleased to say that this year's budget will allow us to continue this momentum.

In 2003-04, my department will have a total budget of \$185 million, including \$160 million for local government grants and subsidies, leaving an operating budget for the department of \$25 million. In addition to this, my department will administer a further \$315 million in grants and subsidies relating to the Commonwealth financial assistance grants provided to local governments

and to national competition policy funding. In real terms, I am pleased to report that my department's total budget for 2003-04 has been maintained at the same level as 2002-03. It is indicated that actual funding claims by local councils in 2003-04 will be less than 2002-03 and funding for grants in this budget reflects this projected demand.

Looking to the 2003-04 budget, the highlights include the following initiatives. The Regional Centres Program has been extended with a further \$50 million over four years. Thirty-one local governments from as far north as Cairns right down to the Gold Coast and west to Mount Isa will benefit from funding allocations, providing an opportunity to councils to undertake projects that they could not otherwise afford. Coupled with a matching amount from local councils, this funding will provide a boost of more than \$100 million to the Queensland economy.

This financial year, my department will begin implementing the new method for distributing the Commonwealth financial assistance grants to Queensland councils. I have been arguing against the rapid phase-in formula demanded by my federal counterpart, Wilson Tuckey, on the grounds that it would cause considerable financial hardship for more than 30 Queensland local governments. Hopefully, a compromise at least can be achieved in the near future. In 2003-04 my department will continue providing grant and subsidy funding to local governments to assist in major capital works projects and a wide range of improved services as part of the state government's commitment to building Queensland's regions. These grant programs, totalling \$160 million, include the newly extended Regional Centres Program, the Local Governing Bodies Capital Works Subsidy Scheme, the Smaller Communities Assistance Program, the Rural Living Infrastructure Program, the Security Improvement Program and many others.

An amount of \$1.6 million will be allocated over the next two years to enable ongoing implementation and reform of the Integrated Planning Act. This will involve making changes to other state government legislation as a consequence of the IPA implementing recommendations of the operational review and assistance, with finalisation of the IPA planning schemes of all Queensland local governments by 30 June 2004. By supporting eight regional planning projects, my department will continue to provide a clear strategic approach to managing regional growth throughout our state and work on SEQ 2021 is proceeding, with 11 issues and options papers launched here just two hours ago. Further state funds of \$400,000 have been provided in this budget, along with another \$400,000 from councils.

The work of the City West Task Force will continue in 2003-04 with extra funds of \$500,000 on top of the previous funding of \$300,000. The year 2003-04 will see my department undertake a great deal of preparatory work for the 2003-04 local government elections to be held on 27 March next year.

In summary, the 2003-04 budget for my portfolio continues to demonstrate that this state government is honouring its pledge to look after regional and rural Queensland. Indeed, this is a sound budget that provides significant increases in funding and resources to areas of high priority. Overall, I believe that this financial year will be an exciting one and I am happy to answer any questions that you may have during the course of today's proceedings. I will be including the Director-General, Dr Campbell, and his staff in questions from time to time during the afternoon. Thank you.

The CHAIR: The first round of questions is from the non-government members. I call the member for Warrego.

Mr HOBBS: Minister, when did you or your department first become aware of the 1999 Sinclair Knight Merz Brisbane River flood study that was withheld from the public by the Brisbane City Council? When did you first become aware of that report—you or your department?

Mrs NITA CUNNINGHAM: Could you repeat the last part of your question for me, please, because I could not hear you.

Mr HOBBS: When did you or your department first become aware of the 1999 Sinclair Knight Merz Brisbane River flood study that was withheld from the public by the Brisbane City Council?

Mrs NITA CUNNINGHAM: I was certainly not aware of the information. My department also advises that it was not aware of the information prior to its release in the media recently.

Mr HOBBS: What involvement have you or your department had in recent times, then, in relation to ongoing flood levels in the Brisbane River?

Mrs NITA CUNNINGHAM: In the Brisbane city area?

Mr HOBBS: The Brisbane region, yes.

Mrs NITA CUNNINGHAM: I do not believe we have had anything to do with that at all. I think that is an issue the Brisbane City Council was addressing. The implications of it of course were there. I believe that the Brisbane City Council has done further studies and is handling that itself. It is an individual issue for the Brisbane City Council.

Mr HOBBS: Minister, you would be aware from media reports that the Ipswich City Council had a similar report done to come up with the same outcome. It has in fact implemented its planning schemes under that new report. The interesting thing is that you say you have not had any involvement, but the MPS states that your department is assuming responsibility for the Regional Flood Mitigation Program. What processes will you be putting in place to ensure that home owners and local government will be fully informed about flood risk data and information?

Mrs NITA CUNNINGHAM: The flood risk data for any individual council is an individual council matter. I believe that those councils will consult with their communities and have done all the way through.

Mr HOBBS: Minister, you are taking responsibility for this. This has been transferred from DNR to your department.

The CHAIR: Order! The member for Warrego will cease interjecting. Could you please allow the minister to answer the question?

Mrs NITA CUNNINGHAM: Would you like to tell me what part of the MPS you are reading from?

Mr HOBBS: Yes. It is dot point 2 on page 12. It says here, Minister, that you assumed responsibility from the Department of Natural Resources and Mines for the Regional Flood Mitigation Program, which assists local governments to mitigate against the impact of flooding.

Mrs NITA CUNNINGHAM: I will answer some of those questions for you. The Regional Flood Mitigation Program is a Commonwealth government program to assist state, territory and local governments by helping to share the costs of implementing priority, cost-effective flood mitigation works and measures in rural, regional and outer metropolitan Australia. I think what you are looking at here is a grant program. That is what you are reading from. It is to do with the grant program that is made available and administered through our department.

Mr HOBBS: In other words, you are not reporting anything? You are not going to do any reports to local governments in relation to the outcomes of that? Are there some findings you may be looking for? What are you going to do? One would think that if you are taking over the responsibility there is something you will actually be able to report on.

Mrs NITA CUNNINGHAM: The Brisbane City Council will need to consider what changes, if any, are required to development control and town planning as a result of the new information. I believe it has already acted on that.

Mr HOBBS: Minister, your department has contributed funds to the Department of State Development for earthquake monitoring. What information on earthquake risk in Queensland has your department received from the Department of State Development or any other source?

Mrs NITA CUNNINGHAM: Where are you reading from?

Mr HOBBS: I am reading from dot point 6 on page 18.

Mrs NITA CUNNINGHAM: Dot point 6 from the top?

Mr HOBBS: Further to that, this information was provided in answer to a question on notice. It is all tied in.

Mrs NITA CUNNINGHAM: Is that a question on notice that you asked prior to the hearings?

Mr HOBBS: Prior to the hearing. That is correct, yes.

Mrs NITA CUNNINGHAM: Not prior to the whole estimates process?

Mr HOBBS: It was prior to the hearing. It is still covered by natural disasters; earthquakes are a natural disaster.

Mrs NITA CUNNINGHAM: Are you sure you have the page right?

Mr HOBBS: Page 18, dot point 6. It is in relation to planning. We are talking about providing all of the information you possibly can so that we have the best infrastructure planning requirements that we possibly can have. Further to that, the answer to question on notice No. 905 from your department states that you provided to the Department of State Development \$20,000

for earthquake monitoring. My question to you is: what did you find out from that report? What have you found?

Mrs NITA CUNNINGHAM: All I can tell you is that I recently adopted the state planning policy Mitigating the Adverse Impacts of Flood, Bushfire and Landslide. That is not earthquakes. That is due to commence on 1 September 2003. The policy applies to development in identified natural hazard management areas for flooding, bushfire and landslide and to specified community infrastructure anywhere in the state. The policy contains default provisions for the identification of bushfire and landslide affected areas but relies upon the identification of flood areas in planning schemes to be effective for that natural hazard. I think the planning schemes are required by the state planning policy to identify natural hazard management areas for all three hazards and to incorporate the relevant codes to achieve the policy's development outcomes. That is our input into those sorts of things. We have mitigation funding available.

Mr HOBBS: Minister, the MPS states that you will continue to deliver comprehensive training and education to ensure best practice of the Integrated Planning Act and IDAS and training and support for the implementation of the natural disaster state planning policy. How can the community have confidence that our planning laws and buildings are safe when you have not provided critical information on earthquakes to town-planners?

Mrs NITA CUNNINGHAM: I do not think earthquakes are involved in this. The natural disaster mitigation state planning policy does not take in earthquakes.

Mr HOBBS: Minister, your department is putting funds into earthquake monitoring.

Mrs NITA CUNNINGHAM: But we are not keeping records of the whole thing throughout Queensland.

Mr HOBBS: Minister, do you see a similarity between the Brisbane City Council withholding an important flood study report and your department withholding equally critical information on the potential for earthquakes in Queensland?

Mrs NITA CUNNINGHAM: We are not withholding anything. We are not withholding a thing. If you would like further information on that, I will take it on notice. This department does not withhold information. We also do not keep information on every issue that the 157 councils in Queensland have. I will get you further information on that. I will take it on notice.

Mr HOBBS: I further refer to an earthquake that occurred here in Brisbane on 14 December last year measuring 2.6 on the Richter scale. In fact, Brisbane has three recognised fault lines. We have had five earthquakes in Queensland in recent history, measuring 6.1, 5, 5.2 and 2.9 on the Richter scale. I remind you, Minister, that the Newcastle earthquake measured 5.6. I think it is a very important issue. It would certainly be important to get out that report, which would be somewhere. If your department is putting funds into it, someone has a report somewhere about the outcome of earthquake monitoring.

Mrs NITA CUNNINGHAM: I think you should have directed these questions to the Minister for State Development, because that is who is doing that study. That is where our funds go to do that work. You should have really addressed those questions to the Minister for State Development, not the Minister for Local Government.

Mr HOBBS: It is your \$20,000. It has come from your department. That is the issue. I am happy to move on from that. I think we have covered the issue fairly well. Will you now provide any information or a report on those risks to Queensland?

Mrs NITA CUNNINGHAM: I think that is for the Minister for State Development to do. We do not have that.

Mr HOBBS: Minister, I refer to the review of the Queensland Local Government Grants Commission. I am aware of the deadlock between you and Minister Tuckey in relation to the phase-in. I, too, support a five-year phase-in. However, if you fail to achieve an outcome with the federal minister, no council will receive any federal assistance grants, which are due in three weeks time. Under the Tuckey model, some councils face a budget shortfall of nearly \$100,000 over 12 months. What assistance measures will you put in place to help those councils? We are looking at probably September, October or November this year when some of those councils will not be able to pay their staff.

Mrs NITA CUNNINGHAM: That is my concern and has been since September of last year, when I asked the federal minister for the first time to meet with me to resolve this issue. I have asked five times now and he refuses to meet with me. I understand the concerns of our councils, and I will stand up for them every time. I think the new methodology has been accepted by the

community out there but, by the figures that we have, there are 30 councils in Queensland that are going to hurt very, very badly if Wilson Tuckey has his way.

There might be a stalemate there at the moment, but there is no way that I can support the stand he has taken. I cannot support that at the cost of our councils. There are a lot of councils out there—24 at the very latest figures, which took in the latest federal budget figures—that will have to raise their rates by 10 per cent just to break even, before they have any CPI rises or any new projects. Just to break even they would have to have rate rises of 10 per cent. That is unacceptable. It is totally unacceptable. We will be taking further action to make sure that does not happen to our councils.

Mr HOBBS: That is right. My question is: what is that further action you are talking about? I agree with you. We are as one on this. I have made representations right to the Prime Minister as well. The reality is: standing firm is not going to pay the cheques. We need to have something to help those local authorities in the meantime.

Mrs NITA CUNNINGHAM: It is all right to say that standing firm is not the answer, but I have no option. I cannot agree to a system that is going to hurt at least 24 councils in Queensland to the extent that their overall revenue for the year will be reduced by 10 per cent. Councils cannot operate that way. They cannot survive with that sort of reduction in their income. They will have to either pay people off, stop projects that are already started or cut back on services. That is not acceptable to anybody.

I believe that the federal minister is on his own with this. I do not think he has the support of anybody in Queensland, and I doubt very much that he has the support of his own federal members from Queensland on this issue. We are taking steps. There are discussions going on almost right now. We are taking steps to see what we can do. I would appreciate the support of the opposition in Queensland to make sure our councils are not held to ransom like this. It is a disgraceful situation. Of the new methodologies that have been introduced into Queensland in the last decade or so, one was introduced over five years and the other was introduced over seven years. So there is absolutely no excuse to do this to our councils.

Mr HOBBS: Minister, I support you on that. However, I still think you need to find some funding for local government to carry over. I refer to the \$40 million Regional Centres Program that was announced in December 2002. Is that the same \$40 million included in this year's \$50 million allocation for 2002-03?

Mrs NITA CUNNINGHAM: Yes, the \$40 million was announced. That was increased by another \$10 million and that has now been included in this budget. That \$50 million is over four years now. I think the original Regional Centres Program was introduced in 2000 with a \$50 million investment, and that was to provide subsidies to local governments with populations over 15,000. That excludes Brisbane but includes all of the other regional cities to carry out works to assist the social and economic development of key regional centres.

That was brought about, I believe, because of the growth of shopping centres on the outskirts of cities and the centres themselves dying off. So that is why that program was introduced. It has brought about enormous change right throughout Queensland. When you travel you will see a foreshore development at Yeppoon. I opened that on Australia Day, and it is highly successful. At Bargara, near Bundaberg, we have City Centres, which has probably foreshadowed economic stability there. In Gympie we have a cultural centre, and Bundaberg got a new PCYC building out of that funding. So it has made a lot of difference right throughout Queensland to regional centres.

I am delighted that we have been able to secure a second \$50 million for this program. There are councils right throughout the state that will benefit from that program. All of those funds have been allocated and the councils concerned are now moving on with those developments. A lot of work is being done. I think about 31 of the 32 councils have been allocated funding in this latest round. They have not all accepted it yet, but I am sure they will.

Mr HOBBS: Minister, I too support the program. I think it is a wonderful program. It does help local authorities. But how can you say you have \$50 million in there? You have already put \$40 million up mid-year and you have spent it all. It is a bit rich to say that you are providing \$50 million over four years when in fact it is all allocated. Are you saying that some of this funding will not be allocated until the four-year program is completed?

Mrs NITA CUNNINGHAM: All of these funds are reliant on the councils themselves. For some of those councils that applied for funding, their plans are only in the very early stages. So it is likely to be 12 months before they even get started, and it could be two to three years before it

gets under way. What we find with all of these funding programs is that it takes some considerable time for all of the money to be used up. It is there. The faster the councils get the work done, the faster they will get the money.

Mr HOBBS: I refer to expenditure on local government infrastructure and facilities projects and note that the Department of the Premier and Cabinet received \$4 million for the Cairns Esplanade and that the Department of Public Works and the Department of Housing received two amounts totalling \$8 million for the Beef Expo in Rockhampton. Minister, why are you taking grant money away from local government and funding commitments for other ministers?

Mrs NITA CUNNINGHAM: For other ministers? I think it is going to local government. Which page are you reading from?

Mr HOBBS: I am referring to question on notice No. 908, which you have previously answered, and I refer to the allocation to the Department of Public Works. Normally the allocations go to local governments, but you have given the Department of Public Works an allocation of \$4.2 million and a further allocation of \$3.8 million, as well as an allocation of \$4 million to the Department of the Premier and Cabinet.

Mrs NITA CUNNINGHAM: I will deal with these individually. You referred to the Beef Expo project. That involved the development of an international exhibition complex in Rockhampton to enable Rockhampton to host the Beef Expo from 26 April to 4 May this year as well as other public events. It was a major development for Rockhampton. Whether the funds went through the council or not is immaterial. It is a development in the centre of Rockhampton. That is what the project is all about.

The CHAIR: The time allocated for questions by non-government members has expired.

Mrs CHRISTINE SCOTT: Minister, with reference to the question on notice about councils' IPA plans, could you further detail what it means if councils do not reach their revised deadlines?

Mrs NITA CUNNINGHAM: When the Integrated Planning Act commenced in 1998, it provided for the continuation of all current planning schemes in operation. The act characterised these plans as transitional planning schemes and local governments were required to replace those plans with a new compliant plan within five years of the act commencing. If new plans were not in place by the deadline, which at that stage was 30 March, the transitional plans would lapse and those affected local governments would be without local planning controls for managing development in their areas.

The five-year transition arrangements were negotiated and agreed with local government at the time the act was prepared in 1998. Only a handful of local governments met that deadline, even though it had been agreed. To avoid leaving those local governments without local planning controls, I reluctantly agreed to an extension of that deadline to 30 June 2004. So there was a 15-month extension. If the revised deadline is not met, any remaining transitional plans will lapse and the affected local governments will be without local planning controls.

However, local governments have not been left to their own devices. Departmental officers have proactively engaged local governments and state agencies to assist in the completion of this very complex task through the provision of technical advice and whole-of-government input to planning schemes. These actions have included workshops, meetings, production of a template and the ongoing publication of plan making advice through regularly published newsletters. So the department is helping all we can to get these councils' plans through.

In 2002-03 the department's regional teams also conducted a series of training and information sessions for clients and stakeholders. The south-east Queensland planning division facilitated and delivered 16 workshops and training sessions, and promoted best practice in the operation of IPA.

I have two main options available for dealing with the problems local government will have created for their communities if those plans are not finished. Firstly, I may further extend the lapsing date beyond 30 June 2004 either generally or for specific local governments, depending on their particular circumstances. However, I am reluctant to continue doing this, particularly as I have already extended the date once and my department has been working so very closely with councils to try to get the work done. Secondly, I could exercise reserve powers available in the Integrated Planning Act to direct a local government to complete that scheme. If I consider it necessary to give that direction, I may specify a time and from there on in the department can finish that plan off for the relevant council.

Ms MOLLOY: Minister, there has been a great deal of public discussion regarding saving green space and good agricultural land in south-east Queensland. Can you explain the role of councils through their IPA schemes regarding these issues and what the government's role is through the SEQROC process as mentioned on page 17 of the MPS?

Mrs NITA CUNNINGHAM: All councils in south-east Queensland are responsible for planning for green space and good agricultural land protection as part of the preparation of their IPA plans. These two issues are included under the act as core matters and valuable features which must be addressed in IPA planning schemes. Councils can address these issues in ways appropriate to their own particular local circumstances, but in doing so need to take account of relevant state planning policies. My department released an SPP entitled 'Development and Conservation of Agricultural Land' in December 1992. That has been in place through successive governments and it has provided very good advice to councils. SEQ 2021 is a regional planning project for south-east Queensland and it is working along similar lines.

Guidelines to assist with the protection of regional landscape and green open space values have been prepared by the SEQ Regional Landscape Strategy Advisory Committee, which is a subcommittee of SEQ 2021, and circulated to councils for use in preparing those planning schemes. So it is really up to the councils themselves to make sure that they are abiding by those guidelines when they are putting their IPA plans together, and when they come in for state interest checks then the relevant departments will ensure that they have been taken into account.

Ms PHILLIPS: Can the minister explain why there is an increased budget for advertising for the 2003 financial year for Local Government and Planning?

Mrs NITA CUNNINGHAM: All advertising that my department undertakes is governed closely by the Queensland government advertising guidelines. In 2002-03 my department's expenditure for advertising was \$88,434 and that was made up of \$31,790 for recruitment, \$26,160 for public notices and tenders, and \$28,566 for fire safety education campaigns. That campaign was undertaken to support the changes to the fire safety laws for budget accommodation as a response to the tragic fire that we all heard about in Childers. The advertising campaign following that was a major success, with 25 seminars held across Queensland and a total of 970 people attending the seminars. So the advertising was to advise people that that was happening.

The 2003-04 estimate for advertising is \$120,000. This estimated increase of around \$32,000 over the previous year is mainly due to my department's planned heavy policy and legislative workload for 2003-04 and our commitment to communicating, engaging and educating the community, stakeholders and clients regarding new policies.

A major legislative change my department will need to support in the coming financial year with advertising is the proposed amendments to swimming pool legislation. Toddler drownings in private swimming pools is the most common single cause of death for Queensland children aged one to four years, taking more toddler lives than pedestrian deaths, motor vehicle deaths and medical causes. Every pool toddler drowning is a tragedy, and I am committed to ensuring that pool safety legislation is as effective as possible.

A fundamental part of the proposed amendments to this legislation will include educating the community on what the new requirements are, how it affects them and how they can make their children safer around pools. Consultation will also have to be undertaken on the new plumbing and drainage regulations, on available funding programs for local government and continued consultation in relation to my department's regional planning projects regarding the March 2004 council elections. There is a lot of work to be done there, and that is another reason why the advertising program will be greater.

On top of those major policy and legislative advertising campaigns, my department will continue to advertise in 2003-04 for operational and statutory purposes such as recruitment, public notices and tenders.

Mrs CHRISTINE SCOTT: I refer to page 11 of the MPS under 'Recent achievements' in relation to grant and subsidy programs for 2002-03 and ask: what does the \$439 million represent?

Mrs NITA CUNNINGHAM: The \$439 million was the budget appropriation available to make grant and subsidy payments to local government. The budget appropriation is revised during the year according to expected claims from local governments. The figure of \$439 million was determined in April 2003. It was the amount of grants and subsidies the department expected to pay out to local governments by 30 June 2003 and was the latest figure available when the Ministerial Portfolio Statements were prepared.

The estimate was subsequently revised to \$440 million to include an adjustment for the Kuranda Skyrail levy licence fee and some other minor adjustments. The \$440 million includes state and Commonwealth funds. The state local government grant and subsidy programs accounted for \$165 million in 2002-03 and the Commonwealth financial assistance grant was around \$274.6 million. Payments from the NCP, the local government financial incentive package, are not included there. These are excluded because they are largely distributed on the recommendation of the Queensland Competition Authority. My department's role is basically to make the approved payments.

The \$440 million also excludes dividend and tax equivalent payments that totalled some \$800,000 from the Mount Isa Water Board reimbursed to the Mount Isa City Council. I think that the quantum of funds actually paid is largely dependent upon the claims for subsidy payments submitted by local governments. The fact that the funds paid out are less than the budget appropriation does not mean that the unpaid moneys are lost to local government. The available budget of \$446 million for 2003-04 reflects our estimate of payments for this year based on the advice provided by local governments. If the actual payments for 2003-04 turn out to be more than the available budget, the Queensland Treasury will provide the additional funds to meet the extra payments.

Ms MOLLOY: Minister, I refer you to the answer to the question on notice which gives a breakdown by state electorate of grant and subsidy funding, and I ask: which electorates fair the best out of this distribution?

Mrs NITA CUNNINGHAM: I think this actually was a question on notice from the member for Warrego. I am not quite sure what the member was hoping to find when he asked for an electorate by electorate breakdown of state grants and subsidies paid through my department in 2002-03. The grants and subsidies I administer are allocated according to guidelines which are not distinguished by political colour. The amount a council receives is largely determined by what infrastructure projects that relevant council decides to undertake. Every application is judged fairly and consistently against the guidelines. As it turns out, five of the top 10 electorates that received the most money were National Party or Independent seats. Mr Hobbs' own seat of Warrego comes in at No. 13 on that list. Of the 20 electorates which received the most, coalition, One Nation and Independent members held 10. Considering that the coalition, Independents and One Nation hold only 23 of the seats, or 26 per cent of the seats, in the Queensland parliament the local governments in their areas are doing extremely well under this state government's funding schemes administered by my department.

The Beattie government has been fair and consistent in allocating local government funding. The top 10 payments would be of interest to all members on the committee, I am sure. The top 10 payments were made to Cook, with \$13.2 million, Mount Isa \$12.7 million, Charters Towers \$9.1 million, Nicklin \$7.8 million, Rockhampton \$5.9 million, Gregory \$5.7 million, Hinchinbrook \$3.8 million, Mirani \$3.3 million, Cleveland \$3.2 million and Callide was \$3,080,000. That is a lot of money going to local governments throughout Queensland.

Ms PHILLIPS: Minister, there has been a lot of public discussion about the Commonwealth government's financial assistance grants. These are referred to on page 3 of the MPS. Can you please provide the committee with the latest information regarding the grant scheme and what impact it has on council budgets?

Mrs NITA CUNNINGHAM: I think that the member for Warrego spoke about this one earlier. It is a very important issue. In fact, I would suggest it is the most serious issue facing local government in Queensland right now so I am happy to answer some of those points again.

The Commonwealth made the adoption of the newly recommended distribution by the Queensland Local Government Grants Commission dependent on the commission finalising a review of its methodology by 31 December last year. That was a condition. The commission met that time frame and published its final report in January 2003. That review has resulted in changes to grant allocations to councils. The commission intends to conduct further research into parts of its methodology which may have an impact on individual councils' grant entitlements. The commission recommended a five year phase-in of the new methodology for two main reasons—to give affected councils sufficient time to adjust to changes in their grants and because the future research may result in further changes to those grants. I strongly supported the commission's proposal for a five-year phase-in.

The Commonwealth minister, the Hon. Wilson Tuckey, has proposed an alternative arrangement which, as I said earlier, would see many councils moving to their new entitlement in

the first year and almost all of them within three years. That is where the problem comes in for the councils. Under that proposal, 24 councils would suffer a grant reduction equivalent to more than 10 per cent of their general rates. These councils would have to increase their rates, as I said earlier, by more than 10 per cent just to compensate for this. I did say earlier that Mr Tuckey is the odd man out on this. Everyone in Queensland, from the independent Grants Commission, the Queensland government, the Local Government Association of Queensland, the Urban Local Government Association of Queensland and the shadow minister, agrees that that is the fair way to do it.

On 19 June the acting Premier wrote to the Prime Minister asking him to intervene and settle the matter by agreeing to Queensland's proposal. To my knowledge, a reply has not been received. The issue is becoming more urgent as that final grant figure has now been advised by the Commonwealth along with the expectation that the first quarterly payment to councils will be made on 15 August. This is an issue that remains unresolved. We are working on it. I will be proposing to send more correspondence to the minister in the next few days.

Mrs CHRISTINE SCOTT: Minister, further to the financial assistance grants, what role does state government play in the administration of these grants and what impact does this have on the state budget?

Mrs NITA CUNNINGHAM: Under the Commonwealth legislation governing those grants, each state is required to establish and fund a Local Government Grants Commission to recommend the distribution of the grant that I was just talking about. My department further assists the commission through providing administrative support by way of scheduling and arranging meetings, paying expenses, visiting councils, technical support by way of data collection and collation, and maintenance of statistical models. Also, all costs associated with establishing and supporting the commission are met by the state and no funds are deducted from the grant for administration purposes. It is all expense to our government.

I would also like to lay to rest the old argument that the state holds on to the grants to earn interest to pay for the cost of the commission. We have heard that many, many times. That does not happen. The state government transfers all of the grants to councils within one or two days of receiving the funds from the Commonwealth, depending on where the working days are. The full cost of running the commission is currently around \$460,000 a year and is totally paid by the state. It is easy to understand why the Commonwealth cost-shifting inquiry is only examining alleged cost shifting by the states on to the local government and is precluded from looking at how the Commonwealth shifts funds.

The issue of Commonwealth intrusion into state local government relations is further raised in the Ministerial Portfolio Statements at dot point five on page 2. So in actual fact while the state distributes the funds we are paying \$460,000 a year plus other expenses to keep that Grants Commission in place to decide the methodology. We do not get any income from the grants at all.

The CHAIR: The time allocated for questions by government members has expired. I call the member for Warrego.

Mr HOBBS: I refer again to the \$8 million paid to the Department of Public Works and the Department of Housing and the \$4 million paid to the Department of the Premier and Cabinet. I say at the outset that I am not knocking those projects. I think they are wonderful projects and those communities obviously will use them to their benefit, which is great. It is the funding procedure, Minister, that I am inquiring about. When I go through this extensive list that is here I can see that for 99 per cent of all the applications—and there are actually pages and pages of them; I have only brought a few pages with me—the funding goes to local governments for these projects. At Townsville, for instance, the \$15 million on The Strand is in there. Why is this money taken out of the grant funding and paid to and through the Department of the Premier and Cabinet and also works and housing? Why did the councils not apply for the money? Why did it not go through the councils?

Mrs NITA CUNNINGHAM: In terms of eligible projects under the Regional Centres Program, with regard to the Cairns Esplanade, we put in \$4 million and the Department of the Premier and Cabinet managed the state assistance, because other state funds were also provided. It was not just money from the Regional Centres Program. This is what happens sometimes. You will find also in some of the other funding programs, such as the showgrounds improvement fund, that often money is channelled through the showground society rather than through the council, but it has to have the approval of council to do that sort of thing.

Again, the Beef Expo was an eligible project under the Regional Centres Program. We put in \$3.8 million and received budget supplementation of \$4.2 million. Project Services from the Department of Public Works managed the project on behalf of the state. It was managing the project. It was a massive project and it was probably beyond the Rockhampton council to do that.

Mr HOBBS: Minister, I still do not believe that can be the process. Basically, councils can apply for the funding and councils can manage that. Are you saying, for instance, that the Cairns City Council cannot manage a \$4 million scheme?

Mrs NITA CUNNINGHAM: No, I am not saying that at all.

Mr HOBBS: Why was it channelled through the department? Was there an application made by those councils for that funding? We are talking about \$12 million here.

Mrs NITA CUNNINGHAM: That was in the last round of funding. I would have to get that information for you. That is not in this new round. It is in the last round of funding, the initial \$50 million that was announced in 2000.

Mr HOBBS: This funding was applied in two lots—one in the year 2001-02 and this year to date in 2002-03. Some of that funding is in both years. Also, incidentally, the earthquake monitoring funding came out of local government grant money, too—the \$20,000.

Mrs NITA CUNNINGHAM: I am getting that information for you on notice.

Mr HOBBS: That is right. I will move on. There has been a lot of discussion, and you I have had some good discussion about this as well, in relation to Royal Pines. I realise that you have contacted the Royal Pines Resort in relation to the changes it is going to make to that development. You also put on some conditions that are quite appropriate. Do those conditions apply to the existing development being proposed now or only to developments in the future?

Mrs NITA CUNNINGHAM: No. That was a very complex issue, as we have spoken about before. The Royal Pines Resort did apply for extensions. That has to go through Governor in Council to get approval. The council itself has agreed with the improvements that the resort wants to undertake. There has been opposition from the community. The residents there are opposed to what the resort development is trying to do right now. I have taken it on myself really to call those people in—the ones who are unhappy about it—and talk to them about the development and listen to their concerns. At the moment, the conditions that I have applied have not been agreed to yet. However, we certainly have applied some conditions to protect those people, and that will apply to the development that they have a problem with. That is what it will apply to. I think that is the question you asked me.

Mr HOBBS: That is right.

Mrs NITA CUNNINGHAM: There is no point in putting conditions on there for future developments because there may not even be any. It applies to the development that is in vogue right now, the one that they are wanting to proceed with. But there has not been an agreement on that at this stage.

Mr HOBBS: Minister, would you envisage on those conditions that if they cannot get agreement with the residents the destruction of one of the golf courses—it is meant to be halved in size—would therefore not go ahead?

Mrs NITA CUNNINGHAM: I think that they have reached an agreement. I think the Royal Pines Resort have got very strong reasons as to why they cannot proceed with that extra part of the golf links. I think that the main issues with the residents are the height of the towers and also the maintenance sheds on the property from memory. They are the things that we are saying you have to consult and continue to consult with the people on. That will be a condition that has to be agreed to by the developer before we proceed to grant the approval for the changes.

Mr HOBBS: Minister, the important thing with this, I believe, is that under the Integrated Resort Development Act it is strange that Royal Pines got so far down the track without having to go to full consultation with the community. So you feel confident that that community will now have at least a reasonable say in the future developments of that whole complex?

Mrs NITA CUNNINGHAM: Yes. As I say, the conditions have not been agreed to. That is still in the negotiating stage, but we have met with the residents on a couple of different occasions and also with their advisers. We are trying to protect their rights, and I can understand their concerns. I think that we have gone out of our way to try to accommodate those concerns, because under the act itself that community consultation is not required. So we have gone that extra mile to try to help those people because we understand their concerns. I feel confident that

it may not do everything that the residents would like, because a lot of people do not want anything to change. They get used to their surroundings and they want it to stay that way, and I can understand that, too. But under the requirements of the act I think we have gone the extra mile and tried to get a resolution that is going to satisfy everyone.

Mr HOBBS: Minister, I refer to page 10 of the MPS and the output statement of financial performance. I refer to the output revenue of \$4,691,000 for 2003-04 against the estimated actual 2002-03 figure of \$5,915,000. In the notes you say that this difference reflects one of carryovers to meet commitments from the previous financial year. This is a substantial amount of money. What were those carryovers and what did they relate to?

Mrs NITA CUNNINGHAM: I can give you a list of those carryovers. Lisa O'Neill is the manager of finance and she is very efficient. There was \$635,000 for the national competition policy financial incentives package; \$195,000 for the NCP business management assistance program; \$86,000 to progress the statutory review of provisions relating to directors of local government owned corporations as part of NCP; and \$311,000 for major items including \$61,000 for the development of further legislative amendments to the revenue raising powers for councils and associated training to councils on amendments, \$55,000 for the whole-of-government protocol project, \$36,000 for the system improvement program and \$23,000 for the local government information management project. So these were all issues that have carryovers. It is difficult to get the figures accurate in the MPS for the end of June when the papers are drawn up at the end of May. So we have to have carryovers. That is the only way it can be done.

Mr HOBBS: Minister, you state that you coordinate 57 whole-of-government reviews of the proposed Integrated Planning Act compliant planning schemes under preparation by local governments. With less than 12 months to go before the planning schemes are to be completed—and you state the 68 councils will struggle to meet that time frame—can you give an assurance that your department can process the balance of the local government planning schemes? Do you envisage any delays with other departments and, if so, which departments?

Mrs NITA CUNNINGHAM: I can say that it is our top priority. I think from last count we have got something like 140 staff in planning. They are all focused solely on trying to get these plans through. It is really important that councils do go the extra mile and try to get their plans finished, because they are not just holding their own councils up in terms of being left without a legal planning scheme; they are also holding up development across the state. When you talk to the development industry they want the plans finished, too. They want them all done so that everybody is working on a level playing field.

My department is heavily focused on getting those plans through. I am sure that we have brought this up with the different agencies. I do not see that there is going to be a problem there. There is going to be a problem for some councils, because we gave them another 15 months to take into account that we did not want the March 2003 deadline changed to March 2004 because that would have conflicted with the local government elections. By the time the councils go into recess over Christmas and then face elections, you are really only giving them about 11 months extension. So we put it right through to June to give them a better chance.

When you look at the progress that a lot of them are making, there is a fair number of councils that are not going to make it unless they change their pace, unless they start to speed things up. This department has done an enormous amount of work. We have put templates out now—two templates—and some people say, 'Well, why did you wait so long to put them out?' We waited so long to put them out because local government did not want them. They wanted to do their own plans individually. When they started to get behind it was clear that we had to do something. So we did put these templates out and there are a number of councils right now which are working on those templates. But we have negotiated with the other state departments and we have accelerated their process of the plans.

The department is working one-on-one with some councils to try to get them moving along. We are doing seminars. We are doing meetings with councils. There is nothing more that can be done to speed them up. It is an issue that the councils have to address themselves. Even as an example of some of the work that has been done, the department is putting out graphs for every council in Queensland to show them where they are now and where they have to be at a certain time to take into account Christmas and the council elections so that they will meet that deadline. There are still some who will not, unless they speed it up, and they are going to have to do that.

Mr HOBBS: Minister, I know that you are inviting applications for further funding for various grants and subsidy schemes. I understand that no further applications will be taken for some of

those programs as they are already fully subscribed. Even though your department requires councils to develop a forward rolling five-year annual capital works program and their borrowings and cashflows are, in large part, dependent on state government capital works and subsidy levels and, furthermore, both the current SCAP and water and waste water program, which is a 40 per cent subsidy program, are set to conclude at the end of the 2004-05 financial year, when do you intend to advise councils of the future of these two most important programs? In the interim, what subsidy levels should council officers assume for the last three years of that financial capital subsidy program?

Mrs NITA CUNNINGHAM: What I can tell you is that a number of the programs are coming to the end of their life. We are currently doing a review of all of those programs and we would hope to have some answers to those questions at the end of the year. Even though we are not calling for further rounds in some of those funding programs, a lot of them still have a lot of money in them. Councils have not completed their projects. Some of them, like the seventh round of SCAP that was announced recently, have not even started. So the money will be there for those for probably another three years to finish all of those projects.

At this stage we are doing a review on all of the funding programs. We will be looking at whether those particular programs need to continue or whether we need something new and different that might perhaps meet the needs of different councils for different reasons. I do not think it is very progressive to just keep redoing the same grants over and over and over. I think we need to have a look every now and again at what they are servicing and what we can do better. There might be a better idea that comes forward that fills a gap that nobody has noticed before. So that is why we are doing a complete review of all of those programs.

In the case of the 40 per cent and 50 per cent water and sewerage subsidies, they were introduced for 10 years and they will go until 30 June 2006. So those programs are still in place. The \$150 million Smaller Communities Assistance Program—that is, the SCAP program, which we all know is doing wonderful work right throughout the smaller communities in Queensland—will conclude about that same time. But the thing is that all of that money has been allocated now so that the councils can get on with the job of doing it, but there will be no more calling for programs for that right now. Because of that \$150 million there is still about \$60 million that has not been paid out. So we need to work down that track a little bit before we call for more.

Mr HOBBS: Thank you, Minister. That funding will run out, but councils need to know what level of subsidy they can work on for their budgets that they are doing now. There is a requirement that they put a five-year rolling program in, but the reality is that the subsidy programs finish before they can complete their five-year programs. Would it be reasonable for them to assume that there will be similar subsidy levels?

Mrs NITA CUNNINGHAM: I do not ever think that anyone can assume anything, but their five-year forward programs indicate what work they want to do. They are not budgets and they are not really budgeting the actual figures five years in advance.

Mr HOBBS: They certainly are. That is what they are for.

Mrs NITA CUNNINGHAM: I would be surprised. But, as I say, the Local Governing Bodies Capital Works Subsidy Scheme is there till 2006, so there should not be a problem.

Mr HOBBS: Well, 2005 has really finished; 2006 is when the money would run out.

Mrs NITA CUNNINGHAM: And they will still be drawing on that long after that because the programs—

Mr HOBBS: Thank you for your point, Minister, but we are talking about long-term management. We want people to have some security and some long-term planning. I guess they need some indication probably sooner than the end of the year. In fact, local government really need it now when they are doing their budgets—

Mrs NITA CUNNINGHAM: They have all finished their budgets.

Mr HOBBS: Most of them have. But they still have to have some indications in relation to where they are going in the future. Minister, you would be aware of the difficulties of the medium and large sized towns such as Bowen and Dalby in securing adequate funding under the RLIP program to complete major area improvement projects and the role that these towns play as regional service centres. Councils with populations under 15,000 but well in excess of the average rural shire are not able to access the Regional Centres Program and have to rely on the smaller RLIP programs with attendant smaller grants. These important communities are experiencing significant growth and a desire to be able to fund works of the size and scale of the councils

eligible for funding under the RCP. Are you interested in the concerns of these communities and what action do you intend to take to ensure that they receive adequate and fair assistance in the future?

Mrs NITA CUNNINGHAM: I think that they have received fair assistance in the past. The Rural Living Infrastructure Program is, as you say—has the time run out?

The CHAIR: It has, but I think the committee would be happy if you quickly answer this one.

Mrs NITA CUNNINGHAM: Thank you. When you look at the programs, the Regional Centres Program is the first time there has ever been a program in place to service those communities with more than 15,000 people. When you look at the RLIP and the SCAP funding, that has been in place for a long time. I would be happy to give you the figures. I do not think I have them here at the moment.

Mr HOBBS: It is more the gap in between the ones that cannot actually apply for it.

Mrs NITA CUNNINGHAM: We have those figures and I would be happy to get them for you to show you the amount of money that has gone per capita to the smaller councils in relation to those two programs in comparison to what has gone to the larger councils. I can understand—

Mr HOBBS: The gap in the middle is the bit we are worried about.

Mrs NITA CUNNINGHAM: You are worried about which ones?

Mr HOBBS: The ones in the middle that are not quite big enough for the 15,000 population cap.

Mrs NITA CUNNINGHAM: You have to draw the line somewhere. In the past a lot of the larger councils wanted to access SCAP funding for small communities within their large area, and that has happened over time. That is not going to happen anymore. The same thing will happen to the Regional Centres Program. That is for the larger councils. You cannot allow the smaller councils to say 'We need to access that' without allowing the opposite to occur—large councils accessing SCAP funding for small ones. I think fair is fair.

I would like to get you those figures—and I will do that—to show you the amount, because the RLIP and the SCAP have been going for a long time and the councils have accessed a lot of money through that process which the other councils have not. It is only now that the RCP has been put into place that the smaller councils have had a chance to get some sort of funding that is just uniquely for the larger councils.

The CHAIR: Order! The time allocated for questions by non-government members has expired.

Ms MOLLOY: Minister, on page 18 of the MPS there is a reference to new fire safety standards. What was done to assist owners of budget accommodation buildings to meet the 1 July 2003 deadline for the installation of smoke alarms and emergency lighting?

Mrs NITA CUNNINGHAM: The new legislation requires all budget accommodation buildings to have smoke alarms, emergency lighting and also to have a fire safety management plan in place by 1 July this year. The safety management plan is to allow people to exit safely in the case of fire. It is very, very important. It also requires those buildings to meet some structural change. Not all of them—only a small percentage—will need structural change. They may need another fire escape or another set of stairs or doors opening another way—those sorts of things. They have until 2005 to get those in place.

The surveys undertaken by the Fire and Rescue Service estimate that 70 per cent of the buildings will only need the smoke alarms, the emergency lighting and the evacuation plan. The government has developed a regulatory system that will ensure that those buildings are upgraded to the point where occupants receive early warning of a fire. That is the main thing, because most of those buildings are very old buildings and there is not a lot that can be done to save those old buildings. We could go to the extent of wanting sprinkler systems put in and all those sorts of things, which is impossible to do in some of those old buildings. However, we have just stayed with the option of giving people a chance to get out if there is a fire. That is what it is all about.

Extensive education and training programs have been under way in the past. The councils are involved to the extent that, if they have to have structural improvements, they have to have a building application—the same as anybody else—and the councils will do that. We have published a range of guidelines, case studies and advisory material. There is a CD-ROM training package containing a video of the seminar and a printable copy of the standard and all

guidelines. All those things are out there. Further seminars are being held with other boarding houses and supported accommodation owners.

Special funding was made available in 2002-03 to get that advertising out to try to help. It is a matter of saving lives. People are entitled to be able to exit safely in the case of a fire, regardless of what standard of accommodation they are living in. They have a right to do that. It is about saving lives. That was put in place and operable from 1 July this year.

Ms PHILLIPS: These new improved fire safety measures for backpacker hostels, boarding houses and other hostels that you have been discussing have drawn some criticism from councils. Can you please explain what the role of council is in regard to fire safety in the establishments and what the new measures will mean to them?

Mrs NITA CUNNINGHAM: I started talking about that a moment ago. In cases where there has to be structural change, councils do have to approve a building application for that. Where building applications are necessary to make the building safe such as a fire escape, the owner must obtain a building permit from the council. In addition, if owners are unsure as to whether their building complies with the standard, they can seek formal advice from the council.

I think there was talk that maybe the councils would be subject to litigation and extra insurance charges because they had to do this work, but when you look at the overall responsibility of councils to approve building works in their areas, councils approve around \$3 billion worth of building work in Queensland every year. The estimated cost of upgrading these budget accommodation premises over three years is estimated at \$8.32 million. That is equivalent to an annual increase in the value of their work of about one-tenth of one per cent. So I do not believe that that should entitle any insurance company to put up the premiums. That should eliminate that concern that councils had.

I believe most councils are now working along. They understand the urgency of this, the need for it. Most of the councils now can understand. They would not really want fire services to be giving building approvals. It is their responsibility to do that. I think most councils are accepting it now.

Mrs CHRISTINE SCOTT: There has been a great deal of public debate regarding regional planning. Could you detail what financial assistance the federal government provides for regional planning?

Mrs NITA CUNNINGHAM: My department has a well established and well respected regional planning program based on cooperative partnerships with key community stakeholders and local governments. There are eight regional planning projects in the state, funded and technically supported by my department, which together cover 76—as I said earlier—of the 125 local governments and 94 per cent of the state's population. These projects are under the stewardship of regional planning advisory committees which have prepared integrated regional strategies covering transport, air and water quality, efficient land resource use, conservation and environmental values, cultural development, infrastructure needs, economic development, and major regional public services and infrastructure. So they are wide-ranging planning schemes.

Every effort to engage the federal government on these projects—and in relation to some of them there is a federal government representative sitting on those committees—has met with very little success. Only the SEQ regional coordination committee has been able to achieve the attendance of a federal government representative, currently Cameron Thompson. He comes to those meetings. No direct financial assistance is being provided to specifically support these regional planning projects or to advance particular implementation tasks by federal agencies. Although the federal government does expend taxpayer funds in regions for other programs, there is nothing there for the planning. Indeed, the federal coalition government has been very reluctant to become involved in any programs that address urban and regional growth management needs throughout Australia. That is surprising, given that by far the major share of the nation's population live in towns and cities throughout the country. Also, when you look at Queensland's population, one-third of the growth in Queensland is coming directly from immigration policies.

As recently as last week at the Local Government and Planning Ministerial Council meeting that I attended in Darwin, the federal Local Government Minister, Wilson Tuckey, declined to accept the call—and there was a call—made by the states and territories, by the Australian Local Government Association and also by the capital city mayors, who strongly supported the need for a national summit, to address pressing urban and regional policy issues. I think it is very, very

important that they are brought into the system. Planning is a very big issue for the future. I believe all three governments should be pulling their weight in planning.

Ms MOLLOY: I read recently that the minister had provided \$50,000 to the Eastern Downs Regional Organisation of Councils for use this financial year. Can you detail what that money will be used for?

Mrs NITA CUNNINGHAM: I was in Toowoomba that morning when we handed them that cheque. They are a very active group of councils. They are doing very, very good work. The Eastern Downs regional land use strategy was launched back in 1996 by those councils following considerable planning and consultation by the local governments in the region, with cash and in-kind assistance from my department. The regional land use strategy took about two years to produce, which means that some of the policy positions, the growth assumptions and the community expectations on which it is based are now approaching 10 years old. The Eastern Downs Planning Advisory Committee has agreed to conduct a review of their regional land use strategy. The review is designed to be completed following the council's adoption of their IPA planning schemes so that all of the dimensions of the regional land use strategy can be adopted. There are only two or three councils in that area that are further processing their IPA plans.

It should be noted that the Eastern Downs region has parts that are experiencing major growth and land use change. It has prospering centres such as Toowoomba and also Warwick. They are experiencing growth in the area of distribution centres, service industries, national call centres, new power stations in Jondaryan and Millmerran shires and new coalmines in Rosalie and Millmerran. The area has also defied the trend of many rural and regional areas of Australia by experiencing urban growth in the shires—in their case the shires of Crows Nest, Cambooya, Jondaryan and Rosalie.

Major initiatives of the strategy such as the integrated deployment area at Charlton and Jondaryan shire are issues that they all have to look at. They have a very strong working group there. They are very keen to get moving to review their plan. As I said, it is almost 10 years old. It is time that they looked at it again. Things have changed so much in the last few years in that area. Also there are other issues that have to be looked at now like regional land use strategies and the National Action Plan for Salinity and Water Quality. These things all have to be looked at and changed. That is what the money was for. That is going to be matched dollar for dollar with the councils in that area and they are going to be working on that as of now.

The CHAIR: The committee will now adjourn for 15 minutes. The hearing will resume at 5.45 p.m. to continue the examination of the portfolio of Local Government and Planning.

Sitting suspended from 5.29 to 5.48 p.m.

The CHAIR: The Estimates Committee E hearing is now resumed. The question before the committee is that the proposed expenditure for the portfolio of the Minister for Local Government and Planning be agreed to. The next round of questions are from non-government members. I call the member for Warrego.

Mr HOBBS: Just to clarify that last question that I asked, I really support the RLIP and the RCP, but we need to recognise that councils with a population under but near 15,000 do have a problem. They fall into a gap and they tend to miss out. That is just a bit of clarification. I refer to a recent report that stated that up to 17 per cent of the final purchase price of a house is, in fact, government charges. That is a staggering amount. Have you or your department examined those figures? Do you have any idea as to what percentage may relate to local government charges?

Mrs NITA CUNNINGHAM: No, I would have no idea about that and that does not just come under our portfolio; that would be across the whole of government. I would suggest that that is a fairly hypothetical question, because you are not telling me which charges you are talking about or where in the budget report you are reading from.

Mr HOBBS: Page 18-2, 'Future Developments'. It is part of local government. You must be interested to know whether, for instance, one day someone might accuse local government of levying most of the charges. I suspect that it is probably state government charges that are principally involved and also you have the GST. Really, I think that it is an important issue to look at to see, in fact, what contribution local government makes to these excessive charges.

Mrs NITA CUNNINGHAM: Right. I thought that you were talking about the cost to housing.

Mr HOBBS: That is right.

Mrs NITA CUNNINGHAM: Where does local government come into it?

Mr HOBBS: You do all the planning for it. Local government comes under your portfolio and local government, in fact, is charging for various costs in relation to housing. For example, the Victorian government brought in legislation under the Local Government Act to regulate the amount that local governments can charge for archiving and that type of thing. So you must be interested in what the local government costs are.

Mrs NITA CUNNINGHAM: I am interested in most things that come out of local government.

Mr HOBBS: That is good.

Mrs NITA CUNNINGHAM: But I thought that you were talking about state charges with housing. But you are talking about—

Mr HOBBS: I am referring to all charges. Can I ask my question again?

The CHAIR: Yes, I would be happy for you to clarify it and I am sure that the minister would be, too.

Mr HOBBS: I refer to recent reports that up to 17 per cent of the final purchase price of a house is, in fact, government charges—all government charges. This is a staggering amount. Have you or your department examined these figures? Do you have any idea what percentage may relate to local government charges, because there is a difference. Obviously, there are state government charges, federal government charges and there are local government charges in relation to the building costs of a house.

Mrs NITA CUNNINGHAM: I think this is from a housing industry report. I do not know if those figures are accurate, whether they are accurate right across Australia, or whether they apply in Queensland. But some charges that local government apply would not reflect on housing. It would be headworks charges for water and sewerage connections to new developments, planning approval charges and the GST, of course, which is now a federal and a very significant cost component to housing. I do not know whether the Minister for Housing has done such a report or not, but certainly I will talk to him to see if he thinks that that is something that needs to be done.

Mr HOBBS: That would be good. I think that would be very interesting. Your department works in partnership with local government and peak industry bodies to improve the overall performance and capacity of the local government system to service the needs of the community. I refer to funding in your department under the National Action Plan for Salinity and Water Quality. You state that your department recognises that many local governments do not fully appreciate the importance of their role in natural resource management. Can you advise the committee how your department came to that conclusion?

Mrs NITA CUNNINGHAM: I think that that is probably a conclusion similar to what you were just talking about from the HIA. I think that that is an issue that the department feels strongly about. We were involved in that national action plan. We are no longer involved in that. That is now being done from the Department of Natural Resources and I think that they are doing it very, very efficiently at this stage.

Mr HOBBS: You stated in a letter that local government did not appreciate the importance of their role in natural resource management. You made this statement—and it is in writing—and you must have got to that conclusion somehow.

Mrs NITA CUNNINGHAM: Which letter are you referring to? I have been minister for two and a half years and I get about 300 letters a month. So which one are you referring to?

Mr HOBBS: I am referring to the one that you wrote to the Honourable Kev Lingard, the member for Beaudesert, in relation to the National Action Plan for Salinity and Water Quality.

Mrs NITA CUNNINGHAM: Yes. I think that we need to go back and have a look at what that was all about. The national action plan was something that my department had been working on for two years. My department concluded that the Department of Natural Resources and Mines was better placed to deliver this project as lead agency for managing the state's involvement with the national action plan and also because there was to be a considerable amount of collaboration with regional natural resource management bodies. As the Department of Natural Resources and Mines is the responsible department, the project was passed on to them and that transfer occurred before any state or Commonwealth funds were expended on the project. But I believe at the time that the LGAQ was not going to sign off on the agreement that we had there. That is why that would have been put into that letter. It might be somehow taken out of context a little bit. But because of that, we in my department did not want any conflict about it and we handed it over to Natural Resources and they are handling it from here.

Mr HOBBS: Minister, something like \$1.138 million was allocated to your department last year. That was to be matched by the Commonwealth. In the 2002-03 state funding, there was an allocation of \$421,000. So from the way I see it, you have money that was supposed to be in this budget. Are you saying that all that money from the NAP is, in fact, being transferred out to DNR?

Mrs NITA CUNNINGHAM: Yes. I will get the director-general to answer that one.

Dr Campbell: The original submission the department had for funding on the national action plan involved four separate projects, I think. Three of them were very minor, but the major project, which involved funding of a little over half a million dollars a year over three years, was capacity building in local government. The other projects stayed, but the money for that capacity building project has been transferred to DNRM. I believe that it is likely that that project will be undertaken this year.

Mr HOBBS: Of that half a million a year over three years, how much of it actually was spent on local government while you had that money?

Dr Campbell: None of that money was spent by our department. It has all been transferred back. So that half a million a year approximately over three years has all been transferred to DNRM and they will carry out the entire capacity building project with local government.

Mr HOBBS: Thanks very much for that. Minister, I refer to the issue of roads off alignment. For many years local governments across the state have been concerned about this issue. You stated last year that an intergovernmental task force had been established to address the issue. Can you advise the outcome of that task force's recommendations to date?

Mrs NITA CUNNINGHAM: Can I ask for that question to be asked again?

Mr HOBBS: I refer to the issue of roads off alignment.

Mrs NITA CUNNINGHAM: Roads?

Mr HOBBS: Roads off alignment. For many years local governments across the state have been concerned about this issue. You stated last year that an intergovernmental task force had been established to address the issue. Can you advise of the outcome of that task force's recommendations to date?

Mrs NITA CUNNINGHAM: Thank you. I am sorry that I had to ask you a second time. For several years local governments across the state have been concerned that sections of existing public roads within their jurisdictions are physically located outside the dedicated road reserve. In a number of cases, lessees of adjoining state leased land have exercised their rights and taken measures such as locking gates to prevent public access to roads. You would probably be aware of all of that.

An intergovernmental task group was established to address that issue comprising representatives from the Departments of Premier and Cabinet, Natural Resources and Mines, Main Roads, Local Government and Planning and, of course, the Local Government Association of Queensland was also represented. The Department of Premier and Cabinet coordinated that task group in order to consider options available to local and state road network owners and to determine a strategic response. As part of the task group, the Department of NRM proposed a system using administrative plans to record the actual road alignments on leasehold plans for adjoining state leased land. This proposal was raised with the LGAQ for consultation with affected local governments.

It is understood that DNR and Mines has not received a response from the LGAQ on that proposal to use administrative plans to rectify that issue. So at the moment, that would be in their court. But the issue of off-alignment roads in rural areas has arisen where the road has been located on adjoining land, which is state land, subject to pastoral leases. Approximately two-thirds of the pastoral leases will be renegotiated by the Department of Natural Resources between 2004 and 2006. So during that period, existing road alignments can be surveyed and accurately recorded. That might eliminate a lot of the problem that has been there.

We believe that the use of administrative plans is substantially cheaper than the normal costs associated with changing title plans. That is the sort of thing that is happening at the moment. It is really back in the court of the LGAQ, I believe, to answer that. It may be holding off on that because of the fact that those lands are going to be resurveyed. It might be just holding back because of that.

Mr HOBBS: Minister, I refer to the government urban water supply assistance scheme. As you would be aware, two-thirds of Queensland is drought declared by the state government. No

doubt during the spring and summer months more pressure will be placed on community urban water supplies. Has your department done any estimate of Queensland communities' urban water needs, consumption and adequacy of supply during one in 20-year or one in 100-year drought events? Obviously some funds have been provided to councils to cart water and get water for their communities. Has there been any proactive work done in relation to looking at those future events?

Mrs NITA CUNNINGHAM: There is a lot of work being done by DNR on that. The Department of Local Government and Planning has the Drought Stricken Local Government Urban Water Supply Assistance Scheme in place. We have also had a drought urban water supply task force in place since last Christmas. We have been meeting about this very problem. I think the last meeting was only about two weeks ago.

We are currently providing emergency funding for water supplies to eight different shires in Queensland. The task force is between DNR and local government. DNR does the studies and the figures that you are talking about; our department does the funding of support to local governments through the Drought Stricken Local Government Urban Water Supply Assistance Scheme. We are helping those councils and we help them substantially. In fact, I think from memory they get up to 75 per cent of the money refunded for transporting water when they are right out of it.

There are a number of councils in Queensland—DNR is keeping records of this—that, if they do not change their usage of water, will run out of water in September or October. There are figures right through to June of next year showing where all of the different councils are situated. It is quite a concern to everybody that one of those councils gave figures to say that it would be out of water by September, which was only two months away, while it was still allowing sprinkling six days a week.

There is a lot of responsibility there for councils. Some of them do not want to put restrictions on because of the opposition of the community. In a lot of cases it will have to be done because we cannot have councils running out of water for urban supplies. At the moment we are supporting eight different councils with transporting water in. I am quite sure that all of the figures you are looking for could be obtained from DNR, because it keeps very accurate figures of that sort of thing.

Mr HOBBS: Thanks, Minister. Minister, how many internal audits were conducted by the department's internal audit unit in 2002-03? What were the findings of those audits?

Mrs NITA CUNNINGHAM: Internal audits?

Mr HOBBS: The department's internal audits.

Mrs NITA CUNNINGHAM: I do not have that information with me. We will take that on notice.

Mr HOBBS: That is fine. Thanks for that. Minister, under 'Future Developments' you say that you will be commencing a review of electoral procedures of the Local Government Act following the March 2004 elections. Have any matters been brought to your attention that will be included in this review? Are there any glaring examples of things you would like to see changed? Do you think the use of postal votes is suitable for local government elections?

Mrs NITA CUNNINGHAM: The review you are talking about, I believe, is the review that the Electoral Commission is undertaking in relation to the 2004 elections. There was a lot of talk a while back that the Queensland Electoral Commission should conduct all local government elections, the same as it does state elections. I think there was a lot of opposition to that. What is going to happen now is that it will be doing the review. That will be centred on six different local government electorates at the 2004 elections. It is anticipated that a process similar to the previous reviews will be implemented.

My department will consult with local governments regarding any procedural issues encountered during the 2004 elections. This is apart from the review you are talking about. This is the work the department will be doing. A discussion paper covering the issues raised will be released. We did that following the last council elections, too. I think we do it after each election. Following the consultation period the department will then prepare a report assessing and making recommendations on issues. This time around there are a number of issues that could be raised. I think the review will consider issues raised since the 2000 elections, including the role of the commission in the conduct of the elections. I think that is the review that is being undertaken. The question you were asking—

Mr HOBBS: What about the use of postal votes?

Mrs NITA CUNNINGHAM: There are a number of councils that have applied for that sort of thing. The criteria for the consideration of the Governor in Council to allow that to happen are as follows: the area of the local government, the number of its electors, the number of its electoral divisions, if any, and the number of premises suitable for polling booths. There have been a few applications this year to do that.

Another thing that would have to be done is a comparison with other local governments already approved to use postal ballots. For the March 2000 local government elections 55 councils used postal ballots in the whole of their areas and nine used postal ballots in the rural area—if they had a very large rural area. Details have to be given of what percentage of the local government area is classified as rural, cost comparisons between ordinary and postal ballots, any community consultation that has been conducted by the local government to see if that is what the community wants, and the meaning of 'large rural sector' and whether this applies to the applicant. All of these things have to be gone through before the individual decision is made on whether a council should be allowed to have postal ballots.

The CHAIR: The time allocated for questions by non-government members has expired.

Ms PHILLIPS: Minister, can you inform the committee of the current state of progress of the South-East Queensland 2021 comprehensive review, as identified on page 17 of the MPS?

Mrs NITA CUNNINGHAM: On 25 September 2001 I launched a new phase of regional planning for south-east Queensland called SEQ 2021—A Sustainable Future. It will involve a comprehensive review of all of the South-East Queensland 2001 policy directions and implementation arrangements and will result in a new 20-year regional plan by 2004. Work on SEQ 2021 is proceeding through 11 policy working groups. I think I mentioned these earlier. I launched those at lunchtime today in the parliament. Those groups have recently prepared discussion papers on issues and options covering a range of critical issues relating to regional growth management and sustainable development.

The south-east corner is probably the fastest growing area of the whole state. There is a lot of planning needed to meet future demands. Activities that are being undertaken include progressing the South-East Queensland Quest regional sustainability model—that is an integrated regional modelling framework; that is being done in this area to assess a range of future development scenarios—assessment of the future implications of settlement patterns proposed by councils in their new IPA planning schemes and the development of options for future regional management. They are all things that are being addressed by SEQ 2021.

At the RCC meeting in April 2003 those 11 discussion papers were endorsed. They cover a wide variety of different sections. As I have just said, those papers were all launched today. The budget for SEQ 2021 is \$3 million over three to four years, with the state and local governments funding this work on a 50-50 basis. The project first commenced in 2001 and state contributions for funding and council contributions commenced in 2001-02. It is a very important part of the population growth in the south-east corner.

The 11 different options and issues papers covered Aboriginal and Torres Strait Islander peoples' arts and cultural development, centres and residential development, economic development, information and communication technologies, energy and greenhouse, infrastructure coordination and funding, regional landscape, social justice and human services, recreation and sport, sustainability indicators and transport. So it is wide reaching and it is covering all aspects of growth in the south-east corner and how it is going to be better managed in the future.

Mrs CHRISTINE SCOTT: Minister, there were many positive responses from councils regarding the latest round of the Regional Centres Program, as detailed in the question on notice. Can you elaborate on the impact of this program on regional Queensland communities?

Mrs NITA CUNNINGHAM: Thank you for that question. We have been talking about the Regional Centres Program a bit this afternoon. It has had a significant impact in regional Queensland by creating jobs during the construction of the projects, ongoing jobs in operation and maintenance and long-term economic and social development opportunities. The whole program is very welcome in regional Queensland.

Prior to the introduction of that program in 1999-2000 there was no specific funding assistance to address the needs of larger regional centres. The Beattie government saw this shortcoming and is addressing it. We have seen all types of projects, ranging from youth centres to libraries to central business district revitalisation. Each has catered for the particular need of that area. The feedback from councils has been overwhelming in support of the program.

Some projects have literally transformed old, tired looking business districts into beautifully landscaped environments which both welcome the locals and the ever-increasing regional tourist trade. A few examples of projects funded under that program include that of the Burnett Shire Council, which gained \$1.25 million for streetscape and foreshore works at Bargara. Johnstone Shire Council received \$1.5 million towards the first stage of an overall \$5 million project for streetscaping. Mareeba received \$1 million of a total \$2 million for its main street revitalisation project. Rockhampton City Council received \$1.7 million towards a project to revitalise the heritage listed Walter Reid building, which is its cultural centre, which I had the pleasure of opening recently.

Offers from the last \$50 million under this program—that is, the one that has recently been announced—will include \$3 million to Ipswich City Council for its CBD and River Heart project. Gladstone City Council has been offered \$1.4 million towards its CBD waterfront redevelopment. A lot of these cities and towns are now working along their rivers' foreshores. The Riverway project in Thuringowa has been offered \$4.5 million to get off the ground. I can see that the member for Thuringowa is very happy about that. Stage 2 of the Burdekin Shire Council's Ayr and Home Hill town centres revitalisation project has been offered \$1 million. It is a lot of money to offer these councils, but they are matching that dollar for dollar. I think we are seeing enormous progress in the revitalisation of our regional centres.

Ms MOLLOY: Minister, overseas travel and hospitality expenditure for a department is always carefully scrutinised. Could you please advise how your department handles both of these corporate responsibilities?

Mrs NITA CUNNINGHAM: I am delighted to answer this question. Expenditure on overseas travel and hospitality for all departments is carefully scrutinised, and my department is no exception. In fact, my department has the highest standards of accountability in place and ensures at all times that the greatest value for taxpayer dollars is achieved in terms of money spent.

On hospitality, over the last two financial years I am pleased to report that my department has had no reportable entertainment or hospitality expenses in excess of the reportable limit of \$250. Just \$1,248.75 was incurred by my department in 2002-03 and this simply provided for the provision of tea, coffee, morning tea or lunch where there was a clear work-related matter involved. In all instances, any expenditure on entertainment or hospitality meets very, very strict criteria.

For overseas travel, in 2002-03 my department had one overseas trip. The General Manager of Planning Services attended a conference on urban sustainability in London during September 2002. The general manager attended this conference while on approved long service leave so that there were no air fare costs to the department. The only costs that were met by the department relating to that were accommodation of \$327.37 and registration fees of \$1,023.06 for the conference. Certainly that is very good representation for the money.

Travel undertaken by staff of my department is approved on a business basis and must be in accordance with the department's travel policy. Attendance at an event must be necessary to progress the work of the department; skills and capacity will be developed as a result of attendance at an event; the work of the department must be promoted to key client groups or a benefit must be derived for enhancing the delivery of departmental services to the communities of Queensland. But they have to meet that criteria to be approved at all.

My department does have strict policies in place for entertainment, hospitality and travel, and I believe that the extent to which our officers have embraced the principles of accountability and value for money is commendable. I would like to take this opportunity to congratulate the officers of my department for abiding with these very strict policies.

Ms PHILLIPS: Minister, I would like now to move to the new building codes that have been introduced. In regard to these building codes, can you please detail what the government has done to make Queensland homes more energy efficient?

Mrs NITA CUNNINGHAM: On 1 September 2003 a new building standard will be adopted which will require all new houses being built in Queensland to be energy efficient. The new standard is consistent with the National Greenhouse Strategy that was endorsed by Queensland in October 1998. The purpose of the standard is to reduce greenhouse gas emissions by efficiently using energy in new dwellings. The focus will be to eliminate worst practice as a first step towards better housing design.

The standard will achieve this by including for each of the four climatic zones in Queensland requirements for roof and wall insulation, eaves or equivalent shading to glazed windows and doors facing the sun, high-performing windows where there is a very high percentage of glazing in walls, and an increase in the natural ventilation of spaces. There will be many arguments for increasing the complexity and extent of those provisions. While this would lead to a more technically perfect solution, it would be at a significant increase in the cost of housing and would alienate the housing industry and cause home buyers to question the benefits gained for perhaps only a marginal improvement in greenhouse performance. So there is an argument there and a balance that has to be met.

Over the last 12 months the department has consulted extensively with stakeholders over the proposed adoption of the Building Code of Australia. Most stakeholders support the standards with four concessions for Queensland's housing that relate just to Queensland. The first involves a concession for single-skin masonry—or concrete block—external walls for two-storey houses, which is a common form of construction in north Queensland. The second involves reducing the insulation requirement for external walls. The third corrects an inconsistency between climate zones, and the fourth removes a concession that is already in Australian codes that required energy efficient hot water heaters. So we have removed that one in relation to Queensland.

The national standard will deliver a number of benefits through improving the energy efficiency performance of Queensland homes. The new standard will result in reduced demand for electricity for cooling and heating, lower energy bills and reduced greenhouse gas emissions, and houses will also be more comfortable to live in regardless of the season. So these are the things that we are doing.

The adoption of this standard is a first step to improving the energy efficiency of houses in Queensland, and the government intends to further raise the bar in regard to the standard progressively in conjunction with industry and the community in future years. So we will keep working on that to make it even better but always keeping in mind that it must be affordable.

Mrs CHRISTINE SCOTT: Minister, I note on page 7 of the MPS that the necessary preparatory work has been undertaken for the March 2004 local government elections. What is the current status of the referrals for changes to local government electoral arrangements?

Mrs NITA CUNNINGHAM: The Electoral Commissioner has been constituted as the Local Government Electoral and Boundaries Review Commission to determine all 29 references relating to changes in the electoral arrangements for councils—that is, the 27 references that I referred in March 2003, the additional automatic reference as a result of the delayed implementation decision that affects the external boundary between Noosa and Maroochy shires, and the second Bowen reference. So 29 references have been made now.

Three proposals were rejected by the review commission and no further action is required. These were the references for voluntary changes to electoral arrangements to remove divisions or redivide divisions in the shires of Banana, Bowen and Waggamba. Preliminary determinations for all remaining references, other than the second Bowen reference, have been published as part of the statutory consultation process. Under this step, the review commission advertises the proposed changes to electoral arrangements for public comment. Final determinations have since been gazetted in respect of 24 references, and the review commission is currently considering the submissions received prior to issuing a final determination in respect of the Maroochy reference.

Following the determination of the review commission not to proceed with the applications submitted by the Bowen Shire Council, which was wanting to abolish its internal boundaries, the council submitted a further request seeking a change in its internal boundaries by amalgamating divisions 1 and 2 and leaving the existing division 3 as a separate division. This is the second application from Bowen. The proposal made no request for any alteration to the number of councillors representing the shire, but I have now referred that to the Electoral Commissioner. That was not referred until 1 July. I have told Bowen Shire Council that it is very late and it may not be possible to do that before the March 2004 elections, but I was prepared to pass that second request on to the Electoral Commissioner. That is all being done right now. Certainly there is a lot of work being done in the run-up to the 2004 elections.

Ms MOLLOY: Further to the points that you have already just made, Minister, what is the Councillors as Leaders in Local Communities course?

Mrs NITA CUNNINGHAM: The Councillors as Leaders in Local Communities course is Australia's first and only tertiary program for prospective councillors. The course was designed by

my department to provide those persons who are considering nominating for local government office with an understanding of the roles and responsibilities of elected councillors. That course is also available to new staff joining councils, and it is very worth while to give everyone a basic knowledge of what local government is all about.

The course was made available for the first time in October 1999, just six months before the 2000 local government elections, and approximately 75 people enrolled in it. The course was offered through the Open Learning Institute of TAFE by Distance Education and could be studied either as a stand-alone unit or count as credits towards a TAFE diploma course.

As accreditation for the course expired in mid-2002, the department engaged the Open Learning Institute of TAFE in July 2002 to redevelop and reaccredit the course. It comprises modules on the legislative framework within which local governments operate, the roles and responsibilities of councillors, corporate and financial management, leadership and community engagement, and the interpersonal, negotiation and communication skills which are required to be an effective councillor.

To date, more than 110 people have enrolled in the course and a number have already completed their assessment requirements. I believe it is very important for anyone considering standing for council to complete this course. I believe the cost is \$150. In the first three years of the current term of local government there were some 70 vacancies. They have to be filled at a considerable cost to the council and to the community. In some of those cases the councillor or the mayor at the time has died in office or has had to leave office because they are very ill. They sometimes move away from the area and therefore are not eligible to be councillors anymore.

There are a lot of reasons why vacancies occur, but a lot of those 70 vacancies have occurred because councillors have found that they could not cope with the workload. It interfered with their personal or business life. By doing this course up front, potential candidates get a better idea of what it is all about. They can better gauge whether they can do that job or not before they nominate, and I am hoping that by making this available it will cut back on some vacancies that occur mid-term and have to be filled at a high cost.

Ms PHILLIPS: With the upcoming council elections, can the minister detail any new developments and what role the Electoral Commission of Queensland will play?

Mrs NITA CUNNINGHAM: I think we touched on this earlier. The department will carry out a review of the legislative framework to deal with any issues or problems that arise during the 2004 elections. In addition to any specific issues that may arise, the review will further consider the role of the Electoral Commission of Queensland in the conduct of local government elections.

Under the current legislation, the Electoral Commission of Queensland has no role in running local government elections, except in the case of Brisbane City Council, where a provision is made in the City of Brisbane Act for the commission and the council to enter into an agreement if they so wish for the commission to take over responsibility for running the council elections.

That was an agreement that was entered into for the 2000 elections. A discussion paper released after the 2000 elections indicated the then Electoral Commissioner's preference for an approach based on the South Australian model if it was considered appropriate for the commission to take on a greater role. That approach would mean the electoral commission would take full responsibility for the conduct of all local government elections with scope to delegate to a returning officer if necessary. These are the things that will be looked at through the review.

The CHAIR: The time allocated for questions by government members has expired. I call the member for Warrego.

Mr HOBBS: Minister, I refer to your answer to my question a while ago in relation to the National Action Plan on Salinity. You said that this overall \$3 million program, half Commonwealth and half state, has now been transferred out of your department into the Department of Natural Resources. Has this been done as a result of your unprecedented attack on the local government association, where it got to a stage where even the president of the Local Government Association had to write to you. He said something along the lines that you were being malicious, venal and that the information you said was palpably untrue. Will local government lose out on this? Have you denied local government a genuine look at salinity and water quality in Queensland?

Mrs NITA CUNNINGHAM: No. We have not denied anything to local government. I am disappointed that you would read that defamatory statement out again. You have done it in

parliament once before so that it is there forever in *Hansard*. There was no requirement for the president of the LGAQ to write that letter and there was no justification for it.

Mr HOBBS: You have lost the program, Minister.

Mrs NITA CUNNINGHAM: I am very disappointed that you have used this forum today to once again read out those defamatory remarks under the protection of *Hansard*. I think what I have said to you on other occasions is that the national action plan was a project that my department was very interested in. They had worked on it for two years. The LGAQ would not agree to the way that it was being put together. That is something that the LGAQ should answer, not me. However, rather than impact on our local governments, rather than cause any problem whatsoever, we handed that to Natural Resources so they could get on with the job and our councils could get on with their job without that sort of interference. That is what it was all about. It did not impact adversely on councils. It did not impact adversely on the government or anybody else. It was quite an agreeable situation. Natural Resources and Mines is probably the more appropriate department to handle it.

It was a project that personnel in my department had taken on. They were very keen to go with it. The only thing is when you are accepting Commonwealth funds you have to keep to a set of criteria. No department, particularly not this department, is going to work along a framework that makes it impossible to meet the criteria that is attached to the funding.

Mr HOBBS: Minister, I will put it to you that the funding was taken from you because you could not work with local government on this particular issue. That is the issue the way I understand it.

Mrs NITA CUNNINGHAM: You can put any slant—

Mr HOBBS: I think what we have done now—

The CHAIR: Order! The member for Warrego will ask the question—

Mr HOBBS: I am asking the question.

The CHAIR: Please ask the question. Keep your opinions out of the questions, please.

Mr HOBBS: What has happened now is that that money has been lost. That money is not going to local government at all. It has gone to another department. We are talking about nearly \$3 million that has been taken from your department because of your actions. We know why it happened so let us move on from there. What we have to do now is look to see how local government is going to pick up that ground, how are we going to get that funding to be able to look at water quality—

The CHAIR: The member for Warrego has asked his question. He will allow the minister to answer.

Mrs NITA CUNNINGHAM: I think you have asked me about half a dozen different questions there.

Mr HOBBS: It is one issue.

Mrs NITA CUNNINGHAM: I would have appreciated them one at a time so that I could have answered them properly. No money has been taken from local government. That funding was made available by the Commonwealth and that was to go to national action plan groups, a small proportion of which is local government. Those funds are still going to those groups. There is nothing different. If the LGAQ cannot make an agreement with NRM to give them a bucket of money out of it, that is for them to negotiate with Natural Resources. It has no impact on this department whatsoever. We have handed that over. It was not taken from us, as you would like to say. We handed it to Natural Resources so that they could deal with it. You can put whatever slant you want on it but you are not right.

Mr HOBBS: I am not sure about that. Anyway, I will move on. Minister, your department works in partnership with local government and peak industry bodies to improve the overall performance and the capacity of the local government system to service the needs of the community. In your 'Minister's message' in the June/July *Council Leader* you state—

Looking to the future there has been much speculation about the possible shape and direction of local government in the future. Some suggestions even include bigger councils.

What is your view on bigger councils? What advice do you have for councils on this matter?

Mrs NITA CUNNINGHAM: What is my opinion of larger councils?

Mr HOBBS: Yes. In your 'Minister's message' in the *Council Leader* you state—

Looking to the future there has been much speculation about the possible shape and direction of local government in the future. Some suggestions even include bigger councils.

They are your words. What is your view on those bigger councils that you talked about? What advice do you have for councils on that particular issue?

Mrs NITA CUNNINGHAM: I think that you might be alluding to amalgamations there.

Mr HOBBS: Minister, you made the statement. I am asking you what you meant.

Mrs NITA CUNNINGHAM: I think what I was talking about there, if you take it in the total context, was the Commonwealth cost-shifting exercise and the roles of local government. What we were aiming at was that the role of local government is being reviewed federally in terms of what they should be doing, what they should not be doing, whether the councils should be larger, whether they should be smaller. These are all things that are coming out in the cost-shifting exercise that the federal government is going on with.

When you talk about larger councils, I think that there is a lot of talk not just throughout Queensland—last Tuesday we heard it in Darwin from a number of different states—amongst councils about whether there should be amalgamations or whether there should not. I have to say categorically that this government has a very firm policy that they will not implement amalgamations unless the relevant councils agree. I have said recently that that is the situation. That is how it is. However, there is a lot of talk going on about amalgamations. It is happening in my own area of Bundaberg and Burnett. They are talking about it in the areas of Maryborough and Hervey Bay, around Woocoo and Tiaro and around Dalby. Mention of it is being made in a lot of areas of Queensland and a lot of areas right throughout Australia at the moment.

I believe this is a major issue that affects the whole community. I think that councils have to decide whether they want to amalgamate or not. I think it is very important, with new councils coming in in March next year. I think they should go into office knowing that this is an issue that needs to be discussed, not just within the council but within the whole community, just the same as when they form IPA planning schemes. They open it up for public consultation. That is the way things are done these days. I think that councils going into office next March should go in with an open mind, have a look at the issues, have a look at the benefits, have a look at the problems that would come out of it and open it up for public consultation so that people can have a say on whether they want it or whether they do not.

It is a big issue. I know the last time it occurred in Queensland between 1991 and 1994 it went on for three years. There were three different lots of inquiries, but they were done publicly and people had an opportunity to have a say. There are some people throughout the communities who have very strong feelings for and some who have very strong feelings against. I just think they should be given the opportunity to have a say.

Mr HOBBS: Minister, you also stated that local government may become more involved in commercialised ventures as well as having a greater involvement in revenue generation. What type of commercialised ventures and revenue generation were you referring to?

Mrs NITA CUNNINGHAM: I was generalising, because there are a lot of different things that councils can look at, and are looking at, right now. If you look at larger councils, you will see a lot of them are involved in commercial activities.

Mr HOBBS: What types of things?

Mrs NITA CUNNINGHAM: Even the sale of gravel and things like that from their quarries—those sorts of things are happening all the time. There are joint ventures between councils and commercial users. Those sorts of things are happening. They have not happened a lot in the past but they will happen a lot in the future. That is what is happening in local government everywhere.

Mr HOBBS: Minister, you referred to only a couple of points there, but I will move on. You also state in the same article that councils may become more involved in community policing and economic development. What sort of a model for community policing has been raised with you that has prompted you to state that?

Mrs NITA CUNNINGHAM: That is not in the budget documents, is it? That is a report—

Mr HOBBS: It is a terribly important part of it. It is all part of the overall operation of local government and the funding of it. That is what you are here for.

Mrs NITA CUNNINGHAM: What is the name of that publication?

Mr HOBBS: It is the *Council Leader*.

Mrs NITA CUNNINGHAM: Yes, it is a magazine.

Mr HOBBS: It is the 'Minister's message'.

Mrs NITA CUNNINGHAM: That is an article that I wrote talking about the future directions that local government might take.

Mr HOBBS: It is very important.

Mrs NITA CUNNINGHAM: Yes, it is. When you write an article like that you are floating issues there for people to take on board to discuss and to talk about in the future. That is what that is all about.

Mr HOBBS: Therefore, you are floating these ideas and they are not necessarily ones that have come to you from local government.

Mrs NITA CUNNINGHAM: I think the word 'may' is there, is it not; that these 'may' happen?

Mr HOBBS: It probably is; I am not sure. But there is a fair bit of 'may' in all of this.

The CHAIR: Order! The member for Warrego! I think the minister has answered the question. Please move on.

Mr HOBBS: Minister, you would be aware that a lot of work has been done by local government and by Professor Allan Layton, head of the School of Economics and Finance at QUT, in relation to the alternative use of the \$500 million for local government purposes in what is known as the Queensland Fuel Subsidy Scheme. In your view, would it be appropriate for local government to utilise this funding in some other way to benefit local government in Queensland?

Mrs NITA CUNNINGHAM: I think that is an issue for the Transport Minister to talk about, not local government. Have they not got a task force working on that where there are local government representatives, representatives of the LGAQ and representatives of the Transport Minister? All sorts of people are involved in that. They are working on those sort of things now. It is not a question that I would be answering for my portfolio.

Mr HOBBS: Minister, you have a representative on the committee. You are a part of it. I would have thought that somebody must report to you. Does nobody report to you on this?

Mrs NITA CUNNINGHAM: I beg your pardon.

Mr HOBBS: Somebody must be reporting to you on this matter, if you have a representative on the committee. This is an important local government issue. Obviously, that is what it is about.

Mrs NITA CUNNINGHAM: Yes, we do.

Mr HOBBS: It is directed at local government. You have a representative on the committee. You are funding someone who is on the committee. I would have thought that you would have some sort of report perhaps by the person on the committee.

Mrs NITA CUNNINGHAM: Yes, we do have a report coming in every now and again on it.

Mr HOBBS: Can you share it with us?

Mrs NITA CUNNINGHAM: It is a long-running battle. It has been out there for a long time and it is going to be out there for a lot longer.

Mr HOBBS: Can you share with the committee some of the findings, such as where we are up to now?

Mrs NITA CUNNINGHAM: I do not think so. There is nothing to report on at this stage. There is a lot of talking happening.

Mr HOBBS: What do they do—play cards? There must be something that they do?

Mrs NITA CUNNINGHAM: There is nothing to report on at this stage.

Mr HOBBS: Minister, you state under 'Future developments' that you wish to provide an efficient and cost-effective appeals process for building work applications through building and development tribunals. In a similar vein local government is finding the court based appeal process now costs many millions of dollars each year and the cost borne by the community is escalating. Has your department looked at a lower cost dispute resolution process?

Mrs NITA CUNNINGHAM: You are talking about development litigation with regards to development approval?

Mr HOBBS: That is correct.

Mrs NITA CUNNINGHAM: I think that certainly we have had requests to do something about that. My answer to that is that while councils continue to use transitional plans and plans that are outdated, and some councils are still using two and three plans from when they had amalgamations and boundary changes in 1994, they are going to be vulnerable to legal challenge.

There is certainly a cost-effective process for building work, but if you are talking about developments, the sooner those councils get their IPA plans finished and they have a modern legal planning scheme in front of them, the less litigation they are going to face. I think the tribunal that you are talking about there will be handling three new categories of appeals as a result of legislation proposed to become effective in 2003-04. Those categories are compliance with prescribed building requirements, compliance with prescribed building requirements under the child care regulation, the pastoral workers and the Plumbing and Drainage Act. But I think you are talking more about development applications, aren't you?

Mr HOBBS: I am, yes.

Mrs NITA CUNNINGHAM: We will look—and I have told councils this—very closely at that once they are all on their IPA plans, because I believe when that happens those risks that they are facing at the moment will not disappear but certainly will be less. We will look at those sorts of things then.

Mr HOBBS: Minister, I understand that other states in fact do have a low-cost resolution process. That is one avenue you could certainly look at. That is out there now.

Mrs NITA CUNNINGHAM: Yes, and we will certainly be looking at all of that when the time comes. When you look at other states you will find that in Queensland local government is more autonomous than in any other state in Australia. In terms of the old system where the Minister for Local Government rubber-stamped all of the development applications, that still applies in some areas. It does not apply in Queensland. Councils are more autonomous here. They have the right to make those decisions, but they also have the responsibility to face up to those decisions if it is not a popular decision with whoever is applying for it. We will certainly be looking at all of those things when it comes time to consider what should be done. At the moment, if you look at the councils which are facing a lot of litigation, they do not have new plans in place. They are very vulnerable.

Mr HOBBS: I refer to the rapid development of older residential areas to provide affordable housing and the increased regulations of low-cost accommodation that have been placed on local government. Local government is concerned that the affordability of housing is getting harder due to the fact that local government does not have the financial resources to keep costs down. There is a proposal by local government that they should have the ability to levy developers to create revenue to provide affordable housing, maybe through a housing trust or corporation. What research has your department done on this particular issue?

Mrs NITA CUNNINGHAM: This is being researched between my department and the Department of Housing. We are looking at developing a sustainable model for affordable housing. There was a proposal put to us by the Brisbane City Council which was declined for a number of different reasons. I will read from this document so that you get a better idea of it. Brisbane affordable housing is about the availability of affordable housing in the Brisbane area only and the rapid redevelopment of older areas, and that is what you are talking about. The increased regulation for the low-cost accommodation market has generated this need. Earlier this year Brisbane City Council requested state approval for legislative amendments to the City of Brisbane Act to provide interim legislative power to levy affordable housing contributions. I think that is what you are referring to. The state government denied that request on the basis that it was too selective in targeting one part of the community and that it could potentially create affordability problems in another sector of the market because of it.

The state government, however, has been active on affordable housing issues, particularly in the last two years. In April 2002 an intention to prepare a state planning policy on affordable housing and residential development was publicly advertised—that is the one that we are working on. At the same time, consultation on the new state housing legislation, including provision for the necessary head of power and framework supporting affordable housing, was undertaken. We are working on that, but it is still in that stage. It is a very good idea, but it has to be done properly. It cannot be done in an ad hoc way.

The CHAIR: Order! The time allocated for questions by non-government members has expired.

Mrs CHRISTINE SCOTT: Minister, I would like to move on now to page 19 of the MPS which mentions a review of swimming pool safety standards, and I ask: what steps have been taken as a result of this review?

Mrs NITA CUNNINGHAM: Following the release of a coroner's report in 2002 on the drowning of a young child in a residential swimming pool I initiated a review of the pool fencing requirements under the act concerning swimming pool safety, and that review included an investigation of local government practices concerning the administration of the act. As a result of that, I determined that a number of amendments were necessary to further improve the level of safety of children around pools. When state swimming pool fencing legislation was introduced in 1991 most existing pools were required by council by-laws to be fenced and doors and windows opening from the house into that enclosure had to be protected.

However, new pools constructed after 1991 had to have full isolation fences—four-sided isolation fences. It is important to note that since 1991 the number of drownings has decreased dramatically from 15 a year to around six to eight deaths now. But that is six to eight too many and more needs to be done. This government will take any practical steps considered necessary to protect young children from drowning and, worse still, in some cases, having brain damage for the rest of their lives because they have been trapped under the water. Recently, we tightened legislation to require that any new pool that is built has to have a fence certified and inspected before that pool can be filled. I am currently considering other changes. The ones that are being considered are to stop or cut back on the exemptions that councils have. Councils have the right at this stage and have had since 1991 to give an exemption to people so that they do not have to put fences around their pools. That has led to approximately 7,200 exemptions since 1991. So that has to be stopped.

We are looking at changing that legislation so that you can give an exemption but only in cases of a disability—that is, where somebody has to have a special gate or special access to be able to get into that pool because of a disability. Other than that, I think it is necessary to make sure that every pool built in a residential area has a fence. One of the other things we are looking at is the possibility of introducing on-the-spot fines, because councils have found it very hard to enforce the regulations. If they do go to a house and find that the fence does not comply, they have to go through the Magistrates Court. It takes a month or two months to get anything done and in that time the pool fence is not complying. So these are the things that we are looking at.

Ms MOLLOY: Minister, I note on page 11 of the MPS that there was a further \$2 million for the Security Improvement Program. Has this program been successful in increasing public safety and security in local communities?

Mrs NITA CUNNINGHAM: Yes. Subsidy offers of \$6.06 million have been made to 64 councils for 174 projects under the Security Improvement Program. Those projects are evaluated by each local government in consultation with any other organisations following the construction or the provision of those security lights. Some of the comments that come back from the councils are very interesting. The Brisbane City Council was quoted as saying that council maintenance records showed a marked decrease in vandalism and repair costs. From Burdekin it was reported that many positive comments have been received from local residents and community acceptance is high.

From Caboolture there are reports that the installation of security cameras has proven extremely effective, particularly when combined with the presence of a security guard. From Woocoo shire it has been reported that this project has been a success beyond council's expectations. From Bowen it has been reported that the overall project will provide a significant impetus to the tourism industry. From Clifton shire it is reported that the project has met desired outcomes for improved security and reduced vandalism at the park. These are the sorts of comments that are coming back from councils. It is a very worthwhile funding program. Some councils are not yet utilising this fund, and I encourage councils to put in proposals for lighting and security cameras. It is certainly a big benefit to the community.

Ms PHILLIPS: Minister, can you please tell the committee what are the objectives of the Rural Living Infrastructure Program, which we discussed earlier, and what process was followed in the allocation of the \$16 million under the current program?

Mrs NITA CUNNINGHAM: The RLIP program provides funding—and we heard about that earlier in the afternoon—to smaller local governments with less than 15,000 population to enhance the quality of life for those people who are living in smaller areas of Queensland. The program demonstrates the government's continued commitment to rural and remote communities

that are disadvantaged by their location and by their size. A total of 93 local governments and 32 Aboriginal and Islander councils are eligible to apply for funding under that program. The program assists councils to provide or improve community recreational and sporting facilities. An amount of \$16 million over four years was announced in 2000-01 to continue that program.

The first round of applications for funding from this new Rural Living Infrastructure Program commitment closed on 15 September 2000 and a total of 95 councils were offered funding totalling \$7.7 million at that time. An additional \$250,000 was taken from this funding to help the Isis Shire Council. That was for the redevelopment of the Palace Backpackers Hostel in Childers. That was in the second round of applications. A total of 93 councils were successful in that round and a subsidy of \$7.66 million was allocated for projects worth \$18.7 million. As at 30 June this year \$8.9 million has been paid to councils which had projects approved under that scheme and another \$7 million will be funded as projects are completed. Of the \$16 million allocated, only \$8.9 million of that has been used. It has been allocated, but it is again up to the councils to hurry up and get those projects finished. That is one of the programs that is going to expire and we are looking at in the review of funding programs.

Ms MOLLOY: Minister, there has been some criticism that the Rural Living Infrastructure Program is not as well resourced as the Regional Centres Program. Is that true?

Mrs NITA CUNNINGHAM: Yes, we do get criticism along those lines. That is simply because the Regional Centres Program has a larger budget than the Rural Living Infrastructure Program. But when you look at the bigger picture I do not consider the argument is sustainable. Regional significant projects are, by definition, more costly. Larger councils and their communities have not had infrastructure programs, and I think I spoke on this very issue before in answer to a question from the member for Warrego.

I did tell you, Howard, that we had those figures, so I can tell you those right now because I have them. Apart from the general subsidy scheme available to all councils such as the water and sewerage programs, funding for larger regional centres had been ad hoc before that program started in 2000. All of those other programs are available to all councils of any size. Councils have reported that the opportunity for RCP funding has brought forward many capital works projects that would otherwise have languished for years, resulting in significant social and economic costs to those communities.

Smaller communities are especially assisted through similar programs such as the RLIP and the SCAP for water and sewerage. Both of those programs have been in existence in one form or another since 1994-95, and these were the figures that we were looking for before. Some \$212 million has been allocated from the Rural Living Infrastructure Program and the Smaller Communities Assistance Program and previous equivalent programs to rural councils since 1994-95 as against \$100 million under the Regional Centres Program. On a per capita basis the Rural Living Infrastructure Program and Smaller Communities Assistance Program have provided \$470 compared with \$31 per capita under the Regional Centres Program. Those figures show that, whilst this is a new program and a lot of councils feel they are missing out, they actually are not in dollar terms.

Going back quickly to the earlier question of the member for Warrego about the eligibility of councils like Roma and Dalby for the RCP funding, at the moment the government has drawn the line—and I think I did say this—for eligibility between the Regional Centres Program and the Rural Living Infrastructure Program at a population of 15,000. No matter where you draw that line or cut-off, you will have councils that just miss out. The point that the member for Warrego made will be considered when future funding arrangements are reviewed.

Mrs CHRISTINE SCOTT: Minister, the Peak Downs Shire Council in my electorate was allocated funding in 2002-03 under the Drought Stricken Local Government Urban Water Supply Assistance Scheme. How many councils were allocated that funding in 2002-03, and are there sufficient budget funds to meet possible commitments in 2003-04?

Mrs NITA CUNNINGHAM: In 2002-03 10 councils were allocated funding under that Drought Stricken Local Government Urban Water Supply Assistance Scheme for 16 water supplementation measures. The \$450,000 shown in the 'Recent Achievements' section of the Ministerial Portfolio Statements was the value of assistance approved for emergency water supply supplementation during 2002-03 at the time the Ministerial Portfolio Statements were written. That was the figure. The actual level of assistance committed to 30 June 2003 was \$567,000. The level of funding approved is based on cost estimates prepared by local governments

themselves, and they are reviewed by DNRM. The assistance is paid to local governments progressively as the works are completed and after submitting an appropriate claim.

My department's existing budget appropriation will be used initially to meet subsidy costs if emergency water supply supplementation continues to be necessary in 2003-04. If that amount is not sufficient, Queensland Treasury will provide additional funds to meet the costs that cannot be accommodated within the overall budget of grant subsidies that are not there in the budget. So there is no problem with those in the future.

I did say earlier that there are eight councils that are currently receiving assistance and expect to continue to receive assistance in 2003-04. You may be interested to know that those councils are Boonah, Emerald, Peak Downs, Sarina, Cloncurry, Herberton, Mirani and Palm Island. They are the ones that have a real problem at the moment. There are others that could. We had a council yesterday talking to us and they anticipated having a problem in the next month or so, but while we were talking it was raining. So they were hoping that that problem was not going to be there.

Ms PHILLIPS: What benefits will be gained from the new plumbing and drainage legislation referred to on page 19 of the MPS?

Mrs NITA CUNNINGHAM: The regulatory framework for plumbing work will be greatly improved under the new legislation. The new act, with its regulations, will be proclaimed and come into force on 30 September. As I said earlier, it replaces a 54-year-old bill and brings it into the 21st century. The new act implements the outcomes of the NCP review of the Sewerage and Water Supply Act. It will provide a modern and accountable regime for plumbing work, drive improvements in industry standards, protect the public interest and ensure that the state government and local governments enforce the plumbing standards and have accountable approval processes.

Local government will need to meet performance standards in the form of deadlines for making decisions and conducting inspections. Dissatisfied applicants will have a speedy and inexpensive appeal process under the building and development tribunals. Similarly, decisions by the Plumbers and Drainers Board on licensing matters will need to meet deadlines. There will be an effective appeal process using the Commercial and Consumer Tribunal.

There is also provision for the situation of remote rural local governments where little development is occurring. Those councils often have problems getting that sort of expertise. The regulations will list specific remote local governments which will be able to decide not to inspect certain works where there is no risk to public health and safety. Where unlicensed persons undertake work requiring a plumber's or drainer's licence, either a local government or the Plumbers and Drainers Board will be able to prosecute or a local government plumbing inspector will be able to impose an on-the-spot fine.

There will be other areas of discipline there. Together, the initiatives under the new act provide for more accountable decision making by governments, applicants for plumbing approvals or licences are provided with better information about decisions, and effective appeal processes will be in place. There is a very big improvement with that new bill.

Mrs CHRISTINE SCOTT: I note on page 16 of the MPS that training is provided to users of the planning and development assessment system. What has been the focus of IPA training activities during 2002-03?

Mrs NITA CUNNINGHAM: There has been quite a lot of training being done in this field. The training focus during the past year has been directed toward IPA plan-making activities to assist local governments to meet that extended deadline of June 2004. The department's commitment to IDAS training has also been maintained through the comprehensive redesign of the IPA web and the provision of resource material and workshops.

In September 2002 a second edition of the IPA guideline on drafting planning schemes was released to again assist local governments. The guideline identifies seven outcomes for the drafting of planning schemes and provides example solutions for achieving those outcomes, including components of planning schemes and supporting documents, and two templates for a complete scheme. Those templates are planning scheme skeletons within which a local government may assert its own policy decisions applicable to its own local government area. It just forms the template to work from. The guideline has been well received. In south-east Queensland 60 per cent of the 38 local governments in this region have based their schemes on those templates.

In the last 12 months the department has also undertaken extensive consultation with a range of stakeholders, including local governments, state departments and the development industry on the revised infrastructure planning and charging framework. That is something that councils and government have been working towards for some time. That is providing numerous opportunities now for stakeholders to raise issues about the operation of the current legislation. These are all issues that are being addressed in training by the department. That will be ongoing until such time as all of those IPA plans are in place.

Ms MOLLOY: On page 16 of the MPS there is a reference to the IPA consequential legislation program. What is the consequential legislation program and what is the consequential legislative program for 2003-04?

Mrs NITA CUNNINGHAM: The consequential legislation program is a program that was put in place right back in 1998 when the IPA came into being. That was to allow different departments to bring issues in under IPA and under IDAS to create a comprehensive planning scheme that will override all of those different departments.

The consequential legislative program for 2003 will include four important integrations. They relate to the Environmental Protection Act with respect to integrating a simplifying licensing and approvals process for environmentally relevant activities; the Coastal Protection and Management and Other Legislation Amendment Act of 2001 with respect to integration of local government approvals relevant to tidal works into the IDAS; the Queensland Heritage and Other Legislation Amendment Act 2003 with respect to integrating that act's approval process with the IDAS system so that relevant heritage approvals are processed together with any other approval required under the IPA development; and the Fisheries Act with respect to integration of approvals for development in a declared fish habitat, for water barriers and for general aquaculture into the IDAS system. It will bring all of those different requirements in under IPA, and that will continue right through.

The CHAIR: The time allocated for questions by government members has expired.

Mr HOBBS: The estimates provided by the Department of Local Government and Planning show that the median age of Queenslanders in 2021 will be 40 and that 29 Queensland council areas will have a median population age of 45-plus. What action has your department taken and what budget allocations have you made to assist councils? First of all, are you aware of it? What assistance are you likely to provide then in relation to social planning to ensure that appropriate services and infrastructure are provided for the rapidly ageing population?

Mrs NITA CUNNINGHAM: It is a problem in all electorates. We do have an ageing population right throughout Queensland and Australia. As we are all getting older it is very comforting to know that people are living longer.

The department has undertaken considerable research on the demographic trends in Queensland based on the findings of that 2001 population census. That provides the basis of two major reports to be released in 2003-04. The first will be a report on recent population and housing trends in Queensland, providing an analysis of the latest demographic trends throughout the state. This report is scheduled for release on 26 October this year. Issues to be addressed will include the volatility in the components of population change with analysis of recent strong levels of interstate and overseas migration, the changing distribution of population across the state and the changing mix of new housing in the major urban areas of the state.

The second report will provide new population projections for Queensland at the local government level. This report is scheduled for release in December this year. These projections will be based on analysis of the 2001 census results combined with the latest urban development trends and major project development information for the state. That information will be disseminated by way of printed reports and electronic means via the department's web site for external clients.

Combined with changing household structures and housing preferences, it is important for both the government and business sectors to be conversant with those latest demographic trends and forecasts as they directly impact on most business decisions throughout the state. The provision of these services is seen as a core function of the department, with funding being made available from base funds. Each year the cost of these services is approximately \$840,000. The sale of material and services covers some of the costs, with approximately \$300,000 received each year in revenue.

There are a lot of users of those demographic trends and projections and the information that becomes available from that. It is available to the public, governments—state and local—and

the private sector and it is used on a daily basis. Access to the analysis and projections assists policy makers and program administrators to more efficiently determine government programs and services across-the-board.

Mr HOBBS: You stated that you have facilitated coordination of state policies impacting on local government and early resolution to the issues, particularly through the work of the Local Government Reform Committee. I refer to the transfer from fire services to Queensland local government of the responsibility for budget accommodation, and I ask: was this matter referred to the Local Government Reform Committee, as clearly it had a significant and financial impact on local government in Queensland?

Mrs NITA CUNNINGHAM: That is the fire regulations?

Mr HOBBS: Yes. You transferred across all the budget accommodation to local government and they then had to manage it and fund it and their insurances went up. Was that matter run before the Local Government Reform Committee that you have in place?

Mrs NITA CUNNINGHAM: I do not think that is the role of the reform committee. However, it was definitely consulted. Local governments were consulted on all of those issues. You are talking about the fire regulations?

Mr HOBBS: Yes.

Mrs NITA CUNNINGHAM: The fire regulations, everybody knows, were put in place to save lives and local government was supportive of that.

Mr HOBBS: They were not.

Mrs NITA CUNNINGHAM: They were concerned about the cost. They were supportive of it being done, but they were concerned about the cost that it might incur on them. I answered a question earlier about that very thing—about the amount of planning approvals. The councils thought early in the piece that they had to go out and inspect every one of these buildings. That is not right. They do not have to do that and they are only now finding out that they do not have to do it. The only role of the councils—

Mr HOBBS: Their insurance premiums went up \$20 million over 10 years.

Mrs NITA CUNNINGHAM: Unfortunately, we cannot control insurance companies.

Mr HOBBS: But you gave them that job.

Mrs NITA CUNNINGHAM: We do not know what they are charging. But I gave you the figures earlier in the hearings here of how much building approval councils undertake in one year and how much are the approval systems for the changes that are required under the fire safety regulations. It is only a pittance. I think from memory—

Mr HOBBS: Twenty million it will cost them over 10 years.

Mrs NITA CUNNINGHAM: For the insurance?

Mr HOBBS: The insurance premiums. That is right, yes. But what about the reform committee? Why would you not use the reform committee?

The CHAIR: Order! The member for Warrego will cease interjecting.

Mrs NITA CUNNINGHAM: Councils were concerned about the insurance, because they were led to believe that there was a much bigger role for councils to play in this legislation. They are finding out now that there is not. I cannot speak for the insurance company, but I know that the councils are finding out that the only time that the owners of these buildings have to go to the council is if they are making structural changes. That is, from memory, it is going to affect only about 30 per cent of the hostels. So the local governments do not have the work to do that they thought.

Mr HOBBS: But it is \$2 million a year that it is costing them extra.

Mrs NITA CUNNINGHAM: I am sorry, I could not hear you.

Mr HOBBS: Two million a year it is costing them extra. I thought that it would at least—

Mrs NITA CUNNINGHAM: What? For insurance?

Mr HOBBS: Yes, public liability.

Mrs NITA CUNNINGHAM: I think that they should go and look at their insurance company for that, because when you look at the figures—

Mr HOBBS: You do not believe it?

Mrs NITA CUNNINGHAM: I have given them to you this afternoon. There is no justification for that—none whatsoever.

Mr HOBBS: How about the reform committee? Is the reform committee not part of this process as well? Should it not have been—

Mrs NITA CUNNINGHAM: The reform committee does not consult on every issue that comes along.

Mr HOBBS: This is an important one.

Mrs NITA CUNNINGHAM: The reform committee has a different role altogether. I will ask the director-general to fill you in on that. It is a different process altogether.

Mr HOBBS: Thank you.

The CHAIR: Order! The time allotted for the consideration of the estimates for the Minister for Local Government and Planning has expired. Thank you, Minister, and your advisers for your attendance. The transcript of this part of the hearing will be available on the Hansard Internet access web site within two hours from now. That concludes the committee's consideration of the matters referred to it by the parliament on 30 April 2003. Before closing this public hearing, I would like to thank the members of the committee for their cooperation. I would also like to express my sincere thanks to Rachelle Stacey and Carolyn Heffernan, our executive assistant. Both staff have been extremely diligent and very patient and their extra assistance to me as the chair has been invaluable. I now declare the public hearing closed.

The committee adjourned at 7.17 p.m.